

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON

Killa Bees Distribution LLC, dba Killa Beez, an Oregon limited liability company; Kevin Wong, an individual v. Left Coast Financial Solutions, Inc., an Oregon corporation; Left Coast FS Holdings, Inc. dba LCFS, an Oregon corporation; Left Coast FS Rancheria, Inc., an Oregon corporation; Casey Elizabeth Nye-Herrington, an individual; Daniel Herrington, an individual; Nicholas Rupp, an individual; Dominique Villela, as an individual and in his capacity as a member, manager, or employee of Shot Ventures, LLC; Shot Ventures, LLC, an Arizona limited liability company; and Does 1 through 25

Killa Bees Distribution · No. 3:23-cv-01629-JR · Decided March 10, 2026

SUMMARY

A United States Magistrate Judge recommends granting plaintiffs’ motion for default judgment under Federal Rule of Civil Procedure 55(b)(2) against three corporate defendants that failed to appear. The recommendation concludes that the Eitel factors favor default judgment and recommends compensatory damages of \$126,994.02, while noting that statutory damages, prejudgment interest, attorney fees, and costs had not yet been established.

CASE DETAILS

COURT	United States District Court for the District of Oregon
WRITING FOR THE COURT	Jolie A. Russo
JURISDICTION	United States District Court for the District of Oregon
DECIDED	March 10, 2026
DOCKET	3:23-cv-01629-JR
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved for entry of default judgment under Federal Rule of Civil Procedure 55(b)(2) against three defendants after the Clerk entered default under Rule 55(a). The magistrate judge issued findings and a recommendation that the motion be granted.

STANDARD OF REVIEW	In deciding whether to recommend default judgment, the court applied the Ninth Circuit's seven Eitel factors: prejudice to the plaintiff; the merits of the claims; the sufficiency of the complaint; the amount at stake; the possibility of a dispute concerning material facts; whether default resulted from excusable neglect; and the policy favoring decisions on the merits.
PRECEDENTIAL VALUE	nonprecedential
PARTIES	Killa Bees Distribution LLC, dba Killa Beez, Kevin Wong v. Left Coast Financial Solutions, Inc., Left Coast FS Holdings, Inc. dba LCFS, Left Coast FS Rancheria, Inc.

TOPICS

default judgment default civil procedure breach of contract unjust enrichment

PRACTICE AREAS

civil procedure commercial litigation contracts torts remedies

QUESTIONS PRESENTED

1. Whether the Eitel factors supported entry of default judgment against the three defendants who were served but failed to appear or defend.
2. Whether plaintiffs had sufficiently pleaded claims on which they could recover for purposes of default judgment.
3. Whether compensatory damages of \$126,994.02 should be awarded and whether statutory damages, prejudgment interest, attorney fees, and costs had been established.

HOLDINGS

1. The Eitel factors favored entry of default judgment against Left Coast Financial Solutions, Inc., Left Coast FS Holdings, Inc., and Left Coast FS Rancheria, Inc.
2. The complaint sufficiently pleaded an actual controversy and valid claims on which plaintiffs could recover against the defaulted defendants.
3. The recommendation supported an award of \$126,994.02 in compensatory damages, but statutory damages, prejudgment interest, attorney fees, and costs had not yet been established.

KEY QUOTATIONS

“The Ninth Circuit has directed that the second and third factors, taken together, require the dispositive pleading to “state a claim on which the [plaintiff] may recover.”” (Page 2)

“In sum, after balancing the Eitel factors, the Court concludes that default judgment should be entered.” (Page 3)

FACTUAL BACKGROUND

Plaintiffs asserted claims against the defaulted defendants for breach of contract, breach of the covenant of good faith and fair dealing, unjust enrichment, negligence, fraudulent misrepresentation, dishonored checks, and conversion. The defendants were properly served and repeatedly notified but did not appear or otherwise defend the action. Plaintiffs sought \$126,994.02 in actual damages, plus statutory damages, prejudgment interest, attorney fees, and costs.

PROCEDURAL HISTORY

Plaintiffs filed a Third Amended Complaint asserting claims including breach of contract, breach of the covenant of good faith and fair dealing, unjust enrichment, negligence, fraudulent misrepresentation, dishonored checks, and conversion. The three targeted defendants were properly served, received repeated notice, failed to appear or defend, and had defaults entered by the Clerk. Plaintiffs then moved for default judgment, and the magistrate judge recommended entry of judgment for compensatory damages while noting that statutory damages, prejudgment interest, attorney fees, and costs had not yet been established.

DISPOSITION

other

CASES CITED

- Eitel v. McCool, 782 F.2d 1470, 1471-72 (9th Cir. 1986)
- Contractors Bonding & Ins. Co. v. Radian Constr. Corp., 2021 WL 5927682, *2 (D. Or. Nov. 29, 2021), adopted by 2021 WL 5925962 (D. Or. Dec. 15, 2021)
- Danning v. Lavine, 572 F.2d 1386, 1388 (9th Cir. 1978)

OPINION

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON KILLA BEES DISTRIBUTION LLC, dba 3:23-cv-01629-JR KILLA BEEZ, an Oregon limited liability company; KEVIN WONG, an individual, FINDINGS & Plaintiffs, RECOMMENDATION v. LEFT COAST FINANCIAL SOLUTIONS, INC., an Oregon corporation; LEFT COAST FS HOLDINGS, INC. dba LCFS, an Oregon corporation; LEFT COAST FS RANCHERIA, INC., an Oregon corporation; CASEY ELIZABETH NYE-HERRINGTON; an individual; DANIEL HERRINGTON; an individual; NICHOLAS RUPP, an individual; DOMINIQUE VILLELA, as an individual and in his capacity as a member, manager, or employee of SHOT VENTURES, LLC; SHOT VENTURES, LLC, an Arizona limited liability company; and DOES 1 through 25, Defendants.

RUSSO, Magistrate Judge: Plaintiffs, Killa Bees Distribution LLC and Kevin Wong, move for entry of default judgment pursuant to Fed. R. Civ. P. 55(b) against defendants Left Coast Financial Solutions, Inc., Left Coast FS Holdings, Inc., and Left Coast FS Rancheria, Inc. The Clerk entered

default Page 1 – FINDINGS & RECOMMENDATION against each of these defendants pursuant to Rule 55(a).

To date, despite service and repeated notice, none of these defendants have appeared or otherwise defended this action. For the reasons below, plaintiffs’ motion should be granted. The Eitel Factors. In determining whether to enter default judgment, courts in the Ninth Circuit consider the factors set forth in *Eitel v. McCool*, 782 F.2d 1470, 1471-72 (9th Cir.

1986). Each factor weighs in favor of default judgment here. (1) Plaintiffs will be prejudiced absent default judgment. “And any potential prejudice to the plaintiff favors granting a default judgment.” *Contractors Bonding & Ins. Co. v. Radian Constr. Corp.*, 2021 WL 5927682, *2 (D. Or. Nov. 29), adopted by 2021 WL 5925962 (D. Or. Dec. 15, 2021) (citation and internal quotations omitted).

(2) and (3) The second and third factors – the merits of plaintiffs’ claims and the sufficiency of plaintiffs’ complaint – also favor granting plaintiffs’ motion. The Ninth Circuit has directed that the second and third factors, taken together, require the dispositive pleading to “state a claim on which the [plaintiff] may recover.” *Danning v. Lavine*, 572 F.2d 1386, 1388 (9th Cir.

1978). Plaintiffs have sufficiently pleaded an actual controversy and stated valid claims against the defaulted defendants for breach of contract, breach of the covenant of good faith and fair dealing, unjust enrichment, negligence, fraudulent misrepresentation, dishonored checks and conversion.

(4) The fourth factor considers the sum of money at stake in this action. The damages here are neither nominal nor particularly substantial, as plaintiff seeks \$126,994.02 in actual damages, along with statutory damages, prejudgment interest, attorney fees and costs.

The Court concludes that the fourth factor is neutral. Page 2 – FINDINGS & RECOMMENDATION (5) The fifth factor considers the possibility of a dispute concerning material facts. As discussed above, the defendants were properly served but did not appear in this case.

The Court must therefore accept as true plaintiff’s well-pleaded factual allegations in the Third Amended Complaint. No contrary evidence has been presented. (6) and (7) The sixth and seventh factors favor granting plaintiffs’ motion.

The sixth factor considers whether defendants’ default was due to excusable neglect, and here the record demonstrates that defendants were served but have not appeared or otherwise indicated an intent to do so. As to the seventh factor, “default judgments are disfavored because cases should be decided on their merits whenever reasonably possible [but] the policy... favoring decisions on the merits does not weigh against default judgment because [the defendants’] failure to appear makes a decision on the merits impractical.” *Contractors Bonding & Ins.*

Co., 2021 WL 5927682 at *3 (citations and internal quotations and brackets omitted). In sum, after balancing the Eitel factors, the Court concludes that default judgment should be entered. RECOMMENDATION Plaintiffs' motion for default judgment (ECF 105) should be granted and default judgment entered against defendants Left Coast Financial Solutions, Inc., Left Coast FS Holdings, Inc., and Left Coast FS Rancheria, Inc. Fed.

R. Civ. P. 55(b)(2). The Eitel factors favor entry of a default judgment as to all three defendants awarding compensatory damages in the amount of \$126,994.02, however, statutory damages, prejudgment interest, attorney fees and costs have not yet been established. This recommendation is not an order that is immediately appealable to the Ninth Circuit Court of appeals.

Any notice of appeal pursuant to Rule 4(a)(1), Federal Rules of Appellate Procedure, Page 3 – FINDINGS & RECOMMENDATION should not be filed until entry of the district court's judgment or appealable order. The parties shall have fourteen (14) days from the date of service of a copy of this recommendation within which to file specific written objections with the court.

Thereafter, the parties shall have fourteen (14) days within which to file a response to the objections. Failure to timely file objections to any factual determination of the Magistrate Judge will be considered as a waiver of a party's right to de novo consideration of the factual issues and will constitute a waiver of a party's right to appellate review of the findings of fact in an order or judgment entered pursuant to this recommendation.

DATED this 10th day of March, 2026. _____/s_/ J_o_l_i_e_ _A_. _R_u_s_s_o_____ Jolie A. Russo United States Magistrate Judge Page 4 – FINDINGS & RECOMMENDATION