UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Just Goods, Inc. v. Just, Inc.

Just Goods · No. 18-cv-02198-WHO · Decided July 18, 2025

SUMMARY

The United States District Court for the Northern District of California continued to sanction Just, Inc. and related defendants for noncompliance with a settlement Term Sheet in the trademark dispute with Just Goods, Inc. The court imposed $82,500 in per diem sanctions through June 2025, ordered reimbursement of $40,182 in attorney fees, and required further compliance updates.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	William H. Orrick
JURISDICTION	United States District Court for the Northern District of California
DECIDED	July 18, 2025
DOCKET	18-cv-02198-WHO
DISPOSITION	other
PROCEDURAL POSTURE	Third order imposing per diem sanctions and awarding attorney fees to enforce the parties' Term Sheet and related consent judgment.
STANDARD OF REVIEW	The court exercised its discretion in determining the amount of continuing sanctions and compensatory attorney fees.
PRECEDENTIAL VALUE	unpublished, nonprecedential district court order

TOPICS

sanctions · attorney fees · civil procedure · trademark infringement · commercial litigation

PRACTICE AREAS

civil procedure · trademark law · commercial litigation · remedies

QUESTIONS PRESENTED

1. Whether defendants' continued violations of the Term Sheet warranted continued per diem sanctions.

2. What amount of per diem sanctions should be imposed for the period from January 15, 2025, through June 2025.
3. Whether Just Goods was entitled to reimbursement of outstanding attorney fees incurred in pursuing defendants' compliance.

HOLDINGS

1. Because defendants remained in violation of the Term Sheet, the court continued to impose per diem sanctions.
2. The court exercised its discretion to reduce the sanction to $15,000 per month from January 15, 2025, through June 2025, for a total of $82,500, payable in three installments.
3. Defendants were required to reimburse Just Goods $40,182 in outstanding attorney fees incurred in pursuing compliance.

KEY QUOTATIONS

> *"But defendants are without a doubt in continued violation of the Term Sheet. I therefore continue to impose sanctions."* (at 1)

> *"These additional attorney fees were "caused by [defendant's] violation of the consent judgment" and are therefore appropriately awarded as compensatory sanctions."* (at 2)

FACTUAL BACKGROUND

The parties entered into a Term Sheet nearly six years before this order. Defendants remained in violation of the Term Sheet, including alleged outstanding and new violations involving product listings and other infringing activity. Although the court found that progress had been made, it concluded that defendants had not achieved full compliance and that Just Goods continued to incur attorney fees pursuing compliance.

PROCEDURAL HISTORY

The parties previously agreed to a Term Sheet, and the court had issued earlier orders imposing per diem sanctions to obtain defendants' compliance. After the court's April 10, 2025, Further Order on the Per Diem Sanctions, both sides submitted status statements disputing whether defendants had achieved compliance. The court found continued violations, reduced the monthly sanction amount, awarded additional attorney fees, and ordered further compliance reporting.

DISPOSITION

other

CASES CITED

- General Signal Corp. v. Donallco, Inc., 787 F.2d 1376, 1380 (9th Cir. 1986)

OPINION

UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA JUST GOODS, INC., Case No. 18-cv-02198-WHO Plaintiff, THIRD ORDER ON PER DIEM v. SANCTIONS JUST, INC., et al., Re: Dkt. Nos. 237, 238 Defendants. In response to my April 10, 2025, Further Order on the Per Diem Sanctions, Dkt. No. 234, parties filed statements concerning defendants' current state of compliance with the Term Sheet the parties agreed to almost six years ago.

Eat Just Statement [Dkt. No. 237]; Just Goods, Inc. Statement [Dkt. No. 238]. They continue to disagree. Defendants contend that they have done everything "within their control" to achieve compliance—even going so far as to request that I order non-party Walmart.com to change the product listing on its website. Eat Just Statement 2–3. Just Goods, Inc. ("JGI"), on the other hand, explains not only that there is outstanding infringing activity defendants should have been able to resolve by now without blaming third parties, but also that defendants have engaged in new violations since my last Order issued.

Just Goods, Inc. Statement 1–4. Progress has generally been made since my first Order on the per diem sanctions. See Order on the Per Diem Sanctions ("February 25, 2025 Order"). But defendants are without a doubt in continued violation of the Term Sheet. I therefore continue to impose sanctions.

In my discretion, I decrease the sanction amount to $15,000.00 per month starting from the last- sanctioned date of January 15, 2025, through the month of June 2025, totaling $82,500.00. For the same reasons explained in the February 25, 2025 Order, defendants are to equally split the installments: The first installment is due October 1, 2025; the second installment is due January 1, 2026, and the final installment is due April 1, 2026.

It is my hope and expectation that defendants will attain full compliance by October. Additionally, JGI continues to spend attorney fees for the ongoing pursuit of defendants' compliance for which it must be compensated. See Just Goods, Inc. Statement 6-7. I accounted for some of the amount it now requests in my February 25, 2025 Order. See February 25, 2025 Order at 6 ("These additional attorney fees were "caused by [defendant's] violation of the consent judgment" and are therefore appropriately awarded as compensatory sanctions." (citing General Signal Corp. v. Donallco, Inc., 787 F.2d 1376, 1380 (9th Cir.

1986))). I therefore exclude them from the instant calculations. Defendants are ORDERED to reimburse JGI the remainder of its outstanding attorney fees—totaling $40,182.00. Defendants shall pay JGI's attorney fees within 30 days of this Order. Parties are also ORDERED to file another status update. Defendants shall file an update on their compliance with the Term Sheet by October 15, 2025, including an update concerning the 3 new violations raised in JGI's June 26, 2025, statement.

JGI may file a response by November 8, a 2025. 3 This is now my third Order issuing sanctions to defendants in an effort to achieve compliance with the parties’ agreement. See Dkt. Nos. 228, 234. I do not expect there to be a fourth.

IT IS SO ORDERED.

Dated: July 18, 2025 . \f

William H. Orrick

United States District Judge