

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Astral IP Enterprise Ltd. v. HorizonMatrix

Astral IP · No. 5:24-cv-07428-EJD · Decided January 14, 2026

SUMMARY

The United States District Court for the Northern District of California grants in part and denies in part Plaintiff Astral IP Enterprise Ltd.'s motion for default judgment against HorizonMatrix. The court grants judgment on the copyright infringement claim, denies judgment on the preempted California unfair competition claim, and issues a permanent injunction concerning the allegedly infringing mobile applications. The injunction does not automatically bind nonparty online platforms absent service and an opportunity to be heard under Federal Rule of Civil Procedure 65.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Edward J. Davila
JURISDICTION	United States District Court for the Northern District of California
DECIDED	January 14, 2026
DOCKET	5:24-cv-07428-EJD
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for default judgment after Defendant failed to answer or otherwise appear despite service. The Court granted default judgment on the copyright-infringement claim, denied it on the California unfair-competition claim, and issued a modified permanent injunction.
STANDARD OF REVIEW	Default judgment is committed to the district court's discretion and is evaluated under the seven Eitel factors. On default, well-pleaded factual allegations concerning liability are taken as true, but allegations relating to damages are not.
PARTIES	Astral IP Enterprise Ltd. v. HorizonMatrix

QUESTIONS PRESENTED

- Whether the Court had subject matter jurisdiction and personal jurisdiction to enter default judgment.

2. Whether the Eitel factors supported default judgment on Astral IP's copyright-infringement claim.
3. Whether Astral IP stated a claim for California unfair competition, or whether the claim was preempted by the Copyright Act and inadequately pleaded under a passing-off theory.
4. Whether Astral IP was entitled to a permanent injunction for copyright infringement.
5. Whether the requested injunction was properly limited under Federal Rule of Civil Procedure 65(d)(2), particularly as to nonparty online platforms.

HOLDINGS

1. The Court had subject matter jurisdiction over the copyright claim under 28 U.S.C. §§ 1331 and 1338, supplemental jurisdiction over the related California unfair-competition claim under 28 U.S.C. § 1367(a), and personal jurisdiction over Defendant because Defendant consented through its DMCA counter-notice.
2. The Eitel factors supported entry of default judgment against HorizonMatrix on Astral IP's copyright-infringement claim.
3. A foreign work is exempt from the Copyright Act's registration prerequisite under 17 U.S.C. § 411(a) when the work is protected under the applicable international copyright conventions.
4. Default judgment was denied on the California unfair-competition claim because the pleaded claim was based on alleged copyright infringement and was therefore generally preempted, and the complaint did not plead a viable passing-off theory.
5. Astral IP was entitled to a permanent injunction against HorizonMatrix's continuing copyright infringement.
6. The injunction could broadly require HorizonMatrix to remove its infringing applications, but it could not directly bind nonparty online platforms without compliance with Federal Rule of Civil Procedure 65(d)(2), including notice and an opportunity to be heard.

KEY QUOTATIONS

“Under U.S. law, a plaintiff bringing a claim for copyright infringement must show “(1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original.”” (at 2)

“Overall, the Eitel factors support default judgment as to Plaintiff’s copyright claim, but not its unfair competition claim.” (at 4)

“In determining whether to grant permanent injunctive relief, courts consider whether a plaintiff has demonstrated: “(1) that it has suffered an irreparable injury; (2) that remedies available at law, such as monetary damages, are inadequate to compensate for that injury; (3) that, considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and (4) that the public interest would not be disserved by a permanent injunction.”” (at 5)

“Generally, “an injunction must be narrowly tailored to remedy only the” (at 7)

FACTUAL BACKGROUND

Astral IP, a Canadian company, designed mobile applications and alleged ownership of exclusive rights in copyrighted exercise images incorporated into its "Lose Weight App for Women" application. HorizonMatrix allegedly copied those images into competing fitness applications and made them available through Google Play. After Google removed the applications in response to complaints and a DMCA takedown notice, HorizonMatrix allegedly submitted a counter-notice and continued using the images. HorizonMatrix was served but did not appear or defend the action.

PROCEDURAL HISTORY

Astral IP Enterprise Ltd. filed suit alleging copyright infringement and violation of California's unfair competition law. HorizonMatrix was served but neither answered nor appeared, and the Clerk entered default. Plaintiff then moved for default judgment. The Court decided the motion without oral argument, granted it as to copyright infringement, denied it as to unfair competition, and entered a permanent injunction with limits concerning nonparty online platforms.

DISPOSITION

other