

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
TEXAS, MCALLEN DIVISION

Roberto Saavedra Orozco v. SBX Logistics, LLC, and Armando
Santiago, Jr.

Saavedra Orozco · No. 7:24-CV-00283 · Decided March 31, 2026

SUMMARY

The court adjudicates a renewed motion for default judgment in an action alleging Fair Labor Standards Act violations and breach of contract. It denies the motion without prejudice as to Armando Santiago, Jr., because the plaintiff did not provide the required Servicemembers Civil Relief Act affidavit, but grants default judgment against SBX Logistics, LLC. The court awards unpaid wages, liquidated damages, costs, attorney’s fees, and post-judgment interest, while dismissing the overlapping breach-of-contract claim.

CASE DETAILS

COURT	United States District Court for the Southern District of Texas, McAllen Division
WRITING FOR THE COURT	Drew B. Tipton
JURISDICTION	United States District Court for the Southern District of Texas, McAllen Division
DECIDED	March 31, 2026
DOCKET	7:24-CV-00283
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for renewed default judgment after the Clerk entered default against both defendants and the Court denied his initial default-judgment motion for failure to serve it on the defendants.
STANDARD OF REVIEW	Default judgment is committed to the discretion of the district judge. The court considered whether default judgment was procedurally appropriate, whether the plaintiff stated a colorable claim, and how damages or equitable relief should be calculated.
PRECEDENTIAL VALUE	unpublished district-court memorandum opinion; persuasive but not binding precedent

PARTIES

Roberto Saavedra Orozco v. SBX Logistics, LLC, Armando Santiago, Jr.

TOPICS

default judgment

default

flsa

wage and hour

civil procedure

PRACTICE AREAS

civil procedure

employment law

wage and hour

military law

remedies

QUESTIONS PRESENTED

1. Whether default judgment against Santiago was procedurally appropriate when Orozco failed to file an affidavit concerning Santiago's military status under the Servicemembers Civil Relief Act.
2. Whether default judgment against SBX Logistics was procedurally appropriate under Federal Rule of Civil Procedure 55 and the applicable Fifth Circuit factors.
3. Whether Orozco's well-pleaded allegations stated a colorable FLSA claim for unpaid minimum and overtime wages.
4. Whether the alleged underpayment and failure to maintain adequate payment records established a willful FLSA violation permitting the three-year limitations period.
5. Whether Orozco was entitled to unpaid wages, liquidated damages, attorney's fees, costs, and post-judgment interest.
6. Whether Orozco's overlapping breach-of-contract claim should be dismissed after entry of default judgment on the FLSA claim.

HOLDINGS

1. A plaintiff seeking default judgment against a nonappearing individual defendant must file an affidavit stating whether the defendant is in military service or, if the plaintiff cannot determine that status, stating that inability. Because Orozco filed neither affidavit, default judgment against Santiago was procedurally inappropriate.
2. Default judgment against SBX Logistics was procedurally appropriate where the defendant had been properly served, failed to appear or respond, caused prejudice by halting the adversarial process, and offered no evidence of good-faith mistake, excusable neglect, or cause to set aside the default.
3. Orozco's well-pleaded allegations stated a colorable FLSA claim because they alleged an employer-employee relationship, FLSA-covered work, violations of minimum-wage and overtime requirements, and the amount of compensation due.
4. The allegations that SBX Logistics severely underpaid Orozco, paid him in cash, and failed to maintain adequate payment records established a willful FLSA violation and entitled Orozco to recover wages for three years preceding suit.

5. Orozco was entitled to \$83,282.75 in unpaid minimum and overtime wages, an equal amount in liquidated damages, \$870.20 in costs, \$11,120 in attorney's fees, and post-judgment interest.
6. The breach-of-contract claim was dismissed because Orozco represented that he would voluntarily dismiss it if default judgment was entered on the FLSA claim and the damages overlapped.

KEY QUOTATIONS

“A party is not entitled to a default judgment as a matter of right, even where the defendant is technically in default.” (at 5)

“Any doubt as to whether to enter or set aside a default judgment must be resolved in favor of the defaulting party.” (at 5)

“a drastic remedy, not favored by the Federal Rules and resorted to by courts only in extreme situations.” (at 5)

“The defendant, by his default, admits the plaintiff’s well-pleaded allegations of fact” (at 9)

FACTUAL BACKGROUND

Orozco worked for Santiago and Santiago's trucking business, SBX Logistics, beginning in 2010, performing numerous maintenance, cleaning, yard, and other odd jobs while allegedly remaining on call twenty-four hours a day. He generally worked more than forty hours per week, sometimes more than eighty, but his weekly pay declined from a promised \$150 to \$100, \$50, or nothing, and stopped entirely in January 2024. He alleged that SBX Logistics failed to pay minimum and overtime wages and failed to maintain adequate payment records.

PROCEDURAL HISTORY

Orozco filed FLSA and breach-of-contract claims on July 12, 2024. He served SBX Logistics and Santiago, neither defendant answered or appeared, and the Clerk entered default against both on November 22, 2024. The Court denied the initial default-judgment motion because it had not been served on the defendants. After service of the renewed motion, the Court denied default judgment without prejudice as to Santiago for failure to submit the Servicemembers Civil Relief Act affidavit and granted default judgment as to SBX Logistics.

DISPOSITION

other

REMAND INSTRUCTIONS

No remand. Orozco may file a renewed motion for default judgment as to Santiago by April 30, 2026.

CASES CITED

- N.Y. Life Ins. v. Brown, 84 F.3d 137, 141 (5th Cir. 1996)
- Allbrook v. Watkins, No. 4:22-CV-03907, 2023 WL 10554580, at *1 (S.D. Tex. July 11, 2023)
- Ganther v. Ingle, 75 F.3d 207, 212 (5th Cir. 1996) (per curiam)

- *Mason v. Lister*, 562 F.2d 343, 345 (5th Cir. 1977)
- *Axcess Glob. Scis., LLC v. Ozcan Grp., Inc.*, No. 4:23-CV-02704, 2024 WL 3259700, at *2 (S.D. Tex. July 1, 2024)
- *John Perez Graphics & Design, LLC v. Green Tree Inv. Grp., Inc.*, No. 3:12-CV-04194, 2013 WL 1828671, at *3 (N.D. Tex. May 1, 2013)
- *Sun Bank of Ocala v. Pelican Homestead & Sav. Ass'n*, 874 F.2d 274, 276 (5th Cir. 1989)
- *Sys. Pipe & Supply, Inc. v. M/V Viktor Kurnatovskiy*, 242 F.3d 322, 324 (5th Cir. 2001)
- *Williams v. Life Sav. & Loan*, 802 F.2d 1200, 1203 (10th Cir. 1986)
- *Shinsho Am. Corp. v. HyQuality Alloys, LLC*, 694 F. Supp. 3d 805, 816-17 (S.D. Tex. 2023)
- *Platter v. G Force Cement Works, LLC*, No. 4:19-CV-02012, 2019 WL 5748763, at *2 (S.D. Tex. Nov. 5, 2019)
- *Dillon v. Tushig, Inc.*, No. 4:24-CV-01253, 2024 WL 5294684, at *4 (S.D. Tex. Dec. 20, 2024), report and recommendation adopted, No. 4:24-CV-01253, 2024 WL 43586 (S.D. Tex. Jan. 7, 2025)
- *Palafox v. Zamudio*, No. 5:22-CV-00073, 2023 WL 5173765, at *3 (S.D. Tex. June 12, 2023), report and recommendation adopted, No. 5:22-CV-00073, 2023 WL 5628606 (S.D. Tex. Aug. 31, 2023)
- *Nishimatsu Constr. Co. v. Hous. Nat'l Bank*, 515 F.2d 1200, 1206 (5th Cir. 1975)
- *Ins. Co. of the W. v. H&G Contrs., Inc.*, No. 2:10-CV-00390, 2011 WL 4738197, at *3 (S.D. Tex. Oct. 5, 2011)
- *J&J Sports Prods., Inc. v. Guerrero*, No. 5:17-CV-00092, 2018 WL 375391, at *2 (S.D. Tex. Jan. 11, 2018)
- *Wooten v. MacDonald Transit Assocs.*, 788 F.3d 490, 498 (5th Cir. 2015)
- *United States v. Shipco Gen., Inc.*, 814 F.2d 1011, 1014 (5th Cir. 1987)
- *Steele v. Leasing Enters., Ltd.*, 826 F.3d 237, 248 (5th Cir. 2016)
- *McLaughlin v. Richland Shoe Co.*, 486 U.S. 128, 133 (1988)
- *Ramos v. Al-Bataineh*, No. 4:11-CV-00380, 2013 WL 10372446, at *5 (S.D. Tex. Nov. 1, 2013), *aff'd*, 599 F. App'x 548 (5th Cir. 2015) (per curiam)
- *White v. Patriot Erectors, LLC*, No. 1:20-CV-00884, 2023 WL 4084511, at *6 (W.D. Tex. June 20, 2023)
- *Anderson v. Mt. Clemens Pottery Co.*, 328 U.S. 680, 687 (1946)
- *Beliz v. W.H. McLeod & Sons Packing Co.*, 765 F.2d 1317, 1331 (5th Cir. 1985)
- *U.S. Dep't of Labor v. Five Star Automatic Fire Prot., LLC*, 987 F.3d 436, 445-46 (5th Cir. 2021)
- *Fairmont Specialty Ins. v. Apodaca*, 234 F. Supp. 3d 843, 855 (S.D. Tex. 2017)
- *Paisano Cap. SA de CV v. 23 Tex. Produce, Inc.*, No. 3:19-CV-00852, 2019 WL 3239152, at *5 (N.D. Tex. July 18, 2019)