

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

BASF Corporation v. Dougan

BASF Corp. v. Dougan · No. 1:24-cv-01115 JLT CDB · Decided May 7, 2025

OPINION

BASF Corporation v. Dougan

PER CURIAM.

1 2 3 4 5 6 7

8 UNITED STATES DISTRICT COURT

9 EASTERN DISTRICT OF CALIFORNIA

10 11 BASF CORPORATION, Case No. 1:24-cv-01115 JLT CDB 12 Plaintiff,

ORDER ADOPTING FINDINGS AND

13 v. RECOMMENDATIONS AND GRANTING

DEFAULT JUDGMENT

14 ISA S. DOUGAN, et al., (Docs. 14, 19, 22) 15 Defendants. 16 17 BASF Corporation brings
claims for breach of contract, unjust enrichment, and 18 declaratory relief arising out of a written
contractual agreement between Plaintiff and Defendants 19 Isa S. Dougan, individually, and doing
business as United Collision. (Doc. 1.) Defendants have 20 not entered an appearance in this
action and default was entered against them on November 13, 21 2024. (Doc. 8.) Plaintiff moved
for default judgment on January 3, 2025. (Doc. 14.) Despite being 22 served with the motion
(Doc. 20), Defendants did not oppose it. 23 On March 24, 2025, following a hearing on the default
judgment motion at which 24 Defendants failed to appear, the assigned magistrate judge issued
findings and recommendations 25 to grant default judgment on Plaintiff's breach of contract
claims, deny default judgment on 26 Plaintiff's unjust enrichment and declaratory relief claims,
and award Plaintiff \$179,895.62 in 27 liquidated damages. (See Doc. 22.) 1 service of process was
adequate (id. at 5-7). Applying the Eitel factors, the magistrate judge 2 found that possibility of
prejudice to the Plaintiff weighed in favor of granting default judgment. 3 (Id. at 7-8.) Evaluating
the sufficiency of the complaint and the likelihood of success on the 4 merits, the magistrate judge
concluded no reasonable basis existed to apply Michigan law 5 pursuant to the contract's choice-
of-law provision, and instead applied California law to the 6 dispute. (Id. at 8-9.) The magistrate
judge further found that Plaintiff sufficiently alleged both 7 Defendants breached the contract, that
Plaintiff cannot prevail on its unjust enrichment claims as 8 California law does not permit a
standalone unjust enrichment cause of action where an 9 enforceable written contract governs the
same subject matter, and that declaratory relief is not 10 warranted because Plaintiff failed to
demonstrate that declaratory relief will serve any useful 11 purpose or settle any unresolved legal

issues. (Id. at 9-11.) 12 The magistrate judge also concluded that Plaintiff sought money damages proportionate to 13 the harm caused by Defendants and no factual dispute precluded the entry of default judgment, as 14 the factual allegations are presumed true in this context and Defendant failed to move to set aside 15 the default. (Id. at 11-12.) Finally, the magistrate judge found that the default was not the result of 16 excusable neglect and that the policy of deciding cases on the merits did not weigh against default 17 judgment due to Defendant's refusal to participate in this action. (Id. at 12-13.) After examining 18 the relevant law and contract provisions, the magistrate judge recommended awarding 19 \$179,895.62 in liquidated damages. (Id. at 13-14.) 20 In response to a Court order, Plaintiff served a copy of the findings and recommendations 21 on Defendants' last known address. (Docs. 23, 24.) The Court gave the parties 14 days to file any 22 objections and advised them that "failure to file objections within the specified time may result in 23 the waiver of rights on appeal." (Doc. 22 at 15 (citing *Wilkerson v. Wheeler*, 772 F.3d 834, 839 24 (9th Cir. 2014).) No objections were filed and the time to do so has passed. Furthermore, 25 Defendants made no appearance of any kind in this action. 26 According to 28 U.S.C. § 636(b)(1) (C), this Court has conducted a de novo review of this 27 case. Having carefully reviewed the entire file, the Court concludes the findings and 1 1. The findings and recommendations issued on March 24, 2025 (Doc. 22), are 2 ADOPTED IN FULL. 3 2. Plaintiff's motion for default judgment (Docs. 14, 19) is GRANTED as to the 4 breach of contract claims. 5 3. Plaintiff's motion for default judgment (id.) is DENIED as to the unjust 6 enrichment and declaratory relief claims. 7 4. Plaintiff is AWARDED \$179,895.62 in liquidated damages against Defendants. 8 5. The Clerk of the Court is directed to CLOSE this case. 9 10 IT IS SO ORDERED. 1) | Dated: _May 7, 2025
Cerin | Tower

TED STATES DISTRICT JUDGE

12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28