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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

AMERICAN INDUCTION  
TECHNOLOGIES, INC., a California  
corporation,  
  
Plaintiff,  
  
v.  
  
KBK, INC., a New York corporation and  
DOES 1 through 25, inclusive,  
  
Defendant.

No. SACV11-00350 JAK (RNBx)

**AMENDED DEFAULT  
JUDGMENT AGAINST  
SHANGHAI HONGYUAN  
LIGHTING & ELECTRIC  
EQUIPMENT CO., LTD.**

KBK, INC., a New York corporation,  
Third-Party Plaintiff,  
  
v.  
ADAPTIVE ENERGY SYSTEMS,  
INC., a California corporation,  
  
Third-Party Defendant.

KBK, INC., a New York corporation,  
Third-Party Plaintiff,  
  
v.  
SHANGHAI HONGYUAN LIGHTING  
& ELECTRIC EQUIPMENT CO.,  
LTD., a Chinese company,  
Third-Party Defendant.

1 Pursuant to Rule 55 of the Federal Rules of Civil Procedure, third-party  
2 plaintiff and counter-defendant KBK, Inc. (“KBK”) filed a motion for entry of a  
3 default judgment against third-party defendant and counterclaimant Shanghai  
4 Hongyuan Lighting & Electric Equipment Co., Ltd. (“Hongyuan”) on KBK’s  
5 Third-Party Complaint against Hongyuan, which Third-Party Complaint was filed  
6 in this action on September 22, 2011 as Docket No. 43, and duly served on  
7 Hongyuan thereafter pursuant to the Hague Convention on February 1, 2012.  
8 Following service of the Third-Party Complaint on Hongyuan, Hongyuan appeared  
9 in this action, and it filed its Answer and Counterclaims on May 1, 2012. Default  
10 was entered against Hongyuan on February 4, 2013. On May 15, 2013, following  
11 the initial hearing on the motion for default judgment, this Court granted KBK’s  
12 motion for default judgment against Hongyuan with the precise amount of the  
13 judgment to be determined following KBK’s submission of supplemental materials  
14 described in that Order. KBK timely filed its supplemental materials on June 4,  
15 2013, and this Court held the continued hearing on the motion for default judgment  
16 on June 17, 2013.

17 Default having been entered against Hongyuan and having considered the  
18 motion and supplemental materials submitted by KBK, judgment is hereby entered  
19 as follows:

20 1. Hongyuan to pay KBK its damages and prejudgment interest through  
21 the date of entry of this Judgment in a total judgment amount of **\$5,626,779.41**,  
22 which is calculated as follows:

23 (a) KBK’s damages totaling \$6,115,341.56, plus prejudgment interest  
24 from the date on which the Third-Party Complaint was filed or on which each item  
25 of damage was paid by KBK, whichever came later, through February 22, 2013,  
26 for a subtotal amount of \$6,740,219.19.

27 (b) The reduction of this subtotal amount of \$6,740,219.19 by an  
28 offset in the amount of \$1,288,203.04 to account for the net recovery obtained on

1 February 22, 2013 by KBK, in an action filed by KBK, for a subtotal amount of  
2 \$5,452,016.15 through February 22, 2013.

3 (c) The accrual of \$174,763.26 in interest on the subtotal amount of  
4 \$5,452,016.15 from February 23, 2013 through the date of this judgment, for a  
5 total judgment amount of \$5,626,779.41.

6 2. The total judgment amount shall accrue post-judgment interest  
7 pursuant to 28 U.S.C. § 1961.

8 3. Hongyuan's Counterclaims (which were filed on May 1, 2012 as  
9 Docket No. 229) are hereby dismissed with prejudice, and Hongyuan shall take  
10 nothing from its Counterclaims.

11  
12 IT IS SO ORDERED.

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14 DATED: June 20, 2013



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15 Hon. John A. Kronstadt  
16 Judge of the United States District Court,  
17 Central District of California  
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