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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

TEUN VAN RIEL HORSE
SUPPLEMENTS, et al.,

Plaintiffs,

v.

JUAN AYORA, et al.,

Defendants.

CASE NO:
SACV 12-1496 JVS (ANx)

**AMENDED DEFAULT
JUDGMENT**

AMENDED DEFAULT JUDGMENT

This matter came before the Court on Plaintiffs’ second motion for a default judgment brought by Teun van Riel, Teun van Riel Horse Supplements, and

1 Equine Industry B.V. against Defendants Tal Goldstein (Goldstein) and Lisa
2 Sahkul (AKA Lisa Sweet), as supported by affidavits and supplementary materials
3 on damages and pursuant to Rule 55(b)(2) of the Federal Rules of Civil Procedure.
4 After having considered the arguments, authorities, and supplemental briefing on
5 damages submitted by the Plaintiffs, the Court finds as follows:

6 1. A default was entered by the Clerk of the Court against Defendant Tal
7 Goldstein on February 5, 2014 with respect to the Second Amended Complaint.

8 2. A default was entered by the Clerk of the Court against Defendant Lisa
9 Sahkul (AKA Lisa Sweet) on February 5, 2014 with respect to the Second
10 Amended Complaint.

11 3. Defendants are not minors, incompetent persons, or members of the
12 military service of the United States.

13 4. Defendants have not appeared or otherwise defended in this action.

14 5. Plaintiffs issued notice to Defendants more than seven days before filing
15 Plaintiffs' second motions for default judgment against Defendants.

16 6. Defendants have not responded to the Complaint, First Amended
17 Complaint, Second Amended Complaint, or motions for default in this action.

18 7. Defendants are aware of this action and gave deposition testimony related
19 to this action but have never appeared in Court, personally or by a representative.

20 8. Goldstein responded to Plaintiffs' counsel's requests to meet and confer
21 regarding default judgment by evading meetings that had been scheduled with
22 Plaintiffs' counsel and by making threats to Plaintiffs' business.

23 9. Plaintiffs' counsel notified Goldstein and Sahkul of Plaintiffs' intentions to
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1 pursue the entrance of default judgment. Default was not due to excusable neglect.

2 10. Defendants Goldstein and Sahkul participated in a conspiracy to deprive
3 Plaintiffs of a distributorship in North America, breached their respective contracts
4 with Plaintiffs, and violated the California Unfair Competition Law. Defendant
5 Sahkul breached her fiduciary duties to Plaintiffs.

6 11. Defendants Goldstein and Sahkul violated civil RICO, 18 U.S.C. §
7 1962(c). Sahkul used the mails and wires in a scheme to defraud van Riel and with
8 specific intent to defraud van Riel. Goldstein participated in the conspiracy by
9 committing commercial bribery pursuant to Cal. Penal Code § 641.3 and by
10 withholding information from Plaintiffs in violation of Cal. Civil Code § 1572.

11 12. Defendants participated in an "associated-in-fact enterprise." They
12 shared a common purpose of causing injury to Plaintiffs' business. They worked
13 within an ongoing organization as a vehicle for the commission of two or more
14 predicate crimes. Defendants acted in a series of events during 2008 and 2009.

15 13. Van Riel had a written contract with Defendants Sahkul and Juan Ayora
16 who agreed to serve as sales agents of van Riel in exchange for commissions on
17 sales. The contract required Sahkul and Ayora to promote the Kingsland and Trust
18 brand equestrian products, to make Kingsland the "number 1" brand in North
19 America within three years, to keep proper inventory and accounting records, and
20 to pay van Riel for the base cost of the merchandise. Sahkul breached the contract
21 by, among other things, failing to pay for the merchandise, by placing goods on
22 consignment, and by failing to maintain proper inventory and accounting records.

23 14. Goldstein entered into a contract on behalf of himself and his company
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1 to make a payment of \$8,000 and a share of profits to van Riel for the Kingsland
2 merchandise. Plaintiffs were not paid pursuant to this contract.

3 15. Goldstein and Sahkul violated the California Unfair Competition Law,
4 Cal. Bus. & Prof. Code § 17200. Sahkul wrongfully took tens of thousands of
5 dollars of merchandise without compensating Plaintiffs. Goldstein took Plaintiffs'
6 merchandise, resold it without compensating Plaintiffs, and made disparaging
7 comments about Plaintiffs' business in an attempt to eliminate a competitor.

8 16. Sahkul owed fiduciary duties to Plaintiffs as a result of her agreement
9 with Plaintiffs, and she breached those duties by failing to properly safeguard
10 merchandise, account for inventory, pay van Riel, safeguard van Riel's client list,
11 and protect the goodwill and reputation of the Kingsland brand.

12 17. Plaintiffs have made the required showing to justify their estimated
13 damages. The estimates provided in a declaration by Eddie Mosselman, an
14 employee of Equine Industry B.V., are particularly likely to be accurate as they are
15 based in part on detailed estimates provided by Goldstein in a deposition related to
16 this litigation.

17 18. Defendants cannot object to Plaintiffs' estimates of lost future profits
18 damages as speculative in a default judgment context because Plaintiffs' losses
19 were directly caused in part by Defendants' conduct.

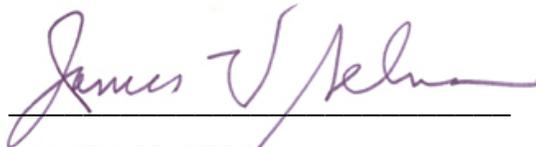
20 19. Based on the foregoing, the Plaintiffs are entitled to an award of
21 \$8,629,200 in damages. These damages consist of (a) \$240,000 in restitution, (b)
22 \$2,800,000 million in lost net profits over eight years, trebled under civil RICO to
23 reach the amount of \$8,400,000, and (c) a deduction of \$10,800 to account for
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1 settlement funds already received by Plaintiffs.

2 20. Plaintiffs are also entitled to \$176,184 in attorney's fees pursuant to
3 Local Rule 55-3, calculated as \$5,600 plus 2 percent of the amount of damages
4 over \$100,000.

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6 Therefore, it is hereby ORDERED, ADJUDGED, and DECREED that
7 Plaintiffs Teun Van Riel, Teun Van Riel Horse Supplements, and Equine Industry
8 B.V., recover of the Defendants, Tal Goldstein and Lisa Sahkul (AKA Lisa Sweet),
9 the sum of \$8,805,384, plus costs and interest according to law from the date of
10 this judgment until the entire amount is paid.

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14 DATED: February 24, 2015



JAMES V. SELNA

UNITED STATES DISTRICT JUDGE