1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT 9 FOR THE EASTERN DISTRICT OF CALIFORNIA 10 11 No. 2:16-cv-00148-KJM-JDP Advanced Steel Recovery, LLC, 12 Plaintiff, ORDER 13 v. 14 X-Body Equipment, Inc., et al., 15 Defendants. 16 17 On February 17, 2023, the court ordered plaintiff to show cause within fourteen days why 18 the claims against defendants Allstate Paper & Metal Recycling Co., Inc. and James Lin should 19 not be dismissed for failure to prosecute. Order to Show Cause, ECF No. 176. Plaintiff timely 20 responded to the order to show cause. Response, ECF No. 177. 21 In 2016, the court granted the parties' stipulated request to sever and stay the case as to 22 Allstate, pending resolution of the patent infringement claims by plaintiff Advanced Steel 23 Recovery, LLC, against defendants X-Body Equipment, Inc. and Jewell Attachments, LLC. In 24 2019, the court granted the motion to withdraw by counsel for Allstate and directed Allstate to 25 file a substitution of counsel within 30 days. Prior Order at 5, ECF No. 110. To date, Allstate has 26 not filed a substitution of counsel and is an unrepresented corporate entity. See E.D. Cal. L.R. 27 183(a) ("A corporation or other entity may appear only by an attorney."). Several of the court's 28 orders have been returned as "undeliverable" to the address of Allstate and its CEO, James Lin.

The court previously cautioned Allstate that failure to file a substitution of counsel may result in an order to show cause or a notice of the potential for default proceedings upon the lifting of the stay. Prior Order at 5.

While the patent infringement claims by Advanced Steel Recovery against X-Body and Jewell have not been resolved yet, the court finds entry of default against Allstate is warranted in this case for the following reasons. Allstate has not complied with court orders. It has not filed a substitution of counsel and has been an unrepresented corporate entity for over three years. Allstate has not provided the court with its most current address. *See* E.D. Cal. L.R. 183(b) ("A party appearing in propria persona shall keep the Court and opposing parties advised as to his or her current address."). Failure to comply with the Local Rules may be grounds for judgment by default or any other appropriate sanctions. *See id.* 183(a).

Accordingly, the court partially lifts the stay as to Allstate and directs the Clerk of Court to enter a default against Allstate. The court recognizes Allstate is a customer of X-Body, and Allstate's liability, if any, may depend in part on the resolution of the infringement claims by Advanced Steel Recovery against X-Body. See Stip., ECF No. 10. Thus, Allstate, if it obtains counsel, may move to set aside the entry of default and reinstate the stay. Any such motion shall be filed within fourteen (14) days of the clerk's entry of default. If Allstate does not so move, Advanced Steel Recovery shall move for default judgment against Allstate 30 days thereafter in front of the assigned magistrate judge. The order to show cause (ECF No. 176) is discharged. The Clerk of Court is also directed to remove James Lin as a defendant from the public docket as Lin is not a party in this case.

IT IS SO ORDERED.

DATED: March 9, 2023.

CHIEF UNITED STATES DISTRICT JUDGE