

United States District Court
Northern District of California

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
San Francisco Division

UNITED STATES OF AMERICA FUTSAL
FEDERATION, a California nonprofit
corporation, doing business as United States
Futsal, U.S. Futsal, and USFF,

Plaintiff,

v.

USA FUTSAL LLC, a North Carolina
Limited Liability Company, doing business
as USA Futsal,

Defendant.

Case No. [17-cv-04206-LB](#)

ORDER

Re: ECF No. 15

INTRODUCTION

The plaintiff is United States of America Futsal Federation, and it sued the defendant USA Futsal LLC for trademark infringement in violation of 15 U.S.C. § 1114(a) and California common law, false designation of origin in violation of 15 U.S.C. § 1125(a), unfair business practices in violation of California Business & Professions Code § 17200, and injury to business reputation in violation of California Business & Professions Code § 14330.¹ Futsal is a form of

¹ Compl. – ECF No. 1. Citations refer to material in the Electronic Case File (“ECF”); pinpoint citations are to the ECF-generated page numbers at the top of documents.

1 indoor soccer.² The plaintiff organizes futsal clinics, events, and tournaments; the defendant does
2 too.³ The plaintiff served the defendant, which did not respond to the complaint or otherwise
3 appear.⁴ After the clerk’s entry of default,⁵ the plaintiff moved for default judgment and ultimately
4 limited its claim for relief to its costs of \$1,167.22 and an injunction to prevent the defendant’s use
5 of the plaintiff’s mark.⁶ The defendant has not appeared. A magistrate judge may not exercise
6 jurisdiction under 28 U.S.C. § 636(c)(1) without the consent of all parties. Ultimately, the court
7 will direct the Clerk of Court to reassign the case to a district judge and will recommend that the
8 new judge enter default judgment in favor of the plaintiff and against the defendant.

9 But — as discussed below and at the May 16, 2018 hearing — the defendant may have
10 rebranded its business and stopped any infringing use of the plaintiff’s marks. It may be more
11 cost-efficient for both parties to settle the case. And for the defendant, it may be useful to avoid a
12 default judgment. The plaintiff agreed that (1) the court would issue this order with the analysis
13 that will be in the court’s report and recommendation for entry of default judgment, and (2) the
14 plaintiff’s counsel will serve the order on the defendant and its counsel (listed on the North
15 Carolina Secretary of State’s website) to try to settle the dispute and the scope of the relief. The
16 court thus issues this order and asks for an update from counsel by June 21, 2018.

17
18 **STATEMENT**

19 **1. The Plaintiff and its Trademarks**

20 The plaintiff United States of America Futsal Federation is a nonprofit corporation with its
21 principal place of business in Oakland, California; it “is engaged in the business of, *inter alia*,

22
23 ² *Id.* at 3–4 (¶ 9) (“Futsal is the way the world plays indoor soccer.” It is played on an indoor hard
24 court by two teams of five players with a smaller ball with less bounce than a regular soccer ball; on
25 information and belief, futsal is played on all continents, in over 100 countries, by more than 12
26 million players.).

27 ³ *Id.* at 3 (¶¶ 5–6).

28 ⁴ *See* Docket.

⁵ Clerk’s Entry of Default – ECF No. 12.

⁶ Mot. for Default Judgment – ECF No. 15; Pl.’s Second Supp. Br. – ECF No. 25; Chitsaz Supp. Decl.
– ECF No. 33.

1 arranging and conducting futsal training clinics and indoor and outdoor futsal events and
2 tournaments, and related activities.”⁷ It does business as United States Futsal, U.S. Futsal, and
3 USFF.⁸

4 The plaintiff “has been governing the sport of futsal in the United States since 1981, at which
5 time it began using the distinctive UNITED STATES FUTSAL and U.S. FUTSAL trademarks in
6 interstate commerce in connection with their futsal training, events, tournaments, and sale of its
7 related goods and services.”⁹ The plaintiff has been promoting futsal leagues for over three
8 decades; since at least 1985, it has been sponsoring state, regional, and national futsal leagues and
9 tournaments.¹⁰ It has more than 110,000 registered players of all ages throughout the United States
10 and has leagues and programs in all 50 states.¹¹ It is the only futsal organization “directly affiliated
11 with U.S. Soccer and U.S. Youth Soccer.”¹²

12 The plaintiff “organizes its futsal leagues and tournaments, and offers its futsal-related
13 services, under its UNITED STATES FUTSAL and U.S. FUTSAL brand, and in connection with
14 the UNITED STATES FUTSAL and U.S. FUTSAL trademarks, and offers and sells its futsal-
15 related goods and services throughout the United States and internationally.”¹³ At all times, the
16 plaintiff operated its business under the trademarks “United States Futsal” and “U.S. Futsal.”¹⁴

17 The plaintiff has been the sole and exclusive owner of the following registered trademarks.¹⁵

18 The first is United States Futsal:

19 Plaintiff is the owner of the federally registered trademark UNITED STATES
20 FUTSAL in Class 41 for “entertainment services, namely, arranging and
21 conducting sports training clinics and 18 indoor/outdoor sporting events in the
nature of futsal games,” Registration No. 4,297,129. The mark has been registered

22 ⁷ Compl. – ECF No. 1 at 3 (¶ 5).

23 ⁸ *Id.*

24 ⁹ *Id.* (¶ 8).

25 ¹⁰ *Id.* at 4 (¶ 10).

26 ¹¹ *Id.* (¶ 11).

27 ¹² *Id.* (¶ 12).

28 ¹³ *Id.* (¶ 13).

¹⁴ *Id.* (¶ 14).

¹⁵ *Id.* (¶¶ 15–18).

1 since March 5, 2013, and has been in consistent, uninterrupted use in interstate
2 commerce since at least 1987 in connection with the aforementioned services. The
3 registration is in good standing.¹⁶

4 The second is U.S. Futsal:

5 The Plaintiff is the owner of the federally registered trademark U.S. FUTSAL in
6 Class 41 for “entertainment services, namely, arranging and conducting sports
7 training clinics and indoor/outdoor sporting events in the nature of futsal games,”
8 Registration No. 4,490,564. The mark has been registered since March 4, 2014, and
9 has been in consistent, uninterrupted use in interstate commerce since at least 1987
10 in connection with the aforementioned services. The registration is in good
11 standing.¹⁷

12 The third is U.S. Futsal:

13 Plaintiff is the owner of the federally registered trademark U.S. FUTSAL in Class
14 25 for “clothing, namely, warm up suits, jerseys and trousers,” and Class 28 for
15 “sporting goods, namely, balls,” Registration No. 4,160,663. The mark has been
16 registered since June 19, 2012, and has been in consistent, uninterrupted use in
17 interstate commerce since at least December of 2003 in connection with the
18 aforementioned goods. The registration is in good standing.¹⁸

19 The plaintiff does not claim right to the generic term “futsal” but claims “the exclusive right to
20 use the UNITED STATES FUTSAL and the U.S. FUTSAL composite marks in connection with
21 its organization, the activities it offers and sponsors, and the clothing and equipment products
22 associated therewith.”¹⁹ The complaint pleads the following about use:

23 22. The U.S. FUTSAL Marks have been in use in interstate commerce in some
24 form since at least 1987, and have become well-known based on Plaintiff’s
25 consistent, uninterrupted, and exclusive use in connection with futsal-related
26 services and goods since that time. Through extensive and continued use, the U.S.
27 FUTSAL Marks have become exclusively associated by the trade and public with
28 Plaintiff, and have developed considerable goodwill.

29 23. By virtue of advertising and sales, together with consumer acceptance and
30 recognition, Plaintiff’s U.S. FUTSAL Marks identify Plaintiff’s futsal-related
31 services and goods only, and distinguish it from services and goods offered and
32 sold by others. Plaintiff’s U.S. FUTSAL Marks have thus become and are a

33 ¹⁶ *Id.* (¶ 15). Exhibit A to the complaint (referenced later in ¶ 15) is a copy of the Trademark
34 Status and Document Retrieval (“TSDR”) printout for the UNITED STATES FUTSAL mark.
35 Exhibit B is the Registration Certificate for the UNITED STATES FUTSAL mark,
36 Registration No. 4,297,129. Exs. A & B – ECF Nos. 1-1 & 1-2.

37 ¹⁷ *Id.* at 4–5 (¶ 16). Exhibit C to the complaint is a copy of the TSDR printout for the U.S. FUTSAL
38 mark. Exhibit D is the Registration Certificate for the U.S. FUTSAL mark, Registration No.
39 4,490,564. Exs. C & D – ECF Nos. 1-3 & 1-4.

40 ¹⁸ *Id.* at 5 (¶ 17). Exhibit E to the complaint (referenced later in ¶ 17) is a copy of the SDR
41 printout for the U.S. FUTSAL mark. Exhibit F is a copy of the Registration Certificate for the
42 U.S. FUTSAL mark, Registration No. 4,160,663.

43 ¹⁹ *Id.* at 5–6 (¶ 21).

1 valuable asset symbolizing Plaintiff, its quality goods and services, and its
2 goodwill.

3 24. Plaintiff's futsal leagues, tournaments, events, and related goods offered
4 and sold under the U.S. FUTSAL Marks have achieved critical and commercial
5 success and the strength of the long-established UNITED STATES FUTSAL and
6 U.S. FUTSAL brand is one of Plaintiff's most valuable assets.

7 25. In connection with its futsal business, since on or about March 7, 1996,
8 Plaintiff has operated and continues to operate a website located at the URL
9 <futsal.com> ("Plaintiff's Website"). Beginning in or about March of 1996, and on
10 an ongoing basis, Plaintiff has advertised and continues to advertise its futsal
11 tournaments, leagues, and related goods and services on Plaintiff's Website using
12 the U.S. FUTSAL Marks. A true and correct copy of a screenshot of the home page
13 of Plaintiff's Website, prominently displaying the U.S. FUTSAL Marks, is attached
14 hereto as Exhibit "G," and incorporated herein by this reference.²⁰

9 **2. The Defendant and its Infringing Activities**

10 The plaintiff alleges on information and belief that the defendant USA Futsal LLC, doing
11 business as USA Futsal, is a limited liability corporation (organized under the laws of the State of
12 North Carolina with its principal place of business in Highland Village, Texas) that "is engaged in
13 the business of, inter alia, providing instruction related to futsal, providing entertainment services,
14 including organizing amateur and professional futsal events, tournaments, leagues, camps and
15 clinics, including, but not limited to, under the name USA Futsal."²¹ "On information and belief,
16 [the defendant] . . . offers its futsal-related services throughout the United States, including in San
17 Francisco, California, and internationally."²² The complaint alleges the following:

18 27. On information and belief, in 2010 USA Futsal was formed in Cary, North
19 Carolina, as "Club Ambassadors, LLC".

20 28. On information and belief, in 2014, USA Futsal was renamed "USA Futsal
21 LLC".

22 29. On information and belief, at the time of changing the name from Club
23 Ambassadors, LLC to USA Futsal LLC, and selecting the infringing mark USA
24 FUTSAL, (the "USA FUTSAL Mark"), USA Futsal knew or should have known of
25 Plaintiff's senior use of the U.S. FUTSAL Marks.

26 30. On information and belief, USA Futsal is the owner of the URL
27 <usafutsal.com>, and is the operator of the website appearing at that URL ("USA
28 Futsal's Website"). USA Futsal's Website advertises its futsal leagues,

20 *Id.* at 6 (¶¶ 22–25).

21 *Id.* at 3 (¶ 6).

22 *Id.* at 7 (¶ 26).

1 tournaments, camps, and related goods and services. The URL was registered on
2 November 30, 2011, and is registered to “USA Futsal LLC.” A true and correct
copy of the WHOIS URL ownership record is attached hereto as Exhibit “H,” and
incorporated herein by this reference.

3 31. The USA FUTSAL Mark is prominently displayed on USA Futsal’s
4 Website. A true and correct copy of a screenshot of the home page of USA Futsal’s
Website is attached hereto as Exhibit “I,” and incorporated herein by this reference.

5 32. On information and belief, Defendant, itself or through its affiliates, agents,
6 or employees, has registered a Facebook page
(<https://www.facebook.com/USAfutsal/>), as shown in the screenshot attached as
7 Exhibit “J,” and incorporated herein by this reference.

8 33. On information and belief, Defendant, itself or through its affiliates, agents,
or employees, has registered an Instagram page
9 (<https://www.instagram.com/usafutsal/>), as shown in the screenshot attached as
Exhibit “K,” and incorporated herein by this reference.

10 34. On information and belief, Defendant, itself or through its affiliates, agents,
or employees, has also registered the Twitter handle @USAFutsal
11 (<https://twitter.com/USAFutsal>) as shown in the screenshot attached as Exhibit “L,”
and incorporated herein by this reference.

12 35. Defendant uses the Facebook, Instagram, and Twitter social media sites set
13 forth in Paragraphs 33 through 34 with its infringing USA FUTSAL Mark, where
14 Defendant is actively marketing and promoting its futsal-related services and
goods.

15 36. On December 16, 2014, USA Futsal applied to register the Service Mark
16 USA FUTSAL with the US PTO in Class 41 for “educational services, namely,
17 providing instruction in the field of the importance of futsal as a development tool
and entertainment sport; entertainment services, namely, organizing amateur and
18 professional futsal events, tournaments, leagues, camps and clinics,” Serial Number
86/481,760. On May 12, 2016, the USPTO refused the application on the grounds
19 of a likelihood of confusion with Plaintiff’s registered U.S. FUTSAL marks and
registrations. Defendant USA Futsal failed to respond to the Office Action refusing
20 its application, and the USPTO deemed the application abandoned. Attached as
Exhibit “M” and incorporated herein by this reference is a true and correct copy of
the TSDR printout for the USA FUTSAL mark, Serial No. 86/481,760.²³

21

22 39. Defendant USA Futsal’s mark is nearly identical to Plaintiff’s marks.

23 40. Defendant’s USA FUTSAL mark and Plaintiff’s UNITED STATES
24 FUTSAL and U.S. FUTSAL mark[s] are nearly identical in sight, sound, meaning,
and commercial impression.²⁴

25

26
27 ²³ *Id.* at 7–8 (¶¶ 27–36).

28 ²⁴ *Id.* at 8–9 (¶¶ 39–40).

1 42. Defendant uses the USA FUTSAL Mark in interstate commerce in
2 connection with the sale, offering for sale, distribution, and advertising of its futsal-
3 related services and goods – which are identical to the futsal-related services and
4 goods offered and sold by Plaintiff under its U.S. FUTSAL Marks. As such,
5 Defendant’s use of the USA FUTSAL Mark is likely to cause confusion, mistake,
6 or deception among consumers as to the source, quality, and nature of Defendant’s
7 services and goods.²⁵

8

9 44. When Plaintiff determined that Defendant’s USA Futsal Mark infringed
10 Plaintiff’s U.S. FUTSAL marks, Plaintiff informed Defendant of the infringement,
11 demanding that Defendant ceases and desist from further use of the infringing
12 mark. In response, Defendant summarily refused Plaintiff’s demand to cease and
13 desist, indicating its purported belief that there is no likelihood of confusion.
14 Defendant continues to use the infringing mark in interstate commerce in
15 connection with the sale, offering for sale, distribution, and advertising of its futsal-
16 related services and goods.²⁶

17 **3. Procedural History and Other Relevant Information**

18 On July 24, 2017, the plaintiff filed its complaint, raising five claims: (1) trademark
19 infringement in violation of the Lanham Act, 15 U.S.C. § 1114(a); (2) false designation of origin,
20 in violation of 15 U.S.C. § 1125(a); (3) California common-law trademark infringement; (4) unfair
21 business practices in violation of Cal. Bus. & Prof. Code § 17200; and (5) injury to business
22 reputation in violation of Cal. Bus. & Prof. Code § 14330.²⁷ On September 30, 2017, the plaintiff
23 personally served the complaint on Robert David Andrews — Manager and President of defendant
24 USA Futsal LLC — at 935 Crown Court, Highland Village, Texas 75077.²⁸ The defendant did not
25 respond or otherwise appear.

26 The plaintiff moved for entry of default, and on November 29, 2017, the clerk entered the
27 default.²⁹ The plaintiff moved for default judgment, asking for damages and an injunction.³⁰ The
28 plaintiff served the motion for default judgment by mail to Robert David Andrews at the Texas

29 ²⁵ *Id.* at 9 (¶ 42).

30 ²⁶ *Id.* at 9 (¶ 44).

²⁷ *Id.* at 10–16.

²⁸ Proof of Service – ECF No. 9; Davis Decl. – ECF No. 15-1 at 2 (¶ 2).

²⁹ Mot. for Entry of Default – ECF No. 11; Entry of Default – ECF No. 12.

³⁰ Mot. for Default Judgment – ECF No. 15.

1 address and also at the registered office address at 310 S. Harrington Street, Raleigh, NC 27603.³¹
2 After discussing issues about damages with the court at a hearing on February 22, 2018³² and after
3 the court's subsequent order about damages,³³ the plaintiff limited its request for relief to its costs
4 and an injunction prohibiting use of the marks.³⁴

5 To obtain the information to serve the defendant, the plaintiff's counsel accessed the website
6 for the North Carolina Secretary of State. He downloaded the 2017 Annual Report, which lists the
7 defendant's registered office at 310 S. Harrington St., Raleigh, NC 27603-1818, its principal
8 office at 935 Crown Court, Highland Village, Texas 75077, and its registered agent as Robert
9 David Andrews, Jr.³⁵ In October 2017, the plaintiff's counsel accessed the website for the Texas
10 Secretary of State and downloaded the Certificate of Formation for USA Futsal Corporation, a
11 nonprofit corporation formed in Texas on April 11, 2017, and which included as a director Robert
12 David Andrews, Jr. (at the Highland Village, Texas address) as one of the three directors.³⁶

13 The complaint alleges "on information and belief" that USA Futsal was formed in 2010 in
14 Cary, North Carolina, as "Club Ambassadors, LLC" and was renamed "USA Futsal LLC" in
15 2014.³⁷ The website for the North Carolina Secretary of State now lists the defendant's current
16 legal name as A2 Sports LLC and its previous legal names as Club Ambassadors LLC and USA
17 Futsal LLC.³⁸ The website lists the corporation's current status as active, the corporation's

18
19 ³¹ Proof of Service – ECF No. 15-7 at 2. As discussed below, North Carolina corporate records show
20 that the defendant's registered office is in Raleigh, NC, and its principal office is in Highland Village,
21 TX.

22 ³² Minute Entry – ECF No. 16.

23 ³³ Order – ECF No. 20.

24 ³⁴ Pl.'s Supp. Br. – ECF No. 25. The plaintiff filed an earlier brief about damages at ECF No. 18 and
25 served that brief on Mr. Andrews at the Texas and North Carolina Addresses. ECF Nos. 18, 22.

26 ³⁵ Davis Decl. – ECF No. 15-1 at 2 (¶ 2); Ex. 1 – ECF No. 15-2 at 2. It lists Robert David Andrews, Sr.
27 of Cary, North Carolina as an additional member. Ex. 1 – ECF No. 15-2 at 2.

28 ³⁶ Ex. 2 – Ex. 15-3 at 3. It also lists Robert David Andrews, Sr. of Cary, North Carolina as a director.
Id.

³⁷ Compl. – ECF No. 1 at 7 (¶¶ 27–28).

³⁸ See https://www.sosnc.gov/online_services/search/Business_Registration_Results (last visited May
14, 2018). The court may take judicial notice of information on government websites that is not
reasonably subject to dispute as a matter of public record. *Daniels-Hall v. Nat'l Educ. Ass'n*, 629 F.3d
992, 998–99 (9th Cir. 2010).

1 formation date of August 4, 2010, its registered agent as Robert Andrews, Jr., its registered office
2 at the North Carolina address, and the principal office and mailing address at the Texas address.³⁹

3 As discussed above in the section describing the defendant’s infringing activities, the plaintiff
4 identifies the defendant’s use of a website and social-media sites and includes screen shots.⁴⁰ The
5 specific sites are usafutsal.com, <https://www.facebook.com/USAfutsal/>,
6 <https://www.instagram.com/usafutsal/>, and <https://twitter.com/USAFutsal>. Since the filing of the
7 complaint, the defendant has changed the content of the sites.⁴¹ First, the usafutsal.com website
8 now redirects to <https://unitedfutsal.com/>; the defendant’s name is reflected as United Futsal
9 Association, and the infringing marks are not on the site.⁴² Second, the Facebook page at
10 <https://www.facebook.com/USAfutsal> is not an active site, meaning, the content is not available.⁴³
11 Third, the Instagram site similarly shows no content.⁴⁴ Fourth, the Twitter site is now suspended.⁴⁵

12 The court held a hearing on May 16, 2018, and the defendant did not appear.⁴⁶ The plaintiff
13 agreed that the default-judgment order would be limited to the two federal claims: (1) trademark
14 infringement in violation of the Lanham Act, 15 U.S.C. § 1114(a); and (2) false designation of
15 origin, in violation of 15 U.S.C. § 1125(a). Counsel also agreed with the court’s suggestion that a
16 more cost-effective and efficient way of resolving the dispute would be for (1) the court to issue
17 an order with the analysis that will be in the court’s report and recommendation for entry of
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21 ³⁹ See https://www.sosnc.gov/online_services/search/Business_Registration_Results (last visited May
14, 2018).

22 ⁴⁰ Compl. – ECF No. 1 at 7–8 (¶¶ 33–35); Ex. G – ECF No. 1-7; Ex. I – ECF No. 1-9; Ex. J – ECF No.
1-10; Ex. K – ECF No. 1-11; Ex. L – ECF No. 1-12.

23 ⁴¹ The court can consider the websites under the incorporation-by-reference doctrine. *Knievel v. ESPN*,
393 F.3d 1068, 1076–77 (9th Cir. 2005).

24 ⁴² See usafutsal.com and <https://unitedfutsal.com/> (last visited May 15, 2018). The unitedfutsal.com
site reflects the Raleigh, NC address.

25 ⁴³ See <https://www.facebook.com/USAfutsal> (last visited May 15, 2018).

26 ⁴⁴ See <https://www.instagram.com/usafutsal> (last visited May 15, 2018).

27 ⁴⁵ The page <https://twitter.com/USAFutsal> redirects to <https://twitter.com/account/suspended> (last
visited May 15, 2018).

28 ⁴⁶ Minute Entry – ECF No. 30.

1 default judgment against the defendant and (2) the plaintiff’s counsel to contact the defendant to
2 possibly work out the scope of the relief. The court thus issues this order.

3
4 **ANALYSIS**

5 **1. Jurisdiction and Service**

6 Before entering a default judgment, a court must determine whether it has subject-matter
7 jurisdiction over the action and personal jurisdiction over the defendant. *See In re Tuli*, 172 F.3d
8 707, 712 (9th Cir. 1999). A court also must ensure the adequacy of service on the defendant. *See*
9 *Timbuktu Educ. v. Alkaraween Islamic Bookstore*, No. C 06-0325 JSW, 2007 WL 1544790, at *2
10 (N.D. Cal. May 25, 2007).

11 **1.1 The Court Has Subject-Matter Jurisdiction**

12 First, the court has subject-matter jurisdiction because the plaintiff brings claims under the
13 Lanham Act, 15 U.S.C. § 1114 *et seq.*, and therefore invokes federal-question jurisdiction. *See* 28
14 U.S.C. § 1331.

15 **1.2 The Court Has Personal Jurisdiction**

16 “It is the plaintiff’s burden to establish the court’s personal jurisdiction over a defendant.”
17 *Donell v. Keppers*, 835 F. Supp. 2d 871, 876 (S.D. Cal. 2011) (default-judgment case) (quoting
18 *Doe v. Unocal Corp.*, 248 F.3d 915, 922 (9th Cir. 2001)). Personal jurisdiction may be either
19 general or specific. *See, e.g., Schwarzenegger v. Fred Martin Motor Co.*, 374 F.3d 797, 801–802
20 (9th Cir. 2004). The court has specific personal jurisdiction over the defendant.⁴⁷

21 California’s long-arm statute authorizes specific personal jurisdiction over nonresident
22 defendants to the full extent permitted by the Due Process Clause of the United States
23 Constitution. *Schwarzenegger*, 374 F.3d at 800–01. To establish specific personal jurisdiction in
24 the forum state, the court applies the following three-prong test:

25
26 _____
27 ⁴⁷ The plaintiff contended in its motion that the court has general personal jurisdiction and specific
28 personal jurisdiction over the defendant. Mot. – ECF No. 15 at 13–14. The plaintiff agreed at the
March 16, 2018 hearing that specific jurisdiction was a more appropriate basis for personal
jurisdiction.

1 1. The non-resident defendant must purposefully direct his activities or
2 consummate some transaction with the forum or resident thereof; or perform some
act by which he purposefully avails himself of the privilege of conducting activities
in the forum, thereby invoking the benefits and protections of its laws;

3 2. The claim must be one which arises out of or relates to the defendant’s forum-
4 related activities; and

5 3. The exercise of jurisdiction must comport with fair play and substantial justice,
i.e. it must be reasonable.

6 *Id.* at 802. “The plaintiff bears the burden of satisfying the first two prongs of [this] test.” *Id.* The
7 burden then shifts to defendants to present a compelling case that the exercise of jurisdiction
8 would be unreasonable. *Id.*

9 **1.2.1 Purposeful Direction**

10 The first prong of the specific-jurisdiction test requires a defendant to “purposefully avail”
11 itself of the privilege of conducting business in the forum or “purposefully direct” activities
12 toward the forum. *Panavision Int’l, L.P. v. Toeppen*, 141 F.3d 1316, 1320 (9th Cir. 1998). The
13 Ninth Circuit generally uses the purposeful direction test for trademark-infringement cases. *See*
14 *Panavision*, 141 F.3d at 1321 (applying purposeful direction analysis to trademark-infringement
15 lawsuit because it is “akin to a tort case.”)⁴⁸

16 Purposeful direction exists when a defendant commits an act outside the forum that was
17 intended to and does in fact cause injury within the forum. *Calder v. Jones*, 465 U.S. 783, 788-89
18 (1984). Under the “effects” test, the defendant must (1) commit an intentional act (2) expressly
19 aimed at the forum (3) that causes harm that the defendant knows is likely to be suffered in the
20 forum. *Washington Shoe Co. v. A-Z Sporting Goods Inc.*, 704 F.3d 668, 673 (9th Cir. 2012)
21 (quoting *Mavrix Photo, Inc. v. Brand Tech.*, 647 F.3d 1218, 1228 (9th Cir. 2011)). The “‘effects’
22 test . . . focuses on the forum in which the defendant’s actions were felt, whether or not the actions
23 themselves occurred within the forum.” *Mavrix*, 647 F.3d at 1228. “However, referring to the
24 *Calder* test as an ‘effects’ test can be misleading. For this reason, we have warned courts not to

25 _____
26 ⁴⁸ The plaintiff argues both purposeful direction and purposeful availment. Mot. – ECF No. 15 at 14–
27 15 (the defendant “purposefully availed itself of the benefits of doing business in California” and the
28 defendant uses its website and social media accounts to “purposefully direct to California consumers
its marketing and sales activities.”). The court limits its analysis to purposeful direction. *See*
Panavision Int’l, 141 F.3d at 1321.

1 focus too narrowly on the test’s third prong — the effects prong — holding that ‘something more’
2 is needed in addition to a mere foreseeable effect.” *Pebble Beach Co. v. Caddy*, 453 F.3d 1153,
3 1156 (9th Cir. 2006) (citation omitted).

4 First, the defendant must commit an intentional act. Intent means “an actual, physical act in the
5 real world, rather than an intent to accomplish a result or consequence of the act.” *Brayton Purcell*
6 *LLP v. Recordon & Recordon*, 606 F.3d 1124, 1128 (9th Cir. 2010) (quotation omitted). Here, the
7 plaintiff alleged that the defendant committed intentional acts by willfully using the name U.S.A.
8 Futsal to advertise and sell futsal products and services.⁴⁹ This sufficiently establishes an
9 intentional act. *See Levi Strauss & Co. v. Toyo Enter. Co.*, 665 F. Supp. 2d 1084, 1093–94 (N.D.
10 Cal. 2009) (allegation that the defendant manufactures and sells products that directly infringe the
11 plaintiff’s trademarks met the intentional act requirement).

12 Second, conduct must be expressly aimed at the forum. *Brayton Purcell*, 606 F.3d at 1129
13 (“‘[S]omething more’ than mere foreseeability [is required] in order to justify the assertion of
14 personal jurisdiction.”) (quotation omitted)). Express aiming exists “when the defendant is alleged
15 to have engaged in wrongful conduct targeted at a plaintiff whom the defendant knows to be a
16 resident of the forum state.” *CollegeSource, Inc. v. Academyone, Inc.*, 653 F.3d 1066, 1077 (9th
17 Cir. 2011) (internal quotations and citations omitted); *Pebble Beach*, 453 F.3d at 1157 (the
18 “expressly aiming” standard is satisfied when “individualized targeting” is present).

19 Here, among other things, the plaintiff alleges that the defendant advertised by email and its
20 website a Summer 2017 futsal camp in San Francisco.⁵⁰ A screenshot of the defendant’s twitter
21 account (Exhibit L) displays the following captions to pictures of futsal teams:

22 Day 1 of the #Elite96 San Francisco/Oakland’s afternoon session. Hard workers with
23 a lot of passion for futsal!

24 #Elite96 San Francisco/Oakland is officially in full swing! Check out some great
25 shots from our morning session yesterday!⁵¹

26 _____
27 ⁴⁹ Compl. – ECF No. 1 at 9 (¶¶ 42–43).

28 ⁵⁰ Davis Decl. – ECF No. 15-1 at 4 (¶ 16).

⁵¹ Ex. L – ECF No. 1-12 at 1.

1 The plaintiff also alleges that the defendant provides identical futsal-related goods and services.⁵²
 2 These uncontested allegations demonstrate “individualized targeting” of California markets. *See*
 3 *Rio Properties, Inc. v. Rio Int’l Interlink*, 284 F.3d 1007, 1020 (9th Cir. 2002) (finding in
 4 trademark-infringement case that the defendant “specifically targeted consumers” in Nevada by
 5 running advertisements directed at Nevada); *Brayton Purcell*, 606 F.3d at 1130–31 (nonresident
 6 defendant in copyright-infringement case “individually targeted” plaintiff by using copyrighted
 7 materials to enter direct competition with the plaintiff). Furthermore, the plaintiff alleges that the
 8 defendant’s use of the U.S.A. Futsal mark in California is depriving the plaintiff of sales and
 9 reducing the value and goodwill of the plaintiff’s registered marks.⁵³ The plaintiff feels these lost-
 10 profits and the diminution of its marks in its principal place of business: California.⁵⁴ *Panavision*,
 11 141 F.3d at 1322 (defendant in trademark-infringement suit expressly aimed at California because
 12 it injured plaintiff with principal place of business in California); *accord Levi Strauus & Co.*, 665
 13 F. Supp. 2d at 1093.

14 Third, the defendant’s intentional act must cause harm that the defendant knew was likely to
 15 be suffered in the forum. *Brayton*, 606 F.3d at 1131. This element is satisfied when the
 16 defendant’s act has ‘foreseeable effects’ in the forum. *Id.* Here, it was foreseeable that the plaintiff
 17 would be harmed by infringement of its marks, including harm to its business reputation and
 18 goodwill, and decreased business. *Id.* The plaintiff alleges that the defendant knew of the
 19 plaintiff’s exclusive rights to its mark, which it used “to great success for 35 years.”⁵⁵ It informed
 20 the defendant of the infringement in a cease-and-desist letter, and the defendant refused to stop
 21 using the marks.⁵⁶ These allegations establish sufficiently that the defendant knew that the harm
 22 was likely to be suffered in California, the plaintiff’s principal place of business. *Id.*; *see*
 23 *Facebook, Inc. v. Pedersen*, 868 F. Supp. 2d 953, 961 (N.D. Cal. 2012) (foreseeable harm in
 24

25 ⁵² Compl. – ECF No. 1 at 3 (¶¶ 5–6).

26 ⁵³ *Id.* at 12 (¶¶ 63–64).

27 ⁵⁴ *Id.* at 3 (¶ 5).

28 ⁵⁵ *Id.* at 8 (¶ 37).

⁵⁶ *Id.* at 9 (¶ 44).

1 trademark-infringement lawsuit because the defendant “likely knew that any harm suffered by [the
2 plaintiff] would be suffered in California, as [the plaintiff’s] principal place of business is in
3 California.”).

4 **1.2.2 Forum-Related Activities**

5 The second prong of the specific-jurisdiction analysis requires that the plaintiff’s claims arise
6 from the defendant’s forum-related activities. *Panavision*, 141 F.3d at 1322. The requirement is
7 satisfied if the plaintiff would not have been injured “but for” the defendant’s forum-related
8 conduct. *Id.*; *Ballard v. Savage*, 65 F.3d 1495, 1500 (9th Cir. 1995). Here, the plaintiff has shown
9 sufficiently that, absent the defendant’s conduct, it would not have been injured. The plaintiff
10 alleges that the defendant used a mark that is confusingly similar to its own mark, that it did so in
11 California in the same line of business, and that as a result, the use had the effect of injuring the
12 plaintiff in California.⁵⁷ See *Levi Strauus & Co.*, 665 F. Supp. 2d at 1094.

13 **1.2.3 Reasonableness**

14 The final prong of the specific-jurisdiction test is that the exercise of jurisdiction must comport
15 with fair play and substantial justice. *Panavision*, 141 F.3d at 1322. A court considers seven
16 factors: (1) the extent of the defendant’s purposeful interjection into the forum state’s affairs; (2)
17 the burden on the defendant of defending in the forum; (3) the extent of conflict with the
18 sovereignty of the defendant’s state; (4) the forum state’s interest in adjudicating the dispute; (5)
19 the most efficient judicial resolution of the controversy, (6) the importance of the forum to the
20 plaintiff’s interest in convenient and effective relief, and (7) the existence of an alternative forum.
21 *Core-Vent Corp. v. Nobel Indus.*, 11 F.3d 1482, 1487–88 (9th Cir. 1993).

22 There is a presumption of reasonableness when the first two prongs have been met, and a
23 defendant must present a “compelling case” that jurisdiction is unreasonable. *Schwarzenegger*,
24 374 F.3d at 802. Here, because the defendant has not appeared, it has not raised any challenge to
25 the reasonableness of the court’s exercise of jurisdiction over it. The record does not suggest any
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⁵⁷ *Id.* at 11 (¶ 60), 12 (¶ 63).

1 compelling reason why the court should decline to exercise jurisdiction over the defendant. *See*
2 *Levi Strauss & Co.*, 665 F. Supp. 2d at 1094.

3 In sum, there is specific personal jurisdiction.

4 **1.3 The Plaintiff Served the Defendant**

5 Under Federal Rule of Civil Procedure 4(h)(1)(B), service on a corporation, partnership, or
6 association may be made by delivery to an authorized agent. The defendant must be served within
7 90 days after the complaint is filed. Fed. R. Civ. Proc. 4(m). Proof of service must be made to the
8 court. Fed. R. Civ. Proc. 4(l)(1).

9 Here, as described in the Statement, the plaintiff personally and timely served the complaint on
10 Robert David Andrews — Manager and President of defendant USA Futsal — at the Highland
11 Village, Texas address⁵⁸ and filed a proof of service with the court.⁵⁹ The plaintiff also served the
12 motion for default judgment on Mr. Andrews by mail addressed to the registered office in Raleigh,
13 North Carolina, and the principal office in Highland Village, Texas.⁶⁰ As the Statement describes,
14 these are the defendant’s addresses. Service was timely and proper.

15 16 **2. Default Judgment**

17 Under Federal Rule of Civil Procedure 55(b)(2), a plaintiff may apply to the district court for
18 — and the court may grant — a default judgment against a defendant who has failed to plead or
19 otherwise defend an action. *See Draper v. Coombs*, 792 F.2d 915, 925 (9th Cir. 1986). After entry
20 of default, well-pleaded allegations in the complaint regarding liability and entry of default are
21 taken as true, except as to damages. *See Fair Hous. of Marin v. Combs*, 285 F.3d 899, 906 (9th
22 Cir. 2002); *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917–18 (9th Cir. 1987). The court
23 need not make detailed findings of fact. *Combs*, 285 F.3d at 906 (9th Cir. 2002). Default judgment
24 cannot differ in kind from or exceed the amount demanded in the pleadings. Fed. R. Civ. P. 54(c).

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27 ⁵⁸ Proof of Service – ECF No. 9 at 1–2.

28 ⁵⁹ *Id.*

⁶⁰ Davis Decl. – ECF No. 15-1 at 3 (¶ 12).

1 “A defendant’s default does not automatically entitle the plaintiff to a court-ordered
2 judgment,” *Pepsico, Inc. v. Cal. Sec. Cans*, 238 F. Supp. 2d 1172, 1174 (C.D. Cal. 2002); that
3 decision lies within the court’s discretion, *Draper*, 792 F.2d at 924–25. Default judgments are
4 generally disfavored because “cases should be decided on their merits whenever reasonably
5 possible.” *Eitel v. McCool*, 782 F.2d 1470, 1472 (9th Cir. 1986). In deciding whether to enter a
6 default judgment, the court considers: “(1) the possibility of prejudice to the plaintiff; (2) the
7 merits of [the] plaintiff’s substantive claim; (3) the sufficiency of the complaint; (4) the sum of
8 money at stake in the action; (5) the possibility of a dispute concerning material facts; (6) whether
9 the default was due to excusable neglect; and (7) the strong policy underlying the Federal Rules of
10 Civil Procedure favoring decisions on the merits.” *Id.* at 1471–72.

11 The *Eitel* factors favor default judgment here.

12 **2.1 The Possibility of Prejudice to the Plaintiff (First *Eitel* Factor)**

13 The first *Eitel* factor considers whether the plaintiff would suffer prejudice if default judgment
14 is not entered, and whether such potential prejudice to the plaintiff weighs in favor of granting a
15 default judgment. *Id.* at 1471; *Craigslis, Inc. v. Naturemarket, Inc.*, 694 F. Supp. 2d 1039, 1054
16 (N.D. Cal. 2010). This factor weighs in favor of default judgment. The plaintiff filed the lawsuit in
17 July 2017 and served the complaint and the default-judgment motion on the defendant. The
18 defendant has not defended the action. If the court does not grant default judgment, the plaintiff is
19 without recourse.

20 **2.2 The Merits and Sufficiency of the Claims (Second and Third *Eitel* Factors)**

21 The second and third *Eitel* factors consider the merits of the claim and the sufficiency of the
22 complaint. *Eitel*, 782 F.2d at 1471. “The Ninth Circuit has suggested that [these factors] . . .
23 require that plaintiffs’ allegations ‘state a claim on which the [plaintiff] may recover.’” *Kloeping*
24 *v. Fireman’s Fund*, No. C 94-2684 TEH, 1996 WL 75314, at *2 (N.D. Cal. Feb. 13, 1996)
25 (quoting *Danning v. Lavine*, 572 F.2d 1386, 1388 (9th Cir. 1978)). The plaintiff moves for default
26 judgment on its two federal claims: (1) trademark infringement in violation of the Lanham Act, 15
27 U.S.C. § 1114; and (2) false designation of origin, in violation of 15 U.S.C. § 1125(a).
28

1 **2.2.1 Trademark Infringement**

2 To prevail on a claim for trademark infringement under 15 U.S.C. § 1114, a plaintiff must
3 establish that (1) it owns the trademark at issue; (2) the defendant used in commerce without
4 authorization “any reproduction, counterfeit, copy, or colorable imitation of the” mark “in
5 connection with the sale, offering for sale, distribution, or advertising of any goods and services;”
6 and (3) the defendant’s use of the mark is likely to cause confusion, cause mistake, or deceive. 15
7 U.S.C. 1114(1); *Yelp v. Catron*, 70 F. Supp. 3d 1082, 1094 (N.D. Cal. 2014); *see Applied Info.*
8 *Scis. Corp. v. eBay, Inc.*, 511 F.3d 966, 969 (9th Cir. 2007) (to prevail on a trademark-
9 infringement claim, a plaintiff must show that there is “(1) a valid, protectable trademark, and (2)
10 that . . . use of the mark is likely to cause confusion.”).

11 The plaintiff has met these requirements.

12 First, the plaintiff owns the trademarks at issue. “Federal registration provides prima facie
13 evidence of the mark’s validity and entitles the plaintiff to a strong presumption that the mark is a
14 protectable mark.” *Zobmondo Entm’t, LLC v. Falls Media, LLC*, 602 F.3d 1108, 1113 (9th Cir.
15 2010); *see also Yellow Cab Co. of Sacramento v. Yellow Cab of Elk Grove, Inc.*, 419 F.3d 925,
16 927 (9th Cir. 2005) (“When a plaintiff pursues a trademark action involving a properly registered
17 mark . . . the burden of proving that the mark is generic rests upon the defendant.”); *Filipino*
18 *Yellow Pages, Inc. v. Asian J. Publ’ns, Inc.*, 198 F.3d 1143, 1146 (9th Cir. 1999) (“In cases
19 involving properly registered marks, a presumption of validity places the burden of proving
20 genericness upon the defendant.”); *Brookfield Commc’ns, Inv. v. W. Coast Entm’t Corp.*, 174 F.3d
21 1046, 1047 (9th Cir. 1999).

22 Second, the defendant used the marks without authorization.

23 Third, the defendant’s use of the mark was likely to cause confusion. To assess the likelihood
24 of confusion for trademark-infringement cases, courts in the Ninth Circuit apply the eight factors
25 identified in *AMF, Inc. v. Sleekcraft Boats*: (1) strength of the mark; (2) proximity of the goods;
26 (3) similarity of the marks; (4) evidence of actual confusion; (5) marketing channels used; (6) type
27 of goods and the degree of care likely to be exercised by the purchaser; (7) the defendant’s intent
28 in selecting the mark; and (8) likelihood of expansion of the product lines. 599 F.2d 341, 349 (9th

1 Cir. 1979); *see iCall, Inc. v. Tribair, Inc.*, No. C–12–2406 EMC, 2012 WL 5878389, at *5 (N.D.
 2 Cal. Nov. 21, 2012); “The test is a fluid one and the plaintiff need not satisfy every factor,
 3 provided that strong showings are made with respect to some of them.” *Survivor Media, Inc. v.*
 4 *Survivor Prods.*, 406 F.3d 625, 631 (9th Cir. 2005). In *GoTo.com, Inc. v. Walt Disney Co.*, the
 5 Ninth Circuit found that “the three most important *Sleekcraft* factors are (1) the similarity of the
 6 marks, (2) the relatedness of the goods or services, and (3) the . . . marketing channel.” 202 F.3d
 7 1199, 1205 (9th Cir. 2000); *see Brookfield Commc’ns*, 174 F.3d at 1054 (the “similarity of the
 8 marks and whether the two companies are direct competitors — will always be important”).

9 Here, based on the uncontested allegations, the “three most important *Sleekcraft* factors” —
 10 the similarity of the marks, the relatedness of the goods or services, and marketing channel — are
 11 met. One, the marks are similar: the plaintiff’s marks are “United States Futsal” and “U.S. Futsal,”
 12 and the defendant’s mark is “USA Futsal.” They are not identical, but the descriptive “U.S.”
 13 “USA” and “United States”— attached to the word “Futsal” — add to the marks’ similarity.⁶¹ *See*
 14 *Sleekcraft*, 599 F.2d at 351 (acknowledging that “craft” is a “generic frequently used in trademarks
 15 on boats” but adding that “the common endings do add to the marks’ similarity”).⁶² Two, the
 16 parties operate in the same niche market: both operate futsal leagues and tournaments, and both
 17 sell futsal-related goods.⁶³ Three, the parties use the same trade channels, including marketing
 18 through their websites and social-media platforms.⁶⁴ An ordinary consumer likely would be
 19 confused. *See Brookfield Commun. Inc.*, 174 F.3d at 1050 (“[t]he failure to prove instances of
 20 actual confusion is not dispositive against a trademark plaintiff, because actual confusion is hard
 21 to prove; difficulties in gathering evidence of actual confusion make its absence generally
 22 unnoteworthy”).

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 26 ⁶¹ Compl. – ECF No. 1 at 8 (¶ 39).

27 ⁶² The PTO refused the defendant’s application to trademark “USA Futsal” based on a likelihood of
 28 confusion. *Id.* at 8 (¶ 36).

⁶³ *Id.* at 7 (¶ 26).

⁶⁴ *Id.* at 6 (¶ 25), 7 (¶¶ 31–33).

1 **2.2.2 False Designation of Origin**

2 The Lanham Act was intended to make ‘actionable the deceptive and misleading use of
3 marks,’ and ‘to protect persons engaged in . . . commerce against unfair competition.’” *Dastar*
4 *Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 28 (2003) (quoting 15 U.S.C. § 1127).
5 “To this end, section 43(a) of the Act, 15 U.S.C. § 1125(a), proscribes ‘the use of false
6 designations of origin, false descriptions, and false representations in the advertising and sale of
7 goods and services.’” *Sleep Science Partners v. Lieberman*, No. 09–04200 CW, 2010 WL
8 1881770, at *2 (N.D. Cal. May 10, 2010) (quoting *Jack Russell Terrier Network of N. Cal. v. Am.*
9 *Kenel Club, Inc.*, 407 F.3d 1027, 1036 (9th Cir. 2005)). More specifically, section 43(a)(1) of the
10 Lanham Act, 15 U.S.C. § 1125(a)(1), states in pertinent part:

11 Any person who, on or in connection with any goods or services, or any container
12 for goods, uses in commerce any word, term, name, symbol, or device, or any
13 combination thereof, or any false designation of origin, false or misleading
14 description of fact, or false or misleading representation of fact, which—

15 (A) is likely to cause confusion, or to cause mistake, or to deceive as to the
16 affiliation, connection, or association of such person with another person, or as
17 to the origin, sponsorship, or approval of his or her goods, services, or
18 commercial activities by another person, or

19 (B) in commercial advertising or promotion, misrepresents the nature,
20 characteristics, qualities, or geographic origin of his or her or another person’s
21 goods, services, or commercial activities,

22 shall be liable in a civil action by any person who believes that he or she is or is
23 likely to be damaged by such act.

24 Thus, to establish a claim for trademark infringement or false designation of origin under
25 Section 43(a)(1)(A), 15 U.S.C. § 1125(a)(1)(A), a plaintiff must prove that the defendant (1) used
26 in commerce (2) any word, false designation of origin, false or misleading description, or
27 representation of fact, that (3) is likely to cause confusion or mistake, or to deceive, as to
28 sponsorship, affiliation, or the origin of the goods or services in question. *Freecycle Network v.*
Oey, 505 F.3d 898, 902 (9th Cir. 2007); *see Int’l Order of Job’s Daughters v. Lindeburg & Co.*,
633 F.2d 912, 917 (9th Cir. 1980) (claims under Section 43(a)(1)(A) of the Lanham Act for
trademark infringement, false designation of origin, or unfair competition may be proven by the
same elements as common-law unfair competition; the federal prohibitions on trademark

1 infringement and false designation of origin each “preclude the use of another's trademark in a
 2 manner likely to confuse the public about the origin of goods”) (citing *New West Corp. v. NYM*
 3 *Co. of California Inc.*, 595 F.2d 1194, 1201 (9th Cir. 1979) (“Whether we call the violation [under
 4 Section 43(a)(1)(A)] infringement, unfair competition or false designation of origin, the test is
 5 identical[:] [I]s there a ‘likelihood of confusion?’”). These elements largely track those of
 6 trademark infringement. *Oppenheimer v. Allvoices, Inc.*, No. 14-cv-00499-LB, 2014 WL 2604033,
 7 at *10 (N.D. Cal. June 10, 2014); *see JL Beverages Co. LLC v. Jim Beam Brands*, 828 F.3d 1098,
 8 1106 (9th Cir. 2016) (*Sleekcraft* factors apply to false-designation-of-origin claims).

9 Here, the defendant used the marks in a manner that was likely to confuse consumers. For the
 10 reasons stated in the analysis regarding trademark infringement, the merits and sufficiency of the
 11 plaintiff’s allegations favor entering default judgment on the claims for false designation of origin
 12 under § 1125(a). *See JL Beverages*, 828 F.3d at 1104–05 (analyzing false-designation-of-origin
 13 and trademark claims together).

14 **2.3 The Sum of Money at Stake (Fourth *Eitel* Factor)**

15 The fourth *Eitel* factor addresses the amount of money at stake in the litigation. *Eitel*, 782 F.2d
 16 at 1471. When the money is substantial or unreasonable, default judgment is discouraged. *See id.*
 17 at 1472 (three-million dollar judgment, considered in light of parties’ dispute as to material facts,
 18 supported decision not to enter default judgment); *Tragni v. S. Elec. Inc.*, No. 09-32 JF (RS), 2009
 19 WL 3052635, at *5 (N.D. Cal. Sept. 22, 2009); *Bd. of Tr. v. RBS Washington Blvd, LLC*, No. C
 20 09-00660 WHA, 2010 WL 145097, at *3 (N.D. Cal. Jan. 8, 2010). When the sum of money at
 21 stake is tailored to the specific misconduct of the defendant, default judgment may be appropriate.
 22 *See Bd. of Tr. of the Sheet Metal Workers Health Care Plan of N. Cal. V. Superhall Mechanical,*
 23 *Inc.*, No. C 10-2212 EMC, 2011 WL 2600898, at *2–*3 (N.D. Cal. June 2011) (the amount of
 24 unpaid contributions, liquidated damages, and attorney’s fees were appropriate as they were
 25 supported by adequate evidence provided by the plaintiffs).

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1 The plaintiff asks only for its costs of \$1,167.22 and injunctive relief.⁶⁵ This factor supports
2 default judgment.

3 **2.4 The Possibility of a Dispute or Excusable Neglect (Fifth and Sixth *Eitel* Factors)**

4 The fifth and sixth *Eitel* factors consider the potential of factual disputes and whether a
5 defendant’s failure to respond was likely due to excusable neglect. *Eitel*, 782 F.2d at 1471–72. In
6 *Eitel*, there was both a factual dispute and excusable neglect. *Id.* at 1472. There, the defendant
7 disputed material facts in the (untimely) answer and counterclaim. *Id.* Moreover, the defendant’s
8 response was late because the parties had previously agreed to “what appeared to be a final
9 settlement agreement” and “[the defendant] reasonably believed that the litigation was at an
10 end[.]” *Id.* Because of his reasonable reliance and prompt response when the agreement dissolved,
11 the defendant’s untimely response appeared due to excusable neglect. *Id.*

12 The facts here are different. The plaintiff served the defendant with the complaint, its motion
13 for default judgment, and other papers along the way. The defendant never appeared. There is no
14 evidence of a factual dispute or excusable neglect. These factors support default judgment.

15 **2.5 The Strong Policy Underlying the Federal Rules of Civil Procedure Favoring**
16 **Decisions on the Merits (Seventh *Eitel* Factor)**

17 The seventh *Eitel* factor is the strong policy favoring decisions on the merits. *Eitel*, 782 F.2d at
18 1472; *see also Pena v. Seguros La Commerical, S.A.*, 770 F.2d 811, 814 (9th Cir. 1985). Although
19 default judgment is disfavored, “[t]he very fact that F.R.C.P. 55(b) exists shows that this
20 preference, standing alone, is not dispositive.” *Kloopping*, 1996 WL 75314 at *3. “While the
21 Federal Rules do favor decisions on the merits, they also frequently permit termination of cases
22 before the court reaches the merits[,] . . . [as] when a party fails to defend against an action[.]” *Id.*

23 The defendant has not defended the lawsuit. Litigation on the merits is not possible. Default
24 judgment is appropriate. Fed. R. Civ. P. 55(a); *Board of Trustees v. RBS Washington Blvd LLC*,
25 No. C 09-00660 WHA, 2010 WL 145097, at *4 (N.D. Cal. Jan. 8, 2010).

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⁶⁵ Supplemental Br. – ECF No. 25 at 2.

* * *

In sum, the Eitel factors weigh in favor of granting default judgment. In the next section, the court considers the scope of relief.

3. Relief Sought

Under Federal Rule of Civil Procedure 54(c), “[a] default judgment must not differ in kind from, or exceed in amount, what is demanded in the pleadings.” Fed. R. Civ. P. 54(c). The purpose of this rule is to ensure that a defendant is put on notice of the damages being sought against it so that he may make a calculated decision as to whether or not it is in his best interest to answer. *In re Ferrell*, 539 F.3d 1186, 1192–93 (9th Cir. 2008); *Board of Trustees of the Sheet Metal Workers Local 104 Health Care Plan v. Total Air Balance Co.*, No. 08-2038 SC, 2009 WL 1704677, at *3–5 (N.D. Cal. June 17, 2009). The plaintiff seeks injunctive relief and an award of costs.⁶⁶

3.1 Injunctive Relief

The plaintiff asks the court to enter a permanent injunction.

The Lanham Act provides for injunctive relief to prevent future trademark infringement. 15 U.S.C. § 1116. “Injunctive relief is the remedy of choice for trademark and unfair competition cases, since there is no adequate remedy at law for the injury caused by a defendant’s continuing infringement.” *Century 21 Real Estate Corp. v. Sandlin*, 846 F.2d 1175, 1180 (9th Cir.1988). To determine if injunctive relief is appropriate in a particular case, “district courts should apply ‘traditional equitable principles[.]’” *Reno Air Racing Ass’n, Inc. v. McCord*, 452 F.3d 1126, 1137 (9th Cir. 2006). Those traditional equitable principles require a plaintiff to demonstrate: “(1) that it has suffered an irreparable injury; (2) that remedies available at law ... are inadequate to compensate for that injury; (3) that, considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and (4) that the public interest would not be disserved by a permanent injunction.” *eBay Inc. v. MercExchange, LLC*, 547 U.S. 388, 391 (2006).

⁶⁶ Supplemental Br. – ECF No. 25.

1 Putting aside (for now) the issue of mootness (discussed below), and considering only the
 2 complaint’s allegations of harm, the factors militate in favor of an injunction. The defendant is
 3 using the plaintiff’s mark, causing confusion and usurping the plaintiff’s reputation and goodwill.
 4 *See Herman Miller Inc. v. Alphaville Design Inc.*, No. C 08-03407 WHA, 2009 WL 3429739, at *
 5 9 (N.D. Cal. Oct. 22, 2009) (permanent injunction appropriate when the defendant’s “infringement
 6 has caused irreparable injury by hurting the goodwill” of the plaintiff’s brand). The balance of
 7 hardships tips in the plaintiff’s favor: the defendant is “in default and has not demonstrated that it
 8 would incur any irreparable hardship from being permanently enjoined against infringing” the
 9 plaintiff’s trademark. *Bittorent, Inc. v. Bittorent Mktg. GMBH*, No. 12-cv-02525-BLF, 2014 WL
 10 5773197, at *13 (N.D. Cal. Mar. 8, 2018).

11 The next issue is the appropriate scope of injunctive relief. Federal Rule of Civil Procedure
 12 65(d) requires that “[e]very order granting an injunction ... (A) state the reasons why it issued; (B)
 13 state its terms specifically; and (C) describe in reasonable detail ... the act or acts restrained or
 14 required.” Generally, an injunction must be narrowly tailored to remedy only the specific harms
 15 shown by a plaintiff, rather than to enjoin all possible breaches of the law. *Price v. City of*
 16 *Stockton*, 390 F.3d 1105, 1117 (9th Cir. 2004); *Skydive Arizona, Inc. v. Quattrocchi*, 673 F.3d
 17 1105, 1116 (9th Cir. 2012) (“Injunctive relief under the Lanham Act must be narrowly tailored to
 18 the scope of the issues tried in the case.”); *Iconix, Inc. v. Tokuda*, 457 F. Supp. 2d 969, 998 (N.D.
 19 Cal. 2006).

20 The plaintiff’s proposed permanent injunction is set forth in ECF No. 25-1 and enjoins the
 21 defendant from:

- 22 1. Using the Infringing Mark, either alone or in conjunction with any other words or symbols,
 23 or any phonetically or visually similar words or symbols in any combination, in connection
 24 with futsal-related services and goods or any related goods or services, including futsal
 25 training, events, clubs, leagues, tournaments, secondary medical insurance, player
 26 development programs, player identification programs, and coaching education for futsal
 27 leagues, and related clothing and sporting goods, within the Territory;
- 28 2. Using or continuing to use the Infringing Mark, either alone or in conjunction with any
 other words or symbols, or any phonetically or visually similar words or symbols in any
 combination in connection with any marketing or advertising or any other promotional
 materials relating to futsal or any related goods or services, including with futsal-related
 services and goods or any related goods or services, including futsal training, events, clubs,
 leagues, tournaments, secondary medical insurance, player development programs, player

1 identification programs, and coaching education for futsal leagues, and related clothing and
2 sporting goods, viewable within the Territory;

- 3 3. Further infringing on plaintiff's U.S. FUTSAL and UNITED STATES FUTSAL marks by
4 using the Infringing Mark or any confusingly similar trademark, service mark, name, term,
5 or designation in any manner or place within the Territory, including through any website,
6 including but not limited to defendant's website, or any URL with a confusingly similar
7 name, and any social media, including but not limited to defendant's social media pages;
- 8 4. Filing any application for registration with any government agency, including but not
9 limited to the United States Patent and Trademark Office, of any trademark or service
10 mark that contains the words USA FUTSAL;
- 11 5. Further infringing, in any manner, contributing to infringement, or participating in the
12 infringement by others, of any of plaintiff's trademarks, and from acting in concert with,
13 aiding or abetting others, to infringing any of plaintiff's trademarks in any way;
- 14 6. Causing likelihood of confusion, deception, or mistake as to the source, nature, or quality
15 of defendant's goods and services;
- 16 7. Engaging in any other activity constituting unfair competition with plaintiff, or constituting
17 an infringement of any of plaintiff's marks, or of plaintiff's rights in, or to use, or to
18 exploit, said trademarks, or constituting any injury to or dilution of any of plaintiff's
19 names, marks, reputation, or goodwill;
- 20 8. Secreting, destroying, altering, removing, or otherwise using its infringing advertising and
21 promotional materials or any records that may contain information relating to the
22 developing, producing, selling, marketing, offering for sale, advertising, and/or promoting
23 of any and all futsal-related services and goods infringing plaintiff's U.S. FUTSAL and
24 UNITED STATES FUTSAL marks;
- 25 9. Aiding and abetting, contributing to, or otherwise assisting anyone in infringing upon
26 plaintiff's U.S. Futsal and United States Futsal marks; and
- 27 10. Effecting assignments or transfers, forming new entities or association, or using any other
28 device with the purpose of circumventing or otherwise avoiding the prohibitions set forth
in subparagraphs 1 through 9, above[.]⁶⁷

It also requires the defendant to disclose infringing activities to the court within 30 days of the
court's order and to re-label its goods and services to the extent that they bear the infringing USA
Futsal mark.⁶⁸

Based on the allegations in the complaint, the plaintiff's proposed injunction is tailored to the
harm. *Price*, 390 F.3d at 1117. But as summarized in the Statement, and apparently after the
plaintiff filed the lawsuit, the defendant changed its name to United Futsal Association, changed

⁶⁷ Proposed Order – ECF No. 25-1 at 3–5; *see* Compl. – ECF No. 1 at 17–19 (¶¶ 7–12) (request for
injunction).

⁶⁸ Proposed Order – ECF No. 25-1 at 5.

1 its corporate name to A2 Sports LLC, stopped using the infringing marks, and took down the
2 offending social-media sites. A defendant’s cessation of infringing activities can moot a claim for
3 injunctive relief.⁶⁹ *Polo Fashions, Inc. v. Dick Bruhn, Inc.*, 793 F.2d 1132, 1135–36 (9th Cir.
4 1986). But normally, the defendant establishes that the infringing activity ceased, and “the reform
5 of the defendant must be irrefutable and total.” *Id.* at 1135 (quoting 2 J. McCarthy, Trademarks
6 and Unfair Competition § 30:6, at 471 (2d ed. 1984)). Here, we have a defaulting defendant. That
7 said, arguably, there is no longer a substantial possibility that the defendant will engage in
8 continued infringing activity. But because the defendant’s continued non-use of the infringing
9 name is not assured, arguably, injunctive relief is warranted. *See E. & J. Gallo Winery v.*
10 *Consorzio del Gallo Nero*, 782 F. Supp. 457, 468 (N.D. Cal. 1991).

11 The court reserves the issue until it receives the plaintiff’s June 21 update about the status of
12 its outreach to the defendant (as discussed in the Introduction and Statement, *supra*).

13 **3.2 Costs**

14 The plaintiff is entitled to its costs. 15 U.S.C. § 1117(a); Fed. R. Civ. P. 54(d)(1); *Coach, Inc.*
15 *v. Diana Fashion*, No. 11-2315 SC, 2011 WL 6182332, at *5 (N.D. Cal. Dec. 13, 2011). Entry of
16 default judgment constitutes success on the merits for the prevailing party.

17

18 **CONCLUSION**

19 The court issues this order to facilitate the parties’ possible resolution of the case and directs
20 an update by June 21, 2018. Thereafter, if the parties have not worked out the dispute, the court
21 will direct the Clerk of Court to reassign the case to a district judge and will recommend that the
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23

24 ⁶⁹ *Robert Stigwood Grp., Ltd. v. Hurwitz*, 462 F.2d 910, 913(2nd Cir. 1972) (must be a “cognizable
25 danger of recurrent violation, something more than the mere possibility”); *Schutt Mfg. Co. v. Riddell,*
26 *Inc.*, 673 F.2d 202, 207 (7th Cir. 1992) (trial court has discretion to deny an injunction when the
27 conduct has ceased and is not likely to recur); *W. Wind Energy Corp. v. Savitr Capital, LLC*, No. C 12-
28 4806 PJH, 2013 WL 3286190, at *2 (N.D. Cal. June 27, 2013) (request for injunctive relief moot in
light of the corrective actions taken by defendant); *Employers Ins. of Wausau v. Am. Int’l Specialty*
Lines Ins. Co., No. C-02-04976 RMW, 2005 WL 1220945, at *4 (N.D. Cal. May 23, 2005) (plaintiff’s
trademark claim “essentially mooted” because defendant redesigned its packages and labeling); *Nova*
Wines, Inc. v. Adler Fels Winery LLC, 467 F. Supp. 2d 965, 975 (N.D. Cal. 2006) (plaintiff either lacks
standing or trademark claim is moot based on defendants’ statement that it does not and will not use
the mark).

1 newly assigned judge grant the plaintiff's motion for default judgment, enter judgment in the
2 amount of the plaintiff's costs, and potentially permanently enjoin the defendant from infringing
3 on the plaintiff's marks.

4 The court directs the plaintiff to serve this order on the defendant.

5 **IT IS SO ORDERED.**

6 Dated: May 21, 2018



LAUREL BEELER
United States Magistrate Judge

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