

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON

STEVEN ROMANIA

Plaintiff,

vs.

JASON VOLK, ROSENTHAL COLLINS
GROUP, LLC AND DOES 2-5,

Defendants.

O R D E R
Civ. No. 08-6229-AA

AIKEN, Judge:

The court held a hearing on October 2, 2009, to determine the amount of default judgment. Damages were awarded as requested by plaintiff except for the issue of punitive damages, which the court took under advisement.

Plaintiff requests a punitive damages money award in the amount of \$350,000. Plaintiff was previously awarded a compensatory damages money award of \$350,000, as well as pre- and

1 post-judgment interest, attorney fees and costs. Plaintiff's
2 request for punitive damages is based on his allegation that,
3 "[d]efendant defrauded and deceived me into investing with him
4 based on intentional misrepresentations and omissions of
5 important facts." Plaintiff's Declaration, p. 2, para. 10.
6 Relying on Wieber v. FedEx Ground Package System, Inc., 231 Or.
7 App. 469, ___ P.3d ___, 2009 WL 3448182 (2009) (guideposts and
8 reprehensibility factors) and Vasquez-Lopez v. Beneficial Oregon,
9 Inc., 210 Or. App. 553, 152 P.3d 940 (2007) (punitive damages
10 discussion/reasonableness), plaintiff is entitled to an award of
11 \$350,000 for punitive damages in this case. A one-to-one ratio
12 of compensatory to punitive damages is reasonable here. Relying
13 on the case law cited above, defendant's conduct was "moderately
14 reprehensible," and the harm was purely economical in that
15 plaintiff lost his entire \$350,000 investment. The "guidepost" of
16 reprehensibility associated with defendant's misconduct is the
17 "most important indicator of the reasonableness of a punitive
18 damages award." Wieber, 2009 WL 3448182, *13 (citing BMW of
19 North America, Inc. v. Gore, 517 U.S. 559, 575 (1996)).
20 Defendant's actions qualify for application of the fifth
21 reprehensibility factor (intentional conduct), as well as the
22 third and fourth factors. Plaintiff was financially vulnerable
23 and the misconduct was composed of repeated actions by defendant.
24 Plaintiff was retired and not particularly financially
25 sophisticated. As a result of plaintiff's dealings with
26 defendant, plaintiff had to cancel another business deal.
27 Defendant knew this information, thus supporting application of
28 the fifth reprehensibility factor: "intentional malice, trickery,

1 or deceit[.]" Id. The first and second reprehensibility factors
2 do not apply. Thus, two, perhaps three reprehensible factors are
3 met, making defendant's conduct "moderately reprehensible."
4 Therefore, a one-to-one ratio of compensatory to punitive damages
5 is appropriate.

6 CONCLUSION

7 Plaintiff's request for punitive damages is granted.
8 Punitive damages in the amount of \$350,000 is awarded to
9 plaintiff.

10 IT IS SO ORDERED.

11 Dated this 8 day of December 2009.

12
13
14 

15 _____
16 Ann Aiken
17 United States District Judge
18
19
20
21
22
23
24
25
26
27
28