## IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF TENNESSEE NASHVILLE DIVISION

SHONEY'S NORTH AMERICA, LLC,	
Plaintiff,	
<b>v</b> .	
SMITH & THAXTON, INC., BALLARD G. THAXTON and ANDRE SMITH,	

Defendants.

Case No. 3:12-cv-00625

Chief Judge Sharp Magistrate Judge Knowles

## <u>ORDER</u>

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Before the Court are the plaintiff's objections (ECF No. 71) to the Report and Recommendation ("R&R") (ECF No. 68) filed by Magistrate Judge Cliff Knowles, recommending that the plaintiff's Renewed Motion for Summary Judgment (ECF No. 41) be denied. The plaintiff, Shoney's North America, LLC ("SNA") has lodged proper objections to each of the magistrate judge's findings and proposed ruling, and the Court has therefore conducted a *de novo* review of the record and the plaintiff's motion. For the reasons set forth herein, the Court finds that the plaintiff is entitled to summary judgment in its favor as to the claims at issue in the motion for summary judgment.

To be clear, the motion for summary judgment is actually a motion for partial summary judgment, because it does not address the plaintiff's federal claims for trademark and service mark violations. The Court deems these federal claims to have been abandoned by the plaintiff. Such claims are therefore **DISMISSED WITH PREJUDICE**.

The plaintiff moves for summary judgment only on its breach-of-contract claims, over which the Court has supplemental jurisdiction. Default judgment has already been entered against defendant Smith & Thaxton, Inc. in the amount of \$59,430.27, plus prejudgment interest in the amount of \$168.20 and post-judgment interest at the statutory rate. (ECF No. 93.) Thus, the only issue before the Court is the liability of the individual defendants, Andre Smith and Ballard Thaxton (now substituted as a defendant by his wife, Brenda K. Thaxton, presumably representing Mr. Thaxton's estate) under the Guaranty Agreements for the obligations of Smith & Thaxton, Inc. As set forth in the accompanying Memorandum

Opinion, the Court finds that SNA has the right to enforce the Guaranty Agreements, and that Messrs. Smith and Thaxton (or his estate) are individually liable, jointly and severally, to SNA under the Guaranty Agreements for the damages already assessed against Smith & Thaxton, Inc. The Court has further concluded that the liquidated-damages provision in the License Agreements is enforceable and that SNA is therefore entitled to the full amount of damages sought in its complaint and the renewed motion for summary judgment.

The Court hereby **REJECTS** the magistrate judge's Report & Recommendation (ECF No. 68) and **GRANTS** the renewed motion for summary judgment (ECF No. 41). Defendants Andre Smith and Ballard Thaxton's estate are jointly and severally liable on the default judgment previously entered against Smith & Thaxton, Inc., in the amount of \$59,430.27, plus prejudgment interest in the amount of \$168.20 and post-judgment interest at the statutory rate, dating from May 2, 2014.

All other pending motions are **DENIED** as moot.

The Clerk is **DIRECTED** to enter Judgment in a separate document in accordance with Rule 58 of the Federal Rules of Civil Procedure.

It is **SO ORDERED**.

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KEVIN H. SHARP Chief Judge United States District Court