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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

GALAXIA ELECTRONICS CO., LTD.,

Plaintiff,

v.

LUXMAX, U.S.A., et al.,

Defendants.

No. 2:16-cv-05144-JAK (GJSx)

**ORDER RE GALAXIA  
ELECTRONICS, CO.'S RENEWED  
MOTION FOR DEFAULT  
JUDGMENT AGAINST  
DEFENDANTS LUXMAX, USA AND  
RWS MANAGEMENT, INC. (DKT.  
340)**

AND RELATED CLAIMS

1           Based on a review of the Galaxia Electronics, Co.'s Renewed Motion for Default  
2 Judgment Against Defendants Luxmax, USA and RWS Management, Inc. (the "Motion"  
3 (Dkt. 340)), sufficient good cause has been shown for the requested relief. Therefore, the  
4 Motion is **GRANTED**, as follows:

5           In a prior Order, it was determined that, based on a review of the *Eitel* factors,  
6 default judgment would be entered against Luxmax, USA ("Luxmax") and RWS  
7 Management, Inc. ("RWS"); provided, however, that ruling was stayed until Galaxia  
8 Electronics Co. ("Galaxia") submitted a declaration that satisfied the requirements of  
9 Local Rule 55-1 and provided additional evidence as to its claimed damages. Dkt. 319 at  
10 35-39. The analysis in the prior Order is incorporated here by this reference.

11           Local Rule 55-1 requires that a party moving for default judgment submit a  
12 declaration that provides evidence as to each of the following: (i) when and against  
13 which party default has been entered; (ii) the identification of the pleading to which  
14 default has been entered; (iii) whether the defaulting party is an infant or incompetent  
15 person, and if so, whether that person is represented by a general guardian, committee,  
16 conservator or other representative; (iv) the Servicemembers Civil Relief Act, 50  
17 U.S.C.A. § 3931 does not apply; and (v) notice has been provided to the defaulting party,  
18 if required by Fed. R. Civ. P. 55(b)(2).

19           Galaxia submitted a declaration from its counsel satisfying all of these  
20 requirements. It identifies the relevant parties and pleading. Dkt. 340-1, Yoo Decl. ¶ 3. It  
21 also states that neither Luxmax nor RWS is an infant or incompetent and the SCRA does  
22 not apply. *Id.* ¶¶ 5-6. It has also been adequately shown that Galaxia's counsel has  
23 percipient knowledge of these facts. Luxmax and RWS initially sought to participate in  
24 this litigation, which provided Galaxia's counsel with the opportunity to learn about  
25 them. Counsel also declares that he provided proper notice to each of the defaulting  
26 parties. *Id.* ¶ 2. Because Galaxia has now provided a sufficient declaration, its Motion for  
27 Default Judgment is **GRANTED**.

1 It was previously determined that Galaxia was entitled to the following remedies  
2 through the entry of a default judgment: compensatory damages against RWS in the  
3 amount of \$8,857,949; interest at the Korean statutory rates of 6% per annum from  
4 September 1, 2015, to July 24, 2018, and 15% per annum from July 25, 2018, until RWS  
5 pays the amount of the principal; attorney’s fees and costs in the amount of KRW  
6 285,861,620;<sup>1</sup> compensatory damages against RWS and Luxmax in the amount of  
7 \$2,730,051.20 pursuant to the December 2015 and May 2016 Acknowledgments; and  
8 pre- and post-judgment interest. Dkt. 319 at 38-39.

9 A determination as to compensatory damages against Luxmax was deferred with  
10 respect to the debts incurred pursuant to the Exclusive Agreement and the Purchase  
11 Agreement, and confirmed in the ARPA and Confirmation Letter. *See id.* at 38. Galaxia  
12 has now proffered a declaration from its CFO explaining that the principal amount  
13 outstanding is \$8,857,949. Dkt. 340-2, Shim Decl. ¶ 4. In computing damages on a  
14 motion for default judgment, a court may “rely on the declarations submitted by the  
15 plaintiff . . . .” *Philip Morris USA, Inc. v. Castworld Prod., Inc.*, 219 F.R.D. 494, 498  
16 (C.D. Cal. 2003). Therefore, it is determined that Luxmax is liable for the foregoing  
17 amount.

18 With respect to pre-judgment interest, Galaxia is only seeking pre-judgment  
19 interest from July 13, 2016 to the present. Dkt. 340 at 14 n.2, 15 n.3. With respect to the  
20 amounts owed by Luxmax, they arise under the Exclusive Agreement and Purchase  
21 Agreement, and because no interest rate is stated in those contracts, California law  
22 applies 10% simple interest. *See id.*; Cal. Civ. Code § 3289. With respect to the  
23 \$8,857,949 owed by RWS, the arbitrator set the interest rate at 6% per annum from  
24 September 1, 2015, to July 24, 2018, and 15% per annum from July 25, 2018, until RWS  
25 pays the amount of the principal. *See* Dkt. 319 at 38. Finally, with respect to the  
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27 <sup>1</sup> KRW refers to Korean won, the currency of South Korea.

1 \$2,730,051.20 owed by RWS, RWS agreed to pay 6% interest on \$1,397,168.10 of that  
2 amount and 10% interest on the remaining \$1,332,883.10. *Id.* at 39.

3 With respect to post-judgment interest, 28 U.S.C. § 1961(a) provides: “Such  
4 interest shall be calculated from the date of the entry of the judgment, at a rate equal to  
5 the weekly average 1-year constant maturity Treasury yield, as published by the Board  
6 of Governors of the Federal Reserve System, for the calendar week preceding the date of  
7 the judgment.” In addition, “a district court judgment affirming an arbitration award is  
8 governed by statutory post-judgment interest rates.” *Parsons & Whittemore Alabama*  
9 *Mach. & Servs. Corp. v. Yeargin Const. Co.*, 744 F.2d 1482, 1484 (11th Cir. 1984).

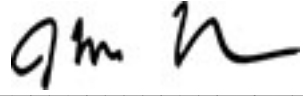
10 Based on the foregoing, judgment will be entered as follows. Combining the  
11 principal amounts described in the Exclusive Agreement and Purchase Agreement with  
12 those described in the December 2015 and May 2016 Acknowledgments, Luxmax and  
13 RWS are jointly and severally liable for \$11,588,000.20 in principal. In addition, RWS is  
14 separately liable for attorney’s fees and costs in the amount of KRW 285,861,620 arising  
15 out of the Korean arbitration proceeding.

16 As to pre-judgment interest, both Luxmax and RWS are obligated to pay the  
17 following amounts: 6% interest on \$8,857,949 from July 13, 2016 to July 24, 2018; 10%  
18 interest on \$8,857,949 from July 25, 2018 to present; 10% interest on \$1,332,883.10  
19 from July 13, 2016 to present; and 6% interest on \$1,397,168.10 from July 13, 2016 to  
20 present. Luxmax alone is responsible for 4% of additional interest (having agreed to pay  
21 10% interest rather than 6% interest) on \$8,857,949 from July 13, 2016 to July 24, 2018  
22 and on \$1,397,168.10 from July 13, 2016 to present. RWS alone is also responsible for  
23 6% interest on \$8,857,949 from September 1, 2015 to July 12, 2016 and an additional  
24 5% interest (having been found liable by the arbitrator for 15% interest rather than 10%  
25 interest) on \$8,857,949 from July 25, 2018 to present. In total, Luxmax and RWS are  
26 jointly and severally liable for \$7,382,405.63 in pre-judgment interest, Luxmax alone is  
27 liable for \$1,129,966.58 in pre-judgment interest, and RWS alone is liable for

1 \$2,814,158.26 in pre-judgment interest. As of the entry of judgment, the applicable post-  
2 judgment interest rate is 5.38%.

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**IT IS SO ORDERED.**

Dated: November 16, 2023   
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John A. Kronstadt  
United States District Judge