

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES) Case No. C 11-02065 SC
)
Plaintiff,) ORDER ADOPTING REPORT AND
) RECOMMENDATION AND ENTERING
v.) DEFAULT JUDGMENT AND
) DEFAULT PERMANENT
CHINA CHINA, INC., et al.,) <u>INJUNCTION</u>
)
Defendants.)
)

Magistrate Judge Elizabeth Laporte has issued a Report and Recommendation in which she recommends this Court grant Plaintiff United States' Motion for Partial Default Judgment as to Defendant China China, Inc., Motion for Partial Default Judgment as to Defendant Jenn Ji Chu, and Motion for Default Permanent Injunction. ECF No. 18. No objections have been filed. Having reviewed the Report and Recommendation, the Court finds it to be correct, well-reasoned, and thorough, and therefore ADOPTS it in every respect.

As it must on a motion for default judgment, the Court also "assess[es] the adequacy of the service of process on the party against whom default is requested." Bd. of Trs. of the N. Cal. Sheet Metal Workers v. Peters, No. 00-0395, 2000 U.S. Dist. LEXIS 19065, at *2 (N.D. Cal. Jan. 2, 2001). In the instant case, Plaintiff United States effected proper service of process pursuant to Rule 4 of the Federal Rules of Civil Procedure by serving a copy

1 of the complaint and summons on Defendants China China, Inc. and
2 Jenn Ji Chu on May 10, 2011. See ECF Nos. 5-8.

3 Accordingly, Plaintiff United States' Motion for Partial
4 Default Judgment against China China, Inc. is GRANTED; China China,
5 Inc. is ORDERED to pay the United States \$1,610,833.94. Plaintiff
6 United States' Motion for Partial Default Judgment against Jenn Ji
7 Chu is also GRANTED; Jenn Ji Chu is ORDERED to pay the United
8 States \$427,170.62.

9 Further, Plaintiff United States' Motion for Default Permanent
10 Injunction is GRANTED. For a period of five years from entry of
11 this judgment, the COURT (A) enjoins China China, Inc., and its
12 representatives, partners, agents, servants, employees, attorneys,
13 and anyone in active concert or participation with them, from
14 failing to pay over to the IRS all employment taxes including FICA
15 and FUTA taxes required by law; (B) requires China China, Inc. to
16 file employment tax returns with the IRS, or at such other location
17 as the IRS may deem appropriate; (C) requires China China, Inc. to
18 deposit withheld FICA taxes as well as China China, Inc.'s share of
19 FICA taxes, in an appropriate federal depository bank in accordance
20 with federal deposit regulations; (D) requires China China, Inc. to
21 deposit FUTA taxes in an appropriate federal depository bank each
22 quarter in accordance with the federal regulations; and (E)
23 requires those individuals at China China, Inc. responsible for
24 carrying out the duties established under parts (C) and (D) to sign
25 and deliver affidavits to the revenue officer, or such other

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1 location as the IRS may deem appropriate, on the 1st day of each
2 month, stating that the requisite withheld income, FICA, and
3 unemployment tax deposits were timely made.

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5 IT IS SO ORDERED.

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7 Dated: September 21, 2011

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UNITED STATES DISTRICT JUDGE