UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

MATTHEW HOLDER,

Plaintiff,

v.

PRIME PROTECTION AUTHORITY, LLC and ANTHONY PIERCE,

Defendants.
_____/

Case No. 2:25-cv-11028

HONORABLE STEPHEN J. MURPHY, III

ORDER GRANTING MOTION FOR DEFAULT JUDGMENT [12]

Plaintiff Matthew Holder sued his employer, Prime Protection Authority, LLC and its owner, Anthony Pierce for unpaid overtime wages in violation of the Fair Labor Standards Act, 29 U.S.C. § 207. ECF No. 1. After Defendants failed to answer or otherwise respond to the complaint, the Clerk entered default for each Defendant. ECF Nos. 9, 10. Plaintiff then moved for default judgment. ECF No. 12. For the reasons below, the Court will grant the motion.

BACKGROUND

Holder worked as a security officer for Prime Protection Authority from August 2023 to December 2024. ECF No. 1, PageID.3. Prime Protection contracts with various businesses and individuals to provide security guards. *Id.* Defendant Anthony Pierce founded and owns Prime Protection, and he controls the day-to-day business. *Id.* at PageID.3–4. Holder regularly worked more than forty hours per week. *Id.* at PageID.7. In fact, Prime Protection typically scheduled Holder to work four

thirteen-hour shifts per week. *Id.* at PageID.8. To keep track of time, Prime Protection directed Holder to (1) clock in and out using an app and (2) sign in and out on a paper log that Prime's customers maintained. *Id.*

Holder claimed Prime Protection failed to pay him for all the time he worked. First, he said Prime required but did not pay him to arrive fifteen minutes before his shift was scheduled to start. *Id.* Second, he claimed he was compensated at his regular rate for all hours worked, even when he worked more than forty hours in a week. *Id.* at PageID.9.

Holder sued Prime Protection and Pierce for violating the overtime provisions of the Fair Labor Standards Act. *Id.* at PageID.10. Neither Defendant responded to the complaint, so the Clerk entered their defaults. ECF Nos. 9, 10. Holder then moved for judgment based on the default and requested damages for unpaid overtime, liquidated damages in the same amount, post-judgment interest, attorneys' fees, and costs. ECF No. 12, PageID.27–28.

LEGAL STANDARD

Default judgment is a two-step process under Federal Rule of Civil Procedure 55. First, Rule 55(a) permits the clerk to enter default when a party "has failed to plead or otherwise defend." Once default is entered, courts treat a defendant as having admitted the complaint's well-pleaded allegations. *McIntyre v. Ogemaw Cnty. Bd. of Comm'rs*, No. 15-cv-12214, 2017 WL 1230477, at *2 (E.D. Mich. Apr. 4, 2017) (citing *Visioneering Constr. v. U.S. Fid. & Guar.*, 661 F.2d 119, 124 (6th Cir. 1981)). If the allegations, taken as true, "are sufficient to support a finding of liability as to

each defendant," then "the Court should enter judgment." *Ford Motor Co. v. Cross*, 441 F. Supp. 2d 837, 848 (E.D. Mich. 2006).

Under Rule 55(b)(2), if jurisdiction is proper and default judgment is appropriate, the Court will determine the amount and character of the recovery awarded. 10A *Wright & Miller's Federal Practice & Procedure* § 2688 (4th ed. 2025). Although the Court must take the complaint's well-pleaded factual allegations as true, Plaintiff must still prove allegations related to damages. *Id.* at § 2688.1. "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 Court may conduct hearings or make referrals to determine the damages necessary to enter or carry out judgment. *Id.* at 55(b)(2). "But such a hearing is not necessary if sufficient evidence is submitted to support the request for damages or if the amount claimed is one capable of ascertainment from definite figures in the documentary evidence or affidavits." *Ayers v. Receivables Performance Mgmt.*, No. 2:15-cv-12082, 2016 U.S. Dist. LEXIS 132875, at *9 (E.D. Mich. Sept 28, 2016) (citation omitted).

DISCUSSION

Plaintiff alleged that Defendants violated the Fair Labor Standards Act. The Court will first assess the preliminary requirements to entertaining a motion for default judgment—jurisdiction and the Clerk's entry of default. The Court will then assess whether Plaintiff established he is entitled to default judgment pursuant to

the Fair Labor Standards Act. Finally, the Court will assess what damages are appropriate.

I. Default Judgment

To grant default judgment, the Court must have jurisdiction over the subject matter and parties. *See Antoine v. Atlas Turner, Inc.*, 66 F.3d 105, 108 (6th Cir. 1995); *C.A.T. Glob. Inc. v. OTT Transp. Servs.*, 737 F. Supp. 3d 620, 625 (E.D. Mich. June 18, 2024). The Court must also ensure the entry of default was proper. *C.A.T. Glob.*, 737 F. Supp. 3d at 625.

First, the Court has subject matter jurisdiction over the action under 28 U.S.C. § 1331. Plaintiff sought relief under the Fair Labor Standards Act, 29 U.S.C. § 201, *et seq*., a federal statute. Second, the Court also has personal jurisdiction over both defendants—a Michigan resident and a company headquartered in Michigan. ECF No. 1, PageID.2; *see also Ford Motor Co.*, 441 F. Supp. 2d at 846 ("Once a default is entered, the defaulting party is deemed to have admitted all the well-pleaded factual allegations in the complaint regarding liability, including jurisdictional averments.").

Next, the Clerk's entry of default was proper. Under Fed. R. Civ. P. 55(a), the Clerk *must* enter default when a defendant "has failed to plead or otherwise defend." Here, Holder submitted proof of service that showed he served Pierce, who can accept service on behalf of himself and Prime Protection, personally on April 29, 2025. ECF Nos. 5, 6, 12-3; *Sign & Graphics Operations LLC v. Begotten Son Corp.*, No. 19-cv-12727, 2020 U.S. Dist. LEXIS 74942, at *8 (E.D. Mich. Apr. 29, 2020) (finding service proper against each of three defendants when three copies of the summons were

served on one defendant who was authorized to accept service on behalf of the other two). Neither Prime Protection nor Anthony Pierce responded, so Holder promptly sought the Clerk's entry of default on May 23, 2025, three days after the deadline had passed to file a responsive pleading. *See* Fed. R. Civ. P. 12(a). And in the six months since the Clerk entered default, neither defendant responded.

II. Fair Labor Standards Act

Plaintiff's allegations support a finding of liability for unpaid overtime under the Fair Labor Standards Act (FLSA). "There are essentially two ways . . . employees gain protection" under the statute: individual or enterprise coverage. *Kowalski v. Kowalski Heat Treating Co.*, 920 F. Supp. 799, 802 (N.D. Ohio 1996). First, the FLSA protects individual employees directly "engaged in commerce or in the production of goods for commerce." 29 U.S.C. § 207(a)(1). Second, it covers those employed by an "enterprise engaged in commerce." *Id.* To qualify, an "enterprise" has employees "engaged in commerce" and an annual gross sales volume of at least $500,000. *Id.* at § 203(s)(1)(A)(i)–(ii); *see also Williams v. Hooah Sec. Servs., LLC*, 729 F. Supp. 2d 1011, 1013 (W.D. Tenn. 2010).

The FLSA "requires employers to compensate employees at one and one-half times their regular rate for each hour worked in excess of 40 hours per week." *Walsh v. KDE Equine, LLC*, 56 F. 4th 409, 413 (6th Cir. 2022) (citing 29 U.S.C. § 207(a)(1)). An employer who does not is liable for the employee's "unpaid overtime compensation" as well as "an additional equal amount as liquidated damages." 29

U.S.C. § 216(b). An employer is "any person acting directly or indirectly in the interest of an employer in relation to an employee." *Id.* at § 203(d).

To recover on an FLSA claim, an employee must demonstrate "he performed work for which he was not properly compensated." *Monroe v. FTS USA, LLC*, 860 F.3d 389, 398 (6th Cir. 2017). It is sufficient if the employee shows "he has in fact performed work for which he was improperly compensated and . . . produces sufficient evidence to show the amount and extent of that work as a matter of just and reasonable inference." *Id.* at 389–99.

Plaintiff showed that Prime Protection qualifies as an enterprise because it is engaged in commerce and its annual sales exceed $500,000.00. ECF No. 1, PageID.5. The FLSA's protections thus apply. And Plaintiff established that both Defendants are his employers because Pierce acted in Prime Protection's interest when Plaintiff worked for the company. *Id.* at PageID.4. Plaintiff's complaint alleged only one cause of action—violation of the overtime provisions of the FLSA. *Id.* at PageID.10. And his allegation is simple: though he often worked more than forty hours in a week, Defendants did not pay him time-and-a-half for the hours over forty as § 207 requires. *Id.* The allegations taken as true thus support a finding of liability, and Plaintiff is entitled to default judgment.

III. Damages

After granting default judgment, the Court must "conduct an inquiry in order to ascertain the amount of damages with reasonable certainty." *Vesligaj v. Peterson*, 331 F. App'x 351, 355 (6th Cir. 2009) (quotation omitted). When damages sought in a

default judgment are not for a sum certain, the Court must determine damages. Fed. R. Civ. P. 55(b). Plaintiff sought damages for unpaid overtime, liquidated damages in the same amount, post-judgment interest, and attorneys' fees and costs. ECF No. 1, PageID.12; ECF No. 12, PageID.27–28.

A. *Unpaid Overtime*

Plaintiff calculated his unpaid overtime using his PayPal account history and timesheet records. ECF No. 12-1, PageID.52–54. Specifically, Plaintiff determined his hourly rate for the week, multiplied the hourly rate by 50% to determine the overtime hourly premium, and multiplied the overtime rate by the number of hours worked in excess of forty for the week. *Id.* at PageID.53. Cross-checking the PayPal history with Plaintiff's timesheets, he calculated that he is owed $6,684.64 for inadequately compensated overtime work.

Plaintiff's motion for default judgment also purports to include calculations for off-the-clock work Defendants required of Plaintiff but did not compensate. *See id.* Plaintiff alleged Defendants required him to arrive fifteen minutes before his shifts but failed to pay him for that time. There are two problems with the argument. First, Plaintiff did not bring a cause of action for unpaid time under § 206. He only brought a cause of action for overtime compensated as regular time under § 207. Plaintiff did allege in his complaint that "Defendants failed to pay Plaintiffs for all hours worked," specifically the fifteen minutes of unpaid time he worked per shift. ECF No. 1, PageID.8. But even if Plaintiff brought a cause of action for this time, he did not state a claim for relief.

"[T]he Portal-to-Portal Act, which amended the FLSA, exempts (i.e., makes noncompensable) work-related activities that are 'preliminary' . . . to the 'principal activity or activities' which the employee is 'employed to perform.'" *Forrester v. Am. Sec. & Protection Serv. LLC*, No. 21-5870, 2022 WL 1514905, at *1 (6th Cir. May 13, 2022) (citing 29 U.S.C. § 254(a)). When a plaintiff does not describe the activities in enough detail for the Court to determine whether the work-related activity was integral to the job, he fails to state a claim for relief. *Id.* at *2 (citing *Integrity Staffing Solutions, Inc. v. Busk*, 574 U.S. 27, 35 (2014)). Here, based on the well-pleaded allegations, all indications point to the conclusion that the fifteen minute arrival requirement was an uncompensable preliminary activity. Nothing in the complaint would lead the Court to conclude otherwise. Regardless, Plaintiff did not describe any activities he performed during those fifteen minutes. Plaintiff is thus not entitled to the additional $1,786.75 he requested in off-the-clock pay. *See* ECF No. 12-6, PageID.115–116. The Court, will however, award Plaintiff $6,684.64 for inadequately compensated overtime work.

B. *Liquidated Damages*

Employers who violate § 207 "shall be liable . . . in the amount of . . . their unpaid overtime compensation." 29 U.S.C. § 216(b). Liquidated damages are mandatory unless the employer showed it acted in good faith with reasonable grounds for believing it was not violating the FLSA. *Elwell v. Univ. Hosps. Home Care Servs.*, 276 F.3d 832, 840 (6th Cir. 2002) (citing 29 U.S.C. § 260). "In the absence of such proof, however, a district court has no power or discretion to reduce an employer's

liability for the equivalent of double unpaid wages." *Id.* (quoting *McClanahan v. Matthews*, 440 F.2d 320, 322 (6th Cir. 1971)).

Here, Defendants never responded, so they did not carry their burden to prevent the Court from awarding liquidated damages. *See Perez v. A&A Staffing Sols. L.L.C.*, No. 1:24-cv-331, 2025 U.S. Dist. LEXIS 169698, at *6–8 (W.D. Mich. Aug. 15, 2025) (awarding liquidated damages because the defendants were in default and therefore failed to meet their burden). Plaintiff is therefore entitled to an additional $6,684.64 in liquidated damages, equal to the amount in uncompensated overtime work.

C. *Post-Judgment Interest*

"Interest shall be allowed on any money judgment in a civil case recovered in a district court." 28 U.S.C. § 1961(a); *see also Jones v. Animal Enter. Worldwide, LLC*, No. 1:21-cv-00653, 2022 U.S. Dist. LEXIS 35056, at *5–6 (N.D. Ohio Feb. 28, 2022) (awarding interest on FLSA claims). Post-judgment interest begins to accrue on the date the Court enters judgment "at a rate equal to the weekly average 1-year constant maturity Treasury yield . . . for the calendar week preceding" the entry of judgment. 28 U.S.C. § 1961(a). The average 1-year Treasury constant maturity for the week ending November 28, 2025 is 3.61%.[1] Plaintiff is therefore entitled to post-judgment interest at this rate pursuant to 28 U.S.C. § 1961(a).

[1] Administrative Office of the United States Courts, *Post Judgment Interest Rates* (last accessed Dec. 5, 2025) [https://perma.cc/RD29-TSPS].

D. *Attorneys' Fees and Costs*

The FLSA requires the Court to award attorneys' fees and costs against defendants who violate § 207. 29 U.S.C. § 216(b). Plaintiff requested $1,476.46 in costs and $55,064.50 in attorneys' fees.

First, Plaintiff's request for costs included the filing fee, a summons fee, service fees, fees for admission to the Eastern District of Michigan, as well as postage, printing, and legal research costs. "Sixth Circuit law is unsettled regarding whether costs for electronic legal research are properly awarded or whether these costs should be considered part of the overhead included in the attorney's hourly fee." *Smith v. Service Master Corp.*, 592 F. App'x 363, 367 (6th Cir. 2014) (declining to adopt an absolute rule). But recovery for the cost of online legal research is permitted if "distinct charges are incurred for specific research directly relating to the case, and the general practice of the local legal community is to pass those charges on to the client." Because Plaintiff's request for legal research fees is modest and was incurred specifically for this case, the Court will grant it. Accordingly, the Court will award Plaintiff $1,476.46 in costs.

Second, Plaintiff requested $55,064.50 in attorneys' fees. ECF No. 12-1, PageID.56. The Court must conduct a lodestar analysis before awarding attorneys' fees. *Dowling v. Litton Loan Serv. LP*, 320 F. App'x 442, 446 (6th Cir. 2009). To determine the lodestar, the Court calculates the product of "a reasonable hourly rate" and "the number of hours reasonably expended on the litigation." *Hensley v. Eckerhart,* 461 U.S. 424, 433 (1983). "[T]he lodestar figure includes most, if not all, of

the relevant factors constituting a reasonable attorney's fee." *Perdue v. Kenny A.*, 559 U.S. 542, 553 (2010) (citation modified).

The Court will "initially assess the prevailing market rate in the relevant community," or the "rate [that] lawyers of comparable skill and experience can reasonably expect to command within the venue of the court of record." *Waldo v. Consumers Energy Co.*, 726 F.3d 802, 821 (6th Cir. 2013) (citation modified). The median hourly rate for employment law plaintiffs' attorneys in Michigan is $400.00. ECF No. 12-8, PageID.136. Plaintiff's attorneys used the Michigan rate, even though their regular rates in New York are much higher. *See* ECF No. 12-7, PageID.118. Because $400 an hour is the median rate, the rates requested by Plaintiff's attorneys are reasonable, as are the lesser rates of $175.00 for paralegals and $210.00 for data scientists.

Next, the Court multiplies the hourly rate by the number of hours reasonably expended on the case. Plaintiff's attorneys provided meticulous and thorough records of all work performed on the case, including detailed descriptions and corresponding dates. *Id.* at PageID.119–127. In total, the firm spent 170.4 hours on the case. *Id.* at PageID.118. Plaintiffs' attorneys voluntarily decreased the number of hours worked on the case by removing the time of a paralegal, a data scientist, and the three most senior attorneys. ECF No. 12-2, PageID.83. Accordingly, the lodestar—the product of the reasonable rates and the number of hours reasonably expended—is well above the $55,064.50 Plaintiff requested.

Although the attorneys' fee is substantially larger than the damages awarded—more than four times its amount—the Sixth Circuit has rejected an approach that caps attorneys' fees under § 216(b) as a percentage of Plaintiff's recovery. *Rembert v. A Plus Home Health Care Agency LLC*, 986 F. 3d 613, 616–17 (6th Cir. 2021). The amount of recovery is relevant "specifically[] if a plaintiff is only partially successful in obtaining recovery on [his] claims." *Id.* at 617. Though the court did not award Plaintiff a portion of the damages he calculated, Plaintiff fully recovered on his claim because he "obtained 100% of the recovery due to [him] under the [FLSA]." *Id.* The Court will therefore decline to diminish the amount and will award $55,064.50 in attorneys' fees.

ORDER

WHEREFORE, it is hereby **ORDERED** that Plaintiff's motion for default judgment [12] is **GRANTED**. A separate judgment will follow.

This is a final order that closes the case.

SO ORDERED.

s/ Stephen J. Murphy, III
STEPHEN J. MURPHY, III
United States District Judge

Dated: December 5, 2025