BUSINESS COURT OF TEXAS, FIRST DIVISION

Dallas Sports Group, LLC and Radical Arena, Ltd. v. DSE Hockey Club, L.P., et al.

Dallas Sports Club, 2026 Tex. Bus. 15 (Business Court of Texas First Division 2026) · No. 25-BC01B-0049 · Decided April 2, 2026

SUMMARY

The Business Court of Texas addresses cross-motions for summary judgment concerning the construction of franchise, partnership, and company agreements involving the Dallas Mavericks and Dallas Stars. The court holds that the agreements require the principal corporate and executive offices of each team to be maintained in Dallas and concludes that the Mavericks established a contractual basis for redeeming the Stars' ownership interests. The court denies the Stars' motions and grants the Mavericks' declaratory judgment and affirmative-defense motions, while leaving tortious-interference and other issues for later proceedings.

CASE DETAILS

COURT	Business Court of Texas, First Division
WRITING FOR THE COURT	Bill Whitehill
JURISDICTION	Business Court of Texas, 1st Division
DECIDED	April 2, 2026
DOCKET	25-BC01B-0049
DISPOSITION	other
PROCEDURAL POSTURE	The parties filed competing traditional motions for partial summary judgment concerning contract interpretation, redemption of ownership interests, waiver, limitations, impossibility, laches, and related declaratory relief. After hearing argument, the court partially granted the plaintiffs' motions and denied the defendants' motions.
STANDARD OF REVIEW	Summary judgment is proper when the pleadings, motions, responses, and evidence show no genuine issue of material fact and the movant is entitled to judgment as a matter of law. The court views the evidence in the light most favorable to the nonmovant, credits favorable evidence if reasonable jurors could, and disregards contrary evidence unless reasonable jurors could not. A genuine issue exists when more than a scintilla of evidence supports the challenged fact. When an

	unambiguous contract is applied to undisputed facts, compliance is a question of law.
PRECEDENTIAL VALUE	published
PARTIES	Dallas Sports Group, LLC, Radical Arena, Ltd. v. DSE Hockey Club, L.P., et al.

TOPICS

contract interpretation · summary judgment · waiver of breach · declaratory judgment · limited liability companies

PRACTICE AREAS

contracts · commercial litigation · corporate law · civil procedure · remedies

QUESTIONS PRESENTED

1. Whether plaintiffs could cause redemption of defendants' partnership and limited-liability-company interests without a formal vote or entity action.
2. Whether the Location Commitment required the Team's principal corporate and executive offices, rather than the Owner's or affiliated entities' offices, to be maintained in Dallas.
3. Whether the defendants established limitations, original impossibility, waiver, or laches defenses as a matter of law or raised a genuine issue of material fact.
4. Whether bookkeeping entries reducing capital accounts were conditions precedent to effective redemption.
5. Whether plaintiffs effectively redeemed defendants' interests and thereby terminated designated members of the Center GP board.

HOLDINGS

1. The redemption provisions provided an alternative path by which a Remaining Partner or Member could cause the partnership or company to redeem the relocating party's interests. Plaintiffs therefore could effect the redemption through their notice and tender without first obtaining a formal corporate vote.
2. The Location Commitment unambiguously required the Owners to designate and maintain in Dallas the principal corporate and executive offices of the relevant Team, meaning the publicly understood players, coaches, trainers, and administrative employees, rather than the Owner's or an affiliate's corporate offices.
3. The contractual capital-account adjustments were automatic and ministerial; completed bookkeeping entries were not conditions precedent to effective redemption.
4. Defendants did not conclusively establish a limitations defense because the declaratory-judgment controversy accrued when defendants rejected plaintiffs' redemption notice, not necessarily when

defendants allegedly moved their offices years earlier.

5. The nonwaiver clauses barred waiver based merely on plaintiffs' delay or inaction, and defendants failed to produce evidence of affirmative conduct unequivocally inconsistent with plaintiffs' redemption rights. Defendants also failed to establish the elements of laches.

KEY QUOTATIONS

> *"If the Stars were correct that "only" the entities could cause the redemptions, the second sentences would be meaningless."* (at 25-26)

> *"the court concludes that the parties objectively and unambiguously intended for the Commitment Location clauses to mean a physical location in Dallas where (i) the fans would see the Stars and Mavericks play their home games and (ii) the Teams' offices would have a visible presence to the fans."* (at 39)

> *"There can be no waiver of a right if the person sought to be charged with waiver says or does nothing inconsistent with an intent to rely upon such right."* (at 53)

> *"We agree a nonwaiver provision absolutely barring waiver in the most general terms might be wholly ineffective. But we cannot agree that a nonwaiver is wholly ineffective in preventing waiver through conduct the parties explicitly agree will never give rise to waiver."* (at 76-77)

> *"Here, the Mavericks sued less than one year after the Stars rejected the Mavericks' redemption letter and the Mavericks' declaratory judgment cause of action accrued."* (at 89)

FACTUAL BACKGROUND

The Dallas Mavericks and Dallas Stars organizations each owned fifty percent of Center Operating Company, L.P., which operated the American Airlines Center, and each owned fifty percent of its general partner, Center GP, LLC. Their franchise agreements required the Owner continuously to designate Dallas as the location where the Team's home games and principal corporate and executive offices would be maintained. The related partnership and company agreements created redemption rights if a party breached its Location Commitment, and plaintiffs sent a notice on October 25, 2024, tendering $100 and $10 to redeem the Stars' interests after asserting that the Stars' Team offices were not in Dallas. Defendants rejected the attempted redemption, and plaintiffs filed suit seeking declaratory and injunctive relief and asserting tortious interference.

PROCEDURAL HISTORY

Plaintiffs sued after defendants rejected plaintiffs' October 25, 2024, notice purporting to redeem defendants' interests in Center Operating Company, L.P. and Center GP, LLC for $110. Plaintiffs sought declarations that the redemption was effective, that plaintiffs became the entities' sole owners, and that certain defendants' board positions terminated, along with relief for alleged tortious interference. Defendants answered, asserted affirmative defenses, and filed counterclaims. The court resolved the specified summary-judgment motions but left the tortious-interference claim, attorney-fee claims, the status of Dallas Sports & Entertainment, L.P., and other matters for later proceedings.

DISPOSITION

other

CASES CITED

- Shields Limited P'ship v. Bradberry, 526 S.W.3d 471 (Tex. 2017)
- JLB Builders, L.L.C. v. Hernandez, 622 S.W.3d 860, 864 (Tex. 2021)
- Mack Trucks, Inc. v. Tamez, 206 S.W.3d 572, 581-82 (Tex. 2006)
- King Ranch v. Chapman, 118 S.W.3d 742, 751, 755 (Tex. 2003)
- U.S. Polyco, Inc. v. Tex. Cent. Bus. Lines Corp., 681 S.W.3d 383, 387, 390 (Tex. 2023)
- URI, Inc. v. Kleberg County, 543 S.W.3d 755, 763-67, 770 (Tex. 2018)
- City of Rockwall v. Hughes, 246 S.W.3d 621, 626 (Tex. 2008)
- City of Denton v. Grim, 694 S.W.3d 210, 216 (Tex. 2024)
- Pike v. Texas EMC Mgmt., LLC, 610 S.W.3d 763, 779 (Tex. 2020)
- Meyers v. JDC Firethorne, Ltd., 548 S.W.3d 477, 484 (Tex. 2018)
- Austin Nursing Ctr., Inc. v. Lovato, 171 S.W.3d 845, 848-49 (Tex. 2005)
- Dunster Live, LLC v. LoneStar Logos Mgmt. Co., No. 03-22-00014-CV, 2024 WL 291403, at *5 (Tex. App.—3d Dist. Jan. 26, 2024, no pet.) (mem. op.)
- Italian Cowboy Partners, Ltd. v. Prudential Ins. Co. of Am., 341 S.W.3d 323, 333 (Tex. 2011)
- Mackey v. Lucy Prods. Corp., 239 S.W.2d 607, 608 (Tex. 1951)
- McGehee v. Endeavor Acquisitions, LLC, 603 S.W.3d 515, 526 (Tex. App.—8th Dist. 2020, no pet.)
- Tenneco Inc. v. Enterprise Prods. Co., 925 S.W.2d 640, 643, 646 (Tex. 1996)
- EWB-I, LLC v. PlazAmericas Mall Tex., LLC, 527 S.W.3d 447, 466-69 (Tex. App.—1st Dist. 2017, pet. denied)
- Location, Location, Location, Ltd. v. Home Depot USA, Inc., No. 07-21-00036-CV, 2022 WL 215131, at *4 (Tex. App.—7th Dist. Jan. 25, 2022, no pet.) (mem. op.)
- City of Fort Worth v. Johnson, 388 S.W.2d 400, 403-04 (Tex. 1964)
- McConnell v. Southside Indep. Sch. Dist., 858 S.W.2d 337, 341, 344 (Tex. 1993)
- K&G Oil Tool & Serv. Co. v. G&G Fishing Tool Serv., 314 S.W.2d 782, 791 (Tex. 1958)
- Crim Truck & Tractor Co. v. Navistar Int'l Transp. Corp., 823 S.W.2d 591, 594 (Tex. 1992)