

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
LOUISIANA

Western Motorcoach, Inc. v. American Safety, LLC, et al.

Western Motorcoach · No. No. 26-397 · Decided April 10, 2026

SUMMARY

The United States District Court for the Eastern District of Louisiana denies Western Motorcoach, Inc.’s motion for a preliminary injunction against entities affiliated with Kenneth Begovich. The court concludes that Western did not show a substantial likelihood of success on its breach of fiduciary duty or confidentiality agreement claims, irreparable harm, a favorable balance of harms, or that an injunction would serve the public interest. The court’s order also sets out findings of fact and conclusions of law under Federal Rule of Civil Procedure 52.

CASE DETAILS

COURT	United States District Court for the Eastern District of Louisiana
WRITING FOR THE COURT	Nannette Jolivet Brown
JURISDICTION	United States District Court for the Eastern District of Louisiana
DECIDED	April 10, 2026
DOCKET	No. 26-397
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for a temporary restraining order and preliminary injunction. After denying the temporary restraining order in light of stipulated status-quo measures, the court held an evidentiary hearing on the preliminary-injunction motion and denied the requested injunction.
STANDARD OF REVIEW	A preliminary injunction is an extraordinary remedy committed to the district court's discretion. The movant must establish a substantial likelihood of success on the merits, a substantial threat of irreparable harm absent an injunction, that the threatened injury outweighs any harm to the nonmovant, and that the injunction would not disserve the public interest. The burden of persuasion remains on the movant as to each element.
PRECEDENTIAL VALUE	unpublished district-court order; nonprecedential

PARTIES

Western Motorcoach, Inc. v. American Safety, LLC, American Safety Transit, LLC, Anaken Holdings, LLC, Western Motorcoach, LLC, Kenneth Begovich

TOPICS

commercial litigation

contracts

breach of fiduciary duty

equitable relief

remedies

PRACTICE AREAS

commercial litigation

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remedies

corporate law

QUESTIONS PRESENTED

1. Whether Western demonstrated a substantial likelihood of success on its breach-of-fiduciary-duty claim.
2. Whether Western demonstrated a substantial likelihood of success on its breach-of-NDA claim where the NDA restricted use and disclosure of confidential information but contained no express noncompete or nonsolicitation provision.
3. Whether Western established a substantial threat of irreparable harm absent preliminary injunctive relief.
4. Whether the balance of harms and public interest favored issuing the requested injunction.

HOLDINGS

1. A movant that fails to establish any one of the four preliminary-injunction elements is not entitled to the extraordinary remedy, and Western failed to carry its burden.
2. Western did not demonstrate a substantial likelihood of success on its breach-of-fiduciary-duty claim because it failed to establish that a fiduciary relationship existed between Western and Begovich.
3. Western did not demonstrate a substantial likelihood of success on its breach-of-NDA claim because the NDA governed the use and disclosure of confidential information but did not prohibit recruiting or hiring employees or soliciting customers.
4. Western failed to establish a substantial threat of irreparable harm because its alleged losses were insufficiently supported, largely economic, and potentially compensable through money damages.
5. The balance of equities and public interest did not favor the requested injunction because the relief would impose restrictions on competition not contained in the NDA and Western's alleged harm was primarily compensable through damages.

KEY QUOTATIONS

“Four elements must be proven before a court will issue a preliminary injunction: (1) a substantial likelihood of success on the merits; (2) a substantial threat of irreparable harm if the injunction is denied; (3) the threatened injury to the movant outweighs the injury to the nonmovant; and (4) granting the injunction will not disserve the public interest.” (Conclusions of Law)

“The plain language of the NDA governs only the use and disclosure of confidential information, it does not prohibit recruiting or hiring of Western’s employees.” (IV.A.2)

“Western has not carried its burden, at this stage of the proceeding, of demonstrating entitlement to the extraordinary remedy of a preliminary injunction.” (V. Conclusion)

FACTUAL BACKGROUND

Western Motorcoach, a closely held Houston-based motorcoach company, entered into a confidentiality and nondisclosure agreement with Kenneth Begovich and related entities during discussions concerning a possible acquisition. The parties exchanged confidential financial, customer, employee, and operational information, but the NDA expressly disclaimed a fiduciary relationship and contained no noncompete or nonsolicitation provision. Western later signed documents involving Begovich's proposed interim control and a promissory note, but no formal acquisition or management agreement was executed, and the acquisition ultimately failed. Western alleged that the Begovich Entities breached fiduciary duties and the NDA by removing insurance coverage, soliciting customers, and recruiting employees.

PROCEDURAL HISTORY

Western filed its motion for a temporary restraining order and preliminary injunction on February 24, 2026, before filing a complaint. It filed the complaint on February 25, 2026. Following a February 26 temporary-restraining-order hearing, the parties entered eight stipulations to maintain the status quo. The court conducted an evidentiary hearing and oral argument on March 5 and 6, 2026, and later received proposed findings of fact and conclusions of law from both sides. The court denied the preliminary-injunction motion.

DISPOSITION

other

CASES CITED

- Lake Charles Diesel, Inc. v. Gen. Motors Corp., 328 F.3d 192, 195-96 (5th Cir. 2003)
- Canal Auth. v. Callaway, 489 F.2d 567, 572-73 (5th Cir. 1974)
- Roho, Inc. v. Marquis, 902 F.2d 356, 361 (5th Cir. 1990)
- Barton v. Huerta, 613 F. App'x 426, 427 (5th Cir. 2015)
- Apple Barrel Prods., Inc. v. Beard, 730 F.2d 384, 386 (5th Cir. 1984)
- Miss. Power & Light, 760 F.2d at 621 (5th Cir. 1985)
- Navigant Consulting, Inc. v. Wilkinson, 508 F.3d 277, 283 (5th Cir. 2007)
- Hayes Fund for the First United Methodist Church of Welsh, L.L.C. v. Kerr-McGee Rocky Mt., L.L.C., 193 So. 3d 1110, 1115 (La. 2015)
- Mouton v. Generac Power Sys., 152 So. 3d 985, 997 (La. App. 3 Cir. 2014)
- Janvey v. Alguire, 647 F.3d 585, 600 (5th Cir. 2011)
- Deerfield Med. Ctr. v. City of Deerfield Beach, 661 F.2d 328, 338 (5th Cir. 1981)

- *Productos Carnic, S.A. v. Cent. Amer. Beef & Seafood Trading Co.*, 621 F.2d 683, 686-87 (5th Cir. 1980)
- *Tribal Sols. Grp., LLC v. Valandra*, No. 23-60233, 2023 WL 7314308, at *2 (5th Cir. Nov. 6, 2023)
- *Allied Mktg. Grp., Inc. v. CDL Mktg., Inc.*, 878 F.2d 806, n.1
- *Sampson v. Murray*, 415 U.S. 61, 90 (1974)
- *Williams v. Transworld*, 2025 WL 3295330, at *2 (N.D. Cal. Nov. 26, 2025)
- *Shelton v. Kilma, Peters & Daly, P.A.*, 2025 WL 1311731, at *5 (D. Md. May 6, 2025)
- *Williams v. Capital One, N.A.*, 2025 WL 2388683, at *2 (E.D. Cal. Aug. 18, 2025)
- *Paradigm Health Sys., L.L.C. v. Faust*, 218 So. 3d 1068, 1072 (La. App. 1 Cir. 2017)

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