UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

Lennox AES Holdings LLC and Lennox AES Industries LLC v. Jason Benton

Benton · No. Civil Action No. 25-755-CFC · Decided June 23, 2026

SUMMARY

The United States District Court for the District of Delaware partially denied and partially deferred Plaintiffs' motion to dismiss Jason Benton's counterclaims under Federal Rules of Civil Procedure 12(b)(1) and 12(b)(6). The court allowed claims involving alleged breach of the APA, declaratory relief, personal reputational harm from tortious interference, promissory estoppel, and intentional or negligent misrepresentation to proceed, while deferring resolution of the motion as to Counterclaim I. The order also addresses the parties to and interpretation of the APA, Supply Agreement, and Post-Closing Employment Agreement.

CASE DETAILS

COURT	United States District Court for the District of Delaware
JURISDICTION	United States District Court for the District of Delaware
DECIDED	June 23, 2026
DOCKET	Civil Action No. 25-755-CFC
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved under Federal Rule of Civil Procedure 12(b)(1) and 12(b)(6) to dismiss Jason Benton's counterclaims. The court had previously dismissed Counterclaims II and III and deferred the remainder of the motion; this memorandum order denies dismissal of Counterclaims IV through VIII in specified respects and defers resolution as to Counterclaim I.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded factual allegations as true and draws reasonable inferences in the nonmovant's favor, but need not accept legal conclusions couched as factual allegations. A facial standing challenge is evaluated under the same standard as a Rule 12(b)(6) motion. Factual disputes and competing contract interpretations cannot be resolved on a motion to dismiss.
PRECEDENTIAL VALUE	unpublished

PARTIES	Lennox AES Holdings LLC, Lennox AES Industries LLC v. Jason Benton

TOPICS

motions to dismiss · civil procedure · breach of contract · standing · intentional interference with expectancy

PRACTICE AREAS

civil procedure · contracts · commercial litigation · torts

QUESTIONS PRESENTED

1. Whether Benton's Counterclaim IV sufficiently pleaded a breach of Section 7.14 of the APA.
2. Whether Benton's Counterclaim V sufficiently pleaded a basis for declaratory relief concerning rights under the APA and its Ancillary Agreements.
3. Whether Benton had standing to pursue personal reputational harm allegedly caused by tortious interference with his prospective business relationships with Walmart and Costco.
4. Whether Benton's alternative promissory-estoppel and intentional/negligent-misrepresentation claims in Counterclaims VII and VIII were sufficiently pleaded to survive dismissal.
5. Whether factual disputes concerning the meaning and application of the APA could be resolved on a motion to dismiss.

HOLDINGS

1. Counterclaim IV sufficiently identified Section 7.14 of the APA as the breached contractual provision and plausibly alleged that Plaintiffs mistakenly obtained rights to sell specified skylight products and failed to transfer those rights back to Benton. The claim therefore survives the motion to dismiss.
2. Benton had standing to seek a declaration of the parties' rights under the APA, and his request for declaratory judgment survived the motion to dismiss.
3. Benton had standing to pursue his claim for personal reputational harm allegedly resulting from interference with his prospective business relationships with Walmart and Costco.
4. Counterclaims VII and VIII survived dismissal to the extent they were pleaded in the alternative to Counterclaim IV.
5. The parties' factual disputes and competing interpretations of the APA could not be resolved on a motion to dismiss.

KEY QUOTATIONS

> *"Whether such right was "mistakenly" transferred to Plaintiffs or "can be returned to Benton" raises a factual dispute that cannot be resolved on a motion to dismiss."* (Memorandum Order at 5)

> *"Trial will thus explore the intrinsic and extrinsic evidence upon which the parties rely to support their competing interpretations of the term "Business.""* (Memorandum Order at 7-8)

FACTUAL BACKGROUND

The parties entered into an asset purchase agreement concerning the Sunoptics business. Benton alleged that Plaintiffs mistakenly acquired or retained rights to sell certain skylight products and interfered with his prospective business relationships with Walmart and Costco, while also making representations concerning his ability to operate the Sunoptics business. The court observed that Benton was a party to the APA but not to the Master Purchase and Supply Agreement, and that the Post-Closing Employment Agreement was between Benton and Lennox International Inc. The APA's definition of the term "Business" was ambiguous, making intrinsic and extrinsic evidence relevant to the parties' competing interpretations.

PROCEDURAL HISTORY

The court previously granted the motion to dismiss in part and dismissed Counterclaims II and III. With trial of Counterclaims IV through VIII approaching, the court explained its reasons for denying dismissal of the breach-of-contract, declaratory-judgment, personal reputational-harm, promissory-estoppel, and intentional/negligent-misrepresentation claims, while deferring the portion of the motion directed to Counterclaim I.

DISPOSITION

other

CASES CITED

- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555 (2007)
- In re Horizon Healthcare Services Inc. Data Breach Litigation, 846 F.3d 625, 633 (3d Cir. 2017)
- Berg v. C&H Financial Services, Inc., 2024 WL 1255504, at *3 (D. Del. Mar. 25, 2025)
- Total Care Systems, Inc. v. Coons, 860 F. Supp. 236, 240 (E.D. Pa. 1994)
- Mayer v. Belichick, 605 F.3d 223, 229 (3d Cir. 2010)