

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
MICHIGAN, SOUTHERN DIVISION

GM Global Technology Operations, LLC v. Quality Collision Parts,
Inc. and General Motors Company, Inc. and General Motors, LLC

Case No. 23-13026 (E.D. Mich. Jan. 26, 2026) · No. 2:23-cv-13026 · Decided January 26, 2026

SUMMARY

The United States District Court for the Eastern District of Michigan grants GM Global Technology Operations, LLC’s motion for leave to file a first amended complaint and join additional parties. The court also denies Quality Collision Parts, Inc.’s motion to seal exhibits, concluding that the motion was procedurally defective and failed to establish a clearly defined and serious injury or satisfy the requirement for narrowly tailored sealing. The proposed amendment concerns additional patent-infringement theories, successor and alter-ego liability, and an alleged fraudulent transfer of assets.

CASE DETAILS

COURT	United States District Court for the Eastern District of Michigan, Southern Division
WRITING FOR THE COURT	Curtis Ivy, Jr.
JURISDICTION	United States District Court for the Eastern District of Michigan, Southern Division
DECIDED	January 26, 2026
DOCKET	2:23-cv-13026
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for leave to file a first amended complaint, join additional parties, add successor-liability, fraudulent-transfer, and alter-ego theories, and join proposed defendants to patent-infringement claims. Defendant moved to seal exhibits submitted with its opposition. The magistrate judge granted the motion to amend and join parties and denied the motion to seal.
STANDARD OF REVIEW	A motion to amend under Federal Rule of Civil Procedure 15(a)(2) is evaluated under the factors of delay, notice, bad faith, repeated failure to cure deficiencies, undue prejudice, and futility. Futility is assessed under the Rule 12(b)(6) plausibility standard, accepting well-pleaded allegations as true and construing them in the plaintiff’s favor.

Modification of a scheduling order requires good cause and diligence under Rule 16(b)(4). Permissive joinder is governed by Rule 20(a)(2) and, for accused patent infringers, 35 U.S.C. § 299. A motion to seal court records must satisfy the Sixth Circuit's demanding standard requiring a clearly defined and serious injury, a compelling interest outweighing public access, and a narrowly tailored request.

PRECEDENTIAL VALUE

nonprecedential

TOPICS

motion to amend

joinder

patent infringement

intellectual property

civil procedure

PRACTICE AREAS

civil procedure

patent law

commercial litigation

corporate law

QUESTIONS PRESENTED

1. Whether GM should receive leave under Rule 15(a)(2) to amend its complaint and add claims and parties.
2. Whether the proposed amendments were futile because the proposed patent-infringement, successor-liability, fraudulent-transfer, and alter-ego theories allegedly failed to state plausible claims.
3. Whether Rule 16(b)(4) required modification of the scheduling order and, if so, whether good cause existed.
4. Whether Power Auto Parts and the individual proposed defendants could be permissively joined under Rule 20(a)(2) and 35 U.S.C. § 299.
5. Whether Quality Collision Parts established grounds to file opposition exhibits under seal.

HOLDINGS

1. The motion to seal was denied because Quality Collision Parts failed to identify a clearly defined and serious injury, failed to establish a compelling interest overcoming the public's interest in access, and failed to provide the required document-by-document and line-by-line showing.
2. GM's motion for leave to amend was granted because the amendment was brought promptly after discovery of the facts concerning Power Auto Parts, did not cause undue prejudice to Quality Collision Parts, was not shown to be brought in bad faith, and was not futile.
3. The proposed patent-infringement claims were not futile because the asserted deficiencies in GM's infringement charts and prefiling investigation did not establish failure to state a plausible claim, and the court could not consider the extrinsic expert report in the futility analysis.
4. GM plausibly pleaded that Power Auto Parts was a successor or mere continuation of Quality Collision Parts, so the successor-liability theory was not futile.

5. GM had standing as a creditor under the Michigan Uniform Voidable Transactions Act, and its proposed fraudulent-transfer claim was not futile.
6. GM plausibly pleaded an alter-ego theory against the individual proposed defendants, and pursuing that theory was not premature merely because GM had not yet obtained a judgment.
7. Good cause existed under Rule 16(b)(4) to modify the scheduling order because GM acted diligently after learning the facts supporting amendment and Quality Collision Parts did not show undue prejudice.
8. Power Auto Parts and the individual proposed defendants could be joined because the proposed claims arose from the same series of transactions and involved common legal or factual questions, and the allegations described coordinated conduct and potentially joint tort liability rather than unrelated independent infringement.

KEY QUOTATIONS

“The proponent for sealing must show that it will suffer a “clearly defined and serious injury” if the records are not sealed.” (Section III.A)

“But Plaintiff does not rely solely on such allegations.” (Section III.B.3)

“Plaintiff’s Motion for Leave to File Its First Amended Complaint and Join Parties (ECF No. 95) is GRANTED, and Defendant’s Motion for Leave to File Under Seal Exhibits to its Response to GM’s Motion for Leave to File Its First Amended Complaint and Join Parties (ECF No. 107) is DENIED.” (Section IV)

FACTUAL BACKGROUND

GM alleged that Quality Collision Parts operated a business selling aftermarket replacement parts for GM vehicles and that Power Auto Parts was incorporated shortly after GM commenced the action. GM discovered that the entities allegedly shared an address, telephone number, website characteristics, business model, personnel, and family connections, and that Quality Collision Parts had transferred assets and accused products to Power Auto Parts while allegedly going out of business. GM sought to add Power Auto Parts and four individuals as defendants based on successor liability, fraudulent transfer, alter-ego, and patent-infringement theories.

PROCEDURAL HISTORY

GM Global Technology Operations sued Quality Collision Parts, Inc. for design-patent infringement. After discovering that Quality Collision Parts had allegedly transferred assets and accused products to Power Auto Parts, a newly formed entity, GM moved to amend its complaint and add Power Auto Parts and four individual defendants. Quality Collision Parts opposed the amendment and separately moved to seal exhibits. The court granted amendment and joinder, denied sealing, and ordered the amended complaint and responses to be filed within fourteen days.

DISPOSITION

other

REMAND INSTRUCTIONS

No remand. GM was ordered to file its amended complaint within fourteen days. Quality Collision Parts, Power Auto Parts, and the individual proposed defendants were ordered to respond within fourteen days after service of the amended pleading. Any objections to the magistrate judge's order were required within fourteen days of service.

CASES CITED

- Rudd Equipment Co., Inc. v. John Deere Construction & Forestry Co., 834 F.3d 589, 591, 593 (6th Cir. 2016)
- Brown & Williamson Tobacco Corp. v. Federal Trade Commission, 710 F.2d 1165, 1179 (6th Cir. 1983)
- Shane Group, Inc. v. Blue Cross Blue Shield of Michigan, 825 F.3d 299, 305, 307-08 (6th Cir. 2016)
- Grae v. Correctional Corp. of America, 134 F.4th 927, 930, 932 (6th Cir. 2025)
- Perkins v. American Electric Power Fuel Supply, Inc., 246 F.3d 593, 605 (6th Cir. 2001)
- Brooks v. Celeste, 39 F.3d 125, 130 (6th Cir. 1994)
- Beydoun v. Sessions, 871 F.3d 459, 469 (6th Cir. 2017)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555 (2007)
- Robert Bosch LLC v. Snap-On Inc., No. 12-11503, 2013 WL 673718, at *2-3 (E.D. Mich. Feb. 25, 2013)
- Egyptian Goddess, Inc. v. Swisa, Inc., 543 F.3d 665, 670 (Fed. Cir. 2008) (en banc)
- Rose v. Hartford Underwriters Insurance Co., 203 F.3d 417, 420-21 (6th Cir. 2000)
- Foster v. Cone-Blanchard Machine Co., 597 N.W.2d 506, 509-10 (Mich. 1999)
- C.T. Charlton & Associates, Inc. v. Thule, Inc., 541 F. App'x 549, 552, 554 (6th Cir. 2013)
- Alter Domus, LLC v. Winget, No. 23-10458, 2024 WL 1287612, at *5-6 (E.D. Mich. Mar. 26, 2024)
- Green v. Ziegelman, 873 N.W.2d 794, 807-08 (Mich. Ct. App. 2015)
- Prime Alliance Bank, Inc. v. Great Lakes Tissue Co., No. 23-10564, 2024 WL 2607277, at *7-8 (E.D. Mich. May 24, 2024)
- Ross v. American Red Cross, 567 F. App'x 296, 306 (6th Cir. 2014)
- In re EMC Corp., 677 F.3d 1351, 1356, 1359-60 (Fed. Cir. 2012)
- Temple v. Synthes Corp., 498 U.S. 5, 7 (1990) (per curiam)
- Shockley v. Arcan, Inc., 248 F.3d 1349, 1364 (Fed. Cir. 2001)
- Glenayre Electronics, Inc. v. Jackson, 443 F.3d 851, 871-72 (Fed. Cir. 2006)