

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

Innospec Inc. and Innospec Fuel Specialties LLC v. Aurorium Holdings LLC, Aurorium Denham Springs, LLC, and Aurorium, LLC

Civil Action No. 24-1371-RGA · No. Civil Action No. 24-1371-RGA · Decided June 16, 2026

SUMMARY

The United States District Court for the District of Delaware overruled Defendants’ objections to a Magistrate Judge’s Report and Recommendation and adopted the recommendation regarding Defendants’ motion to dismiss. The court held that the term “additive” in the parties’ 2020 Confidentiality Agreement was ambiguous and could include fuel additives such as OLI 9000, precluding dismissal of the breach-of-contract and trade-secret claims at the pleading stage. The motion to dismiss was granted in part and denied in part as specified in the Report and Recommendation.

CASE DETAILS

COURT	United States District Court for the District of Delaware
WRITING FOR THE COURT	Richard G. Andrews
JURISDICTION	United States District Court for the District of Delaware
DECIDED	June 16, 2026
DOCKET	Civil Action No. 24-1371-RGA
DISPOSITION	other
PROCEDURAL POSTURE	Defendants objected under Federal Rule of Civil Procedure 72(b)(3) to a magistrate judge's Report and Recommendation concerning Defendants' motion to dismiss Plaintiffs' First Amended Complaint.
STANDARD OF REVIEW	The court reviewed objections to legal determinations in the Report and Recommendation de novo under Federal Rule of Civil Procedure 72(b)(3). For the Rule 12(b)(6) motion, the court accepted well-pleaded allegations as true, drew reasonable inferences in favor of the nonmovant, and determined whether the complaint stated a facially plausible claim.
PRECEDENTIAL VALUE	unpublished memorandum order

TOPICS

motions to dismiss

contract interpretation

trade secrets

commercial litigation

civil procedure

PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether the term "additive" in the 2020 Confidentiality Agreement was unambiguous as a matter of law and could not include a fuel additive.
2. Whether the alleged misuse of information concerning the OLI 9000 manufacturing process stated a claim for breach of the 2020 Confidentiality Agreement.
3. Whether Plaintiffs adequately pleaded federal and state trade-secret claims based on information concerning the OLI 9000 manufacturing process.
4. Whether the magistrate judge's Report and Recommendation should be adopted and Defendants' objections sustained.

HOLDINGS

1. The term "additive" was reasonably susceptible to more than one interpretation, including a fuel additive, and therefore could not be definitively interpreted on a motion to dismiss.
2. Plaintiffs adequately stated a breach-of-contract claim based on alleged misuse of confidential information concerning the OLI 9000 fuel additive, and Defendants' motion to dismiss Count II was denied as to Denham Springs.
3. Plaintiffs adequately pleaded federal and state trade-secret claims based on the OLI 9000 manufacturing process, and Defendants' motion to dismiss those claims was denied as to Denham Springs and Holdings.
4. The court overruled Defendants' objections, adopted the Report and Recommendation, and granted Defendants' motion to dismiss in part and denied it in part.

KEY QUOTATIONS

“Dismissal, pursuant to Rule 12(b)(6), is proper only if the defendants’ interpretation is the on/y reasonable construction as a matter of law.”

“Thus, as the term “additive” is reasonably susceptible to more than one meaning, it cannot be interpreted on a motion to dismiss.”

FACTUAL BACKGROUND

The parties entered into a 2020 Confidentiality Agreement concerning information related to an additive and process conditions used in the manufacture of alkenyl succinic anhydrides. Plaintiffs alleged that Defendants improperly used confidential information concerning the manufacture of Innospec's OLI 9000 fuel additive. The

court concluded that the term "additive" could reasonably include a fuel additive and that the alleged relationship between the OLI 9000 manufacturing process and the manufacture of ASAs was sufficiently pleaded at the motion-to-dismiss stage.

PROCEDURAL HISTORY

Plaintiffs asserted eight claims arising from a 2020 Supply Agreement and 2020 Confidentiality Agreement. Defendants moved to dismiss all claims. The magistrate judge recommended granting the motion in part and denying it in part, including permitting certain breach-of-contract and trade-secret claims to proceed against Denham Springs and Holdings. The district court overruled Defendants' objections, adopted the Report and Recommendation, and granted the motion to dismiss in part and denied it in part.

DISPOSITION

other

CASES CITED

- Allied Cap. Corp. v. G.C.-Sun Holdings, L.P., 910 A.2d 1020, 1030 (Del. Ch. 2006)
- VLIW Tech., LLC v. Hewlett-Packard Co., 840 A.2d 606, 615 (Del. 2003)
- Rhone-Poulenc Basic Chems. Co. v. Am. Motorists Ins. Co., 616 A.2d 1192, 1196 (Del. 1992)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 570 (2007)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Jordan v. Fox, Rothschild, O'Brien & Frankel, 20 F.3d 1250, 1261 (3d Cir. 1994)
- Norton v. K-Sea Transp. Partners L.P., 67 A.3d 354, 360 (Del. 2013)
- Lerner Tobacco Co. v. Am. Legacy Found., 903 A.2d 728, 739 (Del. 2006)
- GMG Cap. Invs., LLC v. Athenian Venture Partners I, L.P., 36 A.3d 776, 779 (Del. 2012)
- Appriva Shareholder Litigation Co. v. EV3, Inc., 937 A.2d 1275, 1292 (Del. Ch. 2007)
- Holland v. Hannan, 456 A.2d 807, 815 (D.C. App. 1983)
- Fried v. AdaptHealth, LLC, 2025 WL 1135203, at *2 (D. Del. Apr. 17, 2025)
- Ram Constr. Co. v. Am. States Ins. Co., 749 F.2d 1049, 1052 (3d Cir. 1984)