

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
OHIO

DG Gas, LLC, et al. v. TA Franchise Systems, LLC, et al.

DG Gas · No. 1:24-cv-01002-PAB · Decided January 8, 2026

SUMMARY

The United States District Court for the Northern District of Ohio denied DG Gas, LLC and related plaintiffs’ motion to dismiss TA Franchise Systems, LLC’s counterclaims. The court held that a contractual provision requiring written notice of claims within one year was plausibly satisfied by TA’s notice of default and termination, which identified DG Gas’s alleged material breach and reserved TA’s rights and remedies. The court denied TA’s motion for leave to file a sur-reply as moot.

CASE DETAILS

COURT	United States District Court for the Northern District of Ohio
WRITING FOR THE COURT	Pamela A. Barker
JURISDICTION	United States District Court for the Northern District of Ohio
DECIDED	January 8, 2026
DOCKET	1:24-cv-01002-PAB
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss TA's counterclaims for breach of contract and declaratory judgment. The court denied the motion and denied TA's motion for leave to file a sur-reply as moot.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded material allegations as true and determines whether the pleading contains enough factual matter to state a facially plausible claim for relief. Dismissal is proper only when the moving party is clearly entitled to judgment despite those allegations.
PRECEDENTIAL VALUE	Unknown; district court memorandum opinion and order with no published reporter citation.
PARTIES	DG Gas, LLC, DG Cordelle, LLC, DG Real Estate Partners, LLC v. TA Franchise Systems, LLC, TA Operating LLC

TOPICS

motions to dismiss

contract interpretation

contracts

commercial litigation

civil procedure

PRACTICE AREAS

Contracts

Civil Procedure

Commercial Litigation

Franchise Law

QUESTIONS PRESENTED

1. Whether TA's counterclaims were barred at the pleading stage because TA allegedly failed to provide written notice of its claims within one year under Section 21.6 of the franchise agreement.
2. Whether TA's June 16, 2023 notice of default and termination plausibly satisfied the franchise agreement's written-notice requirement.
3. Whether TA's motion for leave to file a sur-reply should be granted.

HOLDINGS

1. TA's allegation that it sent a notice stating that DG Gas materially breached Section 5.2 and that the franchise agreement was terminated was sufficient to plausibly allege written notice of TA's claims under Section 21.6.
2. The counterclaims plausibly alleged compliance with the contractual notice provision and therefore were not subject to dismissal under Rule 12(b)(6).
3. TA's motion for leave to file a sur-reply was denied as moot because the court resolved the motion to dismiss without considering the proposed sur-reply or the related briefing.

KEY QUOTATIONS

"The Court finds that this letter provided DG Gas with written notice of TA's claims sufficient to satisfy Section 21.6's requirements." (9)

"For the reasons set forth herein, DG Gas' Motion to Dismiss (Doc. No. 23) is DENIED, and TA's Motion for Leave (Doc. No. 33) is DENIED as moot." (10)

FACTUAL BACKGROUND

DG Gas and TA entered into a franchise agreement and related addendum requiring DG Gas to open a TA Express Center in Cordele, Georgia by June 3, 2023. DG Gas had not opened the center or begun construction by that deadline. On June 16, 2023, TA sent DG Gas a notice stating that DG Gas materially breached the franchise agreement, terminating the agreement immediately, and reserving TA's contractual and legal rights and remedies.

PROCEDURAL HISTORY

DG Gas filed the underlying complaint on June 12, 2024. TA and TA Operating moved to dismiss the complaint, and the court granted that motion in part and denied it in part on March 14, 2025. TA then answered and asserted counterclaims alleging that DG Gas breached the franchise agreement by failing to open a TA Express Center by the contractual deadline and seeking a declaration that TA's termination of the agreement was valid. DG Gas

moved to dismiss the counterclaims, arguing that they failed to satisfy the franchise agreement's written-notice provision; the court denied that motion.

DISPOSITION

other

CASES CITED

- Tackett v. M & G Polymers, USA, LLC, 561 F.3d 478, 488 (6th Cir. 2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555-56 (2007)
- JPMorgan Chase Bank, N.A. v. Winget, 510 F.3d 577, 581 (6th Cir. 2007)
- Bassett v. National Collegiate Athletic Association, 528 F.3d 426, 430 (6th Cir. 2008)
- Ashcroft v. Iqbal, 556 U.S. 662, 678-79 (2009)
- Gunasekera v. Irwin, 551 F.3d 461, 466 (6th Cir. 2009)
- Erickson v. Pardus, 551 U.S. 89 (2007)
- City of St. Marys v. Auglaize County, 875 N.E.2d 561, 567 (Ohio 2007)
- Shifrin v. Forest City Enterprises, Inc., 597 N.E.2d 499, 501 (Ohio 1992)
- Kelly v. Medical Life Insurance Co., 509 N.E.2d 411, 413 (Ohio 1987)
- Lutz v. Chesapeake Appalachia, L.L.C., 717 F.3d 459, 473 (6th Cir. 2013)
- Dudek v. Thomas & Thomas Attorneys & Counselors at Law, LLC, 702 F. Supp. 2d 826, 839 (N.D. Ohio 2010)
- Wade v. Lima Memorial, 28 N.E.3d 161, 164-67 (Ohio App. 3d Dist. 2015)
- Wind v. Walgreen Co., No. 1:10-cv-94, 2011 U.S. Dist. LEXIS 154972, at *28-29 (S.D. Ohio June 22, 2011)
- Coastal Excursions, Inc. v. Khoury, No. 3:07CV2782, 2007 U.S. Dist. LEXIS 93133, at *2-6 (N.D. Ohio Dec. 19, 2007)
- MRI Software LLC v. University of Minnesota Foundation - Dinnaken Housing LLC, No. 1:24-cv-00485, 2024 U.S. Dist. LEXIS 108314, at *8-9 (N.D. Ohio June 18, 2024)