

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF ARIZONA

Haute Plank Incorporated v. Grato S.L. LLC

Haute Plank · No. CV-25-04436-PHX-JZB · Decided March 10, 2026

SUMMARY

The United States District Court for the District of Arizona denied Plaintiff Haute Plank Incorporated’s motion for a preliminary injunction seeking to compel Grato S.L. LLC to ship approximately \$306,000 in wood products. The Court characterized the requested relief as a mandatory injunction and held that Plaintiff failed to satisfy the heightened standard under the Winter factors, particularly because the parties’ agreement was ambiguous and the requested interpretation would require shipment of approximately \$1.5 million in products for approximately \$1.2 million in payment. The order applies Arizona law and discusses contract interpretation under the Uniform Commercial Code.

CASE DETAILS

COURT	United States District Court for the District of Arizona
JURISDICTION	United States District Court for the District of Arizona
DECIDED	March 10, 2026
DOCKET	CV-25-04436-PHX-JZB
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for a preliminary injunction compelling Defendant to ship wood-plank orders allegedly covered by the parties' August 7, 2025 agreement. The court treated the requested relief as mandatory injunctive relief and denied the motion.
STANDARD OF REVIEW	A preliminary injunction requires satisfaction of the Winter four-factor test: likelihood of success on the merits, likely irreparable harm, balance of equities, and public interest. Because Plaintiff sought mandatory relief, it had to show that the law and facts clearly favored its position; the serious-questions sliding-scale standard does not apply to mandatory injunctions.
PRECEDENTIAL VALUE	nonprecedential
PARTIES	Haute Plank Incorporated v. Grato S.L. LLC

TOPICS

- injunctions
- contract interpretation
- uniform commercial code
- breach of contract
- civil procedure

PRACTICE AREAS

contract law

commercial litigation

civil procedure

equitable remedies

QUESTIONS PRESENTED

1. Whether Plaintiff's requested order compelling Defendant to ship outstanding wood-plank orders was mandatory or prohibitory injunctive relief.
2. Whether Plaintiff clearly showed that the parties' August 7, 2025 agreement required Defendant to ship the additional approximately \$306,000 in orders without a corresponding payment requirement.
3. Whether Plaintiff satisfied the heightened Winter standard for a mandatory preliminary injunction.
4. Whether Plaintiff showed a likelihood of success on its breach-of-contract, breach-of-the-implied-covenant, and tortious-interference claims.

HOLDINGS

1. The requested injunction was mandatory because it would require Defendant to take affirmative action and alter the parties' last uncontested status by shipping withheld orders.
2. A mandatory preliminary injunction should not issue unless the facts and law clearly favor the moving party.
3. At the preliminary-injunction stage, the clearest and non-absurd reading of the agreement was that the \$1,208,938.30 installment amount covered previously shipped goods and the Wagon Plank, Marigold, and Johnson orders, while the additional approximately \$306,000 in orders required a 50% down payment before shipment.
4. Plaintiff failed to show that the law and facts clearly favored success on its breach-of-contract, implied-covenant, or tortious-interference claims.

KEY QUOTATIONS

“Because Plaintiff fails to satisfy its burden under the Winter four-factor test, the Court will deny the Motion.” (at 1)

“For the foregoing reasons, the Court characterizes the requested relief as mandatory, not prohibitory. Therefore, Plaintiff must meet the heightened standard.” (at 10)

“Because Plaintiff has failed to establish that the law and facts clearly favor granting its requested injunctive relief, the Court shall accordingly deny the Motion.” (at 17)

FACTUAL BACKGROUND

The parties had a commercial relationship under which Defendant manufactured and supplied Spanish hardwood flooring to Plaintiff. After Plaintiff fell behind on payments, the parties entered an August 7, 2025 agreement acknowledging approximately \$1.208 million in debt and establishing an installment-payment schedule for previously delivered and certain pending orders. Plaintiff sought to compel shipment of approximately \$306,000 in additional orders, but the court concluded that those orders were outside the \$1.208 million arrangement and

required a 50% down payment. Plaintiff had not paid any portion of the installment debt, including the first \$100,000 installment.

PROCEDURAL HISTORY

Plaintiff filed a four-count complaint on November 26, 2025, alleging that Defendant failed to deliver orders placed before August 7, 2025. Plaintiff moved for a preliminary injunction on December 12, 2025, later sought a temporary restraining order, and obtained partial TRO relief concerning the Johnson order. The Clerk entered default after Defendant failed to respond, but the court later set aside the default. After briefing and oral argument, the court denied the preliminary-injunction motion.

DISPOSITION

other

CASES CITED

- Garcia v. Google, Inc., 786 F.3d 733, 740 (9th Cir. 2015) (en banc)
- Winter v. Nat. Res. Def. Council, Inc., 555 U.S. 7, 20, 24 (2008)
- Mazurek v. Armstrong, 520 U.S. 968, 972 (1997)
- Amoco Prod. Co. v. Vill. of Gambell, 480 U.S. 531, 542 (1987)
- Sierra Forest Legacy v. Rey, 577 F.3d 1015, 1021 (9th Cir. 2009)
- Henry Schein, Inc. v. Cook, 191 F. Supp. 3d 1072, 1076 (N.D. Cal. 2016)
- Ass'n des Eleveurs de Canards et d'Oies du Quebec v. Harris, 729 F.3d 937, 941 (9th Cir. 2013)
- Doe v. Horne, 683 F. Supp. 3d 950, 969-70 (D. Ariz. 2023), aff'd, 115 F.4th 1083 (9th Cir. 2024)
- Marlyn Nutraceuticals, Inc. v. Mucos Pharma GmbH & Co., 571 F.3d 873, 878-79 (9th Cir. 2009)
- Heckler v. Lopez, 463 U.S. 1328, 1333 (1983)
- Regents of Univ. of Cal. v. Am. Broad. Cos., Inc., 747 F.2d 511, 514 (9th Cir. 1984)
- Ariz. Dream Act Coal. v. Brewer, 757 F.3d 1053, 1061 (9th Cir. 2014)
- Meghrig v. KFC W., Inc., 516 U.S. 479, 484 (1996)
- Anderson v. United States, 612 F.2d 1112, 1114-15 (9th Cir. 1979)
- Hualapai Indian Tribe v. Haaland, 755 F. Supp. 3d 1165, 1185 (D. Ariz. 2024)
- All. for the Wild Rockies v. Cottrell, 632 F.3d 1127, 1131, 1134-35 (9th Cir. 2011)
- Shell Offshore, Inc. v. Greenpeace, Inc., 709 F.3d 1281, 1291 (9th Cir. 2013)
- Volga Dnepr UK Ltd. v. Boeing Co., 464 F. Supp. 3d 1238, 1242 (W.D. Wash. 2020)
- Dr. Seuss Enters., L.P. v. Penguin Books USA, Inc., 109 F.3d 1394, 1396 n.1 (9th Cir. 1997)
- P&L Dev. LLC v. Bionpharma Inc., No. 1:17CV1154, 2018 WL 11154178, at *4 (M.D.N.C. Jan. 26, 2018)
- Aggarao v. MOL Ship Mgmt. Co., Ltd., 675 F.3d 355, 378 (4th Cir. 2012)
- O Centro Espirita Beneficiente Uniao Do Vegetal v. Ashcroft, 389 F.3d 973, 1013 (10th Cir. 2004) (McConnell, J., concurring), aff'd and remanded sub nom. Gonzales v. O Centro Espirita Beneficente Uniao do Vegetal, 546 U.S. 418 (2006)

- Sogefi USA, Inc. v. Interplex Sunbelt, Inc., 538 F. Supp. 3d 620, 631 (S.D.W. Va. 2021)
- Koller v. Brown, 224 F. Supp. 3d 871, 875 (N.D. Cal. 2016)
- Univ. of Tex. v. Camenisch, 451 U.S. 390, 395 (1981)
- Everything Tobacco LLC v. Circle K Procurement & Brands Ltd., No. CV-24-00361-PHX-SMM, 2024 WL 4953271, at *3 (D. Ariz. Sept. 18, 2024)
- Grosvenor Holdings, L.C. v. Figueroa, 218 P.3d 1045, 1050 (Ariz. Ct. App. 2009)
- State ex rel. Goddard v. R.J. Reynolds Tobacco Co., 75 P.3d 1075, 1078 (Ariz. Ct. App. 2003)
- SiteLock LLC v. GoDaddy.com LLC, 562 F. Supp. 3d 283, 300 (D. Ariz. 2022)
- T&T Enters. LLC v. Aztec Secret Health & Beauty Ltd., No. CV-18-08231-PCT-DWL, 2018 WL 6727266, at *4 (D. Ariz. Dec. 21, 2018)
- Aztar Corp. v. U.S. Fire Ins. Co., 224 P.3d 960, 973-74 (Ariz. Ct. App. 2010)
- Adonia Holding GmbH v. Adonia Organics LLC, No. CV-14-01223-PHX-GMS, 2014 WL 7178389, at *3 (D. Ariz. Dec. 16, 2014)
- Hannibal-Fisher v. Grand Canyon Univ., 523 F. Supp. 3d 1087, 1093 (D. Ariz. 2021)
- Frank Lloyd Wright Found. v. Kroeter, 697 F. Supp. 2d 1118, 1125 (D. Ariz. 2010)
- Rawlings v. Apodaca, 726 P.2d 565, 569, 574 (Ariz. 1986) (en banc)
- Wagenseller v. Scottsdale Mem'l Hosp., 710 P.2d 1025, 1038 (Ariz. 1985)
- Zancanaro v. Cross, 339 P.2d 746, 750 (Ariz. 1959)
- AGA S'holders, LLC v. CSK Auto, Inc., 589 F. Supp. 2d 1175, 1189 (D. Ariz. 2008)
- Infante v. Namecheap Inc., No. CV-25-02537-PHX-DJH, 2025 WL 2390663, at *4 (D. Ariz. Aug. 18, 2025)
- Stuhlberg Int'l Sales Co., Inc. v. John D. Brush & Co., Inc., 240 F.3d 832, 841 (9th Cir. 2001)
- hiQ Labs, Inc. v. LinkedIn Corp., 31 F.4th 1180, 1188 (9th Cir. 2022)