

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

Khardy Enterprises LLC, et al. v. NCR Atelos Corporation, et al.

Khardy Enterprises · No. 2:24-cv-12797 · Decided January 22, 2026

SUMMARY

The United States District Court for the Eastern District of Michigan denies defendants’ motion to compel discovery responses in Khardy Enterprises LLC v. NCR Atelos Corporation. The court finds that defendants failed to adequately show the relevance and proportionality of the disputed discovery requests and that several requests were overly broad or insufficiently particularized.

CASE DETAILS

COURT	United States District Court for the Eastern District of Michigan, Southern Division
WRITING FOR THE COURT	Elizabeth A. Stafford
JURISDICTION	United States District Court for the Eastern District of Michigan
DECIDED	January 22, 2026
DOCKET	2:24-cv-12797
DISPOSITION	denied
PROCEDURAL POSTURE	Defendants moved to compel responses to interrogatories and requests for production. After repeated orders requiring the parties to meet and confer and file a joint list addressing relevance and proportionality, the magistrate judge denied the motion to compel.
STANDARD OF REVIEW	Under Federal Rule of Civil Procedure 72(a), the district judge may sustain an objection to the magistrate judge's nondispositive order only if it is clearly erroneous or contrary to law.
PRECEDENTIAL VALUE	unknown

TOPICS

- discovery dispute
- civil procedure
- commercial litigation

PRACTICE AREAS

- civil procedure
- commercial litigation
- discovery

QUESTIONS PRESENTED

1. Whether defendants were entitled to an order compelling plaintiffs to provide further responses to the disputed interrogatories and requests for production.
2. Whether defendants satisfied their burden under Federal Rule of Civil Procedure 26(b)(1) to show that the requested discovery was relevant to a claim or defense and proportional to the needs of the case.
3. Whether plaintiffs' discovery responses and representations that no additional responsive documents existed were sufficient to defeat the motion to compel.

HOLDINGS

1. The motion to compel was denied because defendants failed to comply with the court's repeated orders requiring a joint list that addressed the relevance and proportionality of each disputed discovery request.
2. A party moving to compel must show that the requested information is relevant to a specific claim or defense and must address the proportionality factors; conclusory assertions that discovery is necessary and proportional are insufficient.
3. Absent credible evidence that additional responsive documents exist or existed and were destroyed, plaintiffs' signed discovery responses and representation that they had produced all documents in their possession, custody, or control were sufficient to defeat the motion to compel.
4. Requests for production that are unlimited in subject matter or time, or that require the responding party to guess whether documents are responsive, do not satisfy Federal Rule of Civil Procedure 34(b)(1)(A).

KEY QUOTATIONS

"The parties' arguments must address relevance to a specific claim or defense, and the proportionality factors under Federal Rule of Civil Rule 26(b)(1)." (PageID.510)

"The Court thus denies defendants' motion to compel." (PageID.772-806)

"The Court has no duty to scour the record to align defendants' discovery requests with a claim or defense." (PageID.774-806)

"Absent credible evidence, the responding party's representation that there are no additional documents is sufficient to defeat a motion to compel." (PageID.790)

FACTUAL BACKGROUND

Plaintiffs alleged that defendants withheld disputed ATM servicing fees and that the withholding related to an alleged scheme involving fee sharing and private clubs. Defendants sought responses to numerous interrogatories and requests for production, including information concerning ownership, communications with Empire ATM and US ATM Experts, events, and alleged fee sharing. Plaintiffs had made several productions, provided signed supplemental discovery responses and two affidavits, and represented that they had produced all documents in their possession, custody, or control.

PROCEDURAL HISTORY

Defendants NCR Atelos Corporation and Cardtronics USA, Inc. filed a motion to compel in July 2025. The district judge referred the nondispositive discovery motion to Magistrate Judge Elizabeth A. Stafford under 28 U.S.C. § 636(b)(1)(A). After multiple status conferences and extensions, the parties filed a joint list identifying unresolved disputes concerning 14 requests for production and nine interrogatories, but the list failed to analyze relevance and proportionality as repeatedly ordered. The magistrate judge denied the motion; objections could be filed with the assigned district judge within 14 days.

DISPOSITION

denied

CASES CITED

- State Farm Mut. Auto. Ins. Co. v. Max Rehab Physical Therapy, LLC, No. CV 18-13257, 2020 WL 12763079, at *2 (E.D. Mich. July 19, 2020)
- KCI USA, Inc. v. Healthcare Essentials, Inc., No. 1:14 CV 549, 2015 WL 13839455, at *2 (N.D. Ohio May 1, 2015)
- Frazier v. Breville USA, Inc., No. 3:23-CV-00563, 2025 WL 2557577, at *4 (M.D. Tenn. Mar. 6, 2025)
- Helena Agri-Enterprises, LLC v. Great Lakes Grain, LLC, 988 F.3d 260, 273 (6th Cir. 2021)
- Knight Capital Partners Corp. v. Henkel AG & Co., KGaA, 930 F.3d 775, 780 n.1 (6th Cir. 2019)
- McPherson v. Kelsey, 125 F.3d 989, 995-96 (6th Cir. 1997)
- Weidman v. Ford Motor Co., No. CV 18-12719, 2021 WL 2349400, at *3 (E.D. Mich. June 9, 2021)
- Weidman v. Ford Motor Co., No. CV 18-12719, 2021 WL 2349400, at *4 (E.D. Mich. June 9, 2021)
- United States v. Quicken Loans, Inc., No. 16-CV-14050, 2018 WL 7351682, at *1 (E.D. Mich. June 5, 2018)
- Cheney v. U.S. Dist. Court for D.C., 542 U.S. 367, 387-88 (2004)
- Effyis, Inc. v. Kelly, No. 18-13391, 2020 WL 4915559, at *2 (E.D. Mich. Aug. 21, 2020)
- Mirmina v. Genpact LLC, No. 3:16CV00614(AWT), 2017 WL 2559733, at *3 (D. Conn. June 13, 2017)
- Mannon v. VAMC Ann Arbor, No. 23-CV-12612, 2025 WL 776181, at *1 (E.D. Mich. Mar. 11, 2025)