UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Quanergy Solutions, Inc. v. EOS Australia PTY LTD

Quanergy Solutions · No. 23-cv-06228-NW · Decided September 9, 2025

SUMMARY

The United States District Court for the Northern District of California partially grants and partially denies EOS Australia PTY LTD's motion for summary judgment, and denies Quanergy Solutions, Inc.'s cross-motion for partial summary judgment. The court holds that the distributor agreement conditioned EOS's distributor status on meeting minimum purchase commitments but did not create an express obligation to purchase $800,000 in products, and that the September 2022 purchase order was not accepted under the agreement. The court finds a material factual dispute regarding whether and when the distributor agreement was terminated, and denies EOS's motions to strike and exclude.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Noél Wise
JURISDICTION	United States District Court for the Northern District of California
DECIDED	September 9, 2025
DOCKET	23-cv-06228-NW
DISPOSITION	other
PROCEDURAL POSTURE	The parties filed cross-motions for summary judgment in a diversity action involving a distributor agreement and a purchase order. Defendant also moved to strike a reply and to exclude expert testimony.
STANDARD OF REVIEW	Summary judgment is proper when there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law. The court views evidence in the light most favorable to the nonmovant, may not weigh evidence or assess credibility, and considers cross-motions separately.
PRECEDENTIAL VALUE	unpublished district court order; nonprecedential

TOPICS

breach of contract · contract interpretation · summary judgment · commercial litigation · civil procedure

PRACTICE AREAS

contract law · commercial litigation · civil procedure · bankruptcy-related contract dispute

QUESTIONS PRESENTED

1. Whether the distributor agreement was a sales contract that expressly obligated EOS to purchase $800,000 of products during the initial term.
2. Whether EOS's September 2022 purchase order became a binding agreement when Quanergy OldCo. never sent written acceptance or delivered the ordered products.
3. Whether the distributor agreement had been terminated, including whether EOS's January 2023 email effected termination.
4. Whether the unresolved termination issue precluded summary judgment on Quanergy's additional contract, misrepresentation, and related claims.
5. Whether Quanergy's unjust-enrichment claim was barred by the existence of an express contract covering the same subject matter.

HOLDINGS

1. The distributor agreement was not a sales contract imposing an express obligation on EOS to purchase $800,000 of products. The minimum volume commitment was a condition of EOS's continued status as a distributor, and Quanergy's contractual remedy for failure to meet it was termination under the agreement.
2. The purchase order was not accepted and therefore did not constitute a binding agreement. Because Quanergy OldCo. neither provided the written order of acceptance required by section 3.1 nor delivered the products, EOS validly rescinded its offer by its January 2023 email.
3. Summary judgment on termination was improper because a material factual dispute existed regarding whether and when the distributor agreement was terminated.
4. Summary judgment was denied on the additional breach-of-contract theories, intentional misrepresentation, negligent misrepresentation, and the portion of the UCL claim based on the distributor agreement because liability and damages depended on the unresolved termination issue.
5. EOS was entitled to summary judgment on the UCL theory that EOS unlawfully rejected the purchase order because the purchase order was never accepted and was not a valid contract.
6. EOS was entitled to summary judgment on Quanergy's unjust-enrichment claim because an express contract covered the subject matter and Quanergy maintained that the distributor agreement remained in force.
7. Quanergy was not entitled to summary judgment on EOS's 22 affirmative defenses because material factual disputes underlying the remaining claims also affected the defenses.

8. The motion to strike was denied because Quanergy's filing was technically a reply rather than an improper sur-reply. The motion to exclude was denied without prejudice because Quanergy represented that it would not offer the disclosed individuals as expert witnesses and the CEO's testimony could be admissible as lay opinion testimony.

KEY QUOTATIONS

> *“The Court agrees. The Court need only look to the plain language of the Distributor Agreement to find that the Minimum Volume Commitment was a condition for EOS’s continued status as a Quanergy distributor.”* (at 6)

> *“Orders are not accepted, until Quanergy sends Distributor a written order of acceptance or actually delivers the ordered Products provided that delivery constitutes acceptance only to the extent Quanergy actually delivers the Products.”* (at 8)

> *“Because Quanergy OldCo. did not provide a written order of acceptance for EOS’s Purchase Order as required by Section 3.1 of the Distributor Agreement, Quanergy OldCo. never accepted the order, and EOS validly rescinded its offer with its January 2023 Email.”* (at 9)

FACTUAL BACKGROUND

Quanergy OldCo. and EOS entered into a three-year nonexclusive distributor agreement for Australia and New Zealand, with renewal provisions and minimum volume commitments. EOS sent a September 2022 purchase order for sensors and software, but Quanergy OldCo. never issued the written acceptance or delivered the products required by the agreement. Quanergy OldCo. filed for Chapter 11, Quanergy later acquired its assets, and EOS sent an email purporting to cancel the purchase order while stating it would continue promoting Quanergy's solution until the bankruptcy sale outcome was certain. The parties later disputed whether the distributor agreement had been terminated and whether EOS breached continuing obligations under it.

PROCEDURAL HISTORY

Quanergy sued EOS asserting breach of contract, intentional misrepresentation, negligent misrepresentation, violation of California Business and Professions Code section 17200, and unjust enrichment. EOS answered and asserted 22 affirmative defenses. EOS moved for summary judgment on all claims, Quanergy filed a partial cross-motion for summary judgment, and EOS separately moved to strike Quanergy's reply and to exclude two purported experts. The court granted EOS's summary-judgment motion in part, denied it in part, denied Quanergy's cross-motion, denied the motion to strike, and denied the motion to exclude.

DISPOSITION

other

CASES CITED

- Celotex Corp. v. Catrett, 477 U.S. 317, 322-23 (1986)
- Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248, 252, 255 (1986)

- TW Elec. Serv., Inc. v. Pac. Elec. Contractors Ass'n, 809 F.2d 626, 630 (9th Cir. 1987)
- Thornhill Publ'g Co. v. GTE Corp., 594 F.2d 730, 738 (9th Cir. 1979)
- Scott v. Harris, 550 U.S. 372, 380 (2007)
- Fair Hous. Council of Riverside Cty., Inc. v. Riverside Two, 249 F.3d 1132, 1136 (9th Cir. 2001)
- Int'l Bhd. of Teamsters v. NASA Servs., Inc., 957 F.3d 1038, 1042 (9th Cir. 2020)
- Habr v. RxMapper, LLC, No. 4:23-CV-2061-YGR, 2025 WL 235619, at *3 (N.D. Cal. Jan. 9, 2025)
- ESG Cap. Partners, LP v. Stratos, 828 F.3d 1023, 1038 (9th Cir. 2016)
- Gerlinger v. Amazon.Com, Inc., 311 F. Supp. 2d 838, 856 (N.D. Cal. 2004)