

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

DEA Lookup.com, Inc. v. Solstice Benefits, Inc. and
UnitedHealthcare, Inc.; DEA Lookup.com, Inc. v. PharmaScript,
LLC

DEA Lookup.com · No. C.A. Nos. 24-1062 (MN) and 25-375 (MN) · Decided February 20, 2026

SUMMARY

The District of Delaware denied motions by Solstice Benefits, Inc., UnitedHealthcare, Inc., and PharmaScript, LLC, challenging copyright and contract claims brought by DEA Lookup.com, Inc. The court held that alleged use beyond the scope of software licenses could support copyright infringement claims and establish federal subject-matter jurisdiction. The court also found that DEA plausibly alleged breach of contract, including contract formation, breaches involving unauthorized software use and audit compliance, and damages.

CASE DETAILS

COURT	United States District Court for the District of Delaware
JURISDICTION	U.S. District Court for the District of Delaware
DECIDED	February 20, 2026
DOCKET	C.A. Nos. 24-1062 (MN) and 25-375 (MN)
DISPOSITION	other
PROCEDURAL POSTURE	In two related federal actions, Solstice Benefits, Inc. and UnitedHealthcare, Inc. moved for judgment on the pleadings, and PharmaScript, LLC moved to dismiss under Federal Rule of Civil Procedure 12(b)(1) and 12(b)(6). The motions challenged subject matter jurisdiction and the sufficiency of copyright infringement and breach-of-contract claims.
STANDARD OF REVIEW	For Rule 12(b)(1), the court considered whether federal question or supplemental subject matter jurisdiction existed. For Rule 12(b)(6), well-pleaded factual allegations are accepted as true and viewed in the light most favorable to the plaintiff, but the complaint must state a plausible claim for relief. A Rule 12(c) motion is analyzed under the same standards as a Rule 12(b)(6) motion.
PRECEDENTIAL VALUE	unknown

TOPICS

copyright infringement subject matter jurisdiction breach of contract motion for judgment on the pleadings
motions to dismiss

PRACTICE AREAS

intellectual property copyright contracts civil procedure commercial litigation

QUESTIONS PRESENTED

1. Whether the alleged existence of license agreements converted DEA's copyright claims into state-law contract disputes and eliminated federal subject matter jurisdiction.
2. Whether Solstice's Rule 12(c) motion was timely.
3. Whether DEA plausibly alleged copyright infringement against PharmaScript.
4. Whether DEA plausibly alleged the existence of a contract, breach, and damages for its breach-of-contract claim against PharmaScript.

HOLDINGS

1. Solstice's motion for judgment on the pleadings was timely because objections to subject matter jurisdiction may be raised at any time and the motion was filed early enough not to delay trial.
2. The alleged existence of license agreements did not eliminate federal subject matter jurisdiction because a copyright infringement claim may proceed when the licensee allegedly uses the copyrighted material beyond the scope of the license.
3. DEA plausibly stated a copyright infringement claim against PharmaScript by alleging ownership of valid copyrights and unauthorized copying of original elements of its software.
4. DEA plausibly stated a breach-of-contract claim against PharmaScript by alleging contract formation, breach of contractual obligations, and damages.

KEY QUOTATIONS

“In the Third Circuit, however, even where a contract exists between the parties, “the licensor can still bring suit for copyright infringement if the licensee’s use goes beyond the scope of the nonexclusive license.””
(II.A.2)

“In the Third Circuit, “[t]o establish a claim of copyright infringement, a plaintiff must show: (1) ownership of a valid copyright; and (2) unauthorized copying of original elements of the plaintiff’s work.”” (II.B.1)

“Under Delaware law, “[t]o establish a claim for breach of contract, Plaintiff must show: (1) the existence of a contract; (2) the breach of an obligation imposed by the contract; and (3) damages.”” (II.B.2)

FACTUAL BACKGROUND

DEA alleged that defendants obtained licenses for its proprietary software but exceeded the licenses' permitted scope. In the Solstice action, DEA alleged that defendants purchased licenses for three copies but made ten and

twenty-seven unauthorized reproductions, respectively. In the PharmaScript action, DEA alleged that PharmaScript provided unlicensed access to approximately 1,700 employees, made unauthorized copies, installed the software on its servers, permitted screen sharing with unlicensed users, and failed to comply with an audit request, causing more than \$2.7 million in lost licensing fees.

PROCEDURAL HISTORY

DEA Lookup.com filed related actions alleging copyright infringement and breach of contract arising from defendants' use of licensed proprietary software. After a joint motion hearing on August 11, 2025, the court considered Solstice's Rule 12(c) motion for judgment on the pleadings and PharmaScript's Rule 12(b)(1) and Rule 12(b)(6) motion. The court denied both motions.

DISPOSITION

other

CASES CITED

- Lutz v. Portfolio Recovery Assocs., LLC, 49 F.4th 323, 327 (3d Cir. 2022)
- Connelly v. Lane Const. Corp., 809 F.3d 780, 787, 790 (3d Cir. 2016)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555, 570 (2007)
- Finkelman v. Nat'l Football League, 810 F.3d 187, 202 (3d Cir. 2016)
- Wolfington v. Reconstructive Orthopaedic Assocs. II PC, 935 F.3d 187, 195 (3d Cir. 2019)
- Chemours Co. FC, LLC v. Nat'l Vacuum Env't Servs. Corp., 673 F. Supp. 3d 490, 498 n.43 (D. Del. 2023)
- Henderson ex rel. Henderson v. Shinseki, 562 U.S. 428, 434 (2011)
- MacLean Assocs., Inc. v. Wm. M. Mercer-Meidinger-Hansen, Inc., 952 F.2d 769, 779 (3d Cir. 1991)
- Cutillo v. Cutillo, No. 23-2382, 2024 WL 3250364, at *2 (3d Cir. July 1, 2024)
- Storage Tech. Corp. v. Custom Hardware Eng'g & Consulting, Inc., 421 F.3d 1307, 1316 (Fed. Cir. 2005)
- Krist v. Pearson Educ., Inc., 419 F. Supp. 3d 904, 913 (E.D. Pa. 2019)
- Cornell Univ. v. Illumina, Inc., No. 10-433 (LPS), 2014 WL 12601516, at *6 (D. Del. Sept. 29, 2014)
- Tanksley v. Daniels, 902 F.3d 165, 172-73 (3d Cir. 2018)
- Vermeer v. Univ. of Delaware, 710 F. Supp. 3d 401, 409 (D. Del. 2024)
- AGB Contemp. A.G. v. Artemundi LLC, No. 20-1689 (MAK), 2021 WL 1929356, at *4 (D. Del. May 13, 2021)