

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK

Wheel Pros, LLC v. ASR Motorsport, LLC, Nicholas Lanzello, Reza Noori, Joseph Leahy, David Palacios, John Thompson, III, and Danny Huallanca

Wheel Pros, LLC v. ASR Motorsport, LLC, No. 2:25-cv-929 (NJC) (ARL) (E.D.N.Y. Oct. 2, 2025) · No. 2:25-cv-929 (NJC) (ARL) · Decided January 14, 2026

SUMMARY

The United States District Court for the Eastern District of New York partially grants Wheel Pros, LLC’s motion for a preliminary injunction against ASR Motorsport and former Wheel Pros employees. The court enjoins defendants from using or transferring confidential information, restricts Nicholas Lanzello’s participation in competing businesses and solicitation of employees, requires destruction of confidential information, and restricts exploitation of certain developments.

CASE DETAILS

COURT	United States District Court for the Eastern District of New York
WRITING FOR THE COURT	Nusrat J. Choudhury
JURISDICTION	United States District Court for the Eastern District of New York
DECIDED	January 14, 2026
DOCKET	2:25-cv-929 (NJC) (ARL)
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for a preliminary injunction in an action asserting trade-secret misappropriation, breach of confidentiality and restrictive-covenant agreements, and related state-law claims.
STANDARD OF REVIEW	For a prohibitory preliminary injunction, the movant must show irreparable harm and either a likelihood of success on the merits or serious questions going to the merits together with a balance of hardships decidedly favoring the movant, and must show that an injunction is in the public interest. Mandatory preliminary relief requires a clear or substantial likelihood of success and a strong showing of irreparable harm.
PRECEDENTIAL VALUE	unpublished

PARTIES

Wheel Pros, LLC v. ASR Motorsport, LLC, Nicholas Lanzello, Reza Noori, Joseph Leahy, David Palacios, John Thompson, III, Danny Huallanca

TOPICS

trade secret misappropriation

trade secrets

restrictive covenants

employment contracts

equitable relief

PRACTICE AREAS

trade secrets

commercial litigation

employment law

contracts

remedies

QUESTIONS PRESENTED

1. Whether Wheel Pros established irreparable harm sufficient to support a preliminary injunction based on threatened dissemination or impairment of trade secrets and loss of customer goodwill.
2. Whether Wheel Pros showed a likelihood of success on its Defend Trade Secrets Act claim.
3. Whether Wheel Pros showed a likelihood of success on its claims that the individual defendants breached their nondisclosure agreements.
4. Whether Wheel Pros showed a likelihood of success on its claim that Lanzello breached the Unit Grant Agreement's restrictive covenants.
5. Whether the balance of hardships and public interest favored issuance of a tailored preliminary injunction.

HOLDINGS

1. Wheel Pros established irreparable harm because defendants had already disseminated Wheel Pros trade secrets beyond ASR Motorsport and there was an actual and imminent risk of further dissemination or impairment of the secrets' value.
2. Wheel Pros established irreparable harm from the loss of customer relationships and goodwill caused by defendants' solicitation and competitive conduct.
3. Wheel Pros demonstrated a likelihood of success on its Defend Trade Secrets Act claim because defendants acquired and disclosed protectable trade secrets through improper means and in violation of duties of confidentiality.
4. Wheel Pros demonstrated a likelihood of success on its breach-of-contract claims against the individual defendants for misusing confidential information and engaging in competitive or conflicting activities while employed by Wheel Pros.
5. Wheel Pros demonstrated a likelihood of success on its claim that Lanzello breached the Unit Grant Agreement's noncompetition and nonsolicitation provisions.
6. The balance of hardships and public interest favored a limited preliminary injunction preserving the status quo ante and preventing further misuse of trade secrets and violations of contractual restrictions.

KEY QUOTATIONS

“The showing of irreparable harm must be “neither remote nor speculative, but actual and imminent, and one that cannot be remedied if a court waits until the end of trial to resolve the harm.”” (Discussion § I)

“The record thus demonstrates a real risk the Defendants will continue to disseminate Wheel Pros’ trade secret information beyond ASR Motorsport to a wider audience and will otherwise irreparably impair the value of those secrets” (Discussion § II.a)

“For the reasons set forth above, Wheel Pros’ Motion for a Preliminary Injunction (ECF No. 24) is granted in part as detailed above.” (Conclusion)

FACTUAL BACKGROUND

Wheel Pros operates a national aftermarket-wheel, tire, and accessories business. Lanzello, a former Wheel Pros executive, and several other former employees formed or joined ASR Motorsport, a competing business, while some of them were still employed by Wheel Pros. The record showed that defendants transmitted Wheel Pros confidential information, including unreleased wheel designs, aggregated SKU and sales data, customer information, and pricing information, and solicited Wheel Pros employees and customers for ASR Motorsport. Lanzello was subject to a Unit Grant Agreement containing five-year noncompetition and nonsolicitation restrictions, while the individual defendants were subject to nondisclosure agreements.

PROCEDURAL HISTORY

Wheel Pros filed the action and moved for a temporary restraining order on February 18, 2025. After a February 20 hearing, the parties reached agreements on several interim issues and the TRO motion was dismissed as moot. Wheel Pros filed an amended complaint and preliminary-injunction motion on May 16, 2025; the court held a two-day evidentiary hearing on July 10 and 11, 2025, received supplemental briefing, and granted the preliminary-injunction motion in part.

DISPOSITION

other

CASES CITED

- Nat’l Coal. on Black Civic Participation v. Wohl, 498 F. Supp. 3d 457, 469 (S.D.N.Y. 2020)
- Daileader v. Certain Underwriters at Lloyds London Syndicate 1861, 96 F.4th 351, 356 (2d Cir. 2024)
- New York ex rel. Schneiderman v. Actavis PLC, 787 F.3d 638, 650 (2d Cir. 2015)
- Grupo Mexicano de Desarrollo S.A. v. Alliance Bond Fund, Inc., 527 U.S. 308, 333 (1999)
- U.S. Securities and Exchange Comm’n v. Kontilai, No. 23-7537-cv, 2025 WL 615190, at *3 n.4 (2d Cir. Feb. 26, 2025)
- JTH Tax, LLC v. Agnant, 62 F.4th 658, 673-74 (2d Cir. 2023)
- Faiveley Transport Malmo AB v. Wabtec Corp., 559 F.3d 110, 118-19 (2d Cir. 2009)
- Moore v. Consol. Edison Co. of N.Y., 409 F.3d 506, 510 (2d Cir. 2005)

- Really Good Stuff, LLC v. BAP Invs., L.C., 813 F. App'x 39, 44 (2d Cir. 2020)
- Register.com, Inc. v. Verio, Inc., 356 F.3d 393, 404 (2d Cir. 2004)
- Newark Morning Ledger Co. v. United States, 507 U.S. 546, 555-56 (1993)
- Passlogix, Inc. v. 2FA Tech., LLC, No. 08-cv-10986, 2010 WL 2505628, at *10 (S.D.N.Y. June 21, 2010)
- N.Y. Packaging II LLC v. Mustang Mkt'g Grp. LLC, No. 21-cv-1629, 2022 WL 604136, at *5 (E.D.N.Y. Mar. 1, 2022)
- TransPerfect Glob., Inc. v. Lionbridge Tech., Inc., No. 22-1348-cv, 2024 WL 177726, at *2 (2d Cir. Jan. 17, 2024)
- Intertek Testing Servs., N.A., Inc. v. Pennisi, 443 F. Supp. 3d 303, 340 (E.D.N.Y. 2020)
- N. Atl. Instruments, Inc. v. Haber, 188 F.3d 38, 44 (2d Cir. 1999)
- Bullion Shark LLC v. Flip A Coin LLC, No. 23-cv-6529, 2023 WL 8455669, at *6 (E.D.N.Y. Dec. 6, 2023)
- IME Watchdog, Inc. v. Gelardi, No. 22-cv-1032, 2022 WL 1525486, at *2, 10 (E.D.N.Y. May 13, 2022), reconsideration denied, 2022 WL 2316137 (E.D.N.Y. June 28, 2022)
- Plaza Motors of Brooklyn, Inc. v. Bogdasarov, No. 21-cv-6545, 2021 WL 5630910, at *6 (E.D.N.Y. Dec. 1, 2021)
- Reise v. Rose, No. CPU4-17-965, 2019 WL 315330, at *5 (Del. Ct. Comm. Pleas Jan. 23, 2019)
- Sunder Energy, LLC v. Jackson, 332 A.3d 472, 485-86 (Del. 2024)
- Hough Assocs., Inc. v. Hill, No. CIV.A. 2385-N, 2007 WL 148751, at *6 (Del. Ch. Jan. 17, 2007)
- Avaya, Inc. v. Ali, No. 12-cv-1066, 2012 WL 2888474, at *7 (D. Mass. July 13, 2012)
- Kodiak Bldg. Partners, LLC v. Adams, No. 2022-311, 2022 WL 5240507, at *1, 12 (Del. Ch. Oct. 6, 2022)
- Hub Group, Inc. v. Knoll, No. 2024-471, 2024 WL 3453863, at *1 (Del. Ch. July 18, 2024)
- Empower Energies, Inc. v. SolarBlue, LLC, No. 16-cv-3440, 2016 WL 5338555, at *13 (S.D.N.Y. Sept. 23, 2016)
- Advance-Rumley Thresher Co. v. Jackson, 287 U.S. 283, 288 (1932)
- In re Biaggi, 478 F.2d 489, 493 (2d Cir. 1978)
- Wickapogue 1 LLC v. Blue Castle (Cayman) Ltd., 657 F. Supp. 3d 234, 243 (E.D.N.Y. 2023)
- Goldman, Sachs & Co. v. Golden Empire Schs. Fin. Auth., 922 F. Supp. 2d 435, 444 (S.D.N.Y. 2013)
- Gov't Employees Ins. Co. v. Wellmart RX, Inc., 435 F. Supp. 3d 443, 455 (E.D.N.Y. 2020)