

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
ALABAMA

Serra Chevrolet, Inc. v. General Motors, LLC

No. 2:23-cv-1675-HDM (N.D. Ala. June 3, 2026) · No. 2:23-cv-1675-HDM · Decided June 3, 2026

SUMMARY

The United States District Court for the Northern District of Alabama granted the parties’ joint motion to vacate its interlocutory summary judgment and reconsideration orders after the parties reached a comprehensive settlement. Applying Federal Rule of Civil Procedure 54(b) and equitable balancing principles concerning settlement-related vacatur, the court concluded that the nonfinal, nonbinding orders should be vacated. The parties were ordered to file a joint stipulation of dismissal with prejudice or a status report by June 10, 2026.

CASE DETAILS

COURT	United States District Court for the Northern District of Alabama
JURISDICTION	United States District Court for the Northern District of Alabama
DECIDED	June 3, 2026
DOCKET	2:23-cv-1675-HDM
DISPOSITION	vacated
PROCEDURAL POSTURE	The parties jointly moved under Federal Rule of Civil Procedure 54(b) to vacate the court's interlocutory summary-judgment and reconsideration orders after settling all claims and defenses.
STANDARD OF REVIEW	The court applied its equitable discretion under Federal Rule of Civil Procedure 54(b), informed by balancing the benefits of settlement and finality against the public interest in preserving judicial precedent and conserving judicial resources.
PRECEDENTIAL VALUE	nonprecedential

TOPICS

- civil procedure
- motion for reconsideration
- summary judgment
- commercial litigation
- contracts

PRACTICE AREAS

- civil procedure
- commercial litigation
- contracts
- remedies

QUESTIONS PRESENTED

1. Whether a district court may vacate its own interlocutory summary-judgment and reconsideration orders under Federal Rule of Civil Procedure 54(b) after the parties settle.
2. Whether the equitable balance of private, settlement-related, judicial-resource, and public interests warranted vacatur of the interlocutory orders in this case.

HOLDINGS

1. A district court has equitable discretion under Federal Rule of Civil Procedure 54(b) to revise or vacate its own interlocutory orders before entry of final judgment; the appellate-vacatur exceptional-circumstances test from *U.S. Bancorp Mortgage Co. v. Bonner Mall Partnership* does not categorically restrict that discretion.
2. Vacatur of the interlocutory summary-judgment and reconsideration orders was warranted because the orders were nonfinal and nonbinding, the surviving claims were never tried or reviewed on appeal, the parties demonstrated concrete commercial and practical interests, and those interests and the interests of finality and judicial economy outweighed the public interest in preserving the orders.

KEY QUOTATIONS

*“While the parties’ request for vacatur—standing alone—would generally be insufficient, the court concludes that, due to the specific and unusual confluence of facts in this case, vacatur is warranted under Rule 54(b), informed by the equitable balancing principles set forth in *Bancorp* and *Hartford Casualty*.”* (Discussion)

FACTUAL BACKGROUND

Serra Chevrolet and General Motors were parties to a Dealer Sales and Service Agreement governing GM's allocation of vehicles to Serra. Serra asserted contract, Alabama Motor Vehicle Franchise Act, negligence, wantonness, and Dealer's Day in Court Act claims arising from GM's allocation system. The court's prior interlocutory orders resolved some claims but left Serra's AMVFA allocation and breach-of-contract claims for trial. The parties later reached a comprehensive settlement while maintaining an ongoing commercial relationship involving standardized dealer-agreement provisions.

PROCEDURAL HISTORY

Serra Chevrolet sued General Motors for breach of contract, alleged violations of the Alabama Motor Vehicle Franchise Act, negligence, wantonness, and violations of the federal Dealer's Day in Court Act. The court denied Serra's partial-summary-judgment motion, granted GM summary judgment on some claims, denied summary judgment on Serra's AMVFA allocation and breach-of-contract claims, and later denied GM's motion for reconsideration. Before trial and before entry of final judgment, the parties settled and jointly sought vacatur of those interlocutory orders.

DISPOSITION

vacated

CASES CITED

- U.S. Bancorp Mortg. Co. v. Bonner Mall P'ship, 513 U.S. 18, 26–29 (1994)
- Re/Max Int'l, Inc. v. Citimaxx Corp., No. 8:08-cv-2554-T-27, 2010 WL 11508111, at *1 (M.D. Fla. Sept. 7, 2010)
- Cent. Miss. Credit Corp. v. Vaughn, No. 3:15-cv-932, 2016 WL 7107769, at *1 n.1 & *2 (M.D. Ala. Dec. 6, 2016)
- Lundsten v. Creative Cmty. Living Servs., Inc., No. 13-C-108, 2016 WL 111431, at *1 (E.D. Wis. Jan. 11, 2016)
- Marseilles Hydro Power LLC v. Marseilles Land & Water Co., 481 F.3d 1002, 1003 (7th Cir. 2007)
- Am. Games, Inc. v. Trade Prods., Inc., 142 F.3d 1164, 1170 (9th Cir. 1998)
- Hartford Cas. Ins. Co. v. Crum & Forster Specialty Ins. Co., 828 F.3d 1331, 1334–36 (11th Cir. 2016)
- Mayes v. City of Hammond, Ind., 631 F. Supp. 2d 1082, 1086 (N.D. Ind. 2008)
- Houchins v. Weiss, No. 21-cv-81046, 2025 WL 3016556, at *1 (S.D. Fla. June 25, 2025)
- Motta v. Dist. Dir. of I.N.S., 61 F.3d 117 (1st Cir. 1995)
- Major League Baseball Props., Inc. v. Pac. Trading Cards, Inc., 150 F.3d 149 (2d Cir. 1998)
- Camreta v. Greene, 563 U.S. 692, 709 n.7 (2011)