

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
TEXAS, HOUSTON DIVISION

T & T Salvage Asia PTE LTD v. CoHold B.V. and Mariflex Group
B.V., et al.

T & T Salvage · No. 4:25-CV-03591 · Decided January 20, 2026

SUMMARY

The court recommends granting Plaintiff’s motion to remand because Defendants failed to establish complete diversity of citizenship. The memorandum and recommendation concludes that T & T Salvage Asia Pte. Ltd. is a foreign citizen and that diversity jurisdiction is unavailable where foreign entities appear on both sides of the litigation. The court therefore does not reach Defendants’ motion to dismiss.

CASE DETAILS

COURT	United States District Court for the Southern District of Texas, Houston Division
WRITING FOR THE COURT	United States Magistrate Judge
JURISDICTION	United States District Court for the Southern District of Texas, Houston Division
DECIDED	January 20, 2026
DOCKET	4:25-CV-03591
DISPOSITION	other
PROCEDURAL POSTURE	Defendants removed Plaintiff's Texas state-court breach-of-contract action based on diversity jurisdiction. Plaintiff moved to remand for lack of subject-matter jurisdiction, and Defendants moved to dismiss for lack of personal jurisdiction. The magistrate judge recommends granting the motion to remand and does not reach the motion to dismiss.
STANDARD OF REVIEW	The removing party bears the burden of establishing federal subject-matter jurisdiction, and doubts concerning removal jurisdiction are resolved in favor of remand.
PRECEDENTIAL VALUE	Unknown; memorandum and recommendation from a federal district court magistrate judge, with no reporter citation.

TOPICS

subject matter jurisdiction civil procedure breach of contract commercial litigation

PRACTICE AREAS

civil procedure subject matter jurisdiction commercial litigation breach of contract

QUESTIONS PRESENTED

1. Whether the federal court had diversity subject-matter jurisdiction over an action involving a Singapore private company and defendants organized in the Netherlands.
2. Whether Defendants established complete diversity at the time of removal.
3. Whether the court should decide the motion to remand before the motion to dismiss for lack of personal jurisdiction.

HOLDINGS

1. The court may address the motion to remand before the motion to dismiss because the remand issue was the less burdensome threshold issue and Defendants did not show that deciding personal jurisdiction first was warranted.
2. Defendants failed to establish complete diversity, and the action should be remanded for lack of subject-matter jurisdiction.

KEY QUOTATIONS

“Defendants have failed to meet their burden to establish complete diversity of citizenship between the parties.” (Section IV)

“At best, they have raised the specter of possible diversity. However, the court resolves all doubts about federal jurisdiction in favor of remand.” (Section IV)

FACTUAL BACKGROUND

Plaintiff T & T Salvage Asia Pte. Ltd., a Singapore private company, purchased CoHold's interests in Mariflex Asia under a 2014 Purchase and Sale Agreement containing a ten-year noncompetition provision. After an earlier state-court dispute, the parties entered a settlement that amended the noncompetition obligations and resulted in an agreed judgment and permanent injunction. Plaintiff later alleged that CoHold and related Netherlands entities continued competing with Plaintiff's successor in Asia, prompting the Harris County action.

PROCEDURAL HISTORY

Plaintiff originally filed suit in Harris County, Texas, alleging that CoHold and related Netherlands entities breached a noncompetition provision in a purchase and sale agreement. Defendants removed the action to the Southern District of Texas on diversity grounds. After removal, Plaintiff moved to remand, while Defendants moved to dismiss and sought jurisdictional discovery concerning Plaintiff's citizenship. The magistrate judge

concluded that Defendants failed to establish complete diversity and recommended remand; the parties were given fourteen days to object under 28 U.S.C. § 636(b)(1)(C).

DISPOSITION

other

REMAND INSTRUCTIONS

The magistrate judge recommends that Plaintiff's opposed motion to remand be granted for lack of subject-matter jurisdiction. The parties were allowed fourteen days to file written objections under 28 U.S.C. § 636(b)(1)(C).

CASES CITED

- Sinochem International Co. v. Malaysia International Shipping Corp., 549 U.S. 422, 430-32 (2007)
- Environmental Conservation Organization v. City of Dallas, 529 F.3d 519, 525 (5th Cir. 2008)
- Sangha v. Navig8 ShipManagement Private Ltd., 882 F.3d 96, 100 (5th Cir. 2018)
- Howery v. Allstate Insurance Co., 243 F.3d 912, 916 (5th Cir. 2001)
- Bynane v. Bank of New York Mellon for CWMBS, Inc. Asset-Backed Certificates Series 2006-24, 866 F.3d 351, 355-56 (5th Cir. 2017)
- Hil-Tech, LLC v. Shree Mahalaxmi Industries, No. 4:22-CV-02310, 2023 WL 4602738, at *3 (S.D. Tex. July 3, 2023)
- Harvey v. Grey Wolf Drilling Co., 542 F.3d 1077, 1080 (5th Cir. 2008)
- MidCap Media Finance, L.L.C. v. Pathway Data, Inc., 929 F.3d 310, 314 (5th Cir. 2019)
- Settlement Funding, L.L.C. v. Rapid Settlements, Ltd., 851 F.3d 530, 536 (5th Cir. 2017)
- In re Deepwater Horizon, 745 F.3d 157, 162 (5th Cir. 2014)
- Manguno v. Prudential Property & Casualty Insurance Co., 276 F.3d 720, 723 (5th Cir. 2002)
- Acuna v. Brown & Root Inc., 200 F.3d 335, 339 (5th Cir. 2000)
- Avialae S. de R.L. de C.V. v. Cummins, Inc., No. 23-50376, 2024 WL 1461947, at *1 n.1 (5th Cir. Apr. 4, 2024)
- Stiftung v. Plains Marketing, L.P., 603 F.3d 295, 298-99 (5th Cir. 2010)
- Prytania Media LLC v. NetEase, Inc., No. CV 25-0464, 2025 WL 2624357, at *4 (E.D. La. Sept. 11, 2025)
- Douglass v. United Services Automobile Association, 79 F.3d 1415, 1428-29 (5th Cir. 1996) (en banc)