

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
MISSOURI, EASTERN DIVISION

LADS Network Solutions Inc. v. Agilis Systems LLC et al.

LADS Network Solutions · No. 4:19-cv-00011-SEP · Decided March 31, 2026

SUMMARY

The United States District Court for the Eastern District of Missouri grants Plaintiff’s motion for leave to amend the complaint based on a newly obtained supplemental copyright registration. The court denies Plaintiff’s motion to reopen discovery for lack of diligence and good cause. It also grants Defendants’ motion to reinstate counterclaims because the prior dismissal of those counterclaims was based on a judgment that the Eighth Circuit later reversed.

CASE DETAILS

COURT	United States District Court for the Eastern District of Missouri, Eastern Division
WRITING FOR THE COURT	Sarah E. Pitlyk
JURISDICTION	United States District Court for the Eastern District of Missouri
DECIDED	March 31, 2026
DOCKET	4:19-cv-00011-SEP
DISPOSITION	other
PROCEDURAL POSTURE	On remand following the Eighth Circuit's reversal of summary judgment for Defendants, Plaintiff moved for leave to amend its complaint and to reopen discovery, and Defendant moved to reinstate its counterclaims.
STANDARD OF REVIEW	A motion to amend a pleading after the scheduling-order deadline is governed by Federal Rule of Civil Procedure 16(b)'s good-cause standard, with diligence as the primary measure. Whether to reopen discovery is within the district court's discretion and, at minimum, also requires Rule 16(b) good cause. Relief from a final judgment based on a judgment that has been reversed or vacated is governed by Federal Rule of Civil Procedure 60(b)(5).
PRECEDENTIAL VALUE	unpublished district court memorandum and order; nonprecedential

TOPICS

motion to amend

discovery dispute

civil procedure

appellate procedure

PRACTICE AREAS

civil procedure

copyright

contracts

commercial litigation

appellate procedure

QUESTIONS PRESENTED

1. Whether Plaintiff showed good cause under Federal Rule of Civil Procedure 16(b) to amend its complaint after the scheduling-order deadline based on a supplemental copyright registration obtained after the deadline.
2. Whether Plaintiff showed good cause under Rule 16(b) to reopen discovery for depositions that it did not pursue before the original discovery deadline.
3. Whether Defendants' counterclaims should be reinstated under Federal Rule of Civil Procedure 60(b)(5) after the judgment underlying their dismissal was reversed.

HOLDINGS

1. Plaintiff satisfied Rule 16(b)'s good-cause standard because the supplemental copyright registration did not exist before the amendment deadline and was analogous to newly discovered evidence; leave to amend was therefore granted.
2. Plaintiff failed to establish Rule 16(b) good cause to reopen discovery because it identified no change in law, newly discovered fact, or changed circumstance and did not demonstrate diligence in pursuing the proposed depositions before discovery closed.
3. The counterclaims should be reinstated under Rule 60(b)(5) because their dismissal without prejudice resulted from the earlier judgment dismissing Plaintiff's claims, and that judgment was subsequently reversed.

KEY QUOTATIONS

"The primary measure of good cause is the movant's diligence in attempting to meet the order's requirements." (Legal Standard)

FACTUAL BACKGROUND

Plaintiff alleged that Defendants infringed its copyright in software and source code after licensing rights originally granted to Siliga, Inc. were assigned to Agilis and after Archlogix began using the source code. Defendants asserted counterclaims concerning an alleged perpetual license, a settlement release, and abuse of process. After the district court's summary judgment ruling was reversed on appeal, Plaintiff obtained a supplemental copyright registration and sought to amend its complaint, while also seeking additional discovery.

PROCEDURAL HISTORY

Plaintiff filed copyright-infringement claims against Defendants, who asserted state-law counterclaims. The district court granted Defendants summary judgment based on the copyright-registration issue and later declined

supplemental jurisdiction over the counterclaims. The Eighth Circuit dismissed Plaintiff's initial appeal as premature because the counterclaims remained unresolved, after which the district court entered an amended judgment. The Eighth Circuit later reversed the grant of summary judgment and remanded for further proceedings. On remand, the district court granted leave to amend, denied the motion to reopen discovery, and reinstated the counterclaims.

DISPOSITION

other

REMAND INSTRUCTIONS

Plaintiff was ordered to file an amended complaint complying with Eastern District of Missouri Local Rule 4.07 within seven days of the order. Discovery was not reopened, and Defendants' counterclaims were reinstated.

CASES CITED

- Sherman v. Winco Fireworks, Inc., 532 F.3d 709, 716-17 (8th Cir. 2008)
- Popoalii v. Corr. Med. Servs., 512 F.3d 488, 497 (8th Cir. 2008)
- Speed RMG Partners, LLC v. Arctic Cat Inc., 2024 WL 4544035, at *1 n.1 (D. Minn. Apr. 9, 2024)
- Bradshaw v. FFE Transp. Servs., Inc., 715 F.3d 1104, 1108 (8th Cir. 2013)
- Ferrell Mobile Homes, Inc. v. Champion Home Builders, Inc., 2018 WL 11326543, at *2 (E.D. Mo. Apr. 17, 2018)
- Hartis v. Chicago Title Ins. Co., 694 F.3d 935, 948 (8th Cir. 2012)
- Consultus, LLC v. CPC Commodities, 2021 WL 274744, at *2 (W.D. Mo. Jan. 27, 2021)

OPINION

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF MISSOURI EASTERN DIVISION LADS NETWORK SOLUTIONS INC.,) Plaintiff, V.) Case No. 4:19-cv-00011-SEP AGILIS SYSTEMS LLC. et al, Defendants. MEMORANDUM AND ORDER Before the Court are Plaintiff's Motion for Leave to Amend the Complaint, Doc.

[217], Plaintiff's Motion to Reopen Discovery, Doc. [219], and Defendant's Motion to Reinstate Counterclaims, Doc. [221]. For the reasons set forth below, the Motion for Leave to Amend the Complaint is granted; the Motion to Reopen Discovery for a Limited Purpose is denied; and the Motion to Reinstate Counterclaims is granted. FACTS AND BACKGROUND On January 3, 2019, Plaintiff filed its Complaint alleging infringement of its copyright in certain software and source code.

Doc. [1] J 1. Plaintiff alleged that it entered into a series of licensing agreements with Siliga, Inc. (Siliga), allowing Siliga to use Plaintiff's copyrighted materials. Id. [17-19. In October 2007,

Siliga assigned its licensing rights to Defendant Agilis, which thereafter began using Plaintiff's copyrighted source code and eventually ceased paying Plaintiff for such use.

Id. [J 20-21. In July 2017, Defendant Gilead, LLC (Gilead) created Defendant Archlogix, LLC (Archlogix). Id. J 23. Archlogix also commenced using Plaintiff's copyrighted source code without compensation. /d. J 23. Plaintiff brought a claim for copyright infringement against Agilis and Archlogix. Id. at 5-6. Defendants answered and brought three state-law counterclaims against Plaintiff: (1) one claim for breach of contract alleging that, pursuant to the First Amendment to the 2007 License Agreement, LADS had granted Defendants a perpetual license to use LADS's intellectual property; (2) a second claim for breach of contract alleging that, in the absence of a perpetual license, LADS's claims against Defendants were released pursuant to a Settlement Agreement entered into in 2014; and (3) a claim for abuse of process, alleging that LADS filed its Complaint to force Agilis to pay LADS money to which LADS was not legally entitled.

Doc. [16]. On January 8, 2020, Defendants moved for summary judgment, arguing that Plaintiff (1) perpetually licensed the software to Defendants pursuant to the 2007 License Agreement; (2) acknowledged that the intellectual property was owned by Defendants; and (3) was otherwise barred from bringing this lawsuit because its claims were covered by a release executed by Plaintiff in July 2014 in connection with the Settlement Agreement.

Doc. [66] at 1. The Court denied the motion, finding that Defendants failed to show the absence of a material dispute regarding the existence of a perpetual license under the First Amendment to the 2007 License Agreement, and that the existence of a genuine material dispute regarding the enforceability of the 2014 Settlement Agreement precluded summary judgment on that issue.

Doc. [133]. On April 3, 2020, Defendants filed a second motion for summary judgment, arguing that Plaintiff's copyright registration was invalid pursuant to 17 U.S.C. § 411(b). Docs. [82], [83] at 14-15. Defendants alleged the registration was invalid because Plaintiff's application included materials that did not exist until after May 1, 2000, the date on which the copyrighted material at issue—the GPStrac source code—was first published.

Id.; see also 17 U.S.C. § 411(b). On March 26, 2021, as required by 17 U.S.C. § 411(b)(2), the Court queried the Copyright Office as to whether that Office would have refused registering Plaintiff's September 15, 2014, application "had it known that the deposit material/source code submitted with the application... included source code created after the purported publication date of May 1, 2000[.]" Doc.

[134] at 1. On August 3, 2021, the Copyright Office responded that it would have denied registration under those circumstances. Doc. [137] at 1 ("[I]f the Office had been aware that the deposit submitted on September 15, 2014, included source code created after the May 1, 2000 publication date provided in the application, it would not have registered the work.").

The Court took up the second summary judgment motion at an August 2, 2021, hearing and granted judgment in favor of Defendants with respect to the copyright claims. Docs. [141], [142], following that with a written judgment dismissing the case, Doc.

[145]. On September 28, 2021, Plaintiff moved under Federal Rules of Civil Procedure 59(e) and 60(b), requesting that the Court reconsider its decision to grant judgment for Defendants. Doc. [149]. The Court denied Plaintiff's motion to reconsider, Doc.

[177], and Plaintiff appealed to the Eighth Circuit Court of Appeals, Doc. [179]. Defendants moved to dismiss the appeal, arguing to the Eighth Circuit that this Court's judgment was not final and appealable because the counterclaims were unresolved.

The Eighth Circuit granted the motion to dismiss the appeal. Doc. [183]. On December 19, 2022, Plaintiff moved for an entry of amended judgment, requesting clarification of the status of the counterclaims. Doc. [184].

On September 14, 2024, the Court granted the Plaintiff's motion and entered an order declining to exercise supplemental jurisdiction over the counterclaims. Doc. [199]. After the entry of the amended summary judgment, Doc.

[200], Plaintiff sought, and obtained, a supplemental registration effective September 14, 2021. Doc. [217] at 18-19. On May 28, 2025, the Eighth Circuit reversed the Court's grant of summary judgment and remanded the case for further proceedings. Docs.

[205],[206]. LEGAL STANDARD "A schedule may be modified only for good cause and with the judge's consent." FED. R. Civ. P. 16(b)(4). Because Plaintiff seeks to amend the Complaint after the Case Management Order's deadline for amendment, it must satisfy Rule 16(b)'s good-cause standard. *Sherman v. Winco Fireworks, Inc.*, 532 F.3d 709, 716 (8th Cir. 2008) ("Rule 16(b)'s good-cause standard governs when a party seeks leave to amend a pleading outside of the time period established by a scheduling order, not the more liberal standard of Rule 15(a).") (citing *Popoalii v. Corr.*

Med. Servs., 512 F.3d 488, 497 (8th Cir. 2008)). While the standard for a motion to reopen discovery may be higher, at a minimum, Plaintiff's Motion to Reopen Discovery must also meet the Rule 16(b) good cause standard. *Speed RMG Partners, LLC v. Arctic Cat Inc.*, 2024 WL 4544035, at *1, fn1 (D. Minn. Apr. 9, 2024); *Bradshaw v. FFE Transp. Servs., Inc.*, 715 F.3d 1104, 1108 (8th Cir.

2013) ("Once discovery has closed in a case, it is the district court's discretion whether or not to allow it to be reopened. The fact that a case has been reset for trial is not automatically a justifiable reason to reopen discovery.'). "The primary measure of good cause is the movant's diligence in attempting to meet the order's requirements." *Sherman*, 532 F.3d at 716-17.

Courts routinely find that good cause exists “when an amendment is based on ‘newly discovered facts.’” *Ferrell Mobile Homes, Inc. v. Champion Home Builders, Inc.*, 2018 WL 11326543, at *2 (E.D. Mo. Apr. 17, 2018) (quoting *Hartis v. Chicago Title Ins. Co.*, 694 F.3d 935, 948 (8th Cir. 2012)). But “where there has been no change in the law, no newly discovered facts, or any other changed circumstance after the scheduling deadline then we may conclude that the moving party has failed to show good cause.” *Hartis*, 694 F.3d at 948 (citation modified).

DISCUSSION I. Plaintiff may amend the Complaint. The Motion to Amend the Complaint satisfies Rule 16(b)’s good cause standard. Because the purported registration did not exist before the deadline to amend the Complaint, the new registration is analogous to new evidence. Given the status of this matter when the registration was obtained, Plaintiff’s failure to seek amendment earlier does not evince any lack of diligence.

See *Consultus, LLC v. CPC Commodities*, 2021 WL 274744, at *2 (W.D. Mo. Jan. 27, 2021). Defendants recite a parade of horrors that will result from allowing Plaintiff to amend the Complaint so long after various deadlines in this case have passed, but Plaintiff is not responsible for the time that the case spent pending at the Court of Appeals, and Defendants do not point to any lack of diligence on Plaintiff’s part in pursuing the amendment.

The Motion to Amend the Complaint is therefore granted.! I. The Court will not reopen discovery. Plaintiff’s Motion to Reopen Discovery does not satisfy Rule 16(b)’s good cause standard. Plaintiff points to no change in the law, newly discovered fact, or changed circumstance to justify reopening discovery to allow for depositions it failed to pursue during the time allotted under the original case management order.

Nor does its motion satisfy the Court that it exercised diligence in pursuing such depositions before the discovery deadline passed and dispositive motions were due. Thus, Plaintiff has not made the showing required to satisfy Rule 16(b). See *Hartis*, 694 F.3d at 948.

The Motion to Reopen Discovery is denied. ' In its discretion, the Court will overlook Plaintiff’s failure to comply with the requirements of Eastern District of Missouri Local Rule 4.07 in the initial filing of its Motion for Leave to Amend, but Plaintiff will have 7 days from the date of this Order to come into compliance with that rule. See E.D. Mo. L.R.

4.07 (“All new material in the amended pleading must be underlined and all material being removed must be struck through....”). II. Defendant’s counterclaims are reinstated. “On motion and just terms, the court may relieve a party or its legal representative from a final judgment, order, or proceeding [if]... it is based on an earlier judgment that has been reversed or vacated....” FED.

R. Civ. P. 60(b)(5). Here, the counterclaims were dismissed without prejudice because the court declined to exercise supplemental jurisdiction after dismissing Plaintiff’s claims. Doc. [199]. The dismissal of Plaintiff’s claims has been reversed. Doc.

[205]. Because the dismissal of the counterclaims was based on an earlier judgment that has since been reversed, their reinstatement is proper. Plaintiff advances two arguments to the contrary. The first is that the Defendant used two of the counterclaims (license and settlement) as affirmative defenses without pleading them as affirmative defenses. See Doc.

[223] at 1-2. Plaintiff argues that this requires the court to convert the counterclaims into affirmative defenses. *Id.* The factual premise of that claim is clearly controverted by the record. See Doc. [222] at 1. The second argument is that the Court must refuse to reinstate the abuse of process counterclaim because the Court has already rejected the claim.

See Doc. [223] at 3. The Court has already rejected that interpretation of its prior ruling. See Doc. [199]. Accordingly, IT IS HEREBY ORDERED that Plaintiff's Motion for Leave to Amend the Complaint, Doc. [217], is GRANTED. Plaintiff will have 7 days from the date of this Order to file an amended complaint that complies with Eastern District of Missouri Local Rule 4.07.

IT IS FURTHER ORDERED that Plaintiff's Motion to Reopen Discovery, Doc. [219], is DENIED. IT IS FINALLY ORDERED that Defendant's Motion to Reinstate Counterclaims, Doc. [221], is GRANTED. Dated this 31st day of March, 2026. SARAH E. PITLYK UNITED STATES DISTRICT JUDGE