

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF
MASSACHUSETTS

Lotus Foods Boston, LLC v. Go Fresh 365, Inc. and Long Deng

Lotus Foods · No. 1:24-cv-10407-IT · Decided April 1, 2026

SUMMARY

The United States District Court for the District of Massachusetts addresses Defendants’ motion for summary judgment in a dispute involving a promissory note, security interests, successor liability, unjust enrichment, and corporate veil piercing. The court grants summary judgment on the breach of contract claim and claims against Long Deng individually, while denying summary judgment on the unjust enrichment claim. Lotus’s civil conspiracy claim was withdrawn.

CASE DETAILS

COURT	United States District Court for the District of Massachusetts
WRITING FOR THE COURT	Indira Talwani
JURISDICTION	United States District Court for the District of Massachusetts
DECIDED	April 1, 2026
DOCKET	1:24-cv-10407-IT
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved for summary judgment on claims arising from a promissory note and security agreement, unjust enrichment, and civil conspiracy. Plaintiff opposed summary judgment on the breach-of-contract and unjust-enrichment claims and withdrew the conspiracy claim. Plaintiff also attempted to assert a cross-motion for summary judgment, which the court denied without prejudice for failure to comply with Local Rule 56.1.
STANDARD OF REVIEW	Under Federal Rule of Civil Procedure 56, summary judgment is appropriate when the movant shows that no genuine dispute as to any material fact exists and the movant is entitled to judgment as a matter of law. The court viewed properly supported evidence in the light most favorable to the nonmovant and drew all reasonable inferences in the nonmovant's favor.
PRECEDENTIAL VALUE	Unknown; memorandum and order from a federal district court with no reported citation identified in the source.

TOPICS

commercial litigation breach of contract unjust enrichment corporate veil piercing
uniform commercial code

PRACTICE AREAS

commercial litigation contract law corporate law equitable remedies secured transactions

QUESTIONS PRESENTED

1. Whether Deng could be held individually liable by piercing the corporate veil between him and Go Fresh and its subsidiaries.
2. Whether Go Fresh could be held liable as New Ming's successor under de facto merger, mere continuation, or continuity-of-enterprise theories.
3. Whether Lotus's unjust enrichment claim was barred by the availability of a legal remedy or by the existence of an express contract.
4. Whether the summary judgment record presented a genuine dispute over whether Go Fresh received and retained a benefit consisting of supermarket inventory purchased with proceeds of Lotus's loan.

HOLDINGS

1. Summary judgment was warranted for Deng individually because Lotus did not make the showing required under Massachusetts law to disregard the separate corporate existence of Go Fresh and its subsidiaries.
2. Go Fresh could not be held liable for New Ming's Lotus Loan under either the de facto merger or mere continuation exception to successor liability.
3. The court declined to apply an independent continuity-of-enterprise theory because Massachusetts appellate courts had not adopted that theory and Lotus had not shown that it applied to this dispute.
4. The unjust enrichment claim was not barred at the summary judgment stage because Defendants' position that they were not parties to Lotus's agreements undermined their contention that Lotus had an adequate contractual remedy against them.
5. Summary judgment was denied on Lotus's unjust enrichment claim against Go Fresh because a reasonable jury could find that Go Fresh received, knew of, and inequitably retained a measurable benefit consisting of supermarket inventory purchased with proceeds of Lotus's loan.

KEY QUOTATIONS

“But, although it is necessary, “common ownership of the stock of two or more corporations together with common management” is not sufficient, to pierce the corporate veil.” (Section IV.A)

“Where the court finds no continuity of shareholders and an inconsistent showing of the continuity of enterprise, and where one of the other two factors in the de facto merger analysis is equivocal, the court

concludes that Go Fresh cannot be held liable as a successor to New Ming for the Lotus Loan under the de facto merger exception.” (Section IV.B.2.e)

“Accordingly, the court concludes that there exists a genuine dispute of material fact as to whether Go Fresh, via the supermarket inventory over which Ming’s exerted control in April 2023, was unjustly enriched.”
(Section IV.C)

FACTUAL BACKGROUND

Lotus provided New Ming with a \$600,000 loan secured by a broad security interest covering New Ming's personal property, inventory, and proceeds, and filed a UCC financing statement. New Ming later defaulted, and Lotus obtained a judgment against New Ming in Pennsylvania. In April 2023, after Go Fresh acquired the stock of New Ming's former corporate parent and its subsidiaries, Ming's took over the supermarket, including inventory and on-site cash that New Ming's bankruptcy schedules identified as New Ming assets. New Ming filed for Chapter 7 bankruptcy shortly thereafter, listing Lotus's promissory note as a debt and the inventory as an asset.

PROCEDURAL HISTORY

Lotus loaned New Ming, Inc. \$600,000 and obtained a promissory note and security interest in New Ming's assets. After New Ming allegedly defaulted and its inventory and cash were taken over by Ming's Supermarket, Inc., New Ming filed for Chapter 7 bankruptcy. Lotus brought this action against Go Fresh 365, Inc. and Long Deng, alleging successor liability, unjust enrichment, and conspiracy. The district court granted summary judgment against the breach-of-contract claim and all claims against Deng individually, but denied summary judgment on unjust enrichment against Go Fresh.

DISPOSITION

other

CASES CITED

- Anderson v. Liberty Lobby, Inc., 477 U.S. 242 (1986)
- Celotex Corp. v. Catrett, 477 U.S. 317 (1986)
- Baker v. St. Paul Travelers, Inc., 670 F.3d 119 (1st Cir. 2012)
- Griggs-Ryan v. Smith, 904 F.2d 112 (1st Cir. 1990)
- Kraft Power Corp. v. Merrill, 464 Mass. 145, 981 N.E.2d 671 (2013)
- United States v. Bestfoods, 524 U.S. 51 (1998)
- My Bread Baking Co. v. Cumberland Farms, Inc., 353 Mass. 614, 233 N.E.2d 748 (1968)
- Birbara v. Locke, 99 F.3d 1233 (1st Cir. 1996)
- Pepsi-Cola Metropolitan Bottling Co., Inc. v. Checkers, 754 F.2d 10 (1st Cir. 1985)
- Lipsitt v. Plaud, 466 Mass. 240, 994 N.E.2d 777 (2013)
- Attorney General v. M.C.K., Inc., 432 Mass. 546, 736 N.E.2d 373 (2000)

- Irobe v. United States Department of Agriculture, 890 F.3d 371 (1st Cir. 2018)
- Smith v. Kelley, 484 Mass. 111, 139 N.E.3d 314 (2020)
- Ribadeneira v. New Balance Athletics, Inc., 65 F.4th 1 (1st Cir. 2023)
- Milliken & Co. v. Duro Textiles, LLC, 451 Mass. 547, 887 N.E.2d 244 (2008)
- Guzman v. MRM/Elgin, 409 Mass. 563, 567 N.E.2d 929 (1991)
- Premier Cap., LLC v. KMZ, Inc., 464 Mass. 467, 984 N.E.2d 286 (2013)
- Carreiro v. Rhodes Gill & Co., 68 F.3d 1443 (1st Cir. 1995)
- Cargill, Inc. v. Beaver Coal & Oil Co., Inc., 424 Mass. 356, 676 N.E.2d 815 (1997)
- In re Acushnet River & New Bedford Harbor Proceedings re Alleged PCB Pollution, 712 F. Supp. 1010 (D. Mass. 1989)
- American Paper Recycling Corp. v. IHC Corp., 707 F. Supp. 2d 114 (D. Mass. 2010)
- Dayton v. Peck, Stow, and Wilcox Co., 739 F.2d 690 (1st Cir. 1984)
- DeJesus v. Park Corp., 530 Fed. App'x 3 (1st Cir. 2013)
- Goguen v. Textron, Inc., 476 F. Supp. 2d 5 (D. Mass. 2007)
- DeJesus v. Bertsch, Inc., 898 F. Supp. 2d 353 (D. Mass. 2012)
- Turner v. Bituminous Casualty Co., 397 Mich. 406, 244 N.W.2d 873 (1976)
- National Gypsum Co. v. Continental Brands Corp., 895 F. Supp. 328 (D. Mass. 1995)
- Shaulis v. Nordstrom, Inc., 865 F.3d 1 (1st Cir. 2017)
- Platten v. HG Bermuda Exempted Ltd., 437 F.3d 118 (1st Cir. 2006)
- Columbia Plaza Associates v. Northeastern University, 493 Mass. 570, 227 N.E.3d 999 (2024)
- Sacks v. Dissinger, 488 Mass. 780, 178 N.E.3d 388 (2021)
- Tomasella v. Nestlé USA, Inc., 962 F.3d 60 (1st Cir. 2020)
- Massachusetts Eye & Ear Infirmary v. QLT Phototherapeutics, Inc., 552 F.3d 47 (1st Cir. 2009)
- Tody's Service, Inc. v. Liberty Mutual Insurance Co., 496 Mass. 197, 260 N.E.3d 309 (2025)