

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
MISSISSIPPI, OXFORD DIVISION

American Services, LLC v. TEN 4 SYSTEM, LTD., et al.

American Services · No. No. 3:25-CV-321-RPC-RP · Decided June 4, 2026

SUMMARY

The United States District Court for the Northern District of Mississippi granted FreightOnTime Transportation, Inc.'s motion to dismiss American Services, LLC's amended complaint. The court held that American failed to establish personal jurisdiction under Mississippi's long-arm statute and failed to plausibly plead causation for its negligent hiring or vetting claim. The court denied jurisdictional discovery and leave to amend, and dismissed FreightOnTime with prejudice.

CASE DETAILS

COURT	United States District Court for the Northern District of Mississippi, Oxford Division
JURISDICTION	United States District Court for the Northern District of Mississippi, Oxford Division
DECIDED	June 4, 2026
DOCKET	No. 3:25-CV-321-RPC-RP
DISPOSITION	dismissed
PROCEDURAL POSTURE	After removal from Mississippi state court, FreightOnTime Transportation, Inc. moved to dismiss the amended complaint under Federal Rules of Civil Procedure 12(b)(2) and 12(b)(6). American Services opposed dismissal, requested jurisdictional discovery, and alternatively sought leave to amend.
STANDARD OF REVIEW	On a Rule 12(b)(2) motion, the plaintiff bears the burden of establishing personal jurisdiction and must present prima facie evidence. On a Rule 12(b)(6) motion, well-pleaded factual allegations are accepted as true and viewed in the plaintiff's favor, but the complaint must state a plausible claim for relief. A request for jurisdictional discovery requires allegations suggesting with reasonable particularity the possible existence of the requisite forum contacts.
PRECEDENTIAL VALUE	unknown

TOPICS

personal jurisdiction

motions to dismiss

discovery dispute

motion to amend

environmental law

PRACTICE AREAS

civil procedure

personal jurisdiction

environmental law

negligence

commercial litigation

QUESTIONS PRESENTED

1. Whether the court had personal jurisdiction over FreightOnTime under Mississippi's long-arm statute.
2. Whether American Services was entitled to jurisdictional discovery concerning FreightOnTime's contacts with Mississippi.
3. Whether the amended complaint plausibly stated a negligence claim against FreightOnTime.
4. Whether American Services should receive leave to amend its complaint.

HOLDINGS

1. The court lacked personal jurisdiction over FreightOnTime because American failed to plausibly allege that the tort or any element of the alleged negligent hiring or vetting occurred in Mississippi, and it did not establish jurisdiction under the doing-business prong.
2. American Services was not entitled to jurisdictional discovery because it offered only vague assertions and failed to allege specific facts suggesting with reasonable particularity that FreightOnTime had the requisite contacts with Mississippi.
3. The amended complaint failed to state a plausible negligence claim against FreightOnTime because it did not allege causation connecting FreightOnTime's alleged failure to vet or hire carriers to any injury suffered by American Services.
4. Leave to amend was properly denied because American Services proposed no specific amendment and the proposed clarification would not cure the missing causation allegations.

KEY QUOTATIONS

“A federal district court sitting in diversity may exercise personal jurisdiction only to the extent permitted a state court under applicable state law.”

“A plaintiff is not entitled to jurisdictional discovery when ‘the record shows that the requested discovery is not likely to produce the facts needed to withstand a Rule 12(b)(1) motion.’”

“While there is a strong presumption in favor of granting leave to amend, a district court may refuse leave to amend if the complaint as amended would be subject to dismissal.”

FACTUAL BACKGROUND

A tractor trailer carrying rubber from Louisiana to Canada caught fire in Tate County, Mississippi, on February 23, 2023. American Services performed environmental cleanup and submitted an invoice for \$362,805.65, which it alleged remained unpaid. FreightOnTime had brokered the shipment but was incorporated and headquartered

in Ontario, Canada and was not registered to do business in Mississippi. American's amended complaint alleged only that FreightOnTime negligently hired, retained, or failed to vet the carriers, without alleging a causal connection between that conduct and the fire, cleanup costs, or nonpayment.

PROCEDURAL HISTORY

American Services filed an original complaint in state court, which was removed by FreightOnTime to the Northern District of Mississippi under diversity jurisdiction. American filed an amended complaint on February 17, 2026. The Vanderbilt defendants were dismissed without prejudice under Rule 41(a)(2), leaving Ten 4, Alberta, and FreightOnTime. The court granted FreightOnTime's motion to dismiss, denied jurisdictional discovery, denied leave to amend, and dismissed FreightOnTime with prejudice.

DISPOSITION

dismissed

CASES CITED

- Royal Canin U.S.A., Inc. v. Wullschleger, 604 U.S. 22, 35, 145 S. Ct. 41, 220 L. Ed. 2d 289 (2025)
- Allred v. Moore & Peterson, 117 F.3d 278, 281-82 (5th Cir.)
- Stuart v. Spademan, 772 F.2d 1185, 1192 (5th Cir.)
- Patterson v. Aker Sol. Inc., 826 F.3d 231, 233 (5th Cir.)
- Revell v. Lidov, 317 F.3d 467, 469 (5th Cir.)
- Cycles, Ltd. v. W.J. Digby, Inc., 889 F.2d 612, 616 (5th Cir.)
- Poston v. Wood, No. 4:24-cv-117-DMB-JMV, 2026 WL 867505, at *2 (N.D. Miss. Mar. 30, 2026)
- Mandawala v. Ne. Baptist Hosp., 16 F.4th 1144, 1150 (5th Cir.)
- Lane v. Halliburton, 529 F.3d 548, 557 (5th Cir.)
- In re Katrina Canal Breaches Litig., 495 F.3d 191, 205 (5th Cir.)
- Smith v. Temco, Inc., 252 So. 2d 212, 216 (Miss. 1971)
- Monkton Ins. Servs. v. Ritter, 768 F.3d 429, 434 (5th Cir.)
- Davila v. United States, 713 F.3d 248, 264 (5th Cir.)
- Freeman v. United States, 556 F.3d 326, 341-42 (5th Cir.)
- Pace v. Cirrus Design Corp., 93 F.4th 879, 894, 902 (5th Cir. 2024)
- Feilding v. Hubert Burda Media, Inc., 415 F.3d 419, 429 (5th Cir.)
- Etienne v. Wartsila N. Am., Inc., 667 F. Supp. 3d 235, 241 (S.D. Miss. Mar. 31, 2023)
- Midwest Feeders, Inc. v. Bank of Franklin, 114 F. Supp. 3d 419, 429 (S.D. Miss. July 7, 2015)
- Montgomery v. CitiMortgage, Inc., 955 F. Supp. 2d 640, 648 (S.D. Miss. July 8, 2013)
- Montgomery v. Caribe Transport II, LLC, 608 U.S. ----, 146 S. Ct. 1199, 1204 n.2, 1205 (May 14, 2026)
- Ackerson v. Bean Dredging, LLC, 589 F.3d 196, 208 (5th Cir.)
- Banda v. City of McAllen, Tex., No. 24-40508, 2025 WL 3094122, at *5 (5th Cir. 2025)

- Scott v. U.S. Bank Nat'l Ass'n, 16 F.4th 1204, 1209 (5th Cir.)
- Johnson v. Tyson Foods, Inc., No. 22-10171, 2023 WL 2645553, at *4 (5th Cir. 2023)

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