United States District Court
Southern District of Texas
ENTERED
August 04, 2025
Nathan Ochsner, Clerk

In the United States District Court for the Southern District of Texas

GALVESTON DIVISION

No. 3:25-cv-172

EXPEDITED FREIGHT, LLC, *PLAINTIFF*,

v.

LANDON FEICHTER, *DEFENDANT*.

MEMORANDUM OPINION AND ORDER ENTERING FINDINGS OF FACT AND CONCLUSIONS OF LAW

JEFFREY VINCENT BROWN, *UNITED STATES DISTRICT JUDGE*:

Expedited Freight, LLC, sued Landon Feichter in state court, bringing claims for breach of contract, tortious interference with a contract and prospective business relationships, misappropriation of trade secrets, unfair competition, breach of fiduciary duty, civil theft, and unjust enrichment. Dkt. 1-2 at 3–18. On May 20, 2025, Expedited obtained an *ex parte* temporary restraining order preventing Feichter from engaging with Expedited customers, breaching the non-competition, confidentiality, and non-disclosure agreements between the parties, and disparaging Expedited and

its employees until June 3, 2025. *Id.* at 18–21, 66–72. The state court ordered the parties to mediate on June 2 and set the preliminary-injunction hearing for June 3. *Id.* at 72. Despite Expedited's failure to serve Feichter, he received notice of the lawsuit. Dkt. 28 at 1–2. Feichter did not, however, attend the mediation. *Id.* at 2. Instead, he removed to this court based on diversity, waived service of process, and sued Sean Llorente, Expedited's employee, in Indiana state court. *Id.*; Dkts. 1, 8.

Expedited moved for preliminary injunction a few weeks later, seeking an order extending the TRO's restrictions through trial. Dkts. 1-2 at 66–72; 18. Expedited requests relief without bond because Feichter waived the requirement in the non-competition agreement. Dkts. 18 at 4; 18-3 at 4.

The court held an evidentiary hearing on the motion for preliminary injunction. Minute Entry 07/17/2025; Dkt. 44. After careful consideration of the record, the parties' arguments, and the applicable law, the court submits the following findings of fact and conclusions of law under Fed. R. Civ. P. 52(a) to support the court's order granting the application as modified, Dkt. 55.

I. Legal Standard

1. Findings of fact and conclusions of law are required in "granting or refusing an interlocutory injunction." Fed. R. Civ. P. 52(a)(2). A district

court must "find the facts specially and state its conclusions of law separately." *Id.* 52(a)(1). "Rule 52(a) does not require that the district court set out findings on all factual questions that arise in a case." *Valley v. Rapides Par. Sch. Bd.*, 118 F.3d 1047, 1054 (5th Cir. 1997). Instead, a court satisfies Rule 52 if it "afford[s] the reviewing court a clear understanding of the factual basis for [its] decision." *Holman v. Life Ins. Co. of N. Am.*, 533 F. Supp. 3d 502, 506 (S.D. Tex. 2021) (quoting *Interfirst Bank of Abilene, N.A. v. Lull Mfg.*, 778 F.2d 228, 234 (5th Cir. 1985)).

2. To the extent that any factual finding reflects or is better understood as a legal conclusion, it is also deemed a conclusion of law. Likewise, to the extent that any legal conclusion reflects or is better understood as a factual finding, it is also deemed a factual finding.

II. Findings of Fact

A. The parties

1. Expedited Freight, LLC, is an automobile-freight brokerage founded by Jennifer and Sean Llorente in 2022. Dkt. 18 at 6.

2. Jennifer Llorente is the president and 100% owner of Expedited. Dkt. 44 at 49:21–25. Sean Llorente, Jennifer's husband, is the chief operating officer. *Id.* at 112:23–24; 131:10–14.

3. Before forming Expedited, the Llorentes ran an asset-based trucking company, LL Transport, from 2014–2021. *Id.* at 105:11–16; 106:9–12, 19–21.

4. Expedited "is in the business of arranging and brokering the transportation of motor vehicles—specifically passenger automobiles, light trucks, and similar vehicles—on behalf of shippers." Dkt. 1-2 at 62.

5. Expedited connects customers with carriers based on the carriers' "lanes." Dkt. 44 at 119:22–25; 120:1–4. A "lane" is a route between two destinations that a trucker can base his/her week around to stay consistently working. *Id.* at 119:16–21.

6. Expedited's nationwide carrier network is the product of 12 years of business development, starting with LL Transport. *Id.* at 105:11–16; 106:9–11, 19–21; 109:17–21. It takes significant time and effort to construct a vetted carrier list with responsible, trustworthy carriers. *Id.* 108:16–25; 109:1–9. For this reason, Expedited's carrier list is an important asset of the company and considered confidential business information. *Id.* at 109:10–12, 14–16.

7. Expedited stores its confidential information, including carrier and customer lists, customer and gatekeeper information (*i.e.*, phone numbers, emails, office locations), pricing, and information concerning

carriers' lanes, among other things, in Super Dispatch. *Id.* at 114:10–23; 119:7–15; 120:2–9.

8. Super Dispatch is a "load board"—a marketplace for shippers and truckers to meet. *Id.* at 113:7–20; 117:14–22. This trucking-management system, like a customer-relations-management system, allows Expedited to communicate with clients' dispatchers. *Id.* at 113:7–20. Central Dispatch and Ready Logistics are also load boards that Expedited uses. *Id.* at 117:14–24; 118:4–5.

9. Gatekeepers are individuals at corporations who determine whether to do business with Expedited. *Id.* at 114:1–9.

10. Expedited requires sales employees to sign confidentiality agreements because they must access and utilize Expedited's confidential information on a regular basis to perform their roles. *Id.* at 114:20–25; 115:1.

11. Landon Feichter got to know the Llorentes while working for one of Expedited's clients, DriveTime. *Id.* at 42:19–20; 61:5–10.

12. Feichter approached the Llorentes with a proposed joint venture: a general-freight brokerage. Feichter would run it day-to-day and contribute his business acumen and relationships; the Llorentes would bring their industry expertise and $100,000 in capital. *Id.* at 45:6–14; 49:8–16; 54:23–25; 55:1–5; 56:15–18; 57:22–25; 59:25; 60:1–10; 110:12–25; 111:1–7; 145:2–

7. And so Logistic Transit Services ("LTS") was born in November 2023. Dkt. 18-1.

13. Feichter and Sean Llorente became directors of LTS and each owned 50% of the company. *Id.*; Dkt. 44 at 47:3–9. They did not agree on an operating agreement or any other corporate documents for LTS. Dkt. 44 at 47:19–21.

14. LTS was meant to handle heavy-haul, flat-bed, and step-deck freight, *i.e.*, services that do not overlap or compete with Expedited's automobile-freight business. *Id.* at 110:7–25; 111:1–16; 134:10–17.

15. Sean Llorente purchased a MacBook for Feichter soon after they formed LTS in November 2023. *Id.* at 66:1–10; Dkt. 51 at 5–7.

16. LTS did not generate income for the first several months after its formation in November 2023. Dkt. 44 at 56:23–25; 62:1–5.

B. Expedited employs Feichter

17. Feichter took a job with Expedited while LTS got off the ground. *Id.* at 62:13–16. Expedited hired him as an executive sales specialist in January 2024. *Id.* at 62:25; 63:1–5.

18. Feichter's role as an executive sales specialist required him, among other things, "to cultivate relationships with prospective clients, conduct market research and competitive analyses, maintain accurate client

and sales records, negotiate pricing, quantities, and specifications, prepare proposals and bids, and serve as Expedited Freight's principal liaison with potential customers." Dkt. 1-2 at 62. In this role, Feichter would be in receipt of Expedited's confidential information and in direct communication with its customers. *Id.*

19. Feichter's role did not provide him any ownership interest in Expedited. Dkt. 44 at 50:1–9.

20. Expedited required Feichter to sign non-competition, confidentiality, and non-disclosure agreements considering the immediate access he would have to Expedited's confidential information. *Id.* at 122:14–24; Dkt. 1-2 at 62.

21. Accordingly, Expedited and Feichter executed four agreements on January 25, 2024: (1) an at-will employment agreement, Dkt. 18-2, (2) a non-competition agreement, which included covenants not to compete or solicit, Dkt. 18-3, (3) a confidentiality agreement, Dkt. 18-4; and (4) a non-disclosure agreement, Dkt. 18-5.

22. The non-competition covenant states Expedited will provide Feichter with "specialized training" and "expose" him to Expedited's "proprietary and confidential information." Dkt. 18-3 at 2. In return, Feichter will "have contact with [Expedited's] current and prospective clients,

customers, employees, investors, and financial institutions on behalf of" Expedited. *Id.*

23. The non-competition covenant defines "specified geographic area" to mean "any county in any state or country in which, at any time during the period of the effective date of this agreement through the termination date, [Expedited] conducted business." *Id.* (cleaned up).

24. "Competitive business" under the non-competition covenant means "any business, entity, person, or persons engaging in any business or industry that provides . . . services that assist clients in the brokerage of transportation services or any business of similar nature." *Id.* (same). Feichter acknowledged this definition is a "non-exhaustive list and may include other services not explicitly mentioned in this agreement." *Id.* (same).

25. The non-competition covenant further defines "confidential information and proprietary information" to include "company client lists; information about [Expedited's] customers that is not readily available to competitors, such as customer needs and preferences; company prices and how [Expedited] set[s] [its] prices; company profit margins on particular products or services; [and] company non-public financial information and [Expedited's] confidential business plans." *Id.* at 3 (same).

26. Feichter agreed he would not

> directly or indirectly, own, manage, finance, operate, join, control, participate in, or derive any benefits from, or be an officer, director, employee, partner, agent, consultant, or shareholder of, any business engaged in any activity that competes in any manner with a "competitive business" in the specified geographic area . . . [nor] render assistance or advice to any person, firm, or enterprise which is so engaged. [Feichter] expressly agrees not so use for [his] benefit or disclose to any person or entity confidential information acquired through the course of employment without prior written consent from [Expedited].

Id. (same).

27. The parties agreed the non-competition covenant would take effect on January 25, 2024, and continue for two years after Feichter's termination date. *Id.*

28. Under the covenant not to solicit, Feichter agrees "not to solicit clients" for two years following his termination. *Id.* That means he will not "make known to any person, firm, corporation, or entity the names, addresses, telephone numbers, email, or social media addresses or any information about [Expedited's] current and former clients" nor "call on, solicit, or take away, attempt to call on, solicit, or take away any of [Expedited's] current or former clients." *Id.*

29. The non-competition agreement contains a liquidated-damages provision for any breach of non-competition or non-solicitation provisions. *Id.* at 4.

30. The confidentiality agreement stipulates "all information disclosed by [Expedited] to [Feichter] is confidential information" and the exclusive property of Expedited. Dkt. 18-4 at 1. Feichter agreed to protect the confidential information received and use it only for the purposes of his employment with Expedited. *Id.*

31. The confidentiality agreement defines "confidential information" as "all information concerning [Expedited]," regardless of who prepares it or when, including any

> performance, sales, financial, contractual, personnel, marketing information, ideas, technical data and concepts, and formula, pattern, program, method, technique, process, design, business plan, business opportunity, customer or personnel list or financial statement . . . [that] derives independent economic value or commercial advantage, actual or potential, for not being generally known to the public . . . and is subject to efforts that are reasonable under the circumstances to maintain its secrecy.

Id. at 2 (cleaned up).

32. Feichter agreed not to "reproduce, use, distribute, disclose or otherwise disseminate" Expedited's confidential information and to return

any confidential information in his possession within five working days of termination. *Id.* at 3.

33. Feichter further certified that any confidential information, whether written or verbal, obtained during his time with Expedited would remain confidential after his termination, including information about "pricing, rates, load boards, platforms, [and] customers." *Id.* at 3, 5.

34. The non-disclosure agreement sets forth a similar definition of "confidential information" to the other agreements. Dkt. 18-5 at 2. Feichter agreed to keep such information confidential and not to disclose it to any person, at any time, without Expedited's permission. *Id.*

35. Section 2.2 of the at-will employment agreement provides Feichter must return all company property, including laptops, to Expedited upon his termination. Dkts. 18-2 at 3.

36. Expedited paid Feichter $150,000 in 2024 for his role as executive sales specialist. *Id.*; Dkt. 44 at 81:21–25; 82:1–4. He also received commissions that year, although his employment agreement did not provide for them. Dkts. 18-2 at 3; 44 at 74:21–23; 83:5–11; 120:14–18; 158:8–11. Expedited agreed to pay Feichter commissions only through the end of 2024, upon which the parties would renegotiate his pay. *Id.* at 121:10–24; 146:2–13.

37. Feichter received a W-2 from Expedited for tax purposes. *Id.* at 71:2–4; 158:17–20.

C. Feichter diverts business

38. Manheim USA is a company owned by Cox Automotive that transfers automobiles. *Id.* at 69:5; 115:6–12. Manheim USA operates as a single entity with different divisions. *Id.* at 115:13–20. The gatekeeper for each division decides which transporters to hire. *Id.*

39. Expedited has done work for various divisions of Manheim over a two-year period, before and after Feichter came on board, including Manheim Houston, Manheim Dallas, Manheim Cincinnati, Manheim Philadelphia, Manheim Indianapolis, Manheim Los Angeles, Manheim Orlando, Manheim South Florida, and Manheim Tulsa. *Id.* at 115:21–25; 116:1–5; 129:13–25; 130:1–3; Dkt. 1-2 at 63.

40. Expedited earned about $1,850,890.00 in gross revenue from the Manheim account over a two-year period. Dkt. 1-2 at 63.

41. As part of his role, Feichter oversaw Expedited's Manheim account and was tasked with building the relationship on behalf of Expedited. Dkt. 44 at 116:18–25; 117:1–2; 123:22–24.

42. To facilitate that, Sean Llorente gave Feichter access to Expedited's Super Dispatch account under the username "Manheimsupport@expeditedfreightco.com." *Id.* at 118:25; 119:1–6.

43. While working for Expedited, Feichter acquired Manheim Plus One as a client. *Id.* at 78:4–7. Manheim Plus One is a group of eight to ten individuals who control inventory to Manheim's locations for national dealers. *Id.* at 78:4–11. When used-car companies buy a car and want to sell it back to the auction, Manheim Plus One handles the move. *Id.* at 116:10–17.

44. Under Feichter's direction, Expedited also began doing business with Ready Logistics. *Id.* at 118:4–12. Ready Logistics is owned by Cox Automotive, just like Manheim. *Id.* at 118:4–16.

45. Sean Llorente grew suspicious of Feichter when other Expedited employees assigned to the Manheim account reported Feichter would not give them information about the client. *Id.* at 124:16–25; 126:1–2. Feichter became possessive of this relationship and would not allow other Expedited employees to contact Manheim. *Id.* at 125:3–15.

46. In the months that followed, Feichter and the Llorentes tried to negotiate Feichter's renewal contract; they could not, however, agree upon

the terms. *Id.* at 84:8–14. Expedited offered Feichter a $100,000 salary and 15% commission, which Feichter did not accept. *Id.* at 123:9–13.

47. Feichter notified Sean Llorente of his intent to take the business he developed at Expedited with him to LTS. *Id.* at 123:14–16; 125:16–25; 126:1–3. Indeed, Feichter had convinced two of Expedited's clients, Manheim USA and Ready Logistics, to divert their business from Expedited to LTS. *Id.* at 126:9–24; 136:6–8. Expedited had not given Feichter permission to service Manheim and Ready Logistics through LTS. *Id.* at 141:8–10.

48. On or about April 8, 2025, Expedited fired Feichter. *Id.* at 126:4–8; Dkt. 1-2 at 45–47, 63.

D. The aftermath

49. LTS did not do business with Manheim or Ready Logistics until after Expedited fired Feichter. *Id.* at 172:13–14. Indeed, LTS had no income whatsoever until Expedited terminated Feichter and he diverted work from Expedited to LTS. *Id.* at 138:13–18.

50. LTS's bank records show numerous disbursements from carriers on Expedited's carrier list, including Manheim, which Feichter had received through his employment with Expedited. Dkt. 1-2 at 52–57. The

disbursements occurred after Feichter's termination and before this lawsuit's filing. *Id.*

51. LTS could not have generated the business it did after Feichter's termination without access to Expedited's confidential information. *Id.* at 109:22–25; 110:1–3; 127:3–6.

52. Expedited has lost customers and potential business because of Feichter's actions. *Id.* at 126:22–25; 127:1–2. Specifically, Expedited has lost over $300,000 in revenue from Feichter's diversion of Manheim. *Id.* at 129:6–12; Dkt. 1-2 at 63.

53. Expedited hired carriers specifically for the Manheim account. Since the diversion of that account, Expedited has not been able to give these carriers work. Dkt. 44 at 127:16–22.

54. Later, more worrisome facts came to light. Jim Ladd, who owns one of Expedited's carriers, had spoken with Feichter. *Id.* at 98:9–10, 20–23. Feichter told Ladd he was a half-owner and part of management at Expedited. *Id.* at 99:7–22; 102:1–4. Feichter offered to put Ladd in contact with DriveTime, which would allow Ladd to get work without going through Expedited. *Id.* at 100:19–25, 101:1–3. Ladd declined to cut Expedited out. *Id.* at 101:4–5.

III. Conclusions of Law

55. To obtain injunctive relief, Expedited must show: "(1) a substantial likelihood of success on the merits; (2) a substantial threat of irreparable injury; (3) the threatened injury to the movant outweighs the threatened harm to the party sought to be enjoined; and (4) granting the injunctive relief will not disserve the public interest." *City of Dall. v. Delta Air Lines, Inc.*, 847 F.3d 279, 285 (5th Cir. 2017). Injunctive relief "is an extraordinary remedy which should not be granted unless the party seeking it has clearly carried the burden of persuasion on all four requirements." *Lake Charles Diesel, Inc. v. Gen. Motors Corp.*, 328 F.3d 192, 196 (5th Cir. 2003) (quotations and citation omitted).

A. Likelihood of success on the merits

56. Expedited must show a substantial likelihood of success on the merits. The court analyzes only the plaintiff's three discrete breach-of-contract claims—one each for the non-competition, confidentiality, and non-disclosure agreements.[1]

[1] The briefing and hearing focused largely on Expedited's breach-of-contract claims. Because the court finds Expedited is likely to succeed on the merits of its breach-of-contract claims and the other claims have not been sufficiently briefed, the court does not address them.

57. This court applies Texas choice-of-law rules when sitting in diversity. *St. Paul Mercury Ins. Co. v. Lexington Ins. Co.*, 78 F.3d 202, 205 (5th Cir. 1996). Each agreement has a choice-of-law clause favoring Texas. Dkts. 18-3 at 5; 18-4 at 4; 18-5 at 3. "[T]he parties' contractual choice of Texas law controls unless 1) Texas has no substantial relationship to the parties or the transaction, or 2) another state has a materially greater interest than Texas in the enforceability of the agreement, and that state's law would apply in the absence of an effective choice of law by the parties." *Rimkus Consulting Grp., Inc. v. Cammarata*, 255 F.R.D. 417, 432 (S.D. Tex. 2008) (quotations and citation omitted).

58. The record shows Texas has a substantial relationship to the parties and transaction. Expedited is a Texas limited-liability company and continues to base itself in Friendswood. Dkts. 1-2 at 4; 44 at 111:19–25; 112:1–6. Although Indiana, Florida, and Arizona also have interests (*i.e.*, where the parties reside and have performed), the court finds none have a "materially greater interest" than Texas, the parties' chosen law. *Rimkus*, 255 F.R.D. at 432.

59. To succeed on its breach-of-contract claims under Texas law, Expedited must prove: (1) a valid contract exists; (2) Expedited performed; (3) Feichter breached the contract by failing to perform; and (4) Expedited

sustained damages because of the breach. *Pathfinder Oil & Gas, Inc. v. Great W. Drilling, Ltd.*, 574 S.W.3d 882, 890 (Tex. 2019).

1. Non-competition agreement

60. Feichter signed a non-competition agreement prohibiting him from soliciting Expedited's clients or engaging in business that competes with Expedited for two years after his termination. Dkt. 18-3 at 2–3 (covenants not to compete and solicit). "The court will analyze the non-solicitation and non-compete provisions in the same manner because a non-solicitation covenant is also a restraint on trade and competition and must meet the criteria of section 15.50 of the Texas Business and Commerce Code to be enforceable." *Sunrgy, LLC v. Alfaro*, No. 4:24-CV-3583, 2024 WL 4953430, at *5 (S.D. Tex. Dec. 3, 2024) (cleaned up) (citation omitted).

61. First, the covenant not to compete. A covenant not to compete is valid and enforceable if: (1) it is ancillary to an enforceable agreement, and (2) it contains reasonable limitations on time, geography, and activity, restricting no more than necessary to protect company goodwill or other business interests. *Id.*; Tex. Bus. & Com. Code § 15.50(a). The parties dispute only the second requirement.

62. "The Texas Supreme Court specifically held in *Alex Sheshunoff Management Services, L.P. v. Johnson* that if an employer provides

confidential information to an employee who has promised in return to preserve the confidences of the employer, then a non-competition covenant executed as part of that agreement is enforceable." *Realogy Holdings Corp. v. Jongebloed*, 957 F.3d 523, 535 (5th Cir. 2020) (citing 209 S.W.3d 644, 655 (Tex. 2006)).

63. Because "[Expedited] provided [Feichter] with confidential information, and [Feichter] promised not to disclose that information, the non-competition covenant [he] executed as part of that agreement is enforceable." *Id.*; Dkts. 18-3 at 3; 18-4; *see also* Dkts. 1-2 at 62 (Feichter's job description providing access to confidential information); 44 at 118:25; 119:1–8 (testimony regarding Feichter's access to Expedited's confidential information).

64. Having found the non-competition covenant is ancillary to an enforceable confidentiality agreement, Dkt. 18-4, the court turns to limitations. The covenant not to compete spans two years following Feichter's termination. Dkt. 18-3 at 3. Because two years is a duration courts "consistently enforce," the court finds the covenant's time restriction reasonable. *Sunrgy*, 2024 WL 4953430 at *5.

65. Next, geographic scope. The non-competition covenant defines "specified geographic area" as "any county in any state or country in which,

at any time during the period from the effective date of this agreement through the termination date, [Expedited] conducted business." Dkt. 18-3 at 2 (cleaned up).

66. "Indefinite descriptions of the area covered by a non-competition covenant render them unenforceable as written." *Gomez v. Zamora*, 814 S.W.2d 114, 118 (Tex. App.—Corpus Christi 1991, no writ); *see, e.g.*, *Weatherford Oil Tool Co. v. Campbell*, 161 Tex. 310, 340 (Tex. 1960) (geographic scope unreasonable when it covered "any area where [employer] may be operating or carrying on business").

67. The court finds the non-competition covenant's geographic scope vague and indefinite. The agreement does not define the geographic region and is subject to two reasonable interpretations. "[A]ny county in any state or country" where Expedited "conducted business" could mean if Expedited "conducted business" in a state, then the employee may not compete in "any county" within that state. Dkt. 18-3 at 2. This reading would amount to a nationwide ban and render "any county" unnecessary. Or it could mean the employee cannot compete in "any county" where Expedited "conducted business." *Id.* This interpretation is narrower but requires Feichter determine each county throughout the U.S. where Expedited—a nationwide automobile-freight brokerage—conducted business.

68. The geographic scope is also overbroad. "The territory in which the employee worked for an employer is generally considered to be the benchmark of a reasonable geographical restriction." *TENS Rx, Inc. v. Hanis*, No. 09-18-00217-CV, 2019 WL 6598174, at *4 (Tex. App.—Beaumont Dec. 5, 2019, no pet.). "[C]ovenants not to compete that extend to clients with whom the employee had no dealings . . . are overbroad and unreasonable." *D'onofrio v. Vacation Publ'ns, Inc.*, 888 F.3d 197, 211 (5th Cir. 2018) (cleaned up) (citation omitted).

69. Here, the geographic scope is defined in terms of where Expedited "conducted business" during Feichter's tenure, not where he worked or his clients resided. Dkt. 18-3 at 2. Because the non-competition covenant restricts activity without regard to Feichter's actual territory or client relationships, the court finds its geographic scope is overbroad.

70. Next, the scope of activity. The scope of activity restrained under the non-competition covenant is unreasonable in three ways. First, it imposes industry-wide restrictions. *See Wright v. Sport Supply Grp., Inc.*, 137 S.W.3d 289, 298 (Tex. App.—Beaumont 2004, no pet.) ("A covenant not to compete that contains an industry-wide exclusion from subsequent employment is unenforceable."). Under the terms of the covenant, Feichter may not affiliate with any business that competes in any manner with a

"competitive business," which includes "any business or industry that provides . . . [s]ervices that assist clients in the brokerage of transportation services or any business of similar nature." Dkt. 18-3 at 2. This bars Feichter from competing with any "competitive business," rather than just prohibiting him from competing with Expedited in the automobile-freight-brokerage industry.

71. Second, the non-competition covenant imposes restrictions on an industry separate from Expedited's domain, which is automotive transportation. It restricts competition "in the brokerage of transportation services" generally, along with "[s]ervices that assist clients" in that industry and "any business of similar nature." *Id.*

72. Third, the non-competition covenant restrains activity unrelated to Feichter's sales role at Expedited. Feichter is barred from positions in human resources, accounting, information technology, janitorial services, or warehouse operations at a freight brokerage—not just sales. *See TMRJ Holdings, Inc. v. Inhance Techs., LLC*, 540 S.W.3d 202, 212 (Tex. App.—Houston [1st Dist.] 2018, no pet.) ("[A]n injunction must be narrowly tailored to address the offending conduct—it must not be so broad that it would enjoin a defendant from acting within its lawful rights.").

73. The covenant not to solicit also suffers from overbreadth. Feichter is prohibited from soliciting *all* current and former Expedited customers, not just those he worked with. Dkt. 18-3 at 2; *see Peat Marwick Main & Co. v. Haass*, 818 S.W.2d 381, 387–88 (Tex. 1991) (client-solicitation restraint in a personal-services contract is overbroad and unreasonable if it extends to clients the employee had no dealings with during employment); *Fromhold v. Insight Glob., LLC*, 657 F. Supp. 3d 880, 887–88 (N.D. Tex. 2023) (covenants are "overbroad when they apply to clients of the former company that the employee had no contact with or when they bar the employee from undertaking activity outside the scope of the former employee's duties at the former job"). The court finds the non-solicitation covenant overbroad because it disregards Feichter's actual territory and client relationships.

74. In light of the non-competition agreement's overbreadth and vagueness, the court finds reformation is necessary and feasible.[2] "Under

[2] Feichter argues reformation is improper at this stage. The court disagrees. *See, e.g.*, *Justin Belt Co., Inc. v. Yost*, 502 S.W.2d 681, 685–86 (Tex.1973) (affirming trial court's reformation of noncompete in its order granting temporary injunction); *Weatherford*, 340 S.W.2d at 952–953 (explaining a court may reform a noncompete covenant "as an incident to the granting of injunctive relief"); *Tranter, Inc. v. Liss*, No. 02-13-00167-CV, 2014 WL 1257278, at *10 (Tex. App.—Fort Worth Mar. 27, 2014, no pet.) ("[R]eformation is not only a final remedy."); *Thompson Safety LLC v. Jones*, No. 4:24-CV-2483, 2024 WL 4108788, at *4 (S.D. Tex. Sept. 6, 2024) (holding section 15.51 "requires courts to reform unreasonable

Texas law, if a covenant is found to be unreasonable or imposes a greater restraint than necessary to protect the goodwill or other business interests of the promisee, the court *must* reform the covenant." *Sunrgy*, 2024 WL 4953430, at *6; *see also Tranter*, 2014 WL 1257278, at *7 (although noncompete agreement was overbroad, employer had "established a probable right to recovery" because of the likelihood that the agreement could be "reformed to contain reasonable limitations").

75. "In the absence of an explicit geographic scope, a number of courts have held that a non-compete covenant that is limited to the employee's clients is a reasonable alternative to a geographical limit." *Sunrgy*, 2024 WL 4953430, at *7 (cleaned up) (quoting *GE Betz, Inc. v. Moffitt-Johnston*, 885 F.3d 318, 329 (5th Cir. 2018)). Additionally, a court may simply reform an agreement into one "generally restraining solicitation of customers" without listing all potential individual customers. *Bertotti v. C.E. Shepherd Co., Inc.*, 752 S.W.2d 648, 656 (Tex. App.—Houston [14th Dist.] 1988, no writ). After working with Expedited for over a year, the court

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covenants not to compete" so long as it awards injunctive relief only for pre-reformation breaches); *see also Calhoun v. Jack Doheny Cos., Inc.*, 969 F.3d 232, 236 (5th Cir. 2020) (Texas law "strongly suggests, if not requires, reformation of an agreement at the preliminary injunction stage") (opinion withdrawn as moot due to parties' settlement, *see* 973 F.3d 343 (5th Cir. 2020)).

assumes Feichter "is sufficiently familiar with [Expedited's] business and its customers to avoid violating" a generally worded covenant. *Safeguard Bus. Sys., Inc. v. Schaffer*, 822 S.W.2d 640, 644 (Tex. App.—Dallas 1991, no writ).

76. Accordingly, the court finds a limitation preventing Feichter from soliciting, servicing, and communicating or conducting business with customers from whom he solicited, serviced, communicated, or conducted business while at Expedited on behalf of LTS, or another competitive business, satisfies section 15.50's "geographical area" requirement while protecting Expedited's business interests. In other words, Feichter may not solicit or do business with Expedited's customers from whom he completed or attempted to complete sales. This includes Cox Automotive and its subsidiaries, given the evidence in the record regarding Feichter's direct solicitation and diversion of Manheim and Ready Logistics.

77. The court also reforms the scope of activity in the non-compete provision to restrict Feichter from taking similar positions at competing businesses. *See* Dkts. 18-2 at 2 (Feichter's job description); 1-2 at 62 (Expedited president's sworn testimony regarding Feichter's job duties). This means that Feichter may not work in sales for a competing business in the automobile-freight brokerage industry for two years following his termination date.

78. Having reformed the non-competition agreement into an enforceable one, the court finds Expedited has made a sufficient showing on the remaining breach-of-contract elements. Expedited performed by giving Feichter the proprietary information and contacts he needed to fulfill his role. Feichter breached by soliciting Manheim and Ready Logistics and diverting their business from Expedited to LTS. Expedited alleges it has lost over $300,000 from the Manheim account alone since April 2025.

79. For these reasons, the court finds Expedited is likely to succeed on the merits of its breach-of-contract claim for the non-confidentiality agreement.

2. Confidentiality and non-disclosure agreements

80. Expedited alleges Feichter also breached the confidentiality and non-disclosure agreements by (1) "disclosing [Expedited's] confidential information to competitors and third parties," (2) "appropriating Expedited's business opportunities and information . . . for his own benefit," and (3) "refusing to return Expedited's confidential information upon termination." Dkts. 18 at 10; 18-4 at 2–3; 18-5 at 2. Feichter did not brief his opposition to these remaining breach-of-contract claims. Dkt. 44 at 37:22–25; 38:1–3. Because the confidentiality and non-disclosure agreements turn on the same promises—employer's promise to provide confidential

information in exchange for employee's agreement to protect and use the information only in furtherance of his role—the court assesses them together.

81. "An employer's promise to provide confidential information, followed by provision of that information, is sufficient consideration to support confidentiality agreements." *Sandberg v. STMicroelectronics, Inc.*, 600 S.W.3d 511, 526 (Tex. App.—Dallas 2020, no pet.). Such a promise is implied when the employee's job "will reasonably require the employer to provide confidential information to the employee for the employee to accomplish the contemplated job duties." *Mann Frankfort Stein & Lipp Advisors, Inc. v. Fielding*, 289 S.W.3d 844, 845–46 (Tex. 2009).

82. Feichter's sales role required access to Expedited's confidential information on customers and carriers, among other things. Expedited provided the information to Feichter, and he failed to hold up his end of the bargain by disclosing and using Expedited's confidential information to divert clients to LTS. Expedited lost money, customers, and goodwill. For these reasons, the court finds Expedited is likely to succeed on the merits as to its breach-of-contract claims for the confidentiality and non-disclosure agreements.

B. Irreparable harm

83. Expedited must also demonstrate a substantial threat of irreparable injury arising from Feichter's actions. "[A] harm is irreparable where there is no adequate remedy at law, such as monetary damages." *Janvey v. Alguire*, 647 F.3d 585, 600 (5th Cir. 2011). Irreparable harm in the commercial context includes harm inherently difficult to quantify, such as that to the reputation, goodwill, and market position of the business. *Emerald City Mgmt., L.L.C. v. Kahn*, 624 F. App'x 223, 224 (5th Cir. 2015). A party may establish irreparable harm showing it lacks control over its customers or company goodwill. *Id.* "[I]rreparable harm need not be an existing injury; a strong threat of injury is sufficient." *Sunrgy*, 2024 WL 4953430, at *11.

84. Expedited argues irreparable harm is imminent absent a protective order because it lacks control over its client contacts, proprietary information, and business goodwill, particularly with Manheim and Ready Logistics—all while Feichter has power over each.

85. The court agrees. Expedited has shown a substantial threat of irreparable harm through its loss of goodwill and customers. Although Expedited has calculated its loss from Feichter's diversion of the Manheim account, the loss of goodwill and customers in total is "an unquantifiable risk

because it is difficult to know how many former [Expedited] clients [Feichter] might be able to solicit on behalf of [LTS]." *Sunrgy*, 2024 WL 4953430, at *11. Moreover, Expedited has shown irreparable harm from the disclosure of its confidential information by Feichter to benefit himself and LTS. *Id.* ("The use of an employer's confidential information and the *possible* loss of customers is sufficient to establish irreparable harm.") (emphasis added).

C. Balance of hardships

86. Next, Expedited must show the potential injury it will suffer absent relief outweighs any harm Feichter may face from the preliminary injunction's terms. Expedited argues the balance of hardships favors it "because the requested injunction merely requires [Feichter] to comply with contractual obligations that [he] voluntarily undertook," while Expedited faces "significant and potentially permanent damage to its business relationships and reputation." Dkt. 18 at 12.

87. The court agrees. Permitting Feichter to continue using Expedited's confidential information for personal gain puts Expedited at a significant and unfair disadvantage. To the extent Feichter argues he does not possess Expedited's confidential information, he "should not [b]e

harmed by an injunction prohibiting its use." *Sunrgy*, 2024 WL 4953430, at *11; Dkt. 51 at 2.

88. While the court understands the terms of this injunction will affect Feichter's livelihood, it must balance that consideration with the freedom to contract. Feichter, who holds himself out as sophisticated business professional, signed the agreements as part of an arm's-length transaction. For that reason, it cannot be said that any harm he suffers outweighs Expedited's potential injury.

D. Public interest

89. Finally, the court finds the public interest is served by granting Expedited's sought relief. "Preventing employees from taking an employer's confidential information and giving it to a competitor is in the public interest." *Id*. Same goes for enforcing valid contracts. "The public also has an interest in preventing competitors from using a competitor's confidential information to unfairly compete against them."[3] *Id*.

[3]Feichter argues Expedited has failed to join a necessary party—LTS—because the proposed relief enjoins LTS's activity, not just Feichter. But injunctions often issue against ex-employees without joining their new employer. *See, e.g*., *Transperfect Translations, Inc. v. Leslie*, 594 F. Supp. 2d 742, 758(S.D. Tex. 2009) (issuing a preliminary injunction in a noncompete suit against ex-employee without joining new employer). Moreover, Rule 65 recognizes injunctions may affect non-parties. *See* Fed. R. Civ. P. 65(d)(2) (injunctions may bind "other persons who are in active concert or participation with" the enjoined party); *Texas v. Dep't of Lab*., 929 F.3d 205, 210 (5th Cir. 2019) (same).

* * *

For these reasons, the court finds the plaintiff has demonstrated: (1) a substantial likelihood of success on the merits; (2) a substantial threat of irreparable harm if the injunction is not granted; (3) the threatened injury outweighs any harm that may result from the injunction to the non-movant; and (4) the injunction will not undermine the public interest. Accordingly, the court grants the motion, as modified below.[4]

The defendant, Landon B. Feichter, directly or indirectly, individually or as an agent or representative of Logistic Transit Services ("LTS"), and any of his agents, officers, employees, members, managers, attorneys, or representatives (and any person working in concert with same), are enjoined from:

1. Using, disclosing, or disseminating the following in any way: (1) the plaintiff's client lists, including client contact information and information about the plaintiff's customers that is not readily available to competitors, such as customer needs and preferences; (2) the plaintiff's carrier list and contact information; (3) the plaintiff's pricing and methods for how pricing is set; (4) the plaintiff's profit margins on particular products or services; and (5) the plaintiff's non-public financial information and confidential business plans ("Confidential and Proprietary Information"); and

2. Directly or indirectly soliciting, servicing, communicating

[4] *See* Dkt. 55.

> with or conducting business with: (1) Cox Automotive and its subsidiaries; and (2) any of the plaintiff's customers with which the defendant did business or oversaw in his position at Expedited Freight.

Additionally, the defendant has been ordered to return or provide the plaintiff with access to all the plaintiff's Confidential and Proprietary Information in the defendant's possession, custody, or control, if any, no later than 5:00 p.m. on Friday, August 1, 2025.

The parties are further ordered to attend mediation with United States Magistrate Judge Andrew M. Edison on August 11, 2025.

This preliminary injunction shall remain effect until further order of the court. Bond is not required under the parties' non-competition agreement.

Signed on Galveston Island this 4th day of August, 2025.

JEFFREY VINCENT BROWN
UNITED STATES DISTRICT JUDGE