

**Chemtrade, LLC v WTF Mktg., LLC**

2026 NY Slip Op 30011(U)

January 2, 2026

Supreme Court, New York County

Docket Number: Index No. 654168/2020

Judge: Arlene P. Bluth

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SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY

PRESENT: HON. ARLENE P. BLUTH PART 14

Justice

-----X

CHEMTRADE, LLC,

Plaintiff,

- v -

WTF MARKETING, LLC, LEON HALLER

Defendants.

-----X

INDEX NO. 654168/2020

MOTION DATE N/A

MOTION SEQ. NO. 002

DECISION + ORDER ON MOTION

The following e-filed documents, listed by NYSCEF document number (Motion 002) 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41 were read on this motion to/for DISMISSAL.

Defendants' motion to dismiss and plaintiff's cross-motion are decided as described below.

Background

This action concerns a purchase agreement in which defendant WTF Marketing ("WTFM") agreed to buy certain chemicals from plaintiff. It alleges that defendants failed to accept and pay for the aforementioned chemicals (Isopropyl Alcohol) and that plaintiff lost out in \$14,000 in profit.

In support of their motion, defendants contend that defendant Haller was not a party to the contract and he denies that he operates WTFM as his alter ego. They also maintain that they demanded, in a discovery demand, an admission that the goods to be sold to WTFM were eventually sold at a lower cost than the \$1.38 per pound detailed in the contract. Defendants therefore conclude that because plaintiff admitted that it did not sell the goods at a lower price, plaintiff suffered no damages and this case should be dismissed. They also point out that another

request for admission did not contain a response at all and so this request—that plaintiff sold the goods at a higher price—should be deemed admitted.

Plaintiff cross-moves to amend its responses to the requests to admit, for summary judgment and to compel defendant Haller to submit to discovery. It contends that the chemical was to be sold to defendants at \$1.38 per pound and that it was ultimately sold at \$1.25 per pound. Plaintiff argues that this was a loss of \$3,669.05 and it also had to pay both a \$6,000 commission and \$293.59 in fees, meaning its damages are almost \$10,000. It insists that it was confused by the request to admit about reselling at a lower price and that it simply missed the request concerning resale at a higher price. It seeks summary judgment against WTFM and wants to pursue discovery against the individual defendant regarding the purported alter ego claim.

In opposition and in reply, defendants emphasize that there is no reason why defendant Haller should be held personally liable. They question plaintiff's arguments concerning the two requests to admit and urge the Court to deny the portion of the cross-motion to amend plaintiff's responses.

### **Discussion**

First, the Court must address the elephant in the room and profusely apologize for the inordinate delay in the issuance of this decision. When this matter was reassigned to this part in December 2025, the undersigned was embarrassed to see that this motion was left pending for the last four years. Even more bizarre is that a decision was issued for the withdrawn motion sequence 001 in February 2021 while this motion was already fully briefed and, yet, no decision was ever issued here. There are no excuses, just an apology; such a delay should never have happened. Now, to the merits.

*Claims Against Haller*

“In the posture of defendants' CPLR 3211 motion to dismiss, our task is to determine whether plaintiffs' pleadings state a cause of action. The motion must be denied if from the pleadings' four corners factual allegations are discerned which taken together manifest any cause of action cognizable at law. In furtherance of this task, we liberally construe the complaint, and accept as true the facts alleged in the complaint and any submissions in opposition to the dismissal motion” (*511 W. 232nd Owners Corp. v Jennifer Realty Co.*, 98 NY2d 144, 151-52, 746 NYS2d 131 [2002] [internal quotations and citations omitted]).

The central question on this branch of the motion is whether plaintiff properly alleged an alter ego theory of recovery against defendant Heller. No one disputes that the original contract was between WTFM and plaintiff (NYSCEF Doc. No. 22). “In order to state a claim for alter-ego liability plaintiff is generally required to allege complete domination of the corporation. . . in respect to the transaction attacked and that such domination was used to commit a fraud or wrong against the plaintiff which resulted in plaintiff's injury” (*Baby Phat Holding Co., LLC v Kellwood Co.*, 123 AD3d 405, 407, 997 NYS2d 67 [1st Dept 2014]).

The Court grants this branch of the motion as the complaint and the affidavit in opposition do not state a cognizable cause of action for an alter ego theory of liability against the individual defendant. The complaint alleges that “Leon Haller is the principal of WTFM and operates it as his alter ego, such that it has no identity of its own” (NYSCEF Doc. No. 2, ¶ 3). That conclusory allegation is not sufficient to state an alter ego theory. It does not explain how Mr. Heller dominated the corporation to commit a wrong against plaintiff. An alleged breach of contract, without more, is not enough.

And the opposition from plaintiff's president insists, in similar fashion, that "As the [sic] Leon Haller individually, WTF Marketing is not a known company, has no website and to my mind, I always believed that we were dealing with Leon Haller individually" (NYSCEF Doc. No. 21, ¶ 22). A subjective belief as to whom plaintiff was dealing with does not properly allege that Mr. Haller could have personal liability here; the contract is not with Mr. Haller, it is with WTFM. This Court must respect the corporate form where, as here, plaintiff entered into a contract with WTFM only and nothing submitted suggests that Mr. Haller has personal liability. That plaintiff wants to do discovery is not a basis to deny this branch of the cross-motion as discovery is not intended to be a fishing expedition. Plaintiff was required in its pleading or in its opposition to state allegations for its assertion that the corporate veil should be pierced. It did not and so the Court dismisses the case against Mr. Haller.

#### *Remaining Claims*

With respect to the request to admit, the Court grants the cross-motion to amend plaintiff's responses. Regardless of whether these requests were confusing, the Court declines to decide the case based on these requests to admit. After all, this type of discovery device is not designed to permit a party to seek admissions on material issues (*Zohar v Hair Club for Men Ltd.*, 200 AD2d 453, 454, 607 NYS2d 5 [1st Dept 1994]). Put another way, these two requests (Nos. 23 and 24) did not seek to sharpen issues for trial; they improperly sought an admission about the very heart of the case and so the Court grants this part of the cross-motion.

As to the remaining branches of the motion and cross-motion, the Court denies these requests for relief. That is, the Court is unable at this stage of the case to make a conclusive finding about whether or not plaintiff sold the chemicals at a loss and is therefore entitled to damages. WTFM (the now lone remaining defendant) is entitled to discovery about the

information plaintiff supplied in its cross-motion. WTFM may want to depose plaintiff about how it came to identify the new buyer and the need for (and the amount) of the commission. Understandably, WTFM will likely want to know how the \$1.25 per pound price was settled on and it may want to depose non-parties involved in the transaction as well. As defendants pointed out, the complaint asked for \$14,000 but now plaintiff is asking for just under \$10,000.

### **Summary**

To get this case moving, the Court schedules a conference for February 26, 2026 at 10 a.m. By February 19, 2026, the parties are directed to upload a discovery stipulation detailing what discovery remains and specific deadlines to complete these tasks. If an agreement cannot be reached, then the parties can submit letters that provide an update about discovery. Based on the submissions the Court will assess whether or not an in-person conference is required. If nothing is uploaded, then the Court may adjourn the conference or require an in-person appearance (please check the docket and review this part's rules).

Moreover, given the relatively small amount of money involved (and the fact that this case has been pending for so long), the Court is amenable to holding a settlement conference under certain conditions: 1) the parties have exchanged offers and demands and 2) the numbers exchanges are relatively close— (i.e. NOT where one party wants it all and the other offers nothing). If this is the case, please upload a letter to NYSCEF explaining this and the Court will try to fit you in as soon as possible. If not, we will proceed with discovery.

Accordingly, it is hereby

ORDERED that defendants' motion to dismiss is granted only to the extent that the claims against defendant Haller are severed and dismissed and denied with respect to the remaining requests for relief; and it is further

ORDERED that plaintiff's cross-motion is granted to the extent that it may amend its responses to the requests to admit.

1/2/2026  
DATE

  
ARLENE P. BLUTH, J.S.C.

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE