

Salek v Remcoda, LLC
2026 NY Slip Op 30194(U)
January 15, 2026
Supreme Court, New York County
Docket Number: Index No. 651346/2021
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

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SASAN ROBERT SALEK, FORD SOURCING LTD,

Plaintiffs,

- v -

REMCODA, LLC,IBRANDS INTERNATIONAL, LLC,MARC GARSON

Defendants.

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INDEX NO. 651346/2021

MOTION DATE N/A

MOTION SEQ. NO. 001

DECISION + ORDER ON MOTION

The following e-filed documents, listed by NYSCEF document number (Motion 001) 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18

were read on this motion to/for DISMISSAL.

Defendants’ motion to dismiss is granted in part and denied in part.

Background

Plaintiffs are in the business of selling aroma diffusers and aromatic oils. They contend that they sold and delivered several shipments of diffusers and oils to defendants in 2019 pursuant to various contracts. Each corporate defendant placed a separate order. Plaintiffs insist that defendants accepted the goods and then refused to pay. They calculate that they are owed \$165,920 for the goods.

Defendants move to dismiss. They contend that plaintiff did not properly allege a veil piercing theory of liability as against the individual defendant Garson and that plaintiff Ford Sourcing, Ltd. (“Ford Sourcing”) lacks the capacity to bring suit in New York as it has not registered with the New York Secretary of State.

In opposition, plaintiffs admit that Ford Sourcing does not do business in New York, never maintained an office here and only ships items to New York where entities, such as

defendants, place an order. They claim that Ford Sourcing therefore did not have to register with the Secretary of State. They claim that defendant Garson owns, controls and dominates the two corporate defendants. Plaintiffs insist that defendant Garson made the decision to breach the payment obligations to plaintiffs.

In reply, defendants dispute that plaintiffs adequately alleged that Garson dominates the two corporate entities sufficient to pierce the corporate veil. They also insist that plaintiffs admit that Ford Sourcing is not registered to do business in New York and so the case should be dismissed.

Discussion

Before turning to the merits, the Court must recognize the elephant in the room: that this motion was fully briefed in July 2021 and then nothing happened in this case until the prior judge retired this matter was transferred to the undersigned in December 2025. This Court was horrified to discover this undue delay—clearly, it should never have happened. There are no excuses; this Court can only profusely apologize on behalf of the court system and make the decision. Now, to the merits.

Capacity to Sue

The Court denies the branch of the motion that seeks dismissal based on Ford Sourcing's lack of capacity to sue. There is no dispute that Ford Sourcing is not registered to do business in this state. However, it is disputed whether or not plaintiff is required to have registered. “[T]he record shows that a question of fact exists concerning whether or not plaintiff's contacts were systematic and regular enough to warrant compliance with the statute” (*Digital Ctr., S.L. v Apple Indus., Inc.*, 94 AD3d 571, 572, 942 NYS2d 488 [1st Dept 2012]).

Plaintiff Salek submits an affidavit in opposition in which he contends that Ford Sourcing has no systematic contacts with New York other than fulfilling orders. That is not necessarily enough to require Ford Sourcing to register. “[I]t is well established that the solicitation of business and facilitation of the sale and delivery of merchandise incidental to business in interstate and/or international commerce is typically not the type of activity that constitutes doing business in the state within the contemplation of § 1312(a)” (*id.*). In any event, the failure to register can be remedied prior to resolution of an action (*Uribe v Merchants Bank of New York*, 266 AD2d 21, 22, 697 NYS2d 279 [1st Dept 1999] [noting that the failure to register was not a basis to grant summary judgment]).

Veil Piercing

The Court grants the motion to the extent it seeks to dismiss the claims against the individual defendant. Plaintiffs allege a veil piercing theory of recovery against defendant Garson. “Veil-piercing is a narrowly construed doctrine limiting the accepted principles that a corporation exists independently of its owners ... and that it is perfectly legal to incorporate for the express purpose of limiting the liability of the corporate owners. The party seeking to pierce the corporate veil bears the heavy burden of “showing that: (1) the owners exercised complete domination of the corporation in respect to the transaction attacked; and (2) that such domination was used to commit a fraud or wrong against the plaintiff which resulted in plaintiff’s injury” (*Skanska USA Bldg. Inc. v Atl. Yards B2 Owner, LLC*, 146 AD3d 1, 12 [1st Dept 2016], *affd*, 31 NY3d 1002 [2018] [internal quotations and citations omitted]). “[A] simple breach of contract, without more, does not constitute a fraud or wrong warranting the piercing of the corporate veil” (*id.*).

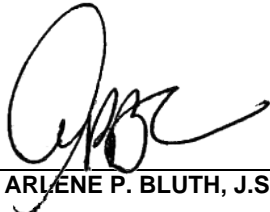
Here, plaintiffs allege that each of the two corporate defendants placed separate orders for goods pursuant to contracts and that these defendants did not pay entire amount due. Plaintiffs did not offer anything other than vague or conclusory allegations as to how Garson dominated these corporations. Plaintiffs also did not allege that Garson was a party to these contracts. Rather they suggest in the complaint and in their opposition that Garson directed the defendants to breach the contract. That is not a sufficient basis to ignore the corporate form and hold him personally liable.

Accordingly, it is hereby

ORDERED that defendants' motion to dismiss is granted only to the extent that the claims against defendant Garson are severed and dismissed and the remaining defendants shall answer pursuant to the CPLR.

Next Conference: March 10, 2026 at 10 a.m. By March 3, 2026, please upload a discovery stipulation detailing the outstanding discovery items to be completed and specific deadlines for them to be completed. If there are disagreements, the parties may upload letters explaining the nature of any disputes. Based on the submissions, the Court will assess whether an in person conference is required. The failure to upload anything may result in an adjournment of the conference or the Court may set a note of issue deadline. Please review this part's rules as soon as possible and check the docket prior to the conference.

1/15/2026
DATE


ARLENE P. BLUTH, J.S.C.

CHECK ONE:	<input type="checkbox"/> CASE DISPOSED	<input checked="" type="checkbox"/> NON-FINAL DISPOSITION
	<input type="checkbox"/> GRANTED <input type="checkbox"/> DENIED	<input checked="" type="checkbox"/> GRANTED IN PART <input type="checkbox"/> OTHER
APPLICATION:	<input type="checkbox"/> SETTLE ORDER	<input type="checkbox"/> SUBMIT ORDER
CHECK IF APPROPRIATE:	<input type="checkbox"/> INCLUDES TRANSFER/REASSIGN	<input type="checkbox"/> FIDUCIARY APPOINTMENT <input type="checkbox"/> REFERENCE