COURT OF CHANCERY
OF THE
STATE OF DELAWARE

KYLE H. LACHMUND
VICE CHANCELLOR

Leonard L. Williams Justice Center
500 N. King Street, Suite 11400
Wilmington, Delaware 19801-3734

Date Submitted: November 20, 2026
Date Decided: November 24, 2026

James C. Carignan, Esquire
Manning, Gross + Massenburg, LLP
500 Delaware Ave., No. 200
Wilmington, Delaware 19801

Timothy R. Dudderar, Esquire
Pam R. Schools, Esquire
Potter Anderson & Corroon LLP
1313 North Market Street
Hercules Plaza, 7th Floor
Wilmington, Delaware 19801

RE: *Konecranes, Inc., et al. v. Whiting Corporation, et al.*
C.A. No. 2026-0405-KHL

Dear Counsel:

"The Court of Chancery is proudly a court of limited subject matter jurisdiction."[1] There are strong policy reasons for this court of equity to guard its jurisdiction against undue encroachment by claims that should be heard by courts of law. This court's core competencies are, at a high level, the supervision of fiduciary relationships, the resolution of disputes implicating the internal affairs of Delaware entities, and the often-delicate application of equitable remedies where there is truly no adequate remedy at law. This court is not designed to adjudicate every garden-variety commercial dispute involving Delaware entities. It has no special expertise in resolving them. It lacks the bandwidth to resolve them. And this court liberally

[1] *Crown Castle Fiber LLC v. City of Wilmington*, 2021 WL 2838425, at *1 (Del. Ch. July 8, 2021).

resolving law claims is in tension with the constitutional right to have such claims tried to a jury, at least where that right has not been waived.

This case exemplifies parties stretching to have law claims heard by an equity court. It is a commercial dispute between two industrial crane companies that entered into an asset purchase agreement over three years ago who now accuse each other of various breaches of that agreement, among other disputes. Plaintiffs' pleading asserts fourteen claims, all of which are claims at law. Defendants' pleading asserts seven counterclaims, all of which are claims at law. Each side relies on a request for specific performance on one of its claims as a "hook" for this court to exercise equitable jurisdiction over the entire case under the clean-up doctrine.

Where parties seek to invoke this court's jurisdiction based on a request for equitable relief on a small subset of the claims at issue, precedent teaches that this court should scrutinize the pleadings with two things in mind. First, the claims for which equitable relief is sought should be real—that is, they should state a claim and not have been resolved early in the case. Second, the need for equitable relief should be real. Particularly where a case is not expedited, some skepticism is warranted of a party's claim that, when a final, non-appealable judgment is entered years down the road, it will require a permanent injunction to obtain complete relief.

The claims relied on by the parties to establish equitable jurisdiction do not withstand this scrutiny. Plaintiffs' claim is based on an unreasonable reading of the parties' agreement; it does not state a claim. Defendants' claim, while viable, is not one for which there is a genuine need for equitable relief.

There is no basis for equitable jurisdiction. The case is dismissed without prejudice under Court of Chancery Rule 12(b)(1), subject to either party electing to transfer the case to Superior Court.

FACTUAL BACKGROUND

The facts are drawn from the parties' operative pleadings.[2] Plaintiff Konecranes, Inc. produces industrial cranes and handling equipment and provides maintenance, refurbishment, and repair services for those cranes. Defendant Whiting Corporation previously operated a similar business.[3] In 2023, the parties entered into an asset purchase agreement (the "APA").[4] Under the APA, Konecranes agreed to purchase certain assets (the "Purchased Assets") and assume certain liabilities (the "Assumed Liabilities") of Whiting's crane and crane services business.

The "Purchased Assets" are listed in Annex 1.1(A) of the APA. One of the categories of Purchased Assets is "to the extent available, copies of all order specifics for Whiting cranes produced, including offer and manufacturing drawings, owner's manuals, spare parts manuals, bills of materials and assembly instructions."[5] Whiting disclaimed in the APA any "EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES, AT LAW, OR IN EQUITY, REGARDING . . . THE PURCHASED ASSETS."[6]

---

[2] Dkt. 1 (Complaint); Dkt. 7 (Answer and Counterclaims).
[3] Both Konecranes and Whiting had affiliates involved in the business, some of which are also parties. The distinction between the entities does not matter for purposes of this decision.
[4] Compl. Ex. A.
[5] *Id.*, Annex 1.1(A).
[6] APA § 4.25.

"Assumed Liabilities" is defined in Section 1.1 of the APA. The definition includes "E&O Liabilities," which are, in summary, certain liabilities related to "the design or engineering of products and engineering services."[7] This includes, for certain contracts, liabilities associated with services that Whiting continued to provide after the closing of the asset sale.[8] "Assumed Liabilities" also includes "Warranty Liabilities," defined to include liabilities arising from "any warranty or breach of warranty claim" included in certain contracts.[9]

Various disputes arose between the parties following the asset sale. Only two are relevant to this decision.

First, Whiting did not provide Konecranes with original drawings of crane equipment. The copies that Whiting did provide were allegedly incomplete, low quality, and, in some instances, illegible. Konecranes claims that Whiting's failure to provide the original drawings breaches the APA.

Second, the parties disputed who was responsible for certain liabilities arising out of the installation of a large crane (the "EB Crane"). Whiting continued to collaborate with Konecranes on the construction of the EB Crane after the closing of the asset sale. In early 2025, the customer requested that Whiting modify the EB Crane due to certain design errors. Whiting insisted that the resulting liabilities were E&O Liabilities and/or Warranty Liabilities. Konecranes disagreed. Whiting

[7] *Id.* § 1.1.
[8] *See* Dkt. 7, at 124.
[9] APA § 1.1.

suggested that Konecranes take over the project directly, as Whiting no longer had the necessary employees to complete the work. Konecranes refused.

On March 25, 2026, Konecranes filed this lawsuit. Count XIII of its complaint seeks specific performance of Whiting's supposed obligation to "turn over the Drawings to Konecranes."[10] Konecranes concedes that its request for equitable relief on Count XIII is the only basis for equitable jurisdiction pled in its complaint.[11]

On June 1, 2026, Whiting and other defendants filed a partial motion to dismiss. Count XIII was among the claims that the defendants moved to dismiss for failure to state a claim. That same day, Whiting filed counterclaims. Counterclaim II, titled "Request for Declaratory Judgment and Injunction/Specific Performance," seeks a ruling that Konecranes is responsible for the disputed liabilities related to the EB Crane. Whiting concedes that the request for equitable relief on Counterclaim II is the only basis for equitable jurisdiction pled in its counterclaims.[12]

---

[10] Dkt. 1, at 51.

[11] *See* Dkt. 40, at 2.

[12] *See* Dkt. 39. Whiting's Counterclaim I purports to seek specific performance of Konecranes's alleged obligation to release certain funds from an escrow account. In its supplemental letter brief, however, Whiting conceded that Counterclaim I did not provide an independent basis for jurisdiction. *See* Dkt. 39, at 6-7; *see also Graciano v. Abode Healthcare, Inc.*, 2024 WL 960946, at *6-7, *10 (Del. Ch. Mar. 4, 2024) (finding request to release funds from escrow account did not support equitable jurisdiction). Whiting also did not rely on 8 *Del. C.* § 111, even though it identified that statute as a basis for jurisdiction in its counterclaims. *See* Dkt. 7, at 116. Presumably, Whiting abandoned this argument because the APA does not, as far as I can tell, "by its terms provide[] that 1 or more holders of [a corporation's] stock approve of or consent" to the asset sale. 8 *Del. C.* § 111(a)(2).

On November 10, 2026, after reviewing the parties' pleadings and submissions in connection with the motion to dismiss, I raised subject matter jurisdiction *sua sponte*.[13] The parties then provided supplemental letter briefs on that subject.[14]

LEGAL ANALYSIS

The Court of Chancery can exercise subject matter jurisdiction only "when a case falls into one of three buckets. First, jurisdiction exists if a plaintiff states an equitable claim. Second, jurisdiction exists if a plaintiff requests equitable relief and there is no adequate remedy at law. Third, jurisdiction exists by statute."[15]

The sole ground for equitable jurisdiction advanced by the parties is their requests for equitable relief. In that situation, the court undertakes "a realistic assessment of the nature of the wrong alleged and the remedy available in order to determine whether a legal remedy is available and fully adequate."[16] "This jurisdictional inquiry is a serious one involving a close examination of the plaintiff's claims and desired relief, not a perfunctory verification of the plaintiff's 'incantation of magic words' sounding in equity."[17] "Although specific performance is an equitable remedy upon which equity jurisdiction might be predicated, that is true only if the complaint, objectively viewed, discloses a genuine need for such equitable relief."[18]

---

[13] Dkt. 38.
[14] Dkts. 39, 40.
[15] *Organovo Hldgs., Inc. v. Dimitrov*, 162 A.3d 102, 113 (Del. Ch. 2017) (citation modified).
[16] *McMahon v. New Castle Assocs.*, 532 A.2d 601, 603 (Del. Ch. 1987).
[17] *Savage v. Savage*, 920 A.2d 403, 408 (Del. Ch. 2006) (quoting *McMahon*, 532 A.2d at 603).
[18] *Candlewood Timber Gp., LLC v. Pan Am. Energy, LLC*, 859 A.2d 989, 997 (Del. 2004).

Under the clean-up doctrine, the court may exercise ancillary jurisdiction "to resolve purely legal causes of action that are before it as part of the same controversy over which the Court originally had subject matter jurisdiction in order to avoid piecemeal litigation."[19] But if "the only claims for which this court had subject matter jurisdiction are dismissed at an early stage in the proceedings, it is appropriate to decline jurisdiction under the clean-up doctrine."[20]

"It is settled law that parties may not confer subject matter jurisdiction by agreement."[21] Even when, as in this case, the parties do not contest subject matter jurisdiction, "courts have an independent obligation to satisfy themselves of jurisdiction if it is in doubt."[22]

A. Count XIII Does Not Provide a Basis for Equitable Jurisdiction Because It Does Not State a Claim.

Whiting persuasively explains in its briefing on the motion to dismiss why Count XIII of the complaint does not state a claim.[23] Konecranes did not buy the "originals" of Whiting's drawings. Konecranes bought "*to the extent available, copies* of all order specifics for Whiting cranes produced, including offer and manufacturing drawings . . . ."[24] Konecranes nowhere alleges that Whiting failed to provide copies available as of closing. Nor does the list of Whiting's closing deliverables include

---

[19] *Kraft v. WisdomTree Invs., Inc.*, 145 A.3d 969, 974 (Del. Ch. 2016).
[20] *Parseghian ex rel. Gregory J. Parseghian Revocable Tr. v. Frequency Therapeutics, Inc.*, 2022 WL 2208899, at *10 (Del. Ch. June 21, 2022).
[21] *Thompson v. Lynch*, 990 A.2d 432, 434 (Del. 2010).
[22] *Appriva S'holder Litig. Co. v. EV3, Inc.*, 937 A.2d 1275, 1284 (Del. 2007) (quoting *Nesbit v. Gears Unlimited, Inc.,* 347 F.3d 72, 76-77 (3d Cir. 2003)).
[23] *See* Dkt. 6, at 20-21; Dkt. 28, at 15-19.
[24] APA, Annex 1.1(A) (emphasis added).

original drawings.[25] Whiting also disclaimed in the APA any representations about the Purchased Assets, including any representation about the quality of the copies of drawings that Whiting provided.[26]

Konecranes argues that the original drawings constitute "Intellectual Property" or "books and records," which are different categories of Purchased Assets.[27] The APA defines "Intellectual Property" as "Copyrights, Domain Names, Patents, Trademarks and Trade Secrets," not drawings.[28] While one could argue over whether drawings are "books and records" in the abstract, here the APA has a specific term addressing Whiting's obligations to provide drawings. "Delaware courts follow the maxim that the general does not detract from the specific . . . . Thus, we have recognized that general terms of the contract must yield to more specific terms."[29] Given the specific term, Konecranes's reading of the APA is unreasonable.[30]

Count XIII fails to state a claim. It cannot support equitable jurisdiction.

---

[25] *See id.* § 3.1.
[26] *See id.* § 4.25.
[27] *See* Dkt. 23, at 23.
[28] APA § 1.1.
[29] *Thompson St. Cap. P'rs IV, L.P. v. Sonova U.S. Hearing Instruments, LLC*, 340 A.3d 1151, 1166 (Del. 2025) (citation modified).
[30] *See Abbott v. N. Shores Bd. of Governors, Inc.*, 2020 WL 1490880, at *3 (Del. Ch. Mar. 27, 2020) (ORDER) ("[T]he court will grant a motion to dismiss a breach of contract claim when the Defendants offer the only reasonable interpretation of the contract as a matter of law, and that interpretation reveals that no breach has occurred."), *aff'd,* 248 A.3d 104 (Del. 2021).

B. Counterclaim II Does Not Provide a Basis for Equitable Jurisdiction Because There Is No True Need for Equitable Relief.

Counterclaim II well pleads that the liabilities at issue are E&O Liabilities and therefore Konecranes's responsibility.[31] The question is whether Whiting has pled a "genuine need" for specific performance on its claim.[32] I do not believe that it has. Two other remedies provide Whiting with adequate relief on Counterclaim II.

The first, which Counterclaim II expressly seeks, is a declaratory judgment that "Konecranes owns the Warranty Liabilities and E&O Liabilities" in question.[33] The court's practical assessment of its jurisdiction "is more focused when considering a request for an injunction to enforce a declaratory judgment."[34] In most circumstances, injunctive relief is not warranted simply because of the possibility that a defendant will refuse to comply with its contractual obligations after a court has ruled on the question.[35] As Vice Chancellor Glasscock once explained:

> In a typical contract action . . . a defendant, motivated by self-interest, claims a contractual right to engage in the behavior of which the plaintiff complains. This is insufficient to threaten post-judgment breaches so as to require equitable relief. That is because a legal decision clarifying the contract and imposing damages changes the incentives of the parties to the contract.[36]

---

[31] Konecranes effectively conceded this by answering Counterclaim II. *See* Dkt. 26, at 64-65.
[32] *Candlewood Timber Gp.*, 859 A.2d at 997.
[33] Dkt. 7, at 161.
[34] *Qlarant, Inc. v. IP Commercialization Labs, LLC*, 2022 WL 211367, at *4 (Del. Ch. Jan. 25, 2022).
[35] *See Organovo*, 162 A.3d at 114-15 ("An injunction against future wrongdoing is not generally available. For forward-looking relief to be warranted, the plaintiff must establish a reasonable apprehension of a future wrong.") (internal quotation marks omitted).
[36] *Athene Life & Annuity Co. v. Am. Gen. Life Ins. Co.*, 2019 WL 3451376, at *6 (Del. Ch. July 31, 2019).

This strikes me as the typical case. If a court issues the declaration that Whiting seeks, that will clarify the parties' responsibilities for the liabilities in question. While it is possible that Konecranes will defy a court order, the reality is that "[n]o court order (even in equity) is self-enforcing, or proof against bad-faith disregard."[37] In sum, "nothing here indicates that special circumstances compel equity to act."[38]

The second remedy available to Whiting is, naturally, money damages. If Konecranes's refusal to bear the E&O Liabilities and Warranty Liabilities causes Whiting to bear them instead, those costs would presumably be recoverable damages. If Konecranes's behavior causes Whiting damage in the marketplace, such as a compromised relationship with the customer behind the EB Crane, those costs could conceivably be recoverable damages.

Whiting argues that damages are inadequate because, following the asset sale, Whiting no longer has the personnel needed to complete the EB Crane itself.[39] Whiting, however, identifies no irreparable harm that it or third parties will suffer if the project is delayed or even abandoned. It is telling in this regard that Whiting did not move for expedition on Counterclaim II. As of today, it has already been close to two years since the parties' dispute regarding these liabilities arose. Regardless of

---

[37] *Id.* at *8.
[38] *Id.*
[39] Dkt. 39, at 4-5. Whiting also argues that the parties stipulated to irreparable harm in the APA. *Id.* at 6. That stipulation does not bind the court. *See Graciano*, 2024 WL 960946, at *8-9.

whether this court retains jurisdiction, it will be many more months, if not years, before a final judgment is entered. It seems improbable that injunctive relief to compel completion of the project will be a practical remedy by the time this case is over. If it is, there are "procedural avenues available" for Whiting to obtain that relief.[40] That possibility, however, is too tenuous to support this court asserting jurisdiction over the entire case at the outset.

CONCLUSION

Those who rely on a sliver of equitable relief to support bringing a slew of law claims in this court assume the risk that equitable jurisdiction will be found wanting. That risk was realized here. The case is dismissed without prejudice, subject to either party electing to transfer the case to Superior Court pursuant to 10 *Del. C.* § 1902.

Very truly yours,

/s/ Kyle Lachmund

Kyle Lachmund
Vice Chancellor

[40] *See Organovo*, 162 A.3d at 125-26 (explaining that a case can be transferred back from the Superior Court to this court for purposes of awarding equitable relief, or that the Chief Justice can designate a Superior Court Judge as a Vice Chancellor for that purpose).