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7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 DENTALEZ, INC., et al.,

11 Plaintiffs,

12 v.

13 FIRSTAR DENTAL COMPANY, et
14 al.,

15 Defendants.

CASE NO. C25-1368JLR

ORDER

16 **I. INTRODUCTION**

17 Before the court are four pending motions arising from a dispute between
18 Plaintiffs DentaleEZ, Inc., DentaleEZ Alabama, Inc., Ramvac Dental Products, Inc., and
19 DTE Oregon, Inc. (collectively, “DentaleEZ”) and Defendants Professional Sales
20 Associates, Inc. (“PSA”) and Firststar Dental Company (“Firststar”) (together,
21 “Defendants”). First, Firststar and PSA separately move to dismiss DentaleEZ’s second
22 amended complaint for failure to state a claim. (PSA MTD (Dkt. # 47); PSA Reply (Dkt.

59); Firststar MTD (Dkt. # 49); Firststar Reply (Dkt. # 58); *see also* 2d Am. Compl. (Dkt. # 41).) DentaleEZ opposes both motions to dismiss. (PSA Resp. (Dkt. # 56); Firststar Resp. (Dkt. # 55).) Second, DentaleEZ moves for leave to file a third amended complaint and for relief from the deadline to join additional parties. (MTA (Dkt. # 42); MTA Reply (Dkt. # 53); MFR (Dkt. # 43); MFR Reply (Dkt. # 46); *see also* Prop. 3d. Am. Compl. (Dkt. # 42-1).) Firststar opposes both motions; PSA did not respond. (MTA Resp. (Dkt. # 45); MFR Resp. (Dkt. # 51).) The court has considered the parties' submissions, the relevant portions of the record, and the governing law. Being fully advised,¹ the court GRANTS PSA's and Firststar's motions to dismiss; and GRANTS in part DentaleEZ's motions for relief from the deadline to join additional parties and to file a third amended complaint.

II. BACKGROUND

The court set forth the background facts of this matter in its prior order and repeats that background here only as relevant to the pending motions. (*See* 7/8/26 Order (Dkt. # 40) at 2.) This dispute arises from DentaleEZ's manufacture and wholesale distribution of dental equipment to the three dominant national dealers by market share (the "Big Three"), which account for approximately 70 percent of DentaleEZ's sales. (2d Am. Compl. ¶¶ 29-31.) In August 2017, DentaleEZ and PSA entered into a Sales Representation Agreement ("2017 SRA") appointing PSA as DentaleEZ's exclusive sales representative, obligating PSA to use its "best efforts" to promote DentaleEZ, and strictly

¹ Neither party requests oral argument and the court finds that oral argument would not assist it in its resolution of the motions. *See* Local Rules W.D. Wash. LCR 7(b)(4).

1 prohibiting PSA from marketing competing products. (*Id.* ¶¶ 38-39; *see also id.*, Ex. A
2 (2017 SRA).) Separately, in January 2022, DentaleEZ and Firststar entered into a
3 Distribution and Delivery Agreement (“2022 DDA”) for Firststar’s 3900 model dental
4 chairs, which carried strict annual sales quotas and shortfall penalties. (*Id.* ¶¶ 41-46; *see*
5 *also id.*, Ex. B (2022 DDA).) After PSA missed its sales targets for consecutive years,
6 DentaleEZ notified PSA on June 28, 2023, that it would terminate the 2017 SRA at the
7 end of the year. (*Id.* ¶¶ 48-52.)

8 DentaleEZ further alleges that, on the very day it provided this termination notice,
9 Firststar and PSA initiated a scheme to exploit PSA’s insider position. (*Id.* ¶¶ 53-58.)
10 Specifically, DentaleEZ alleges that PSA marketed Firststar’s competing products before
11 the 2017 SRA lapsed, directly breaching PSA’s exclusivity and confidentiality duties.
12 (*Id.*) In November 2023, in furtherance of the conspiracy, Defendants allegedly jointly
13 used a PowerPoint Presentation (the “PowerPoint Presentation”) to pitch Firststar’s
14 alternative products directly to the Big Three. (*Id.* ¶¶ 73-88; *see id.* ¶ 73 (alleging that
15 “Firststar reviewed the slide deck and knew that PSA was going to show it to the Big
16 Three”).)

17 On July 21, 2025, DentaleEZ initiated this action against Firststar for tortious
18 interference with contract and breach of contract. (*See generally* Compl. (Dkt. # 1).) On
19 February 12, 2026, DentaleEZ filed an amended complaint, adding PSA as a defendant
20 and asserting a Lanham Act claim for false advertising against both Firststar and PSA.
21 (*See generally* Am. Compl. (Dkt. # 20).) On May 1, 2026, PSA moved to dismiss
22 DentaleEZ’s Lanham Act claim against it. (MTD (Dkt. # 31).) On July 8, 2026, the court

1 granted PSA's motion, finding that DentaleEZ insufficiently pleaded a Lanham Act false
2 advertising claim and granting DentaleEZ leave to amend. (*See generally* 7/8/26 Order.)

3 On July 29, 2026, DentaleEZ filed the second amended complaint bringing claims
4 for (1) tortious interference with contract against Firststar; (2) false or misleading
5 advertising and promotion and false designation of origin in violation of the Lanham Act
6 against both Defendants; and (3) violation of the Washington Consumer Protection Act
7 ("WCPA"), RCW 19.86.020 *et seq.*, against Firststar. (*See* 2d Am. Compl. ¶¶ 140-192.)

8 On the same day, DentaleEZ moved for leave to file a third amended complaint and for
9 relief from the deadline to join additional parties. (MTA; MFR.) On August 12, 2026,
10 PSA and Firststar each moved to dismiss the second amended complaint pursuant to
11 Federal Rule of Civil Procedure 12(b)(6). (PSA MTD; Firststar MTD.) All four motions
12 are fully briefed and ripe for consideration.

13 A. Legal Standard

14 Rule 12(b)(6) provides for dismissal when a complaint "fail[s] to state a claim
15 upon which relief can be granted[.]" Fed. R. Civ. P. 12(b)(6). Under this standard, the
16 court construes the allegations in the light most favorable to the nonmoving party, *Livid*
17 *Holdings Ltd. v. Salomon Smith Barney, Inc.*, 416 F.3d 940, 946 (9th Cir. 2005), and asks
18 whether the claim contains "sufficient factual matter, accepted as true, to 'state a claim to
19 relief that is plausible on its face[.]'" *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting
20 *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). The court need not accept as true
21 legal conclusions, "'formulaic recitation[s] of the elements of a cause of action[.]'"
22 *Chavez v. United States*, 683 F.3d 1102, 1108 (9th Cir. 2012) (quoting *Twombly*, 550

U.S. at 555), or “allegations that are merely conclusory, unwarranted deductions of fact, or unreasonable inferences[.]” *Sprewell v. Golden State Warriors*, 266 F.3d 979, 988 (9th Cir. 2001), *opinion amended on denial of reh’g*, 275 F.3d 1187(9th Cir. 2001). “A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged.” *Iqbal*, 556 U.S. at 678.

III. ANALYSIS

The court first addresses the Lanham Act claims before turning to DentalEZ’s WCPA and tortious interference with contract claims against Firststar.

A. DentalEZ Insufficiently Alleges a Lanham Act False Advertising Claim.

DentalEZ alleges that Defendants violated the Lanham Act by distributing the PowerPoint Presentation to the Big Three. (2d Am. Compl. ¶¶ 73-85, 154-55.) Specifically, DentalEZ alleges that slides 4, 5, 9-10, 17, and 26 of the PowerPoint Presentation include actionable statements. (*Id.* ¶¶ 73-85 (describing the slides at issue).²) According to DentalEZ, the Presentation falsely implied that a Chinese manufacturer—rather than a manufacturer in the United States—produced DentalEZ’s dental units. (*Id.* ¶ 154.) DentalEZ also alleges that Defendants falsely stated that the 2022 DDA would end before the end of 2024, “such that the 3900 [dental chairs] would no longer be available from DentalEZ in 2024[.]” (*Id.*) Finally, DentalEZ alleges that

² DentalEZ did not attach the PowerPoint Presentation to its second amended complaint because PSA had designated it “Confidential” in related litigation and did not agree to remove the “Confidential” designation for the purpose of this litigation. (*See id.* ¶ 73 n.1.)

1 Defendants falsely claimed that Firststar’s dental units met industry standards, including
2 mandatory premarket clearance under the Food, Drug, and Cosmetic Act, 21 U.S.C.
3 § 360(k) (“Section 510(k)”³). (*Id.* ¶¶ 157-59.) As a result, according to DentaleEZ,
4 Defendants deceived dental dealers into believing that Firststar was selling DentaleEZ’s
5 dental units. (*Id.* ¶ 160.)

6 1. The Court Dismisses the False Advertising Claim Against PSA.

7 PSA moves to dismiss DentaleEZ’s Lanham Act claim, asserting that DentaleEZ’s
8 allegations merely restate the “FDA-clearance theory” this court rejected in its July 8,
9 2026 order. (PSA MTD at 6.) Specifically, PSA argues that the court’s prior order
10 forecloses any effort to plead FDA noncompliance as an actionable Lanham Act claim.
11 (*Id.*) PSA further contends that the second amended complaint fails to identify “the type
12 of affirmative FDA-related statement” required under controlling precedent. (*Id.* at 7.)
13 As a result, according to PSA, DentaleEZ’s false advertising claim remains defective
14 because it relies on inferences rather than explicit allegations that PSA claimed Firststar’s
15 units were “FDA-cleared, FDA-approved, lawful to market, compliant with [Section]
16 510(k), or approved for sale in the United States.” (*Id.*) The court agrees with PSA for
17 the reasons set forth below.

18 In its July 8, 2026 order, this court outlined the governing legal framework for a
19 false advertising claim. (7/8/26 Order at 3-4.) The plaintiff must plausibly allege that the
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21 ³ Section 510(k) “requires manufacturers of certain medical devices to obtain [Food and
22 Drug Administration (“FDA”)] clearance that a device is safe and effective before marketing the
device in the United States.” (*Id.* ¶ 69.)

1 defendant made a false statement of fact in a commercial advertisement that actually
2 deceived or had the tendency to deceive a substantial segment of the audience. *Skydive*
3 *Arizona, Inc. v. Quattrochi*, 673 F.3d 1105, 1110 (9th Cir. 2012). To prevail, a plaintiff
4 must allege that the challenged statements were “disseminated sufficiently to the relevant
5 purchasing public to constitute ‘advertising’ or ‘promotion’ within that industry.”
6 *Coastal Abstract Serv., Inc. v. First Am. Title Ins. Co.*, 173 F.3d 725, 731 (9th Cir. 1999).

7 A statement satisfies the falsity requirement if it is literally false or if it is false by
8 necessary implication. *Southland Sod Farms v. Stover Seed Co.*, 108 F.3d 1134, 1139
9 (9th Cir. 1997). Under the latter theory, a statement is false by necessary implication
10 only if, when considered in context, it necessarily conveys a false message to the
11 audience. *Id.* In addition to showing falsity, the challenged communication must
12 constitute “commercial advertising or promotion.” 15 U.S.C. § 1125(a)(1)(B). As a
13 result, it must concern the “nature, characteristics, [or] qualities” of the good itself—
14 plaintiffs cannot litigate statutory or regulatory noncompliance under the guise of a
15 Lanham Act false advertising claim. *Sybersounds Recs., Inc. v. UAV Corp.*, 517 F.3d
16 1137, 1144 (9th Cir. 2008). Applying these principles, the court previously dismissed
17 DentaleZ’s false advertising claim against PSA, holding that “a product’s FDA clearance
18 status is not part of the nature, characteristics, or quality of the underlying goods.”
19 (7/8/26 Order at 7 (cleaned up).) The court reaches the same conclusion with respect to
20 DentaleZ’s amended allegations because DentaleZ fails to identify either (1) commercial
21 advertising or promotion or (2) any statement by PSA affirmatively claiming that
22 Firstar’s dental units were FDA-cleared, FDA-approved, lawful to market, compliant

1 with Section 510(k), or approved for sale in the United States. (*See generally* 2d Am.
2 Compl.)

3 First, the second amended complaint does not plausibly allege conduct that
4 qualifies as commercial advertising or promotion. Although DentaleEZ alleges that
5 Defendants presented the PowerPoint Presentation to the Big Three, it has not plausibly
6 alleged that these firms comprise the entire relevant purchasing public or that this private,
7 dealer-only presentation was part of a public-facing advertising campaign targeted to the
8 ultimate purchasers of the goods: dentists or dentists’ practices. (*See* 2d Am. Compl.
9 ¶¶ 30-32 (describing the dental distribution model and asserting that “manufacturers
10 typically do not make direct sales to dentists”).)

11 Second, even if DentaleEZ had sufficiently alleged dissemination to the relevant
12 purchasing public, it still fails to identify an actionable statement. Instead, DentaleEZ
13 relies on select phrases in the PowerPoint Presentation and asks the court to infer from
14 that language that PSA represented the FDA cleared Firststar’s products. For example,
15 DentaleEZ highlights statements that Firststar’s products used “[i]ndustry standard
16 proprietary components” (*id.* ¶ 85); Firststar had been “manufacturing for some of the
17 biggest names in the industry” (*id.* ¶ 77); Firststar used “streamlined distribution” (*id.*
18 ¶ 82); and Firststar’s products met industry standards (*id.* ¶¶ 157-59). As it did in its prior
19 order, the court concludes that these phrases are too vague to support a plausible
20 inference of FDA clearance. (7/8/26 Order at 7.) Because none of this language conveys
21 FDA status, DentaleEZ has failed to plead an actionable false statement under the Lanham
22 Act.

1 Finally, DentalEZ’s allegations that PSA made false statements concerning
 2 supplier history, contract timing, and prior business relationships do not concern the
 3 nature, characteristics, qualities, or geographic origin of any product as required to state a
 4 false advertising claim. *See Sybersounds Recs.*, 517 F.3d at 1144; (*see also* 2d Am.
 5 Compl. ¶¶ 78-84 (pointing to statements in the PowerPoint Presentation about Firststar’s
 6 facility, staffing, historic original equipment manufacturer (“OEM”) relationships, and
 7 expiration terms of prior agreements).) Accordingly, the court grants PSA’s motion to
 8 dismiss DentalEZ’s Lanham Act false advertising claim.

9 2. The Court Dismisses the False Advertising Claim Against Firststar.⁴

10 DentalEZ’s false advertising claim against PSA fails for the same reasons as its
 11 claim against Firststar. As the court explained above, Defendants did not distribute the
 12 PowerPoint Presentation as widespread advertising to the purchasing public but, instead,
 13 shared it within a closed distribution channel. (2d Am. Compl. ¶ 73.) The PowerPoint
 14 Presentation therefore does not constitute commercial advertising. *Coastal Abstract*, 173
 15 F.3d at 731; *Skydive Arizona*, 673 F.3d at 1110. Furthermore, the contested statements
 16 do not misrepresent the physical or performance characteristics of the dental units; rather,
 17 they pertain exclusively to OEM history, FDA clearance status, contract timing, a
 18

19 ⁴ Firststar requests judicial notice of the online FDA 510(k) Premarket Notification
 20 Database showing the clearance status of its dental operative unit, as well as Secretary of State
 21 corporate registry printouts for Delaware, Pennsylvania, and Minnesota regarding the corporate
 22 citizenship of certain third-party distributors. (Firststar Request (Dkt. # 50).) Because these
 documents are matters of public record sourced from official government websites, their
 accuracy cannot reasonably be questioned. *See* Fed. R. Evid. 201(b). Accordingly, the court
 GRANTS Firststar’s request.

1 proposed distribution channel and implied statements of geographic origin. (*See* 2d Am.
2 Compl. ¶¶ 73-85.) Because the Presentation concerns commercial relationships and
3 geographic origin rather than any observable aspect of the dental units themselves, it is
4 not actionable under the Lanham Act. *See Sybersounds Recs.*, 517 F.3d at 1144.
5 Accordingly, the court dismisses this claim.

6 **B. DentalEZ Insufficiently Alleges a Lanham Act False Designation of Origin**
7 **Claim.**

8 DentalEZ also brings a false designation of origin claim against Defendants. (2d
9 Am. Compl. ¶¶ 172-73.) According to DentalEZ, the PowerPoint Presentation falsely
10 implied that (1) DentalEZ manufactured its Forest dental units in China rather than the
11 United States and (2) “Firststar’s Fukang/FDC units could be substituted for DentalEZ’s
12 Forest units.” (*Id.* ¶¶ 155-56, 173-77.) DentalEZ further alleges that the Presentation
13 misrepresented the termination date of the 2022 DDA, whether the termination of that
14 agreement would render Firststar’s 3900 dental chair unavailable, and whether Firststar’s
15 dental units had Section 510(k) clearance. (*Id.* ¶¶ 154, 157-58.)

16 1. The Court Dismisses the False Designation of Origin Claim Against PSA.

17 PSA asserts that the court must dismiss the false designation of origin claim
18 because DentalEZ fails to allege that PSA removed or obscured a trademark, label, or
19 marketplace designation from DentalEZ’s physical products to pass them off as its own.
20 (PSA MTD at 16; Reply at 9-11.) The court agrees with PSA.

21 To state a claim for false designation of origin, DentalEZ must plausibly allege
22 that PSA “(1) use[d] in commerce (2) any word, false designation of origin, false or

1 misleading description, or representation of fact, which (3) is likely to cause confusion or
2 misrepresents the characteristics of his or another person’s goods or services.” *Freecycle*
3 *Network, Inc. v. Oey*, 505 F.3d 898, 902 (9th Cir. 2007) (citing 15 U.S.C. § 1125(a)). To
4 prevail, DentalEZ must identify some “word, term, name, symbol, or device, or any
5 combination thereof” used in commerce that is capable of identifying source or
6 communicating sponsorship, approval, or association. 15 U.S.C. § 1125(a)(1)(A).
7 Although registration of trademarks is not required to state a claim, DentalEZ must still
8 allege the word, symbol, or device PSA invoked to identify and distinguish the
9 competing goods. *See AK Futures LLC v. Boyd St. Distro., LLC*, 35 F.4th 682, 689 (9th
10 Cir. 2022) (confirming that a plaintiff must establish proprietary rights in a valid,
11 protectable “word, term, name, symbol, or device” to claim a false designation of origin);
12 *see also id.* (“An infringement action for unregistered marks requires a plaintiff to show,
13 among other elements not contested on this appeal, ownership of a valid, protectable
14 trademark.”) (simplified and citing *Applied Info. Scis. Corp. v. eBay, Inc.*, 511 F.3d 966,
15 969 (9th Cir. 2007)).

16 Here, because DentalEZ fails to identify any source identifiers—registered or
17 otherwise—communicating sponsorship, approval, or affiliation, and rather identifies
18 only statements regarding “OEM history, contract timing, and a proposed distribution
19 channel[,]” the court agrees with PSA that DentalEZ has failed to state a false designation
20 of origin claim. (*See Reply at 10* (so asserting).) DentalEZ’s reliance on a single
21 allegation that a dealer asked PSA if “Firststar is the new Forest” —a reference to one of
22 DentalEZ’s dental units—is unavailing. (2d Am. Compl. ¶¶ 175-76.) This allegation

1 does not identify a commercial designation that falsely identifies DentalEZ as the source
2 of Firststar's goods, nor does it demonstrate that Firststar's products are sponsored or
3 approved by DentalEZ. Accordingly, the court grants PSA's motion to dismiss
4 DentalEZ's false designation of origin claim.

5 2. The Court Dismisses the False Designation of Origin Claim Against Firststar.

6 The court dismisses DentalEZ's false designation of origin claim against Firststar
7 for the same reasons it dismissed that claim against PSA. Specifically, the court
8 determines that DentalEZ fails to state a claim because its allegations regarding
9 manufacturing origin, the 2022 DDA termination date, the 3900 dental chair's future
10 availability, and Section 510(k) clearance reflect the same deficiencies as its claims
11 against PSA. *Freecycle Network*, 505 F.3d at 902. Accordingly, the court grants
12 Firststar's motion to dismiss the false designation of origin claim.

13 3. The Court Denies Leave to Amend the Lanham Act Claims.

14 The court previously granted DentalEZ leave to amend to address the deficiencies
15 in its Lanham Act claims. (7/8/26 Order at 9.) A court's discretion to deny additional
16 leave to amend is "particularly broad where the plaintiff has previously amended [the]
17 complaint." *Ecological Rts. Found. v. Pac. Gas and Elec. Co.*, 713 F.3d 502, 520 (9th
18 Cir. 2013) (simplified). Because the court already afforded DentalEZ an opportunity to
19 cure its pleading defects and it has failed to do so, the court's dismissal of both Lanham
20 Act claims is with prejudice and without leave to amend.

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C. DentalEZ Insufficiently Pleads a WCPA Claim.

DentalEZ also alleges that Firststar violated the WCPA by falsely representing to the Big Three that “Firststar’s products were in compliance with all applicable law, that its products were approved for sale in the United States, and that the sale of its products and subsequent distribution to customers would not violate any federal law or regulation, including [Section 510(k)][.]” (2d Am. Compl. ¶¶ 185-86.) Firststar moves to dismiss on the grounds that DentalEZ fails to allege a cognizable deceptive or unfair act, public interest impact, or causal link. (Firststar MTD at 5-14; Reply at 1-7.) For the reasons set forth below, the court agrees with Firststar that DentalEZ has not plausibly alleged that Firststar’s conduct affected the public interest.

The WCPA prohibits “[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce.” RCW 19.86.020. To state a claim under the WCPA, a plaintiff must allege: (1) an unfair or deceptive act or practice; (2) occurring in trade or commerce; (3) public interest impact; (4) injury to business or property; and (5) causation. *See Panag v. Farmers Ins. Co. of Washington*, 204 P.3d 885, 889 (Wash. 2009). A WCPA plaintiff can satisfy the public interest impact requirement by showing that the alleged conduct violates a statute that contains a specific legislative declaration of public interest impact. *Panag*, 204 P.3d at 892. The public interest element, however, bars claims based on isolated business-to-business transactions that do not affect the public. *See RL Liquidators LLC v. Amazon.com Servs. LLC*, No. C24- 2096JHC, 2026 WL 787664, at *11 (W.D. Wash. Mar. 20, 2026); *see also Goodyear Tire & Rubber Co.*, 935 P.2d 628, 635 (Wash. Ct. App. 1997) (holding that

1 conduct intended to defeat competitors and expand market share has no deceptive
2 capacity affecting the general public).

3 To determine whether a private dispute affects the public interest, courts evaluate
4 four non-dispositive factors: “(1) Were the alleged acts committed in the course of
5 defendant’s business? (2) Did defendant advertise to the public in general? (3) Did
6 defendant actively solicit this particular plaintiff, indicating potential solicitation of
7 others? (4) Did plaintiff and defendant occupy unequal bargaining positions?” *Hangman*
8 *Ridge*, 719 P.2d at 534-35. Where the court is unable to plausibly infer from a plaintiff’s
9 allegations “any likelihood that additional plaintiffs have been or will be injured in
10 exactly the same fashion[,]” the court will decline to recognize a cognizable WCPA
11 claim. *A.H. Lundberg Assocs., Inc. v. TSI, Inc.*, No. C14-1160JLR, 2016 WL 9226998, at
12 *7 (simplified) (W.D. Wash. Feb. 18, 2016)

13 The parties do not dispute that the alleged conduct occurred in the course of
14 Firststar’s business. (*See generally* Firststar MTD; Firststar Resp.) The parties also agree that
15 Firststar did not solicit DentalEZ and that these sophisticated commercial suppliers did not
16 occupy unequal bargaining positions. (*See* Firststar MTD at 11 (asserting that Firststar
17 insufficiently states a WCPA claim because Firststar did not solicit DentalEZ and because
18 the complaint does not allege that Plaintiffs are at an unequal bargaining position to
19 Firststar); *see also* Am. Compl. ¶¶ 180-192 (asserting only Firststar and DentalEZ are
20 competitors in the dental equipment marketplace).) Furthermore, DentalEZ has not
21 plausibly alleged that Firststar directed its allegedly deceptive conduct toward the general
22 public. Instead, DentalEZ alleges that Firststar disseminated the PowerPoint Presentation

1 within a closed environment, targeting only the Big Three and local dental dealers. (2d
2 Am. Compl. ¶¶ 73-88 (summarizing the alleged false statements shared only with the Big
3 Three via the PowerPoint Presentation).) Because Firststar confined its marketing
4 campaign to sophisticated commercial intermediaries, the court concludes that DentaleZ
5 has not plausibly alleged that the PowerPoint Presentation had the capacity to deceive a
6 substantial portion of consumers.

7 DentaleZ pushes back against this conclusion, alleging that Firststar’s conduct
8 caused it economic harm in the form of stolen sales opportunities and caused the Big
9 Three and the downstream consumers to risk mistakenly believing that the “products in
10 the established distribution channel were lawfully cleared.” (*Compare id.* ¶¶ 108
11 (alleging the existence of a scheme to “dismantle” DentaleZ and steal its dental unit
12 sales); *with* Firststar Resp. at 8 (citing 2d Am. Compl. ¶¶ 188, 190 and contending that
13 Firststar’s alleged misrepresentations “had the capacity to deceive dental dealers, dentists,
14 and patients”).) In response, DentaleZ contends that the public interest is satisfied
15 because downstream dental practitioners and patients face an ongoing risk of being
16 actively deceived by Firststar’s misleading product descriptions. (2d Am. Compl. ¶ 188.)

17 This argument is unpersuasive. While a genuine risk of widespread consumer
18 confusion can satisfy the public interest element, DentaleZ’s complaint describes a
19 targeted, private commercial dispute rather than a systemic scheme to deceive consumers.
20 *See, e.g., Hangman Ridge*, 719 P.2d at 538. DentaleZ’s claims arise from the loss of its
21 own sales and an alleged plot to “dismantle” its corporate market share. The potential for
22 downstream confusion among specialized consumers cannot transform a private

competitor-on-competitor business injury into a matter of public concern. *See Goodyear*, 935 P.2d at 635. Accordingly, because DentalEZ has shown a private commercial wrong, the court determines that DentalEZ insufficiently alleges a public interest impact, and its WCPA claim fails as a matter of law.

D. DentalEZ Insufficiently Pleads a Right to Recover Punitive Damages as to its Tortious Interference with Contract Claim.

DentalEZ seeks “punitive damages as permitted by law” on its claim against Firststar for tortious interference with a contract. (2d Am. Compl. at 29.) Firststar asserts, and DentalEZ does not contest, that DentalEZ has insufficiently pleaded a right to recover punitive damages on this claim. (Firststar MTD at 22; *see generally* Resp.) The court agrees with Firststar.

Punitive damages are generally unavailable under Washington law absent statutory authorization. *Schmalenberg v. Tacoma News, Inc.*, 943 P.2d 350, 363 (Wash. Ct. App. 1997). Here, DentalEZ identifies no statutory authority that allows it to recover punitive damages for a common-law claim of tortious interference with contract. (*See generally* 2d Am. Compl.; Resp.) Accordingly, the court determines that DentalEZ fails to adequately plead the right to recover punitive damages on its tortious interference claim, and grants Firststar’s motion to dismiss this prayer for relief.

E. The Court Grants in Part DentalEZ’s Motion for Relief from Deadline to Join Additional Parties.

DentalEZ moves pursuant to Local Civil Rule 7(j) and Federal Rule of Civil Procedure 16(b) for an extension of the scheduling order deadline to add Kang Lei and Hui Ming Lei (together, the “Leis”) as defendants and assert an alter ego theory of

1 liability for conduct previously alleged against Firstar. (*See, e.g.*, MFR at 3; *see also*
2 2/5/26 Sch. Order (Dkt. # 19) (setting a February 12, 2026 deadline to join additional
3 parties).) Specifically, DentalEZ asserts that it first learned “of the facts giving rise to
4 [the] current alter ego allegations” through depositions held in May and June 2026.
5 (MFR at 3.) In response, Defendants contend the court should deny the request solely on
6 the basis of futility under Rule 15. (*See* MFR Resp. at 1.)

7 Pursuant to Federal Rule of Civil Procedure 16(b)(4), a case schedule “may be
8 modified only for good cause and with the judge’s consent.” To determine whether good
9 cause supports extending an expired deadline to join additional parties, the court
10 “primarily considers the diligence of the party seeking the amendment.” *Cent. Freight*
11 *Lines, Inc. v. Amazon Fulfillment Servs.*, C17-0814JLR, 2019 WL 1115257, at *2 (W.D.
12 Wash. Mar. 11, 2019) (quoting *Johnson v. Mammoth Recreations, Inc.*, 975 F.2d 604,
13 609 (9th Cir. 1992)). Accordingly, the moving party must establish that it could not meet
14 the scheduled deadline despite its diligence. *Id.* If the party establishes good cause, it
15 must then demonstrate that the amendment is proper under Federal Rule of Civil
16 Procedure 15. *Id.* Under Rule 15(a)(2), when a party can no longer amend its pleading
17 as a matter of course, it may do so only with the opposing party’s written consent or the
18 court’s leave, which the court “should freely give leave when justice so requires.”

19 As a general rule, existing parties may not oppose an amendment adding new
20 parties on futility grounds. *McDaniel v. Samia*, No. C24-5615RAJ-MLP, 2025 WL
21 1685577, at *3 (W.D. Wash. June 16, 2025) (denying a current party standing to raise
22 futility arguments on behalf of proposed new defendants). “[A]ny challenge to the

1 viability of the claims alleged in the amended complaint against the proposed new
2 defendants are more appropriately raised in a motion to dismiss once the proposed new
3 defendants have been served and are under the jurisdiction of this Court.” *Id.*

4 Here, DentalEZ asserts, and Firststar does not dispute, that DentalEZ diligently
5 sought to join the Leis. (MFR Reply at 1; *see generally* MFR Resp.) DentalEZ has
6 plausibly demonstrated that it was unaware of the Leis’ alleged role in the scheme until it
7 elicited this testimony during the May and June 2026 depositions. (MFR at 3.) Because
8 DentalEZ uncovered facts supporting an alter ego theory months after the February 12,
9 2026 deadline passed, DentalEZ could not have reasonably moved to amend at an earlier
10 date. *See Johnson*, 975 F.2d at 609. Furthermore, because Defendants restrict their
11 opposition entirely to arguments of futility under Rule 15, they leave DentalEZ’s
12 showing of diligence under Rule 16 completely un rebutted. (*See generally* MFR Resp.);
13 *Cent. Freight Lines*, 2019 WL 1115257, at *3. While futility may theoretically be
14 relevant to the Rule 15 prong of the scheduling order inquiry, the court properly defers a
15 full merits evaluation until DentalEZ join the Leis, completes service, and the Leis have
16 an opportunity to speak for themselves. Accordingly, finding good cause and sufficient
17 diligence, the court grants in part DentalEZ’s motion to extend the scheduling deadline to
18 join the Leis.

19 **F. The Court Grants in Part DentalEZ’s Motion for Leave to File a Third**
20 **Amended Complaint.**

21 DentalEZ also moves the court for leave to file a third amended complaint solely
22 to add Kang Lei and Hui Ming Lei (together, the “Leis”) as defendants and assert an alter

1 ego theory of liability for conduct previously alleged against Firststar. (MTA at 2; *see also*
2 Prop. 3d Am. Compl.) Firststar opposes leave to amend asserting that amendment would
3 be futile and prejudicial to Firststar. (MTA at 3-4.) The court addresses the parties’
4 arguments below.

5 Federal Rule of Civil Procedure 15(a) provides that after a responsive pleading has
6 been filed, “a party may amend its pleading only with the opposing party’s written
7 consent or the court’s leave. The court should freely give leave when justice so
8 requires.” Fed. R. Civ. P. 15(a). When leave to amend is requested, the decision whether
9 to grant leave “is entrusted to the sound discretion of the trial court.” *Jordan v. Los*
10 *Angeles Cnty.*, 669 F.2d 1311, 1324 (9th Cir. 1982), *cert. granted, judgement vacated sub*
11 *nom.*, 459 U.S. 810 (1982). In exercising this discretion, “[f]ive factors are taken into
12 account to assess the propriety of a motion for leave to amend: bad faith, undue delay,
13 prejudice to the opposing party, futility of amendment, and whether the plaintiff has
14 previously amended the complaint.” *Johnson v. Buckley*, 356 F.3d 1067, 1077 (9th Cir.
15 2004) (citation omitted). Under the futility factor, “[d]ismissal without leave to amend is
16 proper if it is clear that ‘allegation of other facts consistent with the challenged pleading
17 could not possibly cure the deficiency.’” *Great Minds v. Off. Depot, Inc.*, 945 F.3d 1106,
18 1112 (9th Cir. 2019) (quoting *Montz v. Pilgrim Films & Television, Inc.*, 649 F.3d 975,
19 984 n.3 (9th Cir. 2011)). With respect to prejudice, which carries the greatest weight in
20 the Rule 15 analysis, prejudice exists where the amendment would impose “undue
21 difficulty in prosecuting a lawsuit as a result of a change of tactics or theories on the part
22 of the other party.” *Wizards of the Coast LLC v. Cryptozoic Entm’t LLC*, 309 F.R.D.

1 645, 652 (W.D. Wash. 2015) (citations omitted). The party opposing amendment bears
2 the heavy burden of showing prejudice. *Wizards*, 309 F.R.D. at 652.

3 No such showing of prejudice can be made here. Discovery remains open until
4 February 1, 2027, and trial is not scheduled until June 14, 2027, leaving ample time for
5 the Leis to investigate and prepare a defense. (See 12/8/25 Sched. Order (Dkt. # 14); see
6 also 2/5/26 Sched. Order) While the addition of the Leis will require some discovery into
7 their alter ego status, “such additional discovery is nothing more than the inconvenience
8 always present when a party is required to defend against a lawsuit.” *Costco Wholesale*
9 *Corp. v. Southland Envelope, LLC*, No. 3:25-cv-01720-RBM-BJW, 2026 WL 1031019,
10 at *4 (S.D. Cal. Apr. 16, 2026) (citation omitted) (rejecting prejudice based on the
11 argument that adding an alter ego defendant “would require additional written discovery
12 and document production, necessitate depositions concerning corporate governance and
13 ownership, expand the scope of discovery far beyond the original contract dispute, and
14 may ultimately delay resolution of the case”). Further, the proposed claims “relate to and
15 arise out of the same underlying conduct as alleged in the previous complaint”—the
16 amendment adds only alter ego liability for Firststar’s already-alleged conduct—which
17 independently forecloses any claim of prejudice. See *Discovery Pier Land Holdings,*
18 *LLC v. Visioneering Envision.design.build, Inc.*, No. CV 15-02590 DDP (AJWx), 2016
19 WL 777854, at *4 (C.D. Cal. Feb. 15, 2016).

20 Firststar’s futility argument fails for the independent reason that it completely
21 ignores DentaleEZ’s tortious interference claim. (See generally MFR Resp.) By failing to
22 address this claim in its opposition, Firststar falls short of meeting its burden to

1 demonstrate that the entire proposed amendment is futile. *Eminence Capital, LLC v.*
2 *Aspeon, Inc.*, 316 F.3d 1048, 1052 (9th Cir. 2003) (“The party opposing amendment
3 bears the burden of showing . . . futility of amendment.”). Because Firststar lacks standing
4 to assert a futility defense on behalf of unserved parties, and its claims of prejudice are
5 unsupported by the record, the Rule 15 factors strongly favor amendment. Accordingly,
6 because justice so requires, the court grants in part DentalEZ leave to file its third
7 amended complaint solely to assert its tortious interference claim against the Leis.

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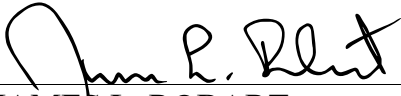
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IV. CONCLUSION

Accordingly, for the foregoing reasons, the court ORDERS as follows:

- (1) The court GRANTS PSA's and Firststar's motions to dismiss (Dkt. ## 47, 49) and DISMISSES DentaleZ's Lanham Act, WCPA, and punitive damages claims with prejudice and without leave to amend.
- (2) The court GRANTS in part DentaleZ's motion for leave to file a third amended complaint (Dkt. # 42).
- (3) The court GRANTS in part DentaleZ's motion for relief from deadline to join additional parties (Dkt. # 43).
- (4) As a result of these dismissals, the court DISMISSES PSA from this action with prejudice and only DentaleZ's claim against Firststar for tortious interference with contract survives.

Dated this 20th day of October, 2026.


JAMES L. ROBART
United States District Judge