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Case No. 26-1255

UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

FILED
Oct 14, 2026
KELLY L. STEPHENS, Clerk

JOON BUM YOO, Plaintiff-Appellant, v. GRUPO MCONTIGO S.L., Defendant-Appellee.	)	ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MICHIGAN OPINION

Before: McKEAGUE, STRANCH, and MATHIS, Circuit Judges.

MATHIS, Circuit Judge. This contract dispute arises from the brokered sale of a website business. Joon Bum Yoo sued Grupo MContigo S.L. for breach of contract when traffic to his recently purchased website dropped because Grupo, the seller, allegedly failed to enable website indexing after transferring the website assets to Yoo and relaunching website. The district court dismissed Yoo's breach-of-contract claim. Because Yoo's complaint fails to plausibly allege a breach-of-contract claim, we affirm.

I.

Because the district court resolved this case at the motion-to-dismiss stage, we recite the facts as Yoo alleged them in the complaint. *See Steeb v. Ehart*, 165 F.4th 536, 538 (6th Cir. 2026).

In September 2024, Yoo browsed a digital marketplace for online businesses. He settled on Steps to Health, an online business listed for sale on the marketplace by Grupo. Yoo contacted Sebastien Ríos, a Grupo employee, to express interest in purchasing the website and its associated

assets. Effective November 1, 2024, Yoo and Grupo executed an asset purchase agreement (APA)[1] under which Grupo would sell the Steps to Health website and associated assets to Yoo for $250,000. Empire Flippers, LLC brokered the transaction between Yoo and Grupo.

The transfer of ownership of the business and its assets would not happen instantaneously. It could take several weeks, and the parties memorialized the uncertainty over the potential timeline in the APA.[2] The agreement therefore established a schedule by which the parties would transfer ownership of the business assets to Yoo. First, Yoo would make an upfront payment of $175,000 to the broker, which would commence the "Migration Process." R. 8-2, PageID 100. The APA defines the Mitigation Process as "the process to transfer the Assets to the Buyer." *Id.* at 100–01. The agreement specifies when the parties reach "Completed Migration." *Id.* at 101. Completed Migration occurs "when the Buyer or the Broker, in its sole discretion and in good faith, determines that a sufficient portion of the Assets have been transferred to Buyer such that Buyer can fairly assess the associated revenue during the Inspection Period." *Id.* The parties acknowledge in the APA that "[i]t is possible that some portion of the Assets will continue to be transferred to Buyer after the Completed Migration." *Id.* The APA then provides for a fourteen-day "Inspection Period" after Completed Migration during which Yoo could "fully inspect the Assets" and, if necessary, "request termination" of the agreement. *Id.* at 101–02. Upon expiration of the Inspection Period, Yoo agreed to waive any claim related to the website's subsequent performance.

[1] Although Yoo did not attach the APA to his complaint, we may consider the copy attached to Grupo's motion to dismiss because the complaint refers to it and Yoo's breach-of-contract claim depends on it. *See Blackwell v. Nocerini*, 123 F.4th 479, 487 (6th Cir. 2024).

[2] The Agreement states: "The Parties understand and agree that the Migration Process typically takes 2 to 8 weeks to complete, but could take substantially longer. The Parties acknowledge and agree that Broker cannot guarantee a specific timeframe to complete the Migration Process." R. 8-2, PageID 101.

On November 7, 2024, Yoo transferred $175,000 to the broker's escrow account. At the broker's behest, the parties waited for the conclusion of the Inspection Period to begin the Migration Process. On November 25, 2024, Grupo began transferring business assets to Yoo. This continued without issue until January 2025.

On January 14, 2025, Grupo informed Yoo that the traffic to the Steps to Health website declined dramatically when the website went live. Grupo admitted that the decline in traffic was because of an issue with website indexing. After transferring business assets to Yoo and upon relaunching the website, Grupo failed to enable website indexing, which allows search engines to discover it. Traffic to the website diminished by 57%, reducing its value from $250,000 to $55,000. Grupo attempted to resolve the issue, but website traffic never fully recovered.

As a result, Yoo brought three claims against Grupo. The first alleged a breach of § 13(c) of the APA, which provides, "Seller agrees not to take any actions in relation to the Assets outside of normal business practices throughout the Migration Process."[3] R. 1, PageID 10–11. The second claim alleged that Grupo acted negligently when it failed to enable website indexing. The final claim alleged that Grupo breached a separate agreement with Yoo, under which it agreed to manage website revenue and remit most of that revenue to Yoo.

Grupo moved to dismiss the claims under Federal Rule of Civil Procedure 12(b)(6), among other rules. The district court granted Grupo's motion as to Yoo's breach-of-contract claim arising under the APA and the negligence claim for failure to allege plausible claims for relief. It denied the motion as to Yoo's separate breach-of-contract claim related to website revenue management.

[3] In his complaint, Yoo alleges that Grupo breached §§ 13(a) and (c) of the Agreement. Yoo does not challenge the dismissal of his breach claim based on § 13(a).

Yoo then voluntary dismissed his remaining breach-of-contract claim with prejudice. He appeals only the district court's dismissal of his claim that Grupo breached § 13(c) of the APA.

II.

We review an order dismissing a complaint under Federal Rule of Civil Procedure 12(b)(6) de novo. *Lindke v. Tomlinson*, 31 F.4th 487, 495 (6th Cir. 2022). To survive a Rule 12(b)(6) motion to dismiss, the complaint must allege facts sufficient to "state a claim to relief that is plausible on its face." *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007). Determining whether a complaint states a facially plausible claim requires courts to construe the complaint in a light most favorable to the plaintiff, accept all well-pleaded factual allegations as true, and decide whether there is enough factual content to allow "the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009).

The parties agree that Michigan law governs this diversity-of-jurisdiction action. *See Baker Hughes Inc. v. S&S Chem., LLC*, 836 F.3d 554, 560 (6th Cir. 2016).

III.

Yoo contends that the district court erred in dismissing his breach-of-contract claim. To state a breach-of-contract claim, Yoo must allege facts showing that "(1) there was a contract (2) which [Grupo] breached (3) thereby resulting in damages to" Yoo. *Miller-Davis Co. v. Ahrens Constr., Inc.*, 848 N.W.2d 95, 104 (Mich. 2014). No one disputes that a contract existed between Yoo and Grupo. The dispositive question is whether Yoo has plausibly alleged that Grupo breached that contract. This question requires us to interpret the APA.

Under Michigan law, the proper interpretation of an unambiguous contract is a question of law. *Wyandotte Elec. Supply Co. v. Elec. Tech. Sys., Inc.*, 881 N.W.2d 95, 103 (Mich. 2016). The goal "is to give effect to the intent of the parties." *Id.* We must "determine the intent of the parties

by examining the language of the contract according to its plain and ordinary meaning." *In re Smith Tr.*, 745 N.W.2d 754, 757–58 (Mich. 2008). To that end, we must "give effect to every word, phrase, and clause in a contract and avoid an interpretation that would render any part of the contract surplusage or nugatory." *Klapp v. United Ins. Grp. Agency, Inc.*, 663 N.W.2d 447, 453 (Mich. 2003). But if contract language is ambiguous, its meaning is a question of fact for the factfinder. *Id.* at 453–54.

We consider first how the APA was supposed to work. After the effective date of the agreement and Yoo's payment of the purchase price to the broker, Grupo would begin the Migration Process by transferring Steps to Health's business assets to Yoo. The parties would reach Completed Migration once Yoo or the broker determined that Grupo had transferred enough of the business assets for Yoo to assess Steps to Health's "associated revenue." R. 8-2, PageID 101. After Completed Migration, Yoo would have fourteen days to inspect the business assets. Yoo could terminate the APA during the Inspection Period if the revenue for Steps to Health was "less than fifty percent (50%) of the prorated Average Monthly Revenue." *Id.* at 102. If Yoo did not terminate the APA during the Inspection Period, the broker would release a significant portion of the purchase price to Grupo. Once the Inspection Period expired without a termination notice from Yoo, he would waive:

> any and all contingencies in connection with the purchase of the Assets, including any discrepancies, fluctuations, or changes in the performance of the Assets and specifically its gross revenue, net revenue, expenses, traffic, and other metrics of performance, including any discrepancies, fluctuations, or changes in the performance of the Assets during the Migration Process and/or during the Inspection Period.

Id. at 102–03.

The complaint details what actually happened. On or about November 1, 2024, Yoo and Grupo executed the APA. Yoo then delivered $175,000 to the broker. Yoo and Grupo decided to delay the Migration Process until after the Inspection Period. By November 25, 2024, the Inspection Period ended. Grupo then began transferring the Steps to Health business assets to Yoo. A month and a half later, the value of the business assets had dropped from approximately $250,000 to approximately $55,000 due to Grupo's website-indexing mistake.

Yoo argues that Grupo's website-indexing flub breached the APA. But because the Inspection Period had concluded at the time of the website-indexing issue, Yoo waived any claim about Step to Health's "gross revenue, net revenue, expenses, traffic, and other metrics of performance." *Id.* at 106. Thus, Yoo's breach-of-contract claim fails because Yoo has not plausibly alleged that Grupo breached the APA.

True, the parties decided to conduct the Migration Process after the Inspection Period had concluded. But that does not change things. Parties are free to modify "the rights and duties established by a contract." *Bank of Am., NA v. First Am. Title Ins. Co.*, 878 N.W.2d 816, 830 (Mich. 2016). The complaint reveals that Yoo and Grupo modified the APA by conducting the Inspection Period before the Migration Process. That modification, however, did not modify the waiver provision. Yoo agreed to buy the business assets "as is." R. 8-2, PageID 106; *see Coosard v. Tarrant*, 995 N.W.2d 877, 886 (Mich. Ct. App. 2022) ("'[A]s is' clauses are fundamentally intended to allocate the risk of unknown losses."). And Yoo also agreed that he "had the opportunity to fully inspect the Assets, [wa]s satisfied with its inspection, and desire[d] to purchase the Assets." R. 8-2, PageID 106.

Yoo offers two arguments to suggest that he has not waived his breach-of-contract claim against Grupo. Neither persuades us.

First, Yoo argues that the "as is" clause negates warranty claims, but not breach-of-contract claims. Yoo does not provide sufficient jurisprudential support for this argument. More importantly, nothing about the APA's "as is" clause changes the fact that, under the APA, Yoo waived the claim related to website traffic and revenue that he seeks to bring against Grupo.

Second, Yoo argues that he waived only the right to terminate the APA, not any claim based on the decline in website traffic and revenue. That is not what the APA says. The APA allowed Yoo to terminate the agreement only during the Inspection Period and only for reasons specified in the agreement. But Yoo waived "contingencies" related to the performance of the business assets "during the Migration Process and/or during the Inspection Period." *Id.* at 103. Per the APA, the Migration Process could extend beyond the Inspection Period, which was the case here. Even though the Migration Process could outlast the Inspection Period, Yoo agreed to waive any performance issues that arose after the Inspection Period.

IV.

For these reasons, we **AFFIRM** the district court's judgment.