



BLOGS
Transfers

Georgia Federal Court Finds Factual Disputes Remain Regarding Manufacturer Rejection of Proposed Transferee

A federal court in Georgia denied a manufacturer’s motion for summary judgment related to its withholding of consent to a proposed transfer of a car dealer location. *Savannah Motorcars, LLC v. Volkswagen Grp. Of Am., Inc.*, 2022 WL 866342 (S.D. Ga. Mar. 22, 2022).

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The court denied the motion. First, it held that there were questions of fact as to whether Volkswagen was provided with sufficient information and time to evaluate the proposed transfer. Second, it rejected Volkswagen’s attempt to invoke its right to first refusal to justify its rejection, as Volkswagen’s right of first refusal does not render a proposed transferee unfit or unqualified. Finally, the court held that there were questions of fact as to whether the proposed transferee met Volkswagen’s financial requirements.

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