

IN THE CHANCERY COURT FOR THE STATE OF TENNESSEE
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

TRADESHOW STOP, INC.	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 24-0876-BC
	)	
MICHAEL NELSON and	)	
DYNAMIC TRADESHOWS, LLC,	)	
	)	
Defendants,	)	
_____	)	
	)	
MICHAEL NELSON and	)	
DYNAMIC TRADESHOWS, LLC,	)	
	)	
Counter-Plaintiffs and	)	
Third-Party Plaintiffs,	)	
	)	
v.	)	
	)	
TRADESHOW STOP, INC.,	)	
	)	
Counter-Defendant,	)	
	)	
AND	)	
	)	
KATHERINE LITTLE,	)	
	)	
Third-Party Defendant.	)	

MEMORANDUM AND ORDER

This matter came before the Court on October 21, 2025, upon Defendant Michael Nelson’s (“Nelson”) Motion for Partial Summary Judgment on Plaintiff Tradeshow STOP, Inc.’s (“TSS”) claim that he violated an alleged non-compete agreement because TSS cannot demonstrate the existence of an enforceable non-compete agreement. Having reviewed the parties’ submissions and relevant caselaw, and having considered the argument of counsel, the Court is ready to rule.

Undisputed Material Facts

Nelson began to work for TSS in April 2008 as a sales employee. It is disputed what documents he was provided at the inception of his employment and whether they included a nondisclosure and noncompete agreement. No such signed agreement has been located or submitted in this case. The unsigned agreement contains the following language:

(a) Unless otherwise specified herein, this agreement shall be in force, concurrent with Mr. Mike Nelson's employment at Tradeshow STOP, Incorporated. At all times while this agreement is in force and after its expiration or termination, Mr. Nelson agrees to refrain from disclosing Tradeshow STOP, Inc. customer lists, trade secrets, or other confidential material. Mr. Nelson agrees to take reasonable security measures to prevent accidental disclosure and industrial espionage.

(b) While this agreement is in force, Mr. Nelson agrees to use his best efforts to promote and sell the products and services offered by Tradeshow STOP, Inc. and to abide by the nondisclosure and noncompetition terms of this agreement, for which he will be compensated as agreed in the attached Proposal of Employment letter dated February 8, 2008.

(c) After expiration or termination of this agreement, Mr. Nelson agrees not to compete with Tradeshow STOP, Inc. for a period of two (2) years within a 100 mile radius of Tradeshow STOP, Inc. 2901 Armory Drive, Nashville, Tennessee. "Compete" means owning or working for a business of the following type: sales, rental, set up (I&D), manufacture or distribution of trade show exhibits, graphics or services.

(d) Mr. Nelson agrees to pay liquidated damages in the amount of \$50,000.00 for any violation of the covenant not to compete contained in paragraphs (a) or (c) of this agreement.

(the "Unsigned Agreement").

In 2019, TSS's founders, Jay Larimore and Carol Larimore (the "Larimores"), decided to retire and sell TSS to Carol Larimore's daughter, Katherine Little ("Little"), and Nelson. All four of those individuals executed a Shareholder Buy-Sell Agreement and Stock Purchase Agreement to effectuate that transaction, with an effective date of January 2, 2020 (the "Buy-Sell Agreement" and "Stock Purchase Agreement" and generally the "2020 Sale").

The Buy-Sell Agreement provides that it will “govern their rights as shareholders” and that “the Company and the Parties believe it is in their mutual best interests that the ownership and control of the Company be closely monitored and governed by the terms of this Agreement and the [Stock Purchase Agreement.” The Buy-Sell Agreement contains provisions regarding ownership changes, voting requirements, and shareholder distributions. At paragraph 12, it contemplates that Little and Nelson would remain TSS employees after their purchase and at paragraph 13, that TSS’s S corporation status be maintained.

The Stock Purchase Agreement effectuated the transfer of the stock of TSS and contains a merger clause at 7.3 that states “This Agreement embodies the entire contract between the Parties with respect to the subject matter set forth herein, and there are no agreement, representations, or warranties other than those set forth in this Agreement or the Buy-Sell Agreement.”

Nelson and Little operated TSS together in relative harmony until November 17, 2023, when they had an argument about Nelson’s requested expense reimbursements. In February of 2024, they began negotiating Nelson’s departure from TSS. Prior to that time, Nelson referenced the possibility of a noncompete agreement in text messages with his mother-in-law and wife. In February, March and April of 2024, on multiple occasions, at in-person meetings and in emails and text messages, he specifically asked Carole Larimore and Little about documents relevant to his employment, including a noncompete. They informed him they were unaware of any such document that would bind him since the 2020 Sale.

TSS and Little assert that Nelson removed the file from TSS’s office that contained his signed noncompete and rely on disruptions to ring camera recordings they imply Nelson disabled. There is no proof Nelson disabled the camera, he denies doing so and denies taking a file. He also denies signing the noncompete. Carole Larimore, Little and a former TSS employee, Josh Mahaffey, claim to have either seen Nelson execute the noncompete or to have seen it after the fact.

Nelson resigned from TSS on April 4, 2024 and established a competing business, Defendant Dynamic Tradeshow, LLC. TSS relies on the Unsigned Agreement as the basis for its allegations that Nelson is contractually bound not to compete with it for two years.

Legal Analysis

Summary Judgment Standard

“Summary judgment is appropriate when the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law.” Tenn. R. Civ. P. 56.04; *Rye v. Women’s Care Center of Memphis, M PLLC*, 477 S.W.3d 235, 250 (Tenn. 2015). In determining if summary judgment is appropriate, courts must decide “(1) whether a *factual* dispute exists; (2) whether that fact is *material* to the outcome of the case; and (3) whether the disputed fact creates a *genuine* issue for trial.” *Byrd v. Hall*, 847 S.W.2d 208, 214 (Tenn. 1993) (emphasis in original). A “material fact” is one that “must be decided in order to resolve the substantive claim or defense at which the motion is directed.” *Id.* at 215. Irrelevant or unnecessary facts are not material. *Rye*, 477 S.W.3d at 251.

A “genuine issue” exists when “a reasonable jury could return a verdict for the nonmoving party[.]” *Byrd*, 847 S.W.2d at 215. If “the evidence and inferences to be reasonably drawn from the evidence would permit a reasonable person to reach only one conclusion, then there are no material factual issues in dispute and the question can be disposed of as a matter of law.” *Davis v. Campbell*, 48 S.W.3d 741, 747 (Tenn. Ct. App. 2001) (citing *Seavers v. Methodist Med. Ctr.*, 9 S.W.3d 86, 90-91 (Tenn. 1999); *White v. Lawrence*, 975 S.W.2d 525, 529 (Tenn. 1998)). In deciding a motion for summary judgment, the court must not weigh the evidence, but must “take the strongest legitimate view of the evidence in favor of the nonmoving party” and overrule the motion when there is a genuine dispute as to any material fact. *Byrd*, 847 S.W.2d at 210.

Proof Regarding the Existence of a Noncompete Agreement

Nelson first contends that TSS lacks sufficient evidence to prove that Nelson signed the Noncompete. Further, that TSS must prove the existence of the Noncompete agreement by clear and convincing evidence since TSS does not have a signed copy. Because the Noncompete contains a two-year provision, the statute of frauds applies. See Tenn. Code Ann. § 29-2-101(a)(5); 37 C.J.S., STATUTE OF FRAUDS, § 57 (collecting cases from other jurisdictions) (“A noncompete clause in an employment agreement that spans a period of two years, and thus cannot be performed within one year, is subject to the statute of frauds.”). However, “[e]nforcement of a contract is not prevented by the fact that the written document has been lost or destroyed; its contents may then be proved by oral testimony.” *Petty v. Estate of Nichols*, 569 S.W.2d 840, 846 (Tenn. Ct. App. 1977) (citing *Corbin on Contracts*, pp. 486-52, 1952 Ed.).

The Court finds TSS has presented sufficient evidence demonstrating that disputed material facts exist as to whether Nelson executed the Unsigned Agreement.

The Effect of the Merger Clause in the Stock Purchase Agreement

Next, Nelson asserts that, even if TSS demonstrates that he executed the Unsigned Agreement and was at one time bound by the two-year noncompete provision, the merger clause in Paragraph 7.3 of the Stock Purchase Agreement supersedes that obligation. He relies on established Tennessee law that integration or merger clauses are enforceable and, like contracts generally, must be interpreted according to their plain terms. See *Tipton v. Quinn*, No. M1998-00951-COA-R3-CV, 2001 WL 329530, at *5 (Tenn. Ct. App. Mar. 28, 2001) (citing *Brookside Mills, Inc. v. Specialty Retail Concepts, Inc.*, 1987 WL 26206 at *4 (Tenn. Ct. App. Dec. 8, 1987); *Bob Pearsall Motors, Inc. v. Regal Chrysler-Plymouth, Inc.*, 521 S.W.2d 578, 580 (Tenn. 1975)). Further, that the Buy-Sell Agreement included provisions to govern TSS’s, Little’s and Nelson’s relationship moving forward, including their rights as TSS stockholders and employees, indicating that these documents were

intended to be the new operative documents between them and any prior arrangements merged into them. *See Tipton*, 2001 WL 329530 at *4 (quoting *Magnolia Group v. Metropolitan Dev. & Housing Agency*, 783 S.W.2d 563, 566 (Tenn. Ct. App. 1989) (“[T]he last agreement concerning the same subject matter that has been signed by all parties supersedes all former agreements . . . A conclusive presumption that the writing represents the parties’ final agreement arises after the parties have reduced their agreement to a clear and unambiguous written contract.”); *see also Great Am. Ins. Co. v. Nelson, Inc.*, 276 F. Supp. 3d 762, 768 (W.D. Tenn. 2017) (summarizing merger doctrine under Tennessee law). Nelson further argues that Carole Larimore’s statements that there were no documents that governed Nelson in relation to TSS post-2020 Sale supports this reading of the merger doctrine. *See Brandt v. Bib Enters., Ltd.*, 986 S.W.2d 586, 593 (Tenn. Ct. App. 1998) (quoting *Hamblen County v. City of Morristown*, 656 S.W.2d 331, 335 (Tenn. 1983) (“[T]he interpretation placed upon a contract by the parties thereto, as shown by their acts, will be adopted by the court. . .”)).

TSS argues that for this to be the result, the Court must find the new contract(s) concern the same subject matter as the prior one and, absent that congruency, is not applicable. *See Kroger Specialty Pharm. FL 2, LLC v. Genefic Specialty Pharm., Inc.*, Case No. 3:23-cv-001217, 2024 WL 1774000 (M.D. Tenn. April 24, 2024). Further, that the merger language in 7.3 of the Stock Purchase Agreement is “boilerplate” and thus somehow lacks significance in the overall scheme of the matter.

It is well established in Tennessee case law that courts must interpret contracts to ascertain and give effect to the intent of the contracting parties consistent with legal principles. *Individual Healthcare Specialists, Inc. v. BlueCross BlueShield of Tennessee, Inc.*, 566 S.W.3d 671, 688 (Tenn. 2019). When terms of a contract are not ambiguous, issues of contract interpretation are regularly considered issues of law. *Strategic Acquisitions Grp., LLC v. Premier Parking of Tennessee, LLC.*, No. E2019-01631-COA-R3-CV, 2020 WL 2595869, at *4 (Tenn. Ct. App. May 22, 2020) (citing

Bourland, Heflin, Alvarez, Minor & Matthews, PLC v. Heaton, 393 S.W.3d 671, 674 (Tenn. Ct. App. 2012) (citing *Ross Prods. Div. Abbott Labs. v. State*, No. M2006-01113-COA-R3-CV, 2007 WL 4322016, at *2 (Tenn. Ct. App. Dec. 5, 2007)). If the written instrument is unambiguous, the Court must interpret it as written rather than according to the unexpressed intention of one of the parties. *Id.* at *4; *see also Sutton v. First Nat'l Bank*, 620 S.W.2d 526 (Tenn. Ct. App. 1981).

The Buy-Sell Agreement provides that it is “to govern their rights as shareholders of [TSS],” that “the Company and the Parties believe it is in their mutual best interests that the ownership and control of the Company be closely monitored and governed by the terms of this Agreement and the [Stock Purchase Agreement],” and discusses termination of employment in Section 12 and salary modification in Section 19 but does not refer to any noncompete obligations. The Stock Purchase Agreement sets forth the purchase and sale of shares, various representations and warranties, and includes the relevant merger provision which provides that, “This Agreement embodies the entire contract between the Parties with respect to the subject matter set forth herein, and there are no agreements, representations, or warranties other than those set forth in this Agreement or the Buy-Sell Agreement.” The Court finds that the plain reading of these agreements was to govern Little’s and Nelson’s relationship with TSS after the 2020 Sale, and the merger clause unambiguously reflects an intent for these agreements to encompass the parties’ total agreement. The parties’ status had fundamentally changed, as they were no longer simply employees; rather, they were owners whose new roles carried obligations consistent with that status and different from those of mere employees. If they intended themselves to have post-employment restrictions, those would have and should have been included in the Agreements. Because such restrictions were not included, the Court finds the merger clause, as a component of the overall terms of the Agreements, effectively nullified and superseded any obligations not to compete Nelson may have had if he signed the Unsigned Agreement. To find otherwise would be to undermine the clear language of the Agreements and

ignore the fact that Nelson's role with the company had significantly changed. Tennessee cases have emphasized that courts cannot form a new contract for parties under the appreciation of interpretation, noting that a contract "may contain terms which may be thought harsh and unjust. A court is not at liberty to make a new contract for parties who have spoken for themselves." *Individual Healthcare Specialists, Inc. v. BlueCross BlueShield of Tennessee, Inc.*, 566 S.W.3d 671, 692 (Tenn. 2019); *Smithart v. John Hancock Mut. Life Ins. Co.*, 167 Tenn. 513, 71 S.W.2d 1059, 1063 (1934); see also *Petty*, 277 S.W.2d at 359.

Conclusion

IT IS THEREFORE ORDERED, ADJUDGED and DECREED that Nelson's Motion for Partial Summary Judgment is GRANTED and TSS's claims that he was bound by a two-year noncompetition agreement are DISMISSED. This Memorandum and Order eliminates the need for the evidentiary hearing on this subject set on January 13, 2026 and that trial is REMOVED from the Court's calendar. The parties are ordered to contact the Calendar Clerk within ten (10) days of this Order to schedule a Rule 16 conference to set the schedule for the remaining issues in the case, up to and including a trial date.

It is so ORDERED.



ANNE C. MARTIN
CHANCELLOR
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