

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
LOUISIANA

Stanislaus Nwachukwu and Blessing Ijeoma Nwachukwu v. Acadian
Services, LLC et al.

Nwachukwu · No. 25-1597 · Decided February 4, 2026

SUMMARY

The United States District Court for the Eastern District of Louisiana granted defendants’ Rule 12(b)(6) motion to dismiss claims arising from the plaintiffs’ rental of a U-Haul truck, alleged racial discrimination, a purportedly false police report, wrongful arrest, emotional distress, and breach of contract. The court held that issue preclusion barred the action because the same underlying issues had been actually litigated and decided in the plaintiffs’ prior lawsuit, and it dismissed the action with prejudice without leave to amend.

CASE DETAILS

COURT	United States District Court for the Eastern District of Louisiana
WRITING FOR THE COURT	Sarah S. Vance
JURISDICTION	United States District Court for the Eastern District of Louisiana
DECIDED	February 4, 2026
DOCKET	25-1597
DISPOSITION	dismissed
PROCEDURAL POSTURE	Defendants moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss plaintiffs' action on issue-preclusion grounds. The district court granted the motion and dismissed the action with prejudice.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded facts as true and draws reasonable inferences in the plaintiff's favor, but does not accept legal conclusions couched as factual allegations. The court applied issue-preclusion principles to determine whether dismissal was warranted.
PRECEDENTIAL VALUE	Unknown
PARTIES	Stanislaus Nwachukwu, Blessing Ijeoma Nwachukwu v. Acadian Services, LLC, U-Haul Holding Company, Repwest Insurance Company, Dustin Keller

TOPICS

motions to dismiss

res judicata

civil procedure

breach of contract

civil rights

PRACTICE AREAS

civil procedure

civil rights

contracts

torts

QUESTIONS PRESENTED

1. Whether issue preclusion barred plaintiffs' claims even though the defendants in the present action differed from the defendant in the prior action.
2. Whether issue preclusion could apply to plaintiffs' newly labeled breach-of-contract claim based on the same rental agreements and underlying facts.
3. Whether plaintiffs should be granted leave to amend their complaint.

HOLDINGS

1. Issue preclusion barred plaintiffs' action because the issues were identical to those litigated in the prior action, were actually litigated, and were essential to the prior judgment; the plaintiffs had a full and fair opportunity to litigate those issues even though the defendants were not identical.
2. Plaintiffs' breach-of-contract claim was also barred because it arose from the same contracts and underlying issues previously litigated; changing the legal label did not avoid issue preclusion.
3. Leave to amend was properly denied because amendment would be futile where plaintiffs' claims were barred by issue preclusion.

KEY QUOTATIONS

“To survive a Rule 12(b)(6) motion to dismiss, a plaintiff must plead enough facts to “state a claim to relief that is plausible on its face,”” (Section II)

“issue preclusion bars “‘successive litigation of an issue of fact or law actually litigated and resolved in a valid court determination essential to the prior judgment,’ even if the issue recurs in the context of a different claim.”” (Section III.A)

FACTUAL BACKGROUND

The case arose from Stanislaus Nwachukwu's rental of a U-Haul truck. Plaintiffs alleged that defendants discriminated against them, filed a false police report concerning the truck's nonreturn, caused Stanislaus Nwachukwu's arrest, and inflicted emotional distress; they also asserted a breach-of-contract claim based on the rental. The allegations concerned the same rental agreement and events previously litigated in *Nwachukwu I*, including Nwachukwu's retention of the vehicle for 19 days beyond the original return date and the resulting report, arrest, and incarceration.

PROCEDURAL HISTORY

Plaintiffs previously sued U-Haul Co. of Louisiana over substantially the same events. The district court granted summary judgment for the defendant in that prior action and dismissed plaintiffs' claims with prejudice; plaintiffs' appeal from the summary-judgment order was dismissed by the Fifth Circuit. Plaintiffs then filed this action against different defendants, asserting discrimination, false-police-report-related claims, emotional-distress claims, and breach of contract. The district court held that issue preclusion barred the action and that amendment would be futile.

DISPOSITION

dismissed

CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 547, 555 (2007)
- Franklin v. Regions Bank, 976 F.3d 443, 447 (5th Cir. 2020)
- Lormand v. U.S. Unwired, Inc., 565 F.3d 228, 239, 244 (5th Cir. 2009)
- Houston Professional Towing Ass'n v. City of Houston, 812 F.3d 443, 447 (5th Cir. 2016)
- Taylor v. Sturgell, 553 U.S. 880, 892 (2008)
- New Hampshire v. Maine, 532 U.S. 742, 748-49 (2001)
- United States ex rel. Gage v. Rolls-Royce North America, Inc., 760 F. App'x 314, 317 (5th Cir. 2019)
- In re Southmark Corp., 163 F.3d 925, 932 (5th Cir. 1999)
- Next Level Communications LP v. DSC Communications Corp., 179 F.3d 244, 250 (5th Cir. 1999)
- Rabo Agrifinance, Inc. v. Terra XXI, Ltd., 583 F.3d 348, 353 (5th Cir. 2009)
- In re Keaty, 397 F.3d 264, 271 (5th Cir. 2005)
- Matter of: Sherwin Alumina Co., LLC, 952 F.3d 229, 236 (5th Cir. 2020)

OPINION

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF LOUISIANA STANISLAUS NWACHUKWU AND CIVIL ACTION BLESSING IJEOMA NWACHUKWU VERSUS NO. 25-1597 ACADIAN SERVICES, LLC ET AL. SECTION “R” (2) ORDER AND REASONS Before the Court is the motion of defendants Acadia Services, LLC; U- Haul Holding Company; Repwest Insurance Company; and Dustin Keller to dismiss plaintiffs’ action under Federal Rule of Civil Procedure 12(b)(6).

For the reasons that follow, the Court GRANTS the motion. I. BACKGROUND This case arises out of plaintiff Stanislaus Nwachukwu’s rental of a U- Haul truck.¹ Plaintiffs allege that defendants filed a false police report which led to Stanislaus Nwachukwu’s wrongful arrest. Plaintiffs allege that defendants discriminated against plaintiffs based on their race, filed an allegedly false police report which then resulted in Stanislaus Nwachukwu’s

¹ See R. Doc.

1. arrest, and inflicted emotional distress on plaintiffs.² Plaintiffs additionally bring a breach of contract claim based on the rental of the U-Haul.³ Defendants argue that plaintiffs' complaint should be dismissed because their claims are barred by issue preclusion based on plaintiffs' previous suit ("Nwachukwu I") against U-Haul Co. of Louisiana.⁴ In that suit, plaintiffs Stanislaus Nwachukwu and Ijeoma Blessing Nwachukwu brought claims against U-Haul Co. of Louisiana for discrimination, defamation, negligence, negligent and intentional infliction of emotional distress, and false imprisonment.⁵ The suit alleged that U-Haul Co. of Louisiana filed a false police report, leading to a wrongful arrest, for Stanislaus Nwachukwu's failure to timely return the rented U-Haul.⁶ This Court dismissed plaintiffs' claims with prejudice following a review of the summary judgment record in the previous case and released a 27-page order and reasons detailing the Court's rationale.⁷ Plaintiffs then attempted to appeal this Court's decisions but were ultimately unsuccessful.

2 Id. 3 Id. 4 R. Doc. 16. 5 R. Doc. 16, Exhibit 1. 6 For a full recitation of the facts of this case, see R. Doc. 16, Exhibit 10. 7 R. Doc. 16, Exhibit 10. Plaintiffs filed this suit after the Fifth Circuit dismissed their appeal of the summary judgment order but before the Fifth Circuit ruled on their appeal of this Court's denial of their procedural motions.

Plaintiffs oppose defendants' motion, primarily arguing that because they have sued different entities, issue preclusion does not apply.⁸ The Court considers the parties' arguments below. II. LEGAL STANDARD To survive a Rule 12(b)(6) motion to dismiss, a plaintiff must plead enough facts to "state a claim to relief that is plausible on its face," *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atl.*

Corp. v. Twombly, 550 U.S. 544, 547 (2007)), and "that, if true, 'raise a right to relief above the speculative level.'" *Franklin v. Regions Bank*, 976 F.3d 443, 447 (5th Cir. 2020) (quoting *Twombly*, 550 U.S. at 555). A claim is facially plausible "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.

The Court must accept all well-pleaded facts as true and must draw all reasonable inferences in favor of the plaintiff. *Lormand v. U.S. Unwired, Inc.*, 565 F.3d 228, 239, 244 (5th Cir. 2009). But the Court 8 R. Doc. 22. is not bound to accept as true legal conclusions couched as factual allegations. *Iqbal*, 556 U.S. at 678. III. DISCUSSION A. Issue Preclusion In the present motion to dismiss, defendants urge the Court to dismiss the Nwachukwu's action based on issue preclusion.

Res judicata encompasses two preclusive doctrines: "(1) true *res judicata* or claim preclusion and (2) collateral estoppel or issue preclusion." *Houston Pro. Towing Ass'n v. City of Hous.*, 812 F.3d 443, 447 (5th Cir. 2016) (internal quotations omitted). These two doctrines work to "protect against the expense and vexation attending multiple lawsuits, conserve judicial resources, and

foster reliance on judicial action by minimizing the possibility of inconsistent decisions.” *Taylor v. Sturgell*, 553 U.S. 880, 892 (2008) (cleaned up).

At issue here is the second doctrine, issue preclusion. Issue preclusion bars “‘successive litigation of an issue of fact or law actually litigated and resolved in a valid court determination essential to the prior judgment,’ even if the issue recurs in the context of a different claim.” *Id.* (quoting *New Hampshire v. Maine*, 532 U.S. 742, 748-49 (2001)).

For issue preclusion to apply, three elements must be met: (1) the issue at stake must be identical to the one involved in the prior action; (2) the issue must have been actually litigated in the prior action; and (3) the determination of the issue in the prior action must have been a part of the judgment in that earlier action. *United States ex rel Gage v. Rolls-Royce North America, Inc.*, 760 F. App’x 314, 317 (5th Cir.

2019) (quoting *In re Southmark Corp.*, 163 F.3d 925, 932 (5th Cir. 1999)). Additionally, the legal standard used to assess the issue must be the same in both proceedings. *Next Level Commc’ns LP v. DSC Commc’ns Corp.*, 179 F.3d 244, 250 (5th Cir. 1999).

In this action, all three elements are met. First, the issues at stake in *Nwachukwu I* are identical to those at stake here. *Nwachukwu I* involved claims based on the same set of circumstances. As in the first suit, plaintiffs’ complaint alleges that the defendants discriminated against plaintiffs because of their race, filed a false police report which resulted in Stanislaus Nwachukwu’s arrest, and inflicted emotional distress on plaintiffs.

As with the first lawsuit, these claims revolve around the plaintiffs’ rental of a U-Haul from a Louisiana U-Haul location and the events that followed. Namely, U-Haul’s reporting of the vehicle as unreturned to the St. John Parish Sheriff’s Office after Stanislaus Nwachukwu kept the vehicle 19-days passed the original return date, and the subsequent arrest and incarceration of Stanislaus Nwachukwu.

The core facts and issues in both lawsuits are identical.⁹ Plaintiffs do not deny that the suits are based on the same underlying facts.¹⁰ Instead, they argue that the issues were not previously decided because the parties that plaintiffs have sued in the instant action differ from the party sued in the first action.¹¹ But the parties do not need to be identical, “so long as the party against whom estoppel applies had the full and fair opportunity to litigate the issue in the previous lawsuit.” *Rabo Agrifinance, Inc. v. Terra XXI, Ltd.*, 583 F.3d 348, 353 (5th Cir.

2009); see also *Rolls- Royce North America, Inc.*, 760 F. App’x at 317. Here, the parties against whom estoppel applies are plaintiffs. The plaintiffs in the present suit are identical to the plaintiffs in the previous suit. Plaintiffs had a “full and fair opportunity to litigate the issue[s] in the previous lawsuit.” *Id.* That plaintiffs did not achieve the result they desired in the previous lawsuit is of no consequence.

Plaintiffs additionally argue that they bring a new claim for breach of contract in the instant action. This argument fares no better. Plaintiffs 9 Compare R. Doc 16, Exhibit 1 with R. Doc. 1. 10 See R. Doc. 22 at 1 (“the prior action involved overlapping factual background”). 11 See generally R. Doc. 22. appear to be confusing claim and issue preclusion. Issue preclusion may apply even if the claims differ. Next Level Commc’n, 179 F.3d at 250. It is the issues that matter, and the issues presented by plaintiffs’ new claims have already been raised.

The contracts at issue in the present matter are the exact contracts that were presented to the Court in the first matter. The Court already reviewed the contracts and determined that Mr. Nwachukwu kept the U-Haul long passed the original contract return date.¹² The issues underlying the Nwachukwus’ claims are the same as in the original suit. That the Nwachukwus have found a different label for their grievances does not alter this.

Second, the issues were all actually litigated in the prior action. This Court released a 27-page Order and Reasons granting summary judgment for defendant in the first action. See *In re Keaty*, 397 F.3d 264, 271 (5th Cir. 2005) (noting that courts “apply the doctrine of issue preclusion to issues decided on summary judgment”).

Finally, the Court’s previous determinations in the Nwachukwus’ first lawsuit were necessary to its decision to dismiss the Nwachukwus’ case with prejudice. The third element is therefore satisfied. Accordingly, plaintiffs’ present action is barred by issue preclusion. 12 R. Doc. 16, Exhibit 10 at 4-5. B. Leave to Amend Because the Court has determined that plaintiffs’ claims are barred by res judicata, leave to amend would be futile.

Accordingly, the Court declines to grant plaintiffs’ leave to amend their complaint. See *Matter of: Sherwin Alumina Co., LLC*, 952 F.3d 229, 236 (5th Cir. 2020). IV. CONCLUSION For the foregoing reasons, the Court GRANTS defendants’ motion to dismiss.

The Court DISMISSES WITH PREJUDICE plaintiffs’ action against defendants. New Orleans, Louisiana, this__ 4th _ day of February, 2026. hernk Vaeves. SARAH S. VANCE UNITED STATES DISTRICT JUDGE