UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

W.A. Call Mfg. Co., Inc. v. WiLine Networks Inc.

No. 24-cv-07141-LB (N.D. Cal. Sept. 11, 2025) · No. 24-cv-07141-LB · Decided September 11, 2025

SUMMARY

The court ruled on WiLine Networks Inc.'s motion to dismiss non-contract claims and to strike class allegations in a putative class action concerning service-rate increases, automatic renewals, and early termination fees. It dismissed the Federal Communications Act claim with prejudice and the Unfair Competition Law claim without prejudice and with leave to amend, while allowing the false-promise claim to proceed. The court denied the motion to strike the class allegations, concluding that class-certification issues were better addressed after discovery.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Laurel Beeler
JURISDICTION	United States District Court for the Northern District of California
DECIDED	September 11, 2025
DOCKET	24-cv-07141-LB
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs filed a putative class action asserting breach of contract, a Federal Communications Act claim, a California Unfair Competition Law claim, and false promise. Defendant moved under Federal Rules of Civil Procedure 12(b)(6) and 12(f) to dismiss claims, strike a UCL allegation, and strike the class allegations.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepted factual allegations as true and construed them in plaintiffs' favor, requiring enough facts to state a claim plausible on its face. On a Rule 12(f) motion, allegations may be stricken if redundant, immaterial, impertinent, or scandalous; class allegations are generally not stricken at the pleading stage unless it is clear that class treatment is not viable.
PRECEDENTIAL VALUE	unpublished district court order; nonprecedential

TOPICS

breach of contract · motions to dismiss · class actions · civil procedure · consumer protection

PRACTICE AREAS

civil procedure · contracts · consumer protection · commercial litigation

QUESTIONS PRESENTED

1. Whether the plaintiffs stated a private Federal Communications Act claim under 47 U.S.C. § 201(b) without identifying an FCC determination that the challenged conduct violated the statute.
2. Whether the plaintiffs adequately pleaded that they lacked an adequate remedy at law, as required for equitable relief under California's Unfair Competition Law.
3. Whether the plaintiffs adequately pleaded a false-promise fraud claim, including the promise, falsity when made, intent, reliance, and damages with the particularity required by Rule 9(b).
4. Whether the court should strike the putative class allegations at the pleading stage under Rule 12(f) because individualized issues allegedly predominated.
5. Whether the reference to California Penal Code § 484 in paragraph 193 of the UCL claim should be stricken as irrelevant.

HOLDINGS

1. A private action under § 201(b) requires an FCC determination that the specific challenged conduct violates the statute. Because the complaint identified no such determination concerning the alleged rate increases, notice failures, or automatic-renewal practices, the FCA claim was dismissed with prejudice.
2. A plaintiff seeking equitable relief under California's UCL must plead the inadequacy of legal remedies. Because plaintiffs did not allege that damages were inadequate, the UCL claim was dismissed without prejudice and with leave to amend.
3. The false-promise claim was adequately pleaded because plaintiffs alleged that WiLine promised annual CPI-tethered rate increases with thirty days' notice and, when making the promise, did not intend to perform.
4. The court denied the motion to strike the class allegations because the alleged contract issues presented common questions and challenges to predominance were better resolved on a class-certification motion after discovery.
5. Paragraph 193 was stricken as irrelevant after dismissal of the UCL claim, without prejudice to further pleading.

KEY QUOTATIONS

> *"Thus, a complaint that does not identify an FCC determination that the challenged conduct violates Section 201 must be dismissed."* (at 3)

> *"The UCL provides equitable relief only if no adequate legal remedy exists."* (at 5)

> *"The issues — whether WiLine raised rates more than annually, without notice, and untethered to the CPI — present common questions available for classwide resolution."* (at 7)

FACTUAL BACKGROUND

WiLine provides internet and telephone services under form customer-service agreements incorporating online terms and conditions. The agreements allegedly permitted annual CPI-based rate adjustments with thirty days' notice, automatic renewal absent thirty days' written notice, and early termination fees. Plaintiffs alleged that WiLine increased rates more than once per year, without the required notice, and by amounts exceeding CPI, while obscuring renewal terms and using termination fees to deter cancellation.

PROCEDURAL HISTORY

The action was before the Northern District of California on defendant's motion directed at the first amended complaint. The court dismissed the FCA claim with prejudice, dismissed the UCL claim without prejudice and with leave to amend, struck the challenged UCL paragraph without prejudice, denied dismissal of the false-promise claim, and denied the motion to strike the class allegations as premature. Plaintiffs were ordered to file an amended complaint within twenty-one days with a blackline comparison.

DISPOSITION

other

CASES CITED

- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555, 570 (2007)
- Woods v. U.S. Bank N.A., 831 F.3d 1159, 1162 (9th Cir. 2016)
- Interpipe Contracting, Inc. v. Becerra, 898 F.3d 879, 886-87 (9th Cir. 2018)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- N. Cnty. Commc'ns Corp. v. Cal. Catalog & Tech., 594 F.3d 1149, 1158 (9th Cir. 2010)
- Glob. Crossing Telecomms., Inc. v. Metrophones Telecomms., Inc., 550 U.S. 45, 52-53 (2007)
- Sonner v. Premier Nutrition Corp., 971 F.3d 834, 844 (9th Cir. 2020)
- Ramirez v. County of San Bernardino, 806 F.3d 1002, 1008 (9th Cir. 2015)
- First Advantage Background Servs. Corp. v. Priv. Eyes, Inc., 569 F. Supp. 2d 929, 938-39 (N.D. Cal. 2008)
- Platte Anchor Bolt, Inc. v. IHI, Inc., 352 F. Supp. 2d 1048, 1057 (N.D. Cal. 2004)
- Whittlestone, Inc. v. Handi-Craft Co., 618 F.3d 970, 974 (9th Cir. 2010)
- Cashatt v. Ford Motor Co., No. C19-5886, 2020 WL 1987077, at *3 (W.D. Wash. Apr. 27, 2020)
- Thorpe v. Abbott Labs., Inc., 534 F. Supp. 2d 1120, 1125 (N.D. Cal. 2008)
- In re Wal-Mart Stores, Inc. Wage & Hour Litig., 505 F. Supp. 2d 609, 615 (N.D. Cal. 2007)
- Sanders v. Apple Inc., 672 F. Supp. 2d 978, 990-91 (N.D. Cal. 2009)