UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

Abbie Byrd et al. v. TitleMax of South Carolina, Inc. and TitleMax of Virginia, Inc.

Byrd · No. 1:25-cv-1039 · Decided May 4, 2026

SUMMARY

The United States District Court for the Middle District of North Carolina denied Defendants' motion to sever the claims of 87 plaintiffs under Federal Rules of Civil Procedure 20 and 21. The court held that the plaintiffs' claims concerning allegedly unlawful high-interest TitleMax vehicle title loans arose from the same series of transactions or occurrences and presented common questions of law and fact, and that severance was not warranted by prejudice or administrative concerns.

CASE DETAILS

COURT	United States District Court for the Middle District of North Carolina
WRITING FOR THE COURT	Lindsey A. Freeman
JURISDICTION	United States District Court for the Middle District of North Carolina
DECIDED	May 4, 2026
DOCKET	1:25-cv-1039
DISPOSITION	other
PROCEDURAL POSTURE	After removal from North Carolina Superior Court, defendants moved under Federal Rules of Civil Procedure 20 and 21 to sever the claims of 87 joined plaintiffs and dismiss all plaintiffs without prejudice except the first-named plaintiff.
STANDARD OF REVIEW	Permissive joinder under Rule 20 is reviewed under the court's broad discretion; severance under Rule 21 is also discretionary and may be denied when it would cause prejudice, expense, or delay or would undermine trial convenience and judicial efficiency.
PRECEDENTIAL VALUE	unknown
PARTIES	TitleMax of South Carolina, Inc., TitleMax of Virginia, Inc. v. Abbie Byrd, 87 plaintiffs

TOPICS

joinder | civil procedure | consumer protection | deceptive trade practices | contracts

PRACTICE AREAS

civil procedure | consumer protection | contracts | commercial litigation

QUESTIONS PRESENTED

1. Whether the 87 plaintiffs satisfied the same-transaction-or-occurrence requirement for permissive joinder under Federal Rule of Civil Procedure 20(a)(1)(A).
2. Whether the plaintiffs' claims presented at least one common question of law or fact under Federal Rule of Civil Procedure 20(a)(1)(B).
3. Whether the court should exercise its discretion under Federal Rule of Civil Procedure 21 to sever the plaintiffs despite proper joinder because of prejudice, expense, delay, or administrative concerns.

HOLDINGS

1. The plaintiffs' claims arose out of the same transaction or occurrence, or series of transactions or occurrences, because they were logically related to the same alleged high-interest TitleMax title-lending scheme and alleged similar violations of North Carolina law.
2. The plaintiffs satisfied the common-question requirement because their claims raised common questions of fact and law concerning the alleged title-loan scheme, compliance with North Carolina lending limits, applicability of North Carolina public policy, and alleged violations of the UDTPA.
3. The court declined to sever the plaintiffs under Rule 21 because joinder would promote administrative efficiency, facilitate resolution of common threshold issues, and create no demonstrated prejudice, expense, or delay warranting severance.

KEY QUOTATIONS

> *“Plaintiffs meet the requirements of permissive joinder under Federal Rule of Civil Procedure 20, and the Court declines to sever pursuant to Federal Rule of Civil Procedure 21.”* (at 1)

> *“Two claims arise from the same transaction — and therefore can be joined in the same action — when there is a ‘logical relationship’ between them.”* (at 5)

> *“Joinder here does so and serves its intended purpose: “to promote trial convenience and expedite the final determination of disputes, thereby preventing multiple lawsuits.””* (at 17)

FACTUAL BACKGROUND

The 87 plaintiffs are North Carolina residents who obtained similar car title loans from TitleMax entities in Virginia or South Carolina. They allege that the transactions involved annual percentage rates exceeding limits imposed by North Carolina law and that defendants engaged in unfair or deceptive practices, including allegedly unlawful lending, disclosure, notarization, lien, and vehicle-conversion practices. The transactions differed in timing, location, loan amount, interest rate, and contractual terms, but the court found them sufficiently related because they allegedly arose from a common high-interest title-lending scheme.

PROCEDURAL HISTORY

Plaintiffs filed a state-court action on October 9, 2025, and later filed an amended complaint alleging that high-interest car title loans violated the North Carolina Consumer Finance Act and the North Carolina Unfair and Deceptive Trade Practices Act. Defendants removed the action on November 14, 2025, and simultaneously moved to sever the plaintiffs and dismiss all but Abbie Byrd without prejudice for alleged misjoinder. The district court denied the motion to sever.

DISPOSITION

other

CASES CITED

- Saval v. BL Ltd., 710 F.2d 1027, 1031 (4th Cir. 1983)
- Sakthivel v. Jaddou, No. 21-1207, 2023 WL 2888565, at *5 (4th Cir. Apr. 11, 2023)
- Slep-Tone Ent. Corp. v. Mainville, No. 3:11-cv-122, 2011 WL 4713230, at *4 (W.D.N.C. Oct. 6, 2011)
- Courthouse News Serv. v. Schaefer, 2 F.4th 318, 325 (4th Cir. 2021)
- Moore v. N.Y. Cotton Exch., 270 U.S. 593, 610 (1926)
- Mosley v. Gen. Motors Corp., 497 F.2d 1330, 1333-34 (8th Cir. 1974)
- Hinson v. Norwest Fin. S.C., Inc., 239 F.3d 611, 613, 618-19 (4th Cir. 2001)
- Wall v. AutoMoney, 877 S.E.2d 37, 49 (N.C. Ct. App. 2022)
- Stacy v. Jennmar Corp. of Virginia, Inc., 342 F.R.D. 215, 225 (W.D. Va. 2022)
- Pontones v. Los Tres Magueyes, Inc., No. 5:18-cv-87, 2020 WL 12839920, at *2 (E.D.N.C. Feb. 6, 2020)
- Kalie v. Bank of Am. Corp., 297 F.R.D. 552, 555, 557-58 (S.D.N.Y. 2013)
- Abraham v. Am. Home Mortg. Servicing, Inc., 947 F. Supp. 2d 222, 226, 230 (E.D.N.Y. 2013)
- Visendi v. Bank of Am., N.A., 733 F.3d 863, 866, 870 (9th Cir. 2013)
- Grennell v. W. S. Life Ins. Co., 298 F. Supp. 2d 390, 392-93, 397-400 (S.D.W. Va. 2004)
- Stephens v. Kaiser Found. Health Plan of the Mid-Atl. States, Inc., 807 F. Supp. 2d 375, 384 (D. Md. 2011)
- Moreno v. TitleMax of Va., Inc., 735 F. Supp. 3d 645, 649-60 (M.D.N.C. 2024)
- Moreno v. TitleMax of Va., Inc., No. 1:23-cv-589, 2024 WL 4187938, at *1, *5 (M.D.N.C. Sept. 13, 2024)
- Royal Canin U.S.A., Inc. v. Wullschleger, 604 U.S. 22, 35 (2025)
- Caterpillar Inc. v. Williams, 482 U.S. 386, 398-99 (1987)
- Aleman v. Chugach Support Servs., Inc., 485 F.3d 206, 218 n.5 (4th Cir. 2007)
- United Mine Workers of Am. v. Gibbs, 383 U.S. 715, 724 (1966)
- Kehr ex rel. Kehr v. Yamaha Motor Corp., U.S.A., 596 F. Supp. 2d 821, 828 (S.D.N.Y. 2008)
- Carter v. Bank of Am., N.A., No. 1:11-cv-326, 2012 WL 2090530, at *1-3 (W.D.N.C. June 11, 2012)
- Abatemarco v. Legasus of N.C., LLC, No. 1:11-cv-23, 2012 WL 13001550, at *1, *3-4 (W.D.N.C. June 1, 2012)
- Carbon Fuel Co. v. USX Corp., 867 F. Supp. 414, 419 (S.D.W. Va. 1994)

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