UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Thompson v. Equifax

Thompson · No. 24-cv-08904-VC · Decided June 9, 2025

SUMMARY

The United States District Court for the Northern District of California grants Equifax's motion to dismiss Kenan Thompson's Fair Credit Reporting Act claims, with leave to amend. The court finds that some alleged inaccuracies and actual damages were adequately pleaded, but the allegations concerning credit utilization, the reasonableness of Equifax's procedures, and willfulness were insufficiently detailed.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Vince Chhabria
JURISDICTION	United States District Court for the Northern District of California
DECIDED	June 9, 2025
DOCKET	24-cv-08904-VC
DISPOSITION	other
PROCEDURAL POSTURE	Equifax moved to dismiss Thompson's Fair Credit Reporting Act complaint. The court granted the motion with leave to amend.
STANDARD OF REVIEW	Motion-to-dismiss pleading sufficiency standard
PRECEDENTIAL VALUE	Unpublished federal district court order; precedential status not stated
PARTIES	Kenan Thompson v. Equifax

TOPICS

credit reporting · motions to dismiss · pleadings · consumer protection · civil procedure

PRACTICE AREAS

Fair Credit Reporting Act · consumer protection · civil procedure

QUESTIONS PRESENTED

1. Whether Thompson adequately alleged inaccurate credit reporting concerning charged-off accounts and the status of Discover accounts.
2. Whether Thompson adequately alleged inaccurate credit-utilization reporting.
3. Whether Thompson adequately alleged that Equifax failed to use reasonable procedures to assure accuracy or conduct a reasonable reinvestigation.
4. Whether Thompson adequately alleged actual damages.
5. Whether Thompson adequately alleged a willful violation of the Fair Credit Reporting Act.

HOLDINGS

1. Thompson adequately alleged inaccuracies based on Equifax's reporting of three paid accounts as charged off and two individual Discover accounts as authorized-user accounts.
2. Thompson failed to state a claim based on credit-utilization data because he did not explain what Equifax reported, why it was inaccurate, or why it was misleading.
3. Thompson did not adequately allege that Equifax's procedures for assuring accuracy or reinvestigating disputed information were unreasonable.
4. Thompson sufficiently alleged actual damages by alleging credit denials, emotional distress, injury to creditworthiness, and mental distress.
5. Thompson did not allege sufficient facts to infer that Equifax willfully violated the Fair Credit Reporting Act.

KEY QUOTATIONS

> *"Equifax's motion to dismiss is granted with leave to amend."*

> *"From these facts alone, Thompson has not alleged the unreasonableness of Equifax's procedures for assuring accuracy and reinvestigation because it is not clear what he said in his disputes to Equifax, what supporting documentation he attached, or whether Equifax ever responded to any of his disputes."*

FACTUAL BACKGROUND

Thompson alleged that Equifax reported three bank accounts as charged off even though they had been paid in full, and listed two individual Discover accounts as authorized-user accounts. He also alleged inaccurate credit-utilization reporting, multiple disputes to Equifax beginning May 13, 2024, supporting documentation, failure to correct or remove the information within 30 days, and credit denials, emotional distress, injury to creditworthiness, and mental distress. The court found the account-reporting allegations and actual-damages allegations sufficient, but found insufficient detail regarding the credit-utilization reporting, the contents and documentation of the disputes, Equifax's responses, and facts supporting willfulness.

PROCEDURAL HISTORY

Thompson alleged that Equifax inaccurately reported several bank accounts and credit-utilization information and failed to reasonably reinvestigate his disputes. On Equifax's motion to dismiss, the court held that some inaccuracies and actual damages were adequately alleged, but that the credit-utilization allegations, unreasonable-procedures allegations, and willfulness allegations were insufficient. The court granted dismissal with leave to amend within 14 days.

DISPOSITION

other

CASES CITED

- Finley v. TransUnion, No. 17-CV-07165, 2020 WL 408987, at *3 (N.D. Cal. Jan. 24, 2020)
- Finley v. TransUnion, 830 F. App’x 954 (9th Cir. 2020)
- Guimond v. Trans Union Credit Information Co., 45 F.3d 1329, 1333 (9th Cir. 1995)

OPINION

Thompson v. Equifax
PER CURIAM.
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
KENAN THOMPSON, Case No. 24-cv-08904-VC Plaintiff,
ORDER RE MOTION TO DISMISS
v. Re: Dkt. No. 31
EQUIFAX,
Defendant. Equifax’s motion to dismiss is granted with leave to amend. This order assumes the reader’s familiarity with the facts, governing legal standards, and arguments made by the parties. Inaccuracies. Thompson adequately alleges that his credit report was inaccurate because three bank accounts (two Navy Federal accounts and one Discover account) were reported as charged off when they were paid in full. He also adequately alleges that two Discover accounts were listed as authorized user accounts even though they were his individual accounts. For each of these accounts, Thompson provided the bank account’s last four digits. However, Thompson fails to state a claim with respect to his credit utilization data. He alleges that his credit utilization data was reported inaccurately, but he does not provide any detail about what the report said about his credit utilization, nor does he explain why that reporting was inaccurate or misleading. Reasonableness of Equifax’s Procedures. Credit reporting agencies are required under Section 1681(e)(b) to “follow reasonable procedures to assure maximum possible accuracy of the information concerning the individual about whom the report relates.” 15 U.S.C. § 1681e(b). If a consumer disputes the accuracy of their report, credit reporting agencies are also required to “conduct a reasonable reinvestigation to determine whether the disputed information is inaccurate and record the current status of the disputed information” or “delete the item from the file” within 30 days after receiving notice of the dispute. 15 U.S.C. § 16811. Thompson alleges that he disputed the inaccuracies with supporting documentation with Equifax on May 13, 2024, and that

Equifax did not correct or remove the inaccurate information within 30 days. He also alleges that he then disputed the inaccuracy five more times, on 7/3/24, 9/12/24, 9/24/24, 10/7/24, and 10/20/24. From these facts alone, Thompson has not alleged the unreasonableness of Equifax's procedures for assuring accuracy and reinvestigation because it is not clear what he said in his disputes to Equifax, what supporting documentation he attached, or whether Equifax ever responded to any of his disputes. See Finley v. TransUnion, No. 17-CV- 07165, 2020 WL 408987, at *3 (N.D. Cal. Jan. 24, 2020), aff'd, 830 F. App'x 954 (9th Cir. 2020). Actual damages. Thompson sufficiently alleged actual damages by alleging that he suffered credit denials, emotional distress, injury to his creditworthiness, and mental distress. See Guimond vy. Trans Union Credit Information Co., 45 F.3d 1329, 1333 (9th Cir. 1995). Willfulness. Thompson has not alleged enough facts to infer that Equifax willfully violated the FCRA. See 15 U.S.C. § 1681n. Willfulness cannot be inferred without more detail about what documentation Thompson sent Equifax in his disputes and whether Equifax responded or followed up on the disputes. Dismissal is with leave to amend. Any amended complaint must be filed with 14 days of this order. IT IS SO ORDERED. Dated: June 9, 2025 Ko“. mee

VINCE CHHABRIA

United States District Judge