IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF IOWA
CENTRAL DIVISION

MARY "BELLE" STOBERL, f/k/a BELLE ALGER, Plaintiff, vs. CYBRCOLLECT, INC., and PUREPAY ELECTRONIC COLLECTIONS, LLC, Defendants.	**No. 4:08-cv-00360-JEG** **O R D E R**

This matter comes before the Court on a Motion to Dismiss by Defendant Purepay Electronic Collections, LLC (Purepay). The parties have not requested a hearing, and the Court finds that no hearing is necessary. The matter is fully submitted and ready for disposition.

I. BACKGROUND[1]

In her complaint, Plaintiff Mary "Belle" Stoberl (Stoberl) alleges that Defendant Cybrcollect, Inc. (Cybrcollect), employed her as a sales manager for more than six years. Purepay acquired Cybrcollect in late 2007. In January 2007, Stoberl alleges that Cybrcollect President Gary Doherty asked to take nude photographs of Stoberl. When Stoberl refused to model for the photographs, her relationship with Cybrcollect soured, culminating with a conflict in June 2008 when Cybrcollect threatened to stop paying Stoberl commissions on her sales if she did not sign a modified employment contract.

[1] Although on a motion to dismiss the Court views the allegations and facts set forth in the complaint as true "even if it strikes a savvy judge that actual proof of those facts is improbable," Bell Atl. Corp. v. Twombly, 127 S. Ct. 1955, 1963 (2007), Stoberl failed to set forth in either her original or amended complaints a discernible statement of facts with regard to a claim against Purepay.

Stoberl filed suit in the Iowa District Court for Polk County against Cybrcollect and Purepay, alleging that she was constructively discharged due to Cybrcollect's creation of a hostile work environment and breach of its contract with her. After removing the case to this court pursuant to 28 U.S.C. § 1441(a) and on the basis of 28 U.S.C. § 1332, Purepay filed its Motion to Dismiss pursuant to Federal Rule of Civil Procedure 12(b)(6) and on the grounds that no specific claim was asserted against Purepay; a parent cannot be held liable for the acts of its subsidiary; and the Petition alleges no facts upon which to pierce the corporate veil.[2] Stoberl responded by amending her complaint. The amendment did not recite any additional facts but repeatedly attached the conclusory allegation that Purepay "participated in" the constructive discharge and/or the decision to breach the contract. STOBERL then resisted the Motion to Dismiss on the grounds that, while the Petition satisfied Federal Rule of Civil Procedure 8 even without the amendment,[3] the amendment had mooted the motion, and Plaintiff was entitled to pursue discovery to further define the claim against Purepay.

II. DISCUSSION

Purepay moves to dismiss Stoberl's complaint under Federal Rule of Civil Procedure 12(b)(6) for failure to state a claim. To state a claim upon which relief can be granted, a plaintiff "must include *sufficient factual information* to provide the 'grounds' on which the claim rests,

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[2] Cybrcollect filed an answer and also brought a counterclaim against Stoberl for breach of contract and tortious interference with business relations stemming from a non-compete contract.

[3] Plaintiff too aggressively cloaks herself in the protection of "notice pleading" embodied in Rule 8(a)(2). The claim must include allegations that plausibly suggest actionable conduct, and it is insufficient to assert conclusory allegations that are nothing more than labels or claimed satisfaction of elements. See, e.g., Saunders v. Farmers Ins. Exch., 537 F.3d 961, 964-65 (8th Cir. 2008) (citing Twombly, 127 S. Ct. at 1965-66).

and to raise a right to relief above a speculative level." Schaaf v. Residential Funding Corp., 517 F.3d 544, 549 (8th Cir. 2008) (quoting Twombly, 127 S. Ct. at 1964-65) (emphasis added). Put differently, "the claim must . . . be supported with enough factual fodder that the claim can plausibly be proven." Brown v. Kerkhoff, 504 F. Supp. 2d 464, 522 (S.D. Iowa 2007). "The complaint must 'provide [the] defendant with some indication of the . . . causal connection that the plaintiff has in mind'" in order to avoid allowing a plaintiff with "no hope of showing proximate causation [to] require inefficient expenditure of resources and potentially induce a defendant to settle a meritless claim" through the threat of burdensome discovery. Schaaf, 517 F.3d at 549 (quoting Dura Pharms., Inc. v. Broudo, 544 U.S. 336, 347 (2005)).

Stoberl's complaint presents one of the rare instances where a pleading fails to meet the liberal standard of Rule 12(b)(6). When challenged to produce a tie linking Purepay to her alleged harm, Stoberl provided nothing but conclusory statements devoid of any facts (though claiming in her brief that she had facts), stating repeatedly that Purepay participated in the decision or action to constructively discharge Stoberl and "breach contract [sic]" with her. This is fundamentally insufficient.

Stoberl contends that she "has reason to believe" that her injury "may be directly related to an attempt by [Purepay] to have her purged" and, furthermore, Stoberl states that she "has evidence" proving her allegations. Pl. Resp. 1. While detailed production of such evidence is not necessary to state a claim, the law minimally requires factual information illustrating the grounds for the claim and the plausibility of ultimate proof. Stoberl has not approached that standard and has therefore failed "to state a claim upon which relief can be granted." Fed. R. Civ. P. 12(b)(6).

III. CONCLUSION

For the foregoing reasons, Defendant's Motion to Dismiss (Clerk's No. 3) must be **granted**. The above-entitled action against Defendant Purepay Electronic Collections, LLC, is **dismissed without prejudice**.

IT IS SO ORDERED.

Dated this 2nd day of February, 2009.

JAMES E. GRITZNER, JUDGE
UNITED STATES DISTRICT COURT