2 3

4 5

> 6 7 8

9

10 11 12

13 14

15

16 17

18 19

20 21

22

23 24

25 26

28

27

Plaintiff Linda Oakes, on behalf of herself and all others similarly situated, alleges the following against Defendants American Honda Motor Co., Inc. and Honda Motor Co., Ltd.:

SUMMARY OF CASE

- Honda recently introduced its 2015 model year CR-V, announcing that the 1. new model year would come with substantial upgrades. Most prominently, Honda advertised a new engine and transmission that was projected to make the 2015 CR-V "best-in-class" in fuel efficiency.
- 2. Behind the scenes, Honda's quest to improve the CR-V's fuel efficiency came with a significant tradeoff. Typically, auto manufacturers must balance fuel efficiency against customer comfort since several methods for improving fuel efficiency also cause noise, vibration, and harshness problems. In its over-eagerness to optimize the CR-V's fuel economy, Honda produced a vehicle that experiences a substantial vibration at idle and low speeds—a vibration that drivers describe as "severe," "extremely distracting," and "nauseating."
- 3. Honda knew about the vibration before it began selling the 2015 CR-V and had several viable options for mitigating the problem. But modifying the CR-V would either have reduced its fuel efficiency or required Honda to install costly components to dampen the vibration. Alternatively, Honda could have disclosed to consumers that the CR-V is prone to severe vibrating, and allowed consumers to make an informed purchasing decision using that knowledge.
- 4. Honda chose instead to sell the CR-V as is. Not trusting that consumers would opt to buy a CR-V if they knew of the vibration in advance, Honda hid the problem from the car-buying public. When customers return (often just days later) to complain, Honda refuses to fix the problem or refund their money.
- 5. Honda's conduct violates California's consumer protection statutes and is also in breach of Honda's warranties. Plaintiff brings this suit on behalf of herself and a

4 5

> 7 8

6

9 10

11

1213

1415

16

1718

19 20

21

2223

2425

26

27

28

proposed class to enjoin Honda from continuing to conceal the problem from consumers and to obtain damages, restitution, and all other available relief.

PARTIES

- 6. Plaintiff Linda Oakes is a citizen and resident of Laguna Niguel, California, located in Orange County.
- 7. Defendant American Honda Motor Company, Inc., is a California corporation with its headquarters and principal place of business in Torrance, California.
- 8. Defendant Honda Motor Co., Ltd., is a Japanese corporation and the parent company of American Honda Motor Company, Inc. The two defendants are referred to collectively in this complaint as "Honda."

JURISDICTION AND VENUE

- 9. This Court has jurisdiction over this action under the Class Action Fairness Act, 28 U.S.C. § 1332(d). There are at least 100 members in the proposed class, the aggregated claims of the individual class members exceed the sum or value of \$5,000,000, exclusive of interests and costs, and this is a class action in which Defendant Honda and more than two-thirds of the proposed plaintiff class are citizens of different states.
- 10. This Court may exercise jurisdiction over Honda because Honda is headquartered in California; is registered to conduct business in California; has sufficient minimum contacts in California; and intentionally avails itself of the markets within California through the promotion, sale, marketing, and distribution of its vehicles, thus rendering the exercise of jurisdiction by this Court proper and necessary.
- 11. Venue is proper in this District under 28 U.S.C. § 1391 because Honda is headquartered in this district and a substantial part of the events or omissions giving rise to Plaintiff's claims occurred in this District.

SUBSTANTIVE ALLEGATIONS

12. Honda designs, manufactures, markets, distributes, and warrants massproduced automobiles in the United States under the Honda brand name. Included

among those vehicles is the 2015 model year Honda CR-V, a crossover sport utility vehicle, which is the subject of this lawsuit.

- 13. After Honda introduced the CR-V in the 1990s, the CR-V underwent a number of changes over the years, including mostly recently a substantial redesign for the 2015 model year. Among other changes, Honda equipped the 2015 CR-V with a four-cylinder "Earth Dreams" engine and a continuously variable transmission (CVT). The Earth Dreams engine, though new to the CR-V, had been used in the Honda Accord since the 2013 model year. Likewise, the continuously variable transmission, which is an automatic transmission that operates without fixed gear ratios, has been used in other vehicles for over a decade.
- 14. Honda credits these changes as being largely responsible for improved fuel economy numbers in the 2015 CR-V. Whereas the 2013 and 2014 CR-V models achieved an estimated 23 miles-per-gallon in the city and 31 miles-per-gallon on the highway, the 2015 CR-V achieved an estimated 27 miles-per-gallon in the city and 34 miles-per-gallon on the highway.
- 15. Honda's marketing campaign for the CR-V focused on the vehicle's fuel efficiency, describing the CR-V as earning "best-in-class fuel economy." On its website and the vehicle brochure, Honda calls the 2015 model "[t]he most efficient CR-V yet." Its website also explains that "[a] new engine and new technology make CR-V one of the highest fuel efficiency SUVs on the market" and contains an "Environment" section dedicated to the CR-V's fuel-efficient features, including the Earth Dreams engine and CVT. In its press releases, Honda describes the Earth Dreams technology included with the CR-V as an "advanced environmental technolog[y]" and as an advancement that would greatly enhance fuel efficiency. Honda even cited the CR-V's "high EPA-estimated mpg rating" as making the vehicle a "great value" and justifying the 2015 Best Compact SUV for the Money award from U.S. News.
- 16. According to Honda, the Earth Dreams engine improves fuel economy in the CR-V by reaching maximum horsepower and peak torque at lower engine rotations

11

8

12 13

14 15 16

17 18

19 20 21

23 24

22

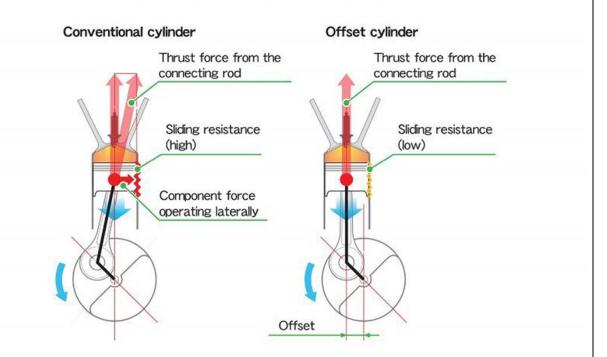
per minute (common known as "RPMs"). In other words, by designing the CR-V to run at lower RPMs at idle and other low speeds, Honda allowed the CR-V to use less power and thus operate more fuel efficiently. In today's world of increasingly common traffic jams and stop-and-go traffic, a substantial fuel economy improvement at low speeds and idle translates to a noteworthy fuel economy improvement for the entire drive cycle. For example, a 20% improvement at idle alone can improve the entire drive cycle by 3-4%.

- 17. It has been well-understood in the automotive industry for more than a decade, however, that designing a vehicle to run at low RPMs at idle and low speeds poses potentially severe drawbacks in NVH—the acronym used in the automotive industry for noise, vibration, and harshness. Higher idle speeds, on the other hand, help to ensure smooth operation.
- 18. A 2005 engineering article published by the highly-regarded and widelyread Society of Automotive Engineers, for example, began: "Vehicle idle quality has become an increasing quality concern for automobile manufacturers because of its impact on customer satisfaction. As demand for better fuel economy increases, automobile manufacturers are continuously looking for any benefits from different driving conditions. One area is lowering the idle speed at both drive and neutral idles. This typically has adverse impact on vehicle idle quality...."
- 19. Similarly, a 2003 paper stated: "The automotive engine at idle is a perfect example of the tradeoffs that must be made in order to satisfy a number of different objectives. ... At low speeds, while fuel economy is close to optimal the engine is more susceptible to cyclic variations in combustion increasing the vehicle NVH and therefore reducing passenger and driver comfort."
- 20. The 2015 CR-V has a number of additional characteristics that make it prone to vibration. First, the Earth Dreams engine in the vehicles is an inline fourcylinder engine, an engine type long known to be more prone to vibration. An inline four engine fires every 180 degrees, which means that two pistons are always in the same position and moving in the same direction. Because the pistons moving up are

moving at different speeds than pistons that are moving down, vertical vibration may result.

21. Second, the Earth Dreams engine has cylinders offset by 8.0 mm from the crankshaft—again in an effort to improve efficiency. The offset reduces sliding resistance (friction) between the piston and cylinder, but also increases asymmetric secondary vibrations, which makes controlling overall vibrations more difficult. A diagram of how the cylinder is offset appears below:

Conceptual diagram of offset cylinder



- 22. Third, while Honda describes the 2015 CR-V's continuously variable transmission as delivering superior fuel efficiency without sacrificing performance, CVTs have been in use for years and are well known to increase vibration.
- 23. In addition to these various causes of vibration, the CR-V is also noteworthy for its relative lack of vibration mitigation. The primary component tasked with reducing vibration is the engine mount, which secures the engine to the frame of the car and which is supposed to isolate and dampen engine vibrations.

- 24. Engine mounts come in several different types. Hydraulic engine mounts (applying a liquid column resonance) have been widely used in recent years because they substantially damp vibration. By way of comparison, Honda equipped the 2015 Accord (which has the same Earth Dreams engine) with hydraulic mounts, and there have been virtually no vibration-related complaints for the 2015 Accord.
- 25. Honda chose not to equip the 2015 CR-V with hydraulic engine mounts, however, because they are more expensive. Honda instead opted to install torque-rod engine-mounts in the CR-Vs, which are cheaper and also less effective at damping vibration.
- 26. As a result, the 2015 CR-V is prone to severe vibration when at idle and low speeds. The vibration is often apparent when the vehicle is still brand-new, and worsens over time. Many drivers have reported that their CR-Vs vibrate so severely that they develop nausea or headaches, or simply become distracted from their driving. The following are just a few of the vibration-related complaints made by 2015 CR-V drivers online, either to the National Highway Traffic Safety Administration or elsewhere:

Terrible vibration at times stopped for traffic light or just parked with engine running.

(<u>Date Complaint Filed</u>: 10/16/14 <u>CarComplaints.com</u>)

http://www.carcomplaints.com/Honda/CR-V/2015/engine/vibration
http://www.carcomplaints.com/Honda/CR-V/2015/engine/vibration
http://www.carcomplaints.com/Honda/CR-V/2015/engine/vibration
http://www.carcomplaints.com/Honda/CR-V/2015/engine/vibration
http://www.carcomplaints.com/Honda/CR-V/2015/engine/vibration
http://www.carcomplaints.com/Honda/CR-V/2015/engine/vibration

Car vibrates at idle, only way to fix this is to either put the car on neutral, or put load(turning on headlights, heat/AC,ect..) Car CVT also makes a small whiny sound during acceleration.

(<u>Date Complaint Filed</u>: 11/30/14 <u>NHTSA ID</u>: 10661339)

I have brought a brand new Honda CRV AWD LX model from Honda dealer in NJ. From the day one, I noticed some vibration on the front seat of the car when I am at the stop sign/signal with car in the drive mode with my foot on the brake pedal the vibration is random and not always but can be feel at the back of your body and it is very strong sometime that as a drive you get distracted and feel very uncomfortable while driving. I went to the dealer and able to duplicate the problem and showed it to their technician on 24th Nov 14. The technician took the vehicle for test drive and called me after an hour to share his conclusion. Dealer took another brand new 2015 Honda CRV and found the same issue with other vehicle. Also, based on the testing the dealer concluded that this problem is there in all new Honda CRV 2015. They told me they are helpless and cannot do anything and asked me to contact American Honda(all these details he gave me in the service document). I called American Honda(not one time but several times), they gave me the case number and told me to go to the dealer to fix the issue. I told them that I went to the dealer and they find the issue in the vehicle. I got a call from some Mr Mohammad(case manager) who represented himself as RM for NJ area. Without doing anything he closed my case, I called again and asked them to open the case. Mr Mohammed called me again and told me that this is one of the characteristic of Honda CRV(vibration issue) I mean he told vibration is a designed functionally and I have to live with this like all other users are living. I said to provide the email or phone of management so as to talk to them but he did not provide me the information and closed my case without my consensus and said we are helpless.

(<u>Date Complaint Filed</u>: 12/4/14 <u>NHTSA ID</u>: 10662296)

27

28

Ok, so I bought a brand new Honda CRV 2015 on 12/01/14. When I drove it home I felt the huge vibration at idle, so I said to myself ok maybe the engine is new so it needs breaking time. However after drive everyday from home to work, and work to home, the CRV 2015 has a major problem. When it's in D mode and brake pressed, the rpm stays around 600, when I'm waiting for red light or stop sign the car just vibrates really crazy. I have very short leg, so I'm trying my best to hold on the brake, but the shake is making it really difficult, numerous time my legs are so tired I had to put on parking mode. The problem wont occur when the engine is cold or the heater fan is on high. And I contacted Honda corporate, they say all the parts are good there is no parts defect so it doesn't qualify for recall. But come on! It is a safety issue, specially if you drive the vehicle in New York which involves countless stops. I never fill out any complains, but I cant hold my big disappointment towards Honda quality control.

(<u>Date Complaint Filed</u>: 01/17/15 <u>NHTSA ID</u>: 10676180)

The car vibrates heavily at idle. This vibration far exceeds any vibration I have experienced in any other vehicle and is not acceptable for a new vehicle. All passengers can feel the vibration, but it is most pronounced in the front passenger seat when empty it shakes violently. The vibration is so pronounced that I have a hard time focusing my eyes resulting in eyestrain. The conditions under which the vibration (described below) occurs will not be experienced by most testdrivers and so Honda is deceiving the public by selling this car. They are aware of the issue and are doing nothing to solve it and they continue to sell the CRV. This is shameful. My findings: 1. The strong vibration / shaking happens continuously when: a. Engine is warm 5-15 minutes b. At a complete stop in drive c. There is no additional load on the engine (all additional components are off lights, AC, radio etc) d. Rpms

1

drop to just above the 500 line 2. The Strong vibration / shaking comes and goes cyclically when: a. Engine is warm 5-15 Minutes b. At a complete stop in drive C. There is some additional load on the engine. Such as: AC or manually turned on running lights how long it takes to cycle varies, but it will do so eventually. The rpms cycle between the 550-600 (hard vibration / shaking) and 750-800?? (again not sure of the exact reading) which produces a much more tolerable (although still very annoying) vibration 3. The strong vibration shaking does not happen when there is enough of a load on the engine to hold the rpms steady at the higher idle rpm mark of approximately 750-800. Although, the less pronounced (although still very annoying) vibration remains. A. Most consistent things to do this: autolight function when engaged with lights on & manually turning on fill nighttime lights.

(Date Complaint Filed: 02/12/15 NHTSA ID: 10683081)

15

I purchased a Honda CRV several days ago and found there is a very strong distracting vibration in the driver and passenger front seats while driving. The seats shake. It almost caused me to get in an accident yesterday. The vibration continues to get worse. It is constant but very present upon idling or coming to a stop. The dealer service department acknowledged the problem as well as Honda but no fix available.

(Date Complaint Filed: 03/10/15 NHTSA ID: 10693264)

23

24

25

26

27

28

The Honda CRV EX-L 2015 idles rough/vibrates profusely when in drive/foot on brake. The steering wheel, headrests, items in the cup holder all rattle/vibrate vigorously when the vehicle is idling at approx. 550-600 RPM. Even the back seats carry the vibration of the vehicle. My children (back seat passengers) now complain of nausea/headaches when in the

23

24

25

26

27

28

vehicle for prolonged periods of time. This is much more than an 'annoyance'. This is extremely distracting to the driver, causing the driver to potentially loose focus on what is important, which is safe driving. I've had passengers comment on the vigorous vibration as well. We have brought the vehicle in for service numerous times. The vibration/rough idle was indeed confirmed; however, there is no way for the service dept to fix. A service request has been sent to Honda as there is no 'fix' at this time. Completely unacceptable for a new vehicle. There are many consistent complaints of this exact problem on reputable websites all stating that Honda is not fixing the problem.

(<u>Date Complaint Filed</u>: 03/20/2015 <u>NHTSA ID</u>: 10700677)

Brand new 5 miles on it when I got it. Shakes when idles. Took to dealer they signed invoice stating aware of shaking and felt the shaking. Told me to call Honda open a case. Got case #. Closed in 3 hrs. There is no solution to issue. Per Honda. They don't know if its mechanical, electrical or computer. As miles increase the shaking is getting worse. I am starting to feel it in steering wheel & gear shifter. I am very concerned if there is a loss of control of car I'll be in a car accident. The price I paid for CRV EXL & these issues with 1800 miles are totally unacceptable & if Honda knew there was an error in the assembly lineof these cars & still released these cars to be sold there is liability on the part of Honda. I want my 1996 Coralla back it had 199,000 miles and did not shake like this 2015 CRV!! I am seriously considering getting another car. Honda better take the concerns of these consumer complaints seriously. Honda is losing their quality workmanship reputation. I am so disappointed. I bought this based on Honda's quality, value, research, overall reputation, and resale value, looks like I was misguided.

3

4 5 6

7 8

9

10 11

12 13

14

15 16

17

18 19

20

21 22

23

25

24

26 27 28 (Date Complaint Filed: 03/20/2015 NHTSA ID: 10700775)

The vibration, and at times shaking, of the seats of my 2015 Honda CRV is so severe that it causes nausea, migraines, and back pain. I myself have a herniated disk with nerve compression, a condition that is seriously aggravated by the vibration/shaking. I have notified both the dealership and Honda to no avail. That Honda, or any corporation for that matter, should be allowed to harm consumers in this way is despicable.

(Date Complaint Filed: 05/11/15 NHTSA ID: 10715724)

I felt vibration one week after buying 2015 CRV EX in March 2015. I reported it to dealership, the salesman told that "you may not drive probably for a new car," so I thought I should observe it for a period of time. But the situation was getting worse and worse. I called the dealership again, and sent the car back to the service dept. for further check. The service advisor told "It is not only you have this problem, and Honda Headquarter already knew this. We cannot fix it and are waiting for instructions from them." I came back home and checked online and found this problem has been existing since last year. Honda did not try to fix it, but still put CRV on the market. If they stopped selling when the problem occurred, I and more customers won't be become new victims. At the same time, Honda can reduce the damage on its reputation.

(Date Complaint Filed: 04/20/15 Jian of Chino Hills, CA)

http://www.consumeraffairs.com/automotive/honda_crv.html

Leased a 2015 Honda CR-V and after I took it home the very next day I felt a vibration and shudder while driving it. I returned with truck the next day and they advised it was normal. I did research to find out that the new 2015

CRV has a vibration and shudder to it. This has been going on since 2014 of September. The service manager of Honda called me to advise there is a bulletin but no fix to it and it's not a safety issue. I am so unhappy with this dealership no one wants to give me another truck nor do they want to help. I will never buy another Honda.

(<u>Date Complaint Filed</u>: 04/25/15

Debbie of Lanoka Harbor, NJ)

http://www.consumeraffairs.com/automotive/honda_crv.html

While driving our 2015 CRV a day after our initial purchase it began to shake violently at idle. So bad that in stop and go traffic it can cause the driver and passengers to start to feel sick. Honda has acknowledged the issue but says that it isn't a safety concern and it is a characteristic of the vehicle. Additionally the car vibrates and feels as if might die when slowing down at a stop light. The same thing that a manual might do if left in gear when slowing to a stop. Additionally the same thing can occur when initially accelerating. I feel that these are safety issues because they are distracting to the driver and the CRV could eventually start stalling out in the middle of an intersection.

(<u>Date Complaint Filed</u>: 06/14/15 <u>NHTSA ID</u>: 10725137)

27. Honda has long known about the 2015 CR-V's propensity to experience severe vibration. First, the noise, vibration, and harshness principles discussed above have long been known to Honda and other automotive manufacturers, and the design choices in the CR-V entail a significant likelihood of severe vibration. Second, the vibration manifests early on, and it is not plausible that Honda would not have detected the problem through its extensive pre-release testing efforts (the results of which are exclusively within Honda's control). Third, Honda began receiving warranty, customer complaints, and other aggregate data at the earliest stages of its sale of the vehicles that

 would alert it to the problem. As some of the complaints above reflect, Honda drivers were vocally complaining as early as October 2014, the same month Honda began to sell the CR-V. It is not plausible that Honda would not have discovered the problem through these sources of data, though the warranty, customer complaint, and other sources of aggregate data, most of which are likewise within Honda's exclusive control.

- 28. Despite its knowledge of the vibration problem, Honda decided to sell the 2015 CR-V without modification. Altering the design of the vehicle even slightly threatened to hamper sales, as the CR-V just barely was able to be marketed as having "best-in-class" fuel economy. The CR-V was projected to be just slightly more fuel efficient than its competitors such as the Mazda CX-5 (projected to achieve one fewer mile-per-gallon in city driving and two fewer on the highway) and the Chevy Trax (one fewer in the city, and the same as the CR-V on the highway).
- 29. In marketing and selling the 2015 CR-V, Honda never warned its potential customers about the vibration problem. Nor did Honda instruct or authorize its dealerships to do so. In fact, rather than disclosing the problem, Honda claimed the CR-V was vibration-free. A September 2014 press bulletin from Honda, for example, refers to the "CR-V's quiet and vibration free operation," a "smoother idle," and a "balancing system [that] helps quell the inherent ... vibrations that normally impact inline 4-cylinder engines." By actively concealing the vibration problem from potential customers, Honda was able to sell and lease more vehicles at a higher price.
- 30. More recently, Honda has begun to quietly acknowledge the existence of the problem to existing (as opposed to potential) customers. For example, Honda acknowledges the problem in an online video on YouTube, targeted to those who currently drive a 2015 CR-V, in which Honda explains that the same combination of a new engine and transmission that led to increased fuel efficiency has also corresponded with customers reporting vibration at idle and driving at low speeds. The video goes on to state that no remedy is available. https://www.youtube.com/watch?v=a6K6JPh7zak.
 - 31. Honda also acknowledged the vibration problem to its dealerships in a tech

line service article published in April 2015. The article acknowledges that all 2015 CR-Vs are affected by the tendency to vibrate or shudder at idle, during light acceleration, at low speeds, and at engine speeds ranging between 1100-1500 and 1600-2200 RPMs. The article confirms Honda is "aware of customer reports of this concern" and reiterates there is "no product improvement available." The article is not made available to potential customers, however, and Honda does not instruct its dealerships to warn consumers who are considering the purchase or lease of a 2015 CR-V.

32. Despite these acknowledgements by Honda, and its recognition that drivers find the vibration important, to this day Honda continues to conceal the problem from prospective purchasers and lessees at the point of sale.

PLAINTIFF'S EXPERIENCE

- 33. Plaintiff Linda Oakes purchased a 2015 Honda CR-V in October 2014 from Norm Reeves Honda, an authorized Honda dealership.
- 34. Within a few weeks of her purchase, when the vehicle had approximately 500 miles on the odometer, Ms. Oakes was in the CR-V at a stoplight when she began to feel a violent shaking in the cabin. The CR-V's steering wheel also began to shake. Since then, Ms. Oakes' CR-V has continued to experience vibration in the cabin at idle and while moving at low speeds.
- 35. In January 2015, Ms. Oakes contacted Honda's corporate office several times to complain. Honda informed her that they knew about the issue, but that there was no remedy available. Plaintiff Oakes also took her vehicle to three Honda dealerships to attempt to remedy the problem, but while the dealers verified the existence of the issue, they told her that there was no repair available.

CLASS ACTION ALLEGATIONS

36. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiff brings this action on behalf of herself and the following proposed nationwide class:

Nationwide Class:

All persons who purchased or leased a 2015 Honda CR-V in the United

CLASS ACTION COMPLAINT CASE NO. 8:15-cv-1076

States.

37. In the alternative, Plaintiff seeks to represent a California class defined as follows:

California Class:

All persons who purchased or leased a 2015 Honda CR-V in the state of California.

- 38. Excluded from the proposed class(es) is Honda; any affiliate, parent, or subsidiary of Honda; any entity in which Honda has a controlling interest; any officer, director, or employee of Honda; any successor or assign of Honda; anyone employed by counsel in this action; any judge to whom this case is assigned, his or her spouse; and members of the judge's staff, and anyone who purchased a 2015 Honda CR-V for the purpose of resale.
- 39. <u>Numerosity</u>. Honda sold well over one hundred thousand CR-Vs, including a substantial number in California. Members of the proposed class(es) are thus too numerous to practically join in a single action. Class members may be notified of the pendency of this action by mail, supplemented by published notice (if deemed necessary or appropriate by the Court).
- 40. <u>Commonality and Predominance</u>. Common questions of law and fact exist as to all proposed class members and predominate over questions affecting only individual class members. These common questions include whether:
 - a. The 2015 Honda CR-V is prone to vibration at idle and low speeds;
 - b. Honda knew or should have known that the CR-V was prone to vibration, and if so, when it discovered this;
 - c. The knowledge of the CR-V's propensity to vibrate is material because it would be important to a reasonable person;
 - d. Honda failed to disclosed and actively concealed the CR-V's propensity to vibrate from potential customers;

- e. Honda's sale of the CR-V's breached its implied warranty of merchantability; and
- f. Whether Honda's conduct violated the California Consumers Legal Remedies Act and Unfair Competition Law.
- 41. <u>Typicality</u>. Plaintiff's claims are typical of the claims of the proposed class(es). Plaintiff and the members of the proposed class(es) all purchased or leased 2015 Honda CR-Vs, giving rise to substantially the same claims.
- 42. <u>Adequacy</u>. Plaintiff is an adequate representative of the proposed class(es) because her interests do not conflict with the interests of the members of the class(es) she seeks to represent. Plaintiff has retained counsel competent and experienced in complex class action litigation, and will prosecute this action vigorously on class members' behalf.
- 43. **Superiority**. A class action is superior to other available means for the fair and efficient adjudication of this dispute. The injury suffered by each class member, while meaningful on an individual basis, is not of such magnitude as to make the prosecution of individual actions against Honda economically feasible. Even if class members themselves could afford such individualized litigation, the court system could not. In addition to the burden and expense of managing many actions arising from the vibration issue, individualized litigation presents a potential for inconsistent or contradictory judgments. Individualized litigation increases the delay and expense to all parties and the court system presented by the legal and factual issues of the case. By contrast, a class action presents far fewer management difficulties and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court.
 - 44. In the alternative, the proposed class(es) may be certified because:
 - a. the prosecution of separate actions by the individual members of the proposed class would create a risk of inconsistent adjudications, which could establish incompatible standards of conduct for Honda;

12

13 14

15 16

17 18

19 20

21 22

23

24 25

26

27 28

- b. the prosecution of individual actions could result in adjudications, which as a practical matter, would be dispositive of the interests of non-party class members or which would substantially impair their ability to protect their interests; and
- Honda has acted or refused to act on grounds generally applicable to c. the proposed class(es), thereby making appropriate final and injunctive relief with respect to the members of the proposed class(es) as a whole.

FIRST CAUSE OF ACTION

Unlawful, Unfair, and Fraudulent Business Practices Cal. Bus. & Prof. Code § 17200 et seq.

(Plaintiff individually and on behalf of the proposed Nationwide Class)

- 45. Plaintiff realleges the paragraphs above as if fully set forth herein.
- Honda has violated and continues to violate California's Unfair 46. Competition Law, Cal. Bus. & Prof. Code § 17200, et seq., which prohibits unlawful, unfair, or fraudulent business acts or practices.
- Honda's acts and practices, as alleged in this complaint, constitute unlawful, unfair, and fraudulent business practices, in violation of the Unfair Competition Law. In connection with the sale and lease of the 2015 Honda CR-V to Plaintiff and class members, Honda failed to disclose material information—namely, that the 2015 Honda CR-V is prone to vibration at a level that would be important to a reasonable consumer. In virtually all instances, the vibration becomes noticeable within 3 years or 36,000 miles of a CR-V purchase.
- Honda's business acts and practices are unlawful in that they violate the Consumers Legal Remedies Act, Civil Code § 1750, et seq., as discussed in the next cause of action, and the Song-Beverly Consumer Warranty Act, § 1790, et seq.

- 49. These acts and practices also constitute fraudulent practices in that they are likely to deceive a reasonable consumer. As described above, Honda knowingly conceals and fails to disclose that the CR-V is prone to vibration at a level that would be important to a reasonable consumer. Had Honda disclosed this fact, Plaintiff Oakes and the members of the proposed class would not have purchased 2015 CR-Vs or would have paid significantly less for them.
 - 50. Honda's conduct also constitutes unfair business practices in that:
 - a. The gravity of harm to Plaintiff and the proposed class from Honda's acts and practices far outweighs any legitimate utility of that conduct;
 - b. Honda's conduct is immoral, unethical, oppressive, unscrupulous, or substantially injurious to Plaintiff and the proposed class; and
 - c. Honda's conduct undermines or violates the stated policies underlying the Consumers Legal Remedies Act—to protect consumers against unfair and sharp business practices and to promote a basic level of honesty and reliability in the marketplace.
- 51. As a direct and proximate result of Honda's business practices, Plaintiff and the proposed class members suffered injury in fact and lost money or property, because they purchased and leased vehicles that they otherwise would not have, or in the alternative, would have paid less for.
- 52. Plaintiff and the proposed class members are entitled to equitable relief including an order requiring Honda to adequately disclose and repair the vibration problem, , restitution and disgorgement of all profits paid to Honda as a result of its unfair, deceptive, and fraudulent practices, and attorney fees and costs.

SECOND CAUSE OF ACTION

Violation of the Consumers Legal Remedies Act Cal. Civ. Code § 1750, et seq.

(Plaintiff individually and on behalf of the proposed Nationwide Class)

53. Plaintiff realleges the paragraphs above as if fully set forth herein.

CLASS ACTION COMPLAINT CASE NO. 8:15-cv-1076

- 54. Honda is a "person" within the meaning of Civil Code §§ 1761(c) and 1770, and has provided "goods" within the meaning of Civil Code §§ 1761(b) and 1770.
- 55. Plaintiff and members of the class are "consumers" within the meaning of Civil Code §§ 1761(d) and 1770, and have engaged in a "transaction" within the meaning of Civil Code §§ 1761(e) and 1770.
- 56. Honda's acts and practices, which were intended to result and which did result in CR-V sales, violate § 1770 of the Consumers Legal Remedies Act in that:
 - a. Honda represents that its vehicles have characteristics, uses, or benefits which they do not have;
 - b. Honda advertises its goods with intent not to sell them as advertised;
 - Honda represents that its vehicles are of a particular standard, quality, or grade when they are not;
 and
 - d. Honda represents that its goods have been supplied in accordance with a previous representation when they have not.
- 57. As described above, Honda knew that the 2015 CR-V is prone to vibration at a level that would be important to a reasonable consumer, but concealed and failed to disclose this fact to consumers. In virtually all instances, the vibration becomes noticeable within 3 years or 36,000 miles of a CR-V purchase.
- 58. Had Honda adequately disclosed the CR-V's propensity to vibrate, Plaintiff, members of the proposed class, and reasonable consumers would not have purchased or leased, or would have paid less for, their vehicles.
- 59. Pursuant to the provisions of Cal. Civ. Code § 1782(a), Plaintiff sent a notice letter to Honda to provide them with the opportunity to correct their business practices. Honda responded by denying the existence of a "defect" and stating that "no consideration can be made at this time."
- 60. Pursuant to California Civil Code § 1780, Plaintiff seeks actual and punitive damages and appropriate equitable and injunctive relief, including an order

3

5

6 7

8

10 11

1213

141516

17

18 19

20

2122

2425

23

26

2728

requiring Honda to adequately disclose and repair the vibration problem, as well as attorney fees and costs.

THIRD CAUSE OF ACTION

Violation of Magnuson-Moss Warranty Act,

15 U.S.C. § 2301, et seq.,

(Plaintiff individually and on behalf of the proposed Nationwide Class)

- 61. Plaintiff realleges the paragraphs above as if fully set forth herein.
- 62. Plaintiff is a "consumer," Honda is a "supplier" and "warrantor," and 2015 Honda CR-V vehicles are "consumer products" within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(1)-(5).
- 63. The Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(d)(1) provides a cause of action for any consumer who is damaged by the failure of a warrantor to comply with an implied warranty.
- 64. Honda provided all purchasers and lessors of 2015 Honda CR-Vs with an implied warranty, but breached this warranty by selling and leasing vehicles that are prone to vibration at a level that makes the vehicles unfit for the ordinary purpose for which such vehicles are used.
- 65. Honda's breach of warranty has deprived Plaintiff and other proposed class members of the benefit of their bargain.
- 66. The amount in controversy of the Plaintiff's individual claims meets or exceeds the sum or value of \$25. In addition, the amount in controversy meets or exceeds the sum or value of \$50,000 (exclusive of interests and costs) computed on the basis of all claims to be determined in this suit.
- 67. Honda has been afforded a reasonable opportunity to cure its breach of written warranty, including when Plaintiff brought her vehicle to several Honda dealers for diagnosis of the vibration, when Plaintiff repeatedly contacted Honda's corporate office about the problem, and when Plaintiff sent Honda a pre-litigation demand by mail,

9 10

11 12

13 14

151617

18

19

202122

232425

262728

informing Honda that she was acting on behalf of a class of purchasers and lessees of 2015 Honda CR-Vs.

- 68. As a direct and proximate result of Honda's conduct, Plaintiff and other proposed class members have suffered damages and continue to suffer damages and other losses in an amount to be determined at trial.
- 69. Plaintiff and the proposed class members are entitled to recover damages, consequential damages, diminution in value, costs, attorney fees, rescission, and other appropriate relief.

FOURTH CAUSE OF ACTION

Breach of Implied Warranties Under the Song-Beverly Consumer Warranty Act, Cal. Civ. Code §§ 1792, 1791.1, et seq.

(Plaintiff individually and on behalf of the proposed California Class)

- 70. Plaintiff realleges the paragraphs above as if fully set forth herein.
- 71. The 2015 Honda CR-Vs are "consumer goods" and Plaintiff and the proposed class members are "buyers" within the meaning of Cal. Civ. Code § 1791. Honda is also a "manufacturer," "distributor," or "retail seller" under Cal. Civ. Code § 1791.
- 72. The implied warranty of merchantability included with each sale or lease of a 2015 Honda CR-V means that Honda warranted that each CR-V (a) would pass without objection in trade under the contract description; (b) was fit for the ordinary purposes for which a vehicle would be used; and (c) conformed to the promises or affirmations of fact made on the container or label.
- 73. The 2015 Honda CR-Vs would not pass without objection in the automotive trade because the vehicles are prone to vibration at a severe level, making them unfit for the ordinary purpose for which such vehicles are used.
- 74. The CR-Vs are not adequately labeled because their labeling fails to disclose the vibration and does not advise proposed California Class members of the existence of the issue prior to experiencing the vibration first-hand.

- 75. Honda's actions have deprived Plaintiff and the members of the proposed California class of the benefit of their bargain and have caused their vehicles to be worth less than what Plaintiff Oakes and the other members of the proposed California Class paid.
- 76. As a direct and proximate result of Honda's breach of its duties, the proposed California Class members received goods whose condition substantially impairs their value. Plaintiff Oakes and the members of the California class have been damaged by the diminished value of the vehicles, the vehicle's malfunctioning, and actual and potential increased maintenance and repair costs.
- 77. Under Cal. Civ. Code §§ 1791.1(d) and 1794, Plaintiff and the proposed California Class members are entitled to damages and other legal and equitable relief, including, at their election, the purchase price of their vehicles or the overpayment or diminution in value of their vehicles, and are also entitled to reasonable attorney fees and costs.

FIFTH CAUSE OF ACTION

Breach of Implied Warranty,

Cal. Com. Code § 2314, et seq.

(Plaintiff individually and on behalf of the proposed Nationwide Class)

- 78. Plaintiff realleges the paragraphs above as if fully set forth herein.
- 79. The implied warranty of merchantability included with each sale or lease of a 2015 Honda CR-V means that Honda warranted that each CR-V (a) would pass without objection in trade under the contract description; (b) was fit for the ordinary purposes for which a vehicle would be used; and (c) conformed to the promises or affirmations of fact made on the container or label.
- 80. The 2015 Honda CR-Vs would not pass without objection in the automotive trade because the vehicles are prone to vibration at a severe level that makes them unfit for the ordinary purpose for which such vehicles are used.

- 81. The CR-Vs are not adequately labeled because their labeling fails to disclose the vibration and does not advise proposed class members of the existence of the issue prior to experiencing the vibration first-hand.
- 82. Honda's actions have deprived Plaintiff and the members of the proposed class of the benefit of their bargain and have caused their vehicles to be worth less than what Plaintiff and the other proposed class members paid.
- 83. As a direct and proximate result of Honda's breach of its duties, the proposed class members received goods whose condition substantially impairs their value. Plaintiff and the proposed class members have been damaged by the diminished value of the vehicles, the vehicle's malfunctioning, and actual and potential increased maintenance and repair costs.
- 84. Plaintiff and the proposed class members are entitled to damages and other legal and equitable relief, including, at their election, the purchase price of their vehicles or the overpayment or diminution in value of their vehicles, and are also entitled to reasonable attorneys' fees and costs.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff requests that the Court enter a judgment awarding the following relief:

- a. An order certifying the proposed class(es), and appointing Plaintiff and her counsel to represent the class(es);
- b. An order awarding Plaintiff and the class members their actual damages, punitive damages, and/or any other form of monetary relief provided by law;
- c. An order awarding Plaintiff and the class(es) restitution, disgorgement, or other equitable relief as the Court deems proper;
 - d. An order requiring Honda to provide adequate disclosure and repairs;
- e. An order awarding Plaintiff and the class(es) pre-judgment and postjudgment interest as allowed under the law;

f. An order awarding Plaintiff and the class(es) reasonable attorney fees 1 2 and costs of suit, including expert witness fees; and 3 An order awarding such other and further relief as this Court may g. 4 deem just and proper. 5 **JURY DEMAND** Pursuant to Fed. R. Civ. P. 38(b), Plaintiff demands a trial by jury for all issues so 6 7 triable under the law. 8 DATED: July 7, 2015 9 Respectfully submitted, 10 GIBBS LAW GROUP LLP 11 By: /s/ David Stein 12 13 Eric H. Gibbs Steve Lopez 14 One Kaiser Plaza, Suite 1125 15 Oakland, California 94612 Telephone: (510) 350-9700 16 Facsimile: (510) 350-9701 17 ehg@classlawgroup.com 18 ds@classlawgroup.com sal@classlawgroup.com 19 20 Attorneys for Plaintiff 21 22 23 24 25 26 27 28 24 CLASS ACTION COMPLAINT CASE NO. 8:15-cv-1076