UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

In re HONDA IDLE STOP LITIGATION This Document Relates to: ALL ACTIONS	Master File No: 2:22-cv-04252-MCS-SK **ORDER RE: MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT (ECF NO. 245)**

Plaintiffs filed an unopposed motion for preliminary approval of a class action settlement. (Mot., ECF No. 245.) The Court deemed the motion appropriate for decision without oral argument. (Mins., ECF No. 247.)

I. BACKGROUND

The Court incorporates its factual summary from its Order on Defendant Honda Motor Company Limited's motion for summary judgment. (MSJ Order 4–5, ECF No. 221.) Briefly, the Court recounts that Plaintiffs filed a class action complaint against Honda alleging a failure of the Idle Stop feature ("AIS No-Restart") in certain Honda vehicles. (4AC ¶¶ 1–9, ECF No. 209.) When experiencing AIS No-Start, vehicles "suddenly and without notice, bec[a]me inoperable and undriveable." (*Id.* ¶ 4.) On this

basis, Plaintiffs filed suit against Honda for fraudulent omission, violation of consumer protection statutes, breach of implied warranty, and unjust enrichment. (Id. ¶¶ 459–1319.) The Court granted Plaintiffs' motion for class certification in part, and certified several statewide classes. (Order Re: Class Cert. 27, ECF No. 175.) The Court then denied Honda's summary judgment motion in substantial part. (MS Order 13.) The parties later signaled that they had reached a settlement, (Stip., ECF No. 239), and Plaintiffs proceeded to file the present motion for preliminary approval of classwide settlement.

The parties' contemplated settlement provides three main benefits for class members. (Updated Settlement Agreement, ECF No. 248-1.) First, it requires Honda to amend its service bulletins to remove "symptom verification or duplication as a condition to receiving the repair procedure" for AIS No-Restart. (*Id.* at 19–21.) Second, it requires Honda extends the claim period for 2015 and 2016 model year Class Vehicles. (*Id.* at 21.) And, third, it requires Honda to reimburse class members for any out-of-pocket costs incurred in relation to AIS No-Restart repairs. (*Id.* at 21–22.) Plaintiffs also propose a Settlement Class that is more inclusive that the classes the Court previously certified, as they seek to create a class "comprised of all individual or legal entities who purchased or leased Class Vehicles in any of the fifty [s]tates." (Mot. 4.)

Ultimately, Plaintiffs ask this Court to (1) grant preliminary approval of the proposed settlement; (2) preliminarily certify the proposed Settlement Class for settlement purposes only; (3) approve the form and content of, and direct the distribution of, the proposed Class Notice; (4) authorize and direct the parties to retain JND Legal Administration as the Notice Administrator; (4) affirm Class Counsel; (5) appoint settlement class representatives; and (6) set a schedule for final approval.

II. SETTLEMENT CLASS CERTIFICATION

A. Legal Standard

At the preliminary approval stage, the Court "must peruse the proposed compromise to ratify both the propriety of the certification and the fairness of the settlement." *Staton v. Boeing Co.*, 327 F.3d 938, 952 (9th Cir. 2003).

The Court first considers whether a settlement class may be certified. *See Amchem Prods. v. Windsor*, 521 U.S. 591, 621 (1997) ("[T]he 'class action' to which Rule 23(e) refers is one qualified for certification under Rule 23(a) and (b)."). A plaintiff must demonstrate that the four requirements of Rule 23(a) are met: (1) numerosity, (2) commonality, (3) typicality, and (4) adequacy of representation. The plaintiff also must show the class meets one of the three alternative provisions in Rule 23(b). *Comcast Corp. v. Behrend*, 569 U.S. 27, 33 (2013). Where, as here, the plaintiff seeks certification under Rule 23(b)(3), the plaintiff must show "that the questions of law or fact common to class members predominate over any questions affecting only individual members, and that a class action is superior to other available methods for fairly and efficiently adjudicating the controversy." Fed. R. Civ. P. 23(b)(3). "The criteria for class certification are applied differently in litigation classes and settlement classes," *Espinosa v. Ahearn (In re Hyundai & Kia Fuel Econ. Litig.)*, 926 F.3d 539, 558 (9th Cir. 2019), and the Court must apply "undiluted, even heightened, attention" to the specifications of Rule 23 when considering whether to certify a settlement class, *Amchem*, 521 U.S. at 620.

B. Discussion

1. Numerosity

Rule 23(a)(1) requires the class to be "so numerous that joinder of all members is impracticable." "Impracticability does not mean impossibility, but only the difficulty or inconvenience of joining all members of the class." *Harris v. Palm Springs Alpine Estates, Inc.*, 329 F.2d 909, 913–14 (9th Cir. 1964) (internal quotation marks omitted). Here, there are approximately 802,270 Class Vehicles. (Mot. 7.) Joinder of all

Settlement Class Members would be impracticable, so this requirement is satisfied. *Villalpando v. Exel Direct Inc.*, 303 F.R.D. 588, 606 (N.D. Cal. 2014) ("[C]ourts have routinely found the numerosity requirement satisfied when the class comprises 40 or more members.").

2. Commonality

Rule 23(a)(2) requires "questions of law or fact common to the class." Courts construe this requirement permissively. *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1019 (9th Cir. 1998). Even a single common question of law or fact will do. *Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338, 359 (2011). Here, Settlement Class Members share a number of common questions of law and fact, including whether they own Class Vehicles potentially containing AIS No-Restart, whether Honda knew of the defect but made alleged misrepresentations and omissions that were misleading and material to reasonable consumers, whether the Settlement Class Members are entitled to damages as a result of Honda's conduct, and whether equitable relief is warranted. (Mot. 7–8.) The claims here present common legal issues based on a common core of salient facts. This requirement is met.

3. Typicality

Rule 23(a)(3) requires that "the claims or defenses of the representative parties are typical of the claims or defenses of the class." "[R]epresentative claims are 'typical' if they are reasonably co-extensive with those of absent class members; they need not be substantially identical." *Hanlon*, 150 F.3d at 1020. "The test of typicality is whether other members have the same or similar injury, whether the action is based on conduct which is not unique to the named plaintiffs, and whether other class members have been injured by the same course of conduct." *Ellis v. Costco Wholesale Corp.*, 657 F.3d 970, 984 (9th Cir. 2011) (internal quotation marks omitted). Here, both Plaintiffs and the Settlement Class Members owned or leased Class Vehicles, their claims arise from the same purported defect in those vehicles, and they proffer similar legal theories. This requirement is met.

4. Adequacy

Rule 23(a)(4) requires that "the representative parties will fairly and adequately protect the interests of the class." "To determine whether named plaintiffs will adequately represent a class, courts must resolve two questions: '(1) do the named plaintiffs and their counsel have any conflicts of interest with other class members and (2) will the named plaintiffs and their counsel prosecute the action vigorously on behalf of the class?'" *Ellis*, 657 F.3d at 985 (quoting *Hanlon*, 150 F.3d at 1020). Here, Plaintiffs have no apparent conflict of interest with other class members, and the Court concludes that they have vigorously prosecuted, and will continue to vigorously prosecute, this case on behalf of the class. Similarly, there is no evidence of Class Counsels' conflict of interest, and as they attest in their joint declaration, they have litigated this case vigorously and will likely continue to do so. (*See* Joint Decl., ECF No. 245-3.) The Court finds that Plaintiffs and Class Counsel will fairly and adequately represent the class's interests.

5. Predominance

"The Rule 23(b)(3) predominance inquiry tests whether proposed classes are sufficiently cohesive to warrant adjudication by representation." *Amchem*, 521 U.S. at 623. The inquiry "focuses on whether the 'common questions present a significant aspect of the case and they can be resolved for all members of the class in a single adjudication.'" *Espinosa*, 926 F.3d at 557 (quoting *Hanlon*, 150 F.3d at 1022). For certification of a settlement-only class, "'a district court need not inquire whether the case, if tried, would present intractable management problems'"; instead, "[t]he focus is 'on whether a proposed class has sufficient unity so that absent members can fairly be bound by decisions of class representatives.'" *Id.* at 558 (quoting *Amchem*, 521 U.S. at 620–21). Here, the Court concurs with Plaintiffs that the "fundamental issues underlying Plaintiffs' claims are common to all Class Members." (Mot. 10.) Notably, the relevant claims all involve potential issues with AIS No-Restart, as well as Honda's knowledge of the purported defect. The predominance element is met.

6. Superiority

"The superiority inquiry under Rule 23(b)(3) requires determination of whether the objectives of the particular class action procedure will be achieved in the particular case." *Hanlon*, 150 F.3d at 1023. Plaintiffs estimate that the cost to replace the defective starter is $1,100, an amount that "would be dwarfed by the cost of litigating on an individual basis." *Wolin v. Jaguar Land Rover N. Am., LLC*, 617 F.3d 1168, 1175 (9th Cir. 2010); *see also Hanlon*, 150 F.3d at 1023 ("Even if efficacious, these claims would not only unnecessarily burden the judiciary, but would prove uneconomic for potential plaintiffs. In most cases, litigation costs would dwarf potential recovery."). The class action procedure is superior.

C. Conclusion

The Court determines that the class satisfies the requirements of Rule 23(a) and Rule 23(b)(3) and conditionally certifies the proposed class for settlement purposes.

III. FAIRNESS OF PROPOSED SETTLEMENT

A. Legal Standard

Federal Rule of Civil Procedure 23(e) provides that "[t]he claims, issues, or defenses of a certified class—or a class proposed to be certified for purposes of settlement—may be settled, voluntarily dismissed, or compromised only with the court's approval." "[S]trong judicial policy . . . favors settlements, particularly where complex class action litigation is concerned." *Class Plaintiffs v. City of Seattle*, 955 F.2d 1268, 1276 (9th Cir. 1992). "The purpose of Rule 23(e) is to protect the unnamed members of the class from unjust or unfair settlements affecting their rights." *Pilkington v. Cardinal Health, Inc. (In re Syncor ERISA Litig.)*, 516 F.3d 1095, 1100 (9th Cir. 2008). Review of the settlement is "extremely limited," and courts should examine "the settlement taken as a whole, rather than the individual component parts, . . . for overall fairness." *Hanlon*, 150 F.3d at 1026.

At the preliminary approval stage, courts in this circuit consider whether the

settlement: "(1) appears to be the product of serious, informed, non-collusive negotiations; (2) has no obvious deficiencies; (3) does not improperly grant preferential treatment to class representatives or segments of the class; and (4) falls within the range of possible approval." *Spann v. J.C. Penney Corp.*, 314 F.R.D. 312, 319 (C.D. Cal. 2016) (internal quotation marks omitted). Further, "[t]he court must direct notice in a reasonable manner to all class members who would be bound by the proposal." Fed. R. Civ. P. 23(e)(1)(B).

B. Discussion

1. Serious, Informed, Non-Collusive Negotiations

Plaintiffs and their counsel invested significant time and resources in investigating and litigating the case on behalf of Plaintiff and the class. (Joint Decl. ¶¶ 17–21.) The parties agreed to settle after "complex" negotiations conducted "in good faith and at arms' length over a period of four (4) months," and with the help of a mediator. (*Id.* ¶¶ 27–29.) Based on these facts, the Court finds that "the procedure for reaching this settlement was fair and reasonable and that the settlement was the product of arms-length negotiations." *In re Tableware Antitrust Litig.*, 484 F. Supp. 2d 1078, 1080 (N.D. Cal. 2007); *see also* Fed. R. Civ. P. 23(e)(A)–(B) advisory committee's note to 2018 amendment ("[T]he involvement of a neutral or court-affiliated mediator or facilitator in those negotiations may bear on whether they were conducted in a manner that would protect and further the class interests.").

The proposed settlement also releases Honda from any and all claims that arise out of this action. (Updated Settlement Agreement § VIII.) A release of claims is not collusive only when the released claim is "based on the identical factual predicate as that underlying the claims in the settled class action." *Hesse v. Sprint Corp.*, 598 F.3d 581, 590 (9th Cir. 2010) (quoting *Williams v. Boeing Co.*, 517 F.3d 1120, 1133 (9th Cir. 2008)). The proposed settlemenet specifically releases only those claims that "arise out of, relate to, or in any way concern AIS No-Restart in the Class Vehicles" unless a class member opts out of the settlement. (Updated Settlement Agreement §§ VIII(A), (C).)

Therefore, the Court does not find this release collusive.

2. No Obvious Deficiencies and No Preferential Treatment

The proposed settlement has no obvious deficiencies and does not give preferential treatment to certain class members over others. While the Court reserves ruling on the appropriateness of class counsels' fees until briefing is filed, since "there is a strong presumption that lodestar represents a reasonable fee," *Gates v. Deukmejian*, 987 F.2d 1392, 1397 (9th Cir. 1992), for the purposes of preliminary approval the Court finds no issue with Plaintiff's estimated lodestar value of around $11.7 million. (Joint Decl. ¶ 46.)

3. Range of Possible Approval

To determine whether a settlement falls within the range of possible approval, courts focus on "substantive fairness and adequacy," including "plaintiffs' expected recovery balanced against the value of the settlement offer." *In re Tableware Antitrust Litig.*, 484 F.Supp.2d at 1080. "[A] proposed settlement may be acceptable even though it amounts only to a fraction of the potential recovery that might be available to class members at trial." *Uschold v. NSMG Shared Servs., LLC*, 333 F.R.D. 157, 171 (N.D. Cal. 2019) (internal quotation marks omitted).

The settlement confers numerous benefits upon the Settlement Class, namely, it ensures that any vehicle experiencing AIS No-Restart will be eligible for repair without unnecessary hurdles, which the Court previously criticized, (*see* MSJ Order 6–7). This Court has previously approved settlement in similar contexts, and finds that the settlement here falls within the range of possible approval. *See Patrick v. Volkswagen Grp. Of Am.*, No. 8:19-cv-01908-MCS-ADS, 2021 U.S. Dist. LEXIS 154820, at *10 (C.D. Cal. Mar. 10, 2021).

4. Adequate Notice

For a Rule 23(b)(3) class, "the court must direct to class members the best notice that is practicable under the circumstances, including individual notice to all members who can be identified through reasonable effort." Fed. R. Civ. P. 23(c)(2)(B). "The

yardstick against which we measure the sufficiency of notices in class action proceedings is one of reasonableness." *Low v. Trump Univ., LLC*, 881 F.3d 1111, 1117 (9th Cir. 2018) (quoting *In re Bank of Am. Corp.*, 772 F.3d 125, 132 (2d Cir. 2014)). "Notice is satisfactory if it generally describes the terms of the settlement in sufficient detail to alert those with adverse viewpoints to investigate and to come forward and be heard." *Churchill Vill., L.L.C. v. Gen. Elec.*, 361 F.3d 566, 575 (9th Cir. 2004) (internal quotation marks omitted). Notice "does not require detailed analysis of the statutes or causes of action forming the basis for the plaintiff class's claims, and it does not require an estimate of the potential value of those claims." *Lane v. Facebook, Inc.*, 696 F.3d 811, 826 (9th Cir. 2012). Here, the Court finds that the parties Notice Plan, (Updated Settlement Agreement § V; Mot. 19–20), which also proposes the appointment of JND Legal Administration LLC as the Notice Administrator, (*see* Mot. 20; Uhrig Decl., ECF No. 248-5) conforms with the requirements of Rule 23(c)(2)(B), constitutes the best practicable notice to the class member, and comports with the requirements of due process.

C. Conclusion

The Court concludes that the proposed settlement as a whole appears fair and reasonable. Satisfied that conditional certification of the classes is proper and that the settlement is fair, the Court preliminarily approves of the settlement.

IV. CONCLUSION

Based on the foregoing, the Court grants Plaintiffs' motion and orders the following:

- The Court conditionally approves the class action settlement as outlined in the Updated Settlement Agreement, (ECF No. 248.)
- The Court conditionally certifies the class for settlement purposes only. The Settlement Class shall consist of all individuals or legal entities who own or owned, purchase(d) or lease(d) Class Vehicles in any of the fifty

States Excluded from the Class are (1) AHM, its related entities, parent companies, subsidiaries and affiliates, and their respective officers, directors, and employees; (2) insurers or financier of the Class Vehicles; (3) all persons and/or entities claiming to be subrogated to the rights of Class Members; (4) issuers or providers of extended vehicle warranties or extended service contracts; (5) individuals and/or entities who validly and timely opt-out of the Settlement; (6) individuals or businesses that have purchased Class Vehicles previously deemed a total loss (i.e. salvage) (subject to verification through Carfax or other means); (7) current and former owners of a Class Vehicle who previously have released all claims against AHM with respect to the issues raised in the Litigation; and (8) any judge to whom this matter is assigned, and his or her immediate family (spouse, domestic partner, or children).

- The Court conditionally appoints as Class Representatives Kevin Bishop, Janice Stewart, Brandon Derry, Jeff Kaminski, Devron Elliot, Marilyn Thomas, Daniel Rock, Antoinette Lanus, Sirous Pourjafar, Melissa Howell, David Jew, Sharon Marie Johnson, Liz Simpson, Hamid Balooki, Malik Barrett, Sean Crary, Sadia Durrani, Abby O'Neill, Latasha Ransome, and Ali Qureshi.
- The Court conditionally appoints the following counsel as Class Counsel:
    - H. Clay Barnett, III, Beasley, Allen, Crow, Methvin, Portis & Miles, P.C.
    - Adam J. Levitt, DiCello Levitt, LLP
    - Andrew Trailor, ANDREW T. TRAILOR, P.A.
- The Court approves the proposed Notice Plan as to form and content. The Court directs the parties to retain JND Legal Administration as the Notice Administrator, and orders JND to provide notice of the settlement to the

Settlement Class Members as provided by the Updated Settlement Agreement.

- The Court sets the following dates and deadlines:

Event	**Date**
Honda's Counsel shall provide a list of VINs for the Settlement Class Vehicles to the Notice Administrator and Class Counsel	The date of this Order.
Commencement of Class Notice	The date of this Order.
Notice to be Substantially Completed	Sixty (60) days after the issuance of this Order.
Plaintiffs' Motion, Memorandum of Law and Other Materials in Support of their Requested Award of Attorneys' Fees, Reimbursement of Expenses, and Request for Class Representatives' Service Awards to be Filed with the Court	No later than Sixty (60) days after issuance of this Order.
Plaintiffs' Motion, Memoranda of Law, and Other Materials in Support of Final Approval to be Filed with the Court	No later than Sixty (60) days after the issuance of this Order.
Deadline for Receipt by the Clerk of All Objections Filed and/or Mailed by Settlement Class Members	Ninety-five (95) days after the issuance of this Order.
Deadline for filing Notice of Intent to Appear at Final Approval Hearing by Settlement Class Members and/or their Personal Attorneys	Ninety-five (95) days after the issuance of this Order.
Deadline for Class Members to Submit their Request to Exclude Themselves (Opt-Out) to Settlement Administrator	Ninety-five (95) days after the issuance of this Order.
Any Opposition by Defendant concerning Class Counsel's Fee and Expense Application, with accompanying expert report(s) and any Rule 702 motion(s)	Ninety-five (95) days after the issuance of this Order.
Any submission by the Parties concerning Final Approval of Settlement and Responses to any objections and requests for exclusion	One Hundred and Nine (109) days after the issuance of this Order.
Class Counsel's Reply In Support of Fee and Expense Application	One Hundred and Nine (109) days after the issuance of this Order.

Settlement Notice Administrator Shall File the Results of the Dissemination of the Notice with the Court and list of Opt-Outs	Seven (7) days before the Final Approval Hearing.
Final Approval Hearing	October 20, 2025, at 9:00 a.m.

IT IS SO ORDERED.

Dated: June 9, 2025

MARK C. SCARSI
UNITED STATES DISTRICT JUDGE