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ORIGINAL FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES Los Angeles, California 90012 Telephone: 213.250.1800 4 Facsimile: 213.250.7900 SSP 06 2011 Attorneys for Defendant 5 John A. Clarke, Executive Officer/Clerk AMERÍCAN HONDA MOTOR CO., INC. BY Kin Hilaire, Deputs 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF LOS ANGELES, CENTRAL CIVIL WEST 9 10 CASE NO. BC448670 THERON COOPER and ALICE TRAN, 11 individually and on behalf of all others 12 (Assigned to the Honorable William F. similarly situated, Highberger, Department 307) 13 Plaintiff, RESPONSE OF DEFENDANT 14 AMERICAN HONDA MOTOR CO., INC. v. TO OBJECTIONS TO CLASS ACTION 15 SETTLEMENT; DECLARATION OF AMERICAN HONDA MOTOR CO., INC., a 16 JULIE LI FO SJOE California corporation, 17 Defendant. September 16, 2011 Date: 11:00 a.m. Time: 18 Dept.: 307 19 20 21 22 23 24 25 26 27

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I. INTRODUCTION

In a class that exceeds two million individuals, only 46 objections have been submitted. ¹ When the objections are examined, a significant percentage of the objections are by individuals who favor the settlement but mistakenly believe that they are not included. Furthermore, a significant percentage of the objectors complain of the cost and burden on the U.S. economy of class actions and rail against the suit against Honda or the amount of attorney's fees being requested. As a consequence, when you remove the objectors who favor the settlement but incorrectly believe that they are not included and you eliminate the individuals who believe such a lawsuit should never have been filed in the first place, the total number of individuals that object to the settlement is truly insignificant.²

In an effort to address the concerns stated in the objections, set forth below is American Honda's response to the various "types" or "categories" of objections that have been filed. While it is difficult to categorize objections (since many are either vague or attempt to assert a variety of points of view), for the most part the objections fall into five categories. Each of those categories is addressed separately below.

CLASS MEMBERS WHO MISTAKENLY BELIEVE THEY ARE NOT **COVERED BY THE SETTLEMENT**

Of the 46 objectors, 14 of them are individuals who claim to have suffered visor damage within the 7 year and 100,000 mile extended warranty but for cost reasons chose not to have the

SETTLEMENT

¹ In addition to the objections served upon the parties, the Court file reflects a few Class Members who sent letters to the Court either approving, objecting or requesting exclusion that were apparently not served on the plaintiff or the defendant and were just obtained by the parties. The 46 objections referenced in this brief are limited to the objections served on plaintiff or the defendant. Nevertheless, a review of the letters sent to the Court but not served on the parties raise no new issues and are similar in content to the 46 objections addressed in Honda's responsive brief.

² One of the key factors the Court must consider in whether to issue a final approval order for class action settlement is whether the "percentage of objectors is small." Dunk v. Ford Motor Co., 48 Cal. App. 4th 1794, 1802 (1996); 7-Eleven Owners for Fair Franchising v. Southland Corp., 85 Cal. App. 4th 1135 (2000).

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EWIS RISBOIS GGAARD visor repaired. Each of those individuals assumes that since their vehicle now exceeds 7 years or 100,000 miles, they are precluded from the benefits of the settlement. Their confusion is understandable but misplaced. The extended warranty under the settlement (and for that matter the Adjustment Program) warrants the visor to be free from material workmanship or defects for 7 years or 100,000 miles. It does not require that the vehicle be repaired within that time frame. For example, if a visor split apart at 90,000 miles, that fact would entitle the Class Member to have the visor repaired free of charge even if the consumer did not bring the vehicle for repair until 110,000 miles.

It is clear that these 14 objectors are very much in favor of the settlement but mistakenly concluded they were being excluded. As a practical matter these individuals favor approval of the settlement.

B. <u>OBJECTORS WHO REQUEST THE EXTENDED WARRANTY TO EXCEED</u> 7 YEARS OR 100,000 MILES

Eleven objectors appear to welcome the settlement but complain that the extended warranty should be far greater than 7 years or 100,000 miles (some ask for a 200,000 mile limit while others for a lifetime extension). What is notable about these objections is that the Class Members seemingly are in favor of every aspect of the settlement but simply want more. A warranty extension for 7 years or 100,000 is an extraordinarily long period of time and far, far exceeds Honda's standard 36 month/36,000 mile warranty. What is equally notable is that only 11 Class Member out of over 2 million felt that the 7 year/100,000 mile extended warranty was insufficient. In truth it is an extraordinary extension of a warranty that has received almost universal approval by all Class Members. The fact that 11 Class Members simply want more is not a basis to refuse final approval of the proposed settlement.

C. <u>CLASS MEMBERS UNHAPPY WITH CLASS ACTIONS OR REQUESTED</u> <u>ATTORNEYS FEES</u>

The third most numerous category of objectors are those individuals who have expressed their dismay over class actions in general, the amount of attorney's fees requested or have referenced their happiness with Honda and its products. These objections (totaling 8 in number)

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are not critical of the terms or conditions of the settlement but rather express disagreement with the legal system in general. As such, they do not constitute a viable reason to reject the proposed settlement.

D. REPLACEMENT OF "DEFECTIVE" VISORS WITH "DEFECTIVE "VISORS"

Five objections focus upon the belief that the proposed settlement does not resolve the fundamental problem with the design of the sun visors. Based upon the fact that several objectors have had multiple sun visors replaced, they mistakenly assume the current sun visor replacements suffer from the same deficiency. However, as addressed by the plaintiff in their motion for preliminary approval (Pg. 13; Terrell Decl., ¶ 7-9), the sun visors have been redesigned by Honda and have undergone extensive testing establishing that the past problems have been resolved. As a consequence, the concerns expressed by a few objectors that the "defective visors" are being replaced by "defective visors" ignores the fact that Honda successfully addressed the design problem, and that plaintiff's counsel reviewed the test results of the new design and are equally satisfied that the problem has been "fixed." Accordingly, there is no merit to the objections that the underlying problems with the sun visors remain unsolved. The simple truth of the matter is that sun visors with problems are being replaced by the redesigned non-defective sun visors.

E. "SAFETY"

Three objectors seem to suggest that the settlement should not be approved because the sun visors pose a potential safety problem. They argue that if the sun visor falls down it may obstruct their view or, alternatively, that they do not use the sun visor for fear of problems thus causing potential hazards from the glare of sunlight. First, it is significant that out of a class of over 2 million, only 3 individuals seem to believe safety is an issue with this particular device. Secondly, nothing in the settlement requires Class Members to wait until the damage to the visors actually impairs their function. The problems with sun visors cause them to split or come apart over an extended period of time and only then ultimately <u>may</u> result in impaired function. If a visor splits or comes apart, under the terms of the settlement (and the Adjustment Program) all that a Class

III. **CONCLUSION**

The absence of any substantial objection to the settlement speaks volumes. As a practical matter, the settlement provides 100% relief to every Class Member who has incurred past repair costs relating to visors and free replacement for future visor problems for a period of up to 7 years and 100,000 miles of use. The extraordinary benefit to the Class accounts for the Class embracing the benefits of this settlement. Accordingly, this Court is respectfully requested to approve the proposed settlement as fair, reasonable and adequate.

DATED: September 6, 2011

Respectfully submitted,

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RESPONSE OF DEFENDANT AMERICAN HONDA MOTOR CO., INC. TO OBJECTIONS TO CLASS ACTION **SETTLEMENT**

CALIFORNIA STATE COURT PROOF OF SERVICE THERON COOPER v. AMERICAN HONDA - File No. BC448670

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

At the time of service, I was over 18 years of age and not a party to the action. My business address is 221 North Figueroa Street, Suite 1200, Los Angeles, California 90012.

On September 6, 2011, I served the following document(s): **RESPONSE OF DEFENDANT AMERICAN HONDA MOTOR CO., INC. TO OBJECTIONS TO CLASS ACTION SETTLEMENT.** I served the documents on the following persons at the following addresses (including fax numbers and e-mail addresses, if applicable) on the attached service list:

The documents were served by the following means:

(BY E-MAIL OR ELECTRONIC TRANSMISSION) Based on a court order or an agreement of the parties to accept service by e-mail or electronic transmission, I caused the documents to be sent to the persons at the e-mail addresses listed above. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on September 6, 2011, at Los Angeles, California.

Antoinette T. Muriel

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