	Case 8:14-cv-01608-JVS-AN Document 1	Filed 10/03/14 Page 1 of 29 Page ID #:1	
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18	UNITED STATES DISTRICT COURT		
19	CENTRAL DISTRICT OF CALIFORNIA		
20	DANIELLE STEDMAN, GARY	Case No. 8-14-cy-01608	
21	SOTO, and JODY SOTO, on behalf of		
22	themselves and all others similarly	CLASS ACTION COMPLAINT	
23	situated, Plaintiffs,		
24	V.	DEMAND FOR JURY TRIAL	
25			
26	MAZDA MOTOR CORPORATION,		
27	MAZDA MOTOR OF AMERICA INC.,		
28	,		
٥٧	Defendant.		

NATURE OF THE CASE

- 1. Plaintiffs bring this proposed class action on behalf of themselves and other owners of 2009-2011 Mazda 3 and Mazda 6 vehicles. Mazda sold the vehicles without first telling consumers that Mazda opted to install dashboards in the vehicles that do not withstand exposure to sunlight, melt, emit a noxious chemical smell, and take on a reflective quality. When the dashboards become reflective, drivers trying to see through the windshield have to struggle to see past the image of the dashboard in the windshield. Furthermore, when the sun or another bright light catches the dashboard at the right angle, light shoots unexpectedly into drivers' eyes, temporarily blinding the driver and endangering everyone on the road. Drivers have reported to Mazda, its regional representatives, and its dealers that they feel unsafe driving their vehicles as the result of this highly reflective, deteriorating dashboard.
- 2. Many consumer complaints about the melting dashboards have been reported to the National Highway Traffic Safety Administration (NHTSA). Many drivers are unable to replace their defective dashboards because the replacement of the dashboard can cost several thousand dollars and because Mazda refuses to help with the cost of repairs. Furthermore, Mazda owners receive no assurance from Mazda that the replacement dashboards will not suffer from the same problems.
- 3. Mazda's conduct violates multiple state consumer protection statutes. On behalf of themselves and the proposed classes, Plaintiffs seek to compel Mazda to warn drivers about the known defect and to bear the expense of replacing dashboards that Mazda should never have placed in the stream of commerce in the first place.

PARTIES

- 4. Plaintiff Danielle Stedman is a citizen and resident of North Fort Lauderdale, located in the County of Broward, Florida.
- 5. Plaintiff Jody Soto is a citizen and resident of Palm Coast, located in the County of Flagler, Florida.

- 6. Plaintiff Gary Soto is a citizen and resident of Palm Coast, located in the County of Flagler, Florida.
- 7. Defendant Mazda Motor of America, Inc. has its headquarters and principal place of business in Irvine, California. Mazda Motor of America, Inc. is the U.S. subsidiary of Mazda Motor Corporation.
- 8. Defendant Mazda Motor Corporation is a company that has its headquarters in Hiroshima, Japan.

JURISDICTION AND VENUE

- 9. This Court has jurisdiction over this action under the Class Action Fairness Act, 28 U.S.C. § 1332(d). 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 more than two-thirds of the proposed plaintiff class, on the one hand, and Mazda, on the other, are citizens of different states.
- 10. This Court has jurisdiction over Mazda because Mazda Motor of America, Inc. has its corporate headquarters in Irvine, California, has been incorporated in the State of California, is registered to conduct business in California, and has sufficient minimum contacts in California; or otherwise intentionally avails itself of the markets within California through the promotion, sale, marketing, and distribution of its vehicles to render the exercise of jurisdiction by this Court proper and necessary.
- 11. Venue is proper in this District under 28 U.S.C. § 1391(b) because the Defendant Mazda Motor of America, Inc. resides in this district and a substantial part of the events or omissions giving rise to Plaintiffs' claims occurred in this District.

SUBSTANTIVE ALLEGATIONS

12. Mazda Motor of America, Inc. manufactures, markets, distributes, and warrants automobiles in the United States, including Mazda 3 and Mazda 6 cars. This lawsuit concerns the 2009-2011 model year Mazda 3 and Mazda 6 cars.

2009-2011 Mazda 3 and Mazda 6 Dashboard Defect

- 13. The 2009 through 2011 Mazda 3 and Mazda 6 vehicles (the "Class Vehicles") have defective dashboards that melt and crack when exposed to sunlight.
- 14. When the Mazda dashboards melt, they produce a noxious chemical smell and ooze a chemical compound that is sticky to the touch. The dashboards also melt, deform, crack, and tear as a result of exposure to sunlight under ordinary and expected conditions to which all cars are subjected on a daily basis.
- 15. The degradation of the dashboard material causes the dashboards in Class Vehicles to become reflective, resulting in unpredictable glare being cast onto the windshield and into the drivers' eyes, making it difficult and sometimes impossible to see and safely operate the vehicle, putting drivers, passengers, and others on the road at risk. When a driver's vision is obstructed—even if just momentarily—the driver cannot see and respond to hazards, such as a child running in front of the vehicle or a car suddenly stopping.
- 16. In addition, the Class Vehicles are equipped with a passenger side airbag that deploys through precisely designed perforations in the dashboard. The parts affecting airbag release are designed with great attention to detail, with the recognition that in an accident it is essential that they deploy as designed. Thus, the spacing and size of the perforations designed to facilitate the properly timed and located airbag release are subject to extremely precise specifications. As the dashboards in Class Vehicles degrades, however, they commonly become visibly misshapen with consumers reporting a sticky substance oozing down the dashboard, raising the likelihood that in the case of a collision the airbag will not release as designed.
- 17. Owners of 2009-2011 Mazda 3 and Mazda 6s have posted pictures on Mazda 3 and Mazda 6 online forums showing the degradation of their dashboards and the resulting severity of the glare.



- 18. As seen in the photograph above, Mazda owner Tina captured the reflective glare that obscures her vision as a result of her melting dashboard.1
- Mazda owners have described their unsafe and deteriorating Mazda dashboards in a variety of ways on the NHTSA complaint boards, which are monitored by Mazda. For example, just a few of the ways that the owners have described the

¹ On September 3, 2014, Tina posted the photograph of the glare caused by her melting dashboard, along with the concerns for her driving safety on the Facebook page of Jenn Strathman, an investigative reporter located in West Palm Beach, Florida. Tina indicated that she also filed a complaint with the NHTSA.

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dashboards include "sticky," "shiny," "the consistency of flypaper," "a viscous substance, surface finish turned from matte to high gloss," "gooey, sticky black. If you touch it it gets all over your hands and everything will stick to it," and "shiny in the affected area due to the 'melting' and is reflecting the sunlight into my eyes during driving in sunny weather."

- 20. Below are further examples of complaints lodged with NHTSA which demonstrate drivers' reasonable safety concerns:
 - Date Complaint Filed: 09/05/2014
 NHTSA ID Number: 10631099
 - MAZDA 3
 - Model Year: 2010

"THE DASHBOARD OF MY MAZDA3 SEEMS TO BE MELTING. THE BRIGHT SHINY PLASTIC IS CREATING A GLARE THAT HINDERS MY VISION WHILE DRIVING. THE PLASTIC IS STICKY TO THE TOUCH. ALSO, WHEN MY CAR HAS BEEN SITTING FOR AWHILE DURING THE DAY IT SMELLS OF MELTED PLASTIC WHEN YOU GET BACK INTO IT."

- Date Complaint Filed: 08/26/2014
 NHTSA ID Number: 10628423
- MAZDA 3

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² E.g., NHTSA Id. Nos. 10630524, 10629925, 10629322.

- 3 E.g., NHTSA Id. Nos. 10626379, 10621425, 10617479.
- 24 || 4 NHTSA Id. No. 10622296.
- 25 || 5 NHTSA Id. No. 10618802.
- 26 || 6 NHTSA Id. No. 10618329.
- 27 || ⁷ NHTSA Id. No. 10617306.

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• Model Year: 2010

"TL* THE CONTACT OWNS A 2010 MAZDA. THE CONTACT STATED THAT THE DASHBOARD IN THE VEHICLE WAS MELTING. THE CONTACT MENTIONED THE MELTED DASHBOARD REFLECTS ONTO THE WINDSHIELD AND CAUSED A GLARE THAT WOULD AFFECT THE CONTACTS VISIBILITY. THE VEHICLE WAS TAKEN TO A DEALER. THE VEHICLE WAS NOT REPAIRED. THE MANUFACTURER WAS MADE AWARE OF THE FAILURE. THE FAILURE WAS MILEAGE WAS 38,000."

- Date Complaint Filed: 06/12/2014NHTSA ID Number: 10597925
- MAZDA 6
- Model Year: 2009

"THE PASSENGER SIDE OF MY DASHBOARD IS MELTING. IT IS ONLY OCCURRING ON THE SECTION CLOSEST TO THE WINDOW AND FOR ABOUT 12 INCHES. I HAVE TRIED TO KEEP THE WINDOWS OPEN, USE HEAT BARRIERS/SHIELDS ETC. IT IS EVEN WET AND GOOEY WHEN THE AC IS ON AND I AM DRIVING. I HAVE READ THAT THE PLASTICS ETC THAT ARE USED IN VEHICLES CAN EMIT CANCEROUS ODORS/VAPORS/ETC WHEN THEY OVERHEAT. CAN THIS ISSUE PLEASE BE INVESTIGATED AS AFTER READING THE COMPLAINTS THIS IS A ROBUST PROBLEM THAT CAN AFFECT THE SAFETY OF MANY PEOPLE!"

21. Consumers are extremely concerned that the deterioration of their dashboard results in a vehicle which is unreasonably dangerous due to the risk that the passenger side airbag will fail to deploy:

Date Complaint Filed: 05/01/2014
 NHTSA ID Number: 10586044

- MAZDA 3
- Model Year: 2010

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"CAR WAS PURCHASED IN 2009 AND UP UNTIL LAST YEAR I HAD VERY FEW PROBLEMS AND WAS VERY HAPPY WITH THE CAR. HOWEVER, LAST YEAR I NOTICED MY DASHBOARD APPEARED TO BE VERY SHINNY AND EXTREMELY STICKY. IT APPEARED AS THOUGH SOME TYPE OF GLUE HAD BEEN POURED ON IT. WHEN I TOUCHED THE DASHBOARD THE MELTED MATERIAL WOULD COME OFF ON MY FINGERS. I TOOK IT TO THE DEALERSHIP WHO SAID THEY HAD NEVER SEEN ANYTHING LIKE IT. THEY ARRANGED TO HAVE THE MAZDA AREA REPRESENTATIVE COME AND LOOK AT IT. HE EXAMINED THE DASHBOARD AND TOLD ME HE HAS SEEN THIS BEFORE, MOSTLY IN STATES LIKE FLORIDA, THAT ARE BASICALLY HOT ALL YEAR. HE STATED IT WAS THE GLUE USED TO SECURE THE DASHBOARD WHICH WAS LEECHING UP. HE APPROVED THE DEALERSHIP TO REPLACE THE PART AT NO CHARGE. HOWEVER THE DEALERSHIP SAID IT WOULD COST \$300.00 TO HAVE IT INSTALLED. IF THE PART WAS FAULTY WHY DO I NEED TO PAY TO HAVE THE NEW PART INSTALLED. I HAVE DONE NOTHING AND CONTINUE TO HAVE A DEFECTIVE DASHBOARD, MY CONCERN IS WILL THE AIRBAG WORK CORRECTLY INSIDE THIS DEFECTIVE DASHBOARD? I HAVE RECENTLY SEEN THE INVESTIGATIVE REPORT ON MY LOCAL NEWS CONCERNING THIS ISSUE. WITHOUT QUESTION THIS IS A SAFETY ISSUE IN MY OPINION"

- **Date Complaint Filed:** 06/09/2014
- **NHTSA ID Number:** 10597226
- MAZDA 6
- Model Year: 2009

"THE DASHBOARD OF MY MAZDA IS MELTING. THE DASHBOARD IS SHINY AND STICKY WITH A TERRIBLE GLARE. IT LOOKS LIKE IT IS WET, BUT IT IS REALLY GOOEY. I AM WORRIED THE AIRBAGS MAY DEPLOY PREMATURELY OR NOT AT ALL. THE DAMAGE TO THE DASHBOARD IS GETTING WORSE. I FEEL THIS IS INFERIOR WORKMANSHIP

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AND OR MATERIALS AND SHOULD BE PLACED UNDER RECALL."

- **Date Complaint Filed:** 04/30/2014
- NHTSA ID Number: 10585803
- MAZDA 6
- Model Year: 2009

"THE DASHBOARD IN MY 2009 MAZDA6 PASSENGER SIDE IS MELTING. THE DASHBOARD IS STICKY AND A MESS. IT COULD PROBABLY BE A HAZARD WITH MY AIRBAG. THE DASH IS ALSO VERY SOFT AND THE COLORING COMES OFF."

- 22. Often, despite otherwise being pleased with the performance of their Mazda vehicle, consumers recognize that the deterioration of the dashboard reduces their resale value, or even their ability to sell the vehicle at any price:
 - Date Complaint Filed: 05/30/2013
 - NHTSA ID Number: 10514300
 - MAZDA 3
 - Model Year: 2010

"MY 2010 MAZDA 3 DRIVES FINE AND DOES NOT HAVE MECHANICAL ISSUES. THE ISSUE INVOLVES THE INTERIOR DASHBOARD. SINCE IT WAS MADE FROM SOME TYPE OF RUBBER, THE SUN HAS BEEN MELTING IT. AESTHETICALLY IT DOESN'T LOOK GOOD, BUT WHILE DRIVING TOWARD THE DIRECTION OF THE SUN, THE GLARE IT CAUSES ON MY FRONT WINDSHIELD HAS BEEN AFFECTING MY DRIVING. I HAVE SPOKEN TO A COUPLE OF PEOPLE AT A LOCAL MAZDA DEALERSHIP AND ONE RIDICULOUS EMPLOYEE GAVE ME RECOMMENDATIONS SUCH AS TO PARK MY CAR IN A GARAGE, OR UNDER TREES WHENEVER POSSIBLE. APART FROM THOSE IDIOTIC REMARKS, I WILL HAVE TO PAY OUT-OF-POCKET DUE TO THE FACT THAT I AM NOW PAST MY WARRANTY. I PREVIOUSLY OWNED A MITSUBISHI FOR 10 YEARS AND THAT NEVER HAD ISSUES ALONG THOSE LINES.

I HAVE TAKEN VARIOUS PHOTOGRAPHS OF HOW MY VISION IS BEING OBSTRUCTED AND WOULD HAPPILY SEND THEM TO ANYONE I NEED TO. THE CHEAP RUBBER MATERIAL USED FOR THE DASHBOARD SHOULD NOT SIMPLY MELT BECAUSE OF THE SUN. THE SUN WILL ALWAYS BE PRESENT, THEREFORE THESE THINGS SHOULD BE TAKEN INTO CONSIDERATION DURING MANUFACTURING. I WOULD LOVE TO GET THIS ISSUE RESOLVED BEFORE HAVING TO LOSE MONEY AND NEVER DEAL WITH MAZDA AGAIN. OVERALL I LIKE THE CAR, BUT I CANNOT STAND THE WAY THE INTERIOR HAS DIMINISHED IN SUCH A SHORT PERIOD OF TIME. *TR"

Mazda's Knowledge of the Defect and the Dangers Posed

- 23. Mazda knew or should have known when it sold the 2009-2011 Mazda 3 and Mazda 6s that the dashboards would deteriorate when exposed to sunlight and predictably high summertime temperatures and present an unsafe condition for drivers.
- 24. Mazda, like all automobile manufacturers, has known for decades that dashboard reflections can impair drivers' vision and can make it harder to see pedestrians and objects on the road. For instance, a paper published in 1996 by researchers for the University of Michigan Transportation Research Institute found that when a dashboard casts a reflection in the windshield it can impair the drivers' vision. *See* Schumann, Josef, Daytime Veiling and Driver Visual Performance: Influence of Windshield Rake Angle and Dashboard Reflectance, *The University of Michigan Transportation Research Institute* (1996).
- 25. Likewise, product defects that obstruct the vision of drivers pose a severe safety hazard, and there have been many recalls related to obstructions of the driver's vision. Other automotive manufacturers, such as Ford, have had recalls because of

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bubbles that form on the windshield in higher temperatures, which could obstruct drivers' vision. In addition, defective windshield wipers necessitated several recalls in 1998 for Nissan 200sx cars because when windshield wipers cannot clean the glass of the windshield, a driver's vision can be obstructed. Similarly to these prior recalls, the 2009-2011 Mazda 3 and Mazda 6s' melting dashboards pose a severe safety hazard to drivers because they can obstruct a driver's vision.

- 26. Mazda has had extensive experience working with the materials used in dashboards and has personnel who specifically evaluate the durability of new vehicle parts, including the dashboards. Given the composition of the dashboards in Class Vehicles, Mazda knew or should have known that the dashboards would melt and crack with exposure to sunlight.
- 27. Mazda nonetheless decided to sell Class Vehicles without altering the dashboards, putting Mazda drivers, passengers, and others on the road at risk. Mazda did not tell customers or dealers that the dashboards would melt and crack with exposure to sunlight. Mazda thus had exclusive and superior knowledge of the dashboard defect and actively concealed the defect and corresponding danger from consumers who had no way to reasonably discover the problem before buying and driving their vehicles.
- 28. Had consumers been aware of the dashboard defect in their Mazda 3 and Mazda 6 cars they would not have purchased their vehicles, or would have paid far less than they paid for their vehicles. As Mazda knows, a reasonable person would consider the dashboard defect important and would not purchase or lease a vehicle with a potentially defective dashboard, or would pay substantially less for the vehicle.

⁸ http://www.ncconsumer.org/news-articles/ford-recalls-e-series-vehicles-with-windshield-defect.html

⁹ http://www.automd.com/recall/Nissan_m/200sx_mm/

- 29. Although there have been hundreds of consumer complaints about melting dashboards through the NHTSA website (which Mazda monitors), and complaints made directly to Mazda customer service about problems with its Mazda 3 and Mazda 6 dashboards, Mazda continues to deny the existence of a defect.
- 30. Additionally, the defect was discussed in an ABC Florida affiliate news segment, which showed pictures of the severe glare that drivers experience from their melting dashboards. In response to the news report about the dashboard defect, a Mazda representative acknowledged that the dashboard defect is a multi-state problem: "We are aware of a few instances of the dashboard changing texture in severely hot weather states and we are looking into it."¹⁰

Mazda's Refusal to Repair the Defective Dashboards

- 31. Despite the large amount of evidence and warnings that Mazda has had about the safety risk that Mazda melting dashboards pose, Mazda refuses to notify its customers of the problem or cover the costs of repairs. The total for parts and labor to replace a dashboard is between \$750 and \$2,000, depending on where the part is replaced. Just the cost of the labor may total nearly \$1,000, depending on the location of the Mazda dealership.
- 32. Many customers have made complaints to NHTSA about Mazda's failure to pay for the full cost to replace defective dashboards:

Date Complaint Filed: 08/29/2014NHTSA ID Number: 10629322

MAZDA 6

• Model Year: 2009

http://www.wptv.com/money/consumer/sticky-shiny-safety-issue-drivers-complain-of-sun-glare-from-melting-dashboards

"THE DASBOARD OF MY 2009 MAZDA 6 IS MELTING. IT HAS BECOME EXTREMELY STICKY AND SHINY. THE CONDITION CAUSES A GLARE ON THE WINDSHIELD THAT CAN INTERFERE WITH VISIBILITY. IN ADDITION, THE DASHBOARD DETERIORATION IS CAUSING AN OILY FILM TO BUILD UP ON THE ENTIRE INSIDE OF THE WINDSHIELD. THE FILM HAS TO BE CLEANED OFF FREQUENTLY AND IS VERY DIFFICULT TO COMPLETELY REMOVE. ORDINARY WINDOW CLEANERS JUST SMEAR IT. THE FILM NTERFERES WITH THE DRIVER'S ABILITY TO SEE IN AFTERNOON SUN. I CONTACTED MAZDA AND THEY ARE AWARE OF THE PROBLEM. AFTER I HAD IT DOCUMENTED AT THE DEALER, MAZDA AGREED TO PAY FOR THE PART BUT WOULD NOT PAY FOR THE COST OF THE LABOR, WHICH IS ESTIMATED AT APPROXIMATELY \$500."

• Date Complaint Filed: 09/10/2014

NHTSA ID Number: 10632328
 MAZDA 3

• Model Year: 2010

"MY MAZDA3 DASHBOARD IS MELTING. I HAVE NEVER USED ANY CHEMICAL SUBSTANCES TO CLEAN THE INTERIOR OF MY CAR. I LIVE IN SOUTH FLORIDA AND I'VE RECENTLY BEEN USING A SUNSHADE PROTECTOR BUT THAT DOESN'T NOT SEEM TO BE HELPING. THE GLARE FROM THE DASHBOARD AFFECTS MY VISION OF THE ROAD. I CONSTANTLY HAVE TO CLEAN MY WINDSHIELD WITH MILD DISH SOAP BECAUSE THE RESIDUE TRANSFER FROM MY SUNSHADE ONTO MY WINDSHIELD. THE COST OF REPLACING MY DASHBOARD IS NOT INCLUDED IN MY EXTENDED WARANTY PACKAGE. I HAVE COMPLAINED TO MY MAZDA DEALER ON MULTIPLE OCCASIONS, BUT I WAS TOLD THAT I WOULD HAVE TO PAY \$1,200.00 TO REPLACE THIS PROBLEM. IS THERE ANYTHING THAT CAN BE DONE?"

• Date Complaint Filed: 09/03/2014

• NHTSA ID Number: 10630524

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MAZDA 3

• Model Year: 2010

"THE DASHBOARD IS MELTING!! IT APPEARS THAT IT IS DETERIORATING CAUSING VISIBILITY ISSUES. IT IS BECOMING STICKY AND APPARENTLY IS A MANUFACTURER DEFECT. AS THE SUN GLARES DOWN ON THE WINDSHIELD. THE SUNS' RAYS BOUNCE OFF THE SHINY DASHBOARD CAUSING ME TO LOSE VISION IN TRAFFIC. THE MAZDA DEALER IS NOT WANTING TO REPLACE IT STATING IT IS OUT OF WARRANTY. THEY WANT ME TO PAY OVER \$400 FOR THE LABOR AND 50% OF THE PART. I EVEN CALLED THE MAZDA HO AND THEY REFUSE TO COVER THE DAMAGE, STATING THEY COULD DO NOTHING BETTER THAN THE OFFER THE DEALERSHIP GAVE ME. I REQUESTED TO SPEAK TO HIGHER UP MANAGEMENT AT CORPORATE BUT WAS TOLD BY THE REPRESENTATIVE THAT NOBODY COULD ASSIST ME FURTHER. THIS IS SO ABSURD!!! PLEASE HELP BEFORE I HAVE AN ACCIDENT."

33. Mazda's refusal to pay for the cost of dashboard repairs has caused great hardship to Mazda owners. Many drivers cannot afford to replace their dashboards and are forced to continue to drive unsafe cars, and risk getting into an accident. Mazda owners also have difficulty selling their vehicles because of their melted dashboards. Mazda owners who are able to sell their cars with melted dashboards are forced to sell their vehicles at a steep discount due to the dashboard defect.

PLAINTIFFS' EXPERIENCES

Plaintiff Danielle Stedman

34. Danielle Stedman purchased a 2010 Mazda 3 from Gunther Motors located in Ft. Lauderdale, Florida in February of 2011. In May or June of 2014, the Mazda's dashboard in her car began to melt. The melting dashboard on Ms. Stedman's car causes a harsh glare on her windshield that obscures her vision. The glare from the dashboard is a safety hazard whenever she drives the car and the sun is shining.

- 35. Ms. Stedman contacted the Mazda dealer where she purchased her car and received an estimate for the replacement of her melting dashboard. The Mazda dealer told her that they would only cover the cost of parts to replace her dashboard because her car is no longer covered under warranty. If she were to have the Mazda dealer replace her dashboard, she would have to pay Mazda \$360.00 in labor costs, which is more than Ms. Stedman can afford to pay. The Mazda dealership told her that there was nothing else they could do for her.
- 36. Ms. Stedman is scared to drive her car during the day because her melting dashboard causes a glare on her windshield making it difficult for her to see. The dashboard has released noxious fumes since it began melting, and she is concerned about the potential affect any fumes from the melting dashboard could have on her and her passengers while they are in the car.
- 37. If Ms. Stedman had known that the Mazda vehicle's dashboard would deteriorate if exposed to sunlight, she would not have purchased her vehicle. She did not receive the benefit of her bargain.

Plaintiffs Gary and Jody Soto

- 38. Gary and Jody Soto purchased a 2010 Mazda 3 from their daughter, who had purchased this vehicle after leasing for a year from a Mazda dealership in Virginia. Jody Soto is the primary driver of this vehicle.
- 39. In approximately August 2014, Ms. Soto noticed what appeared to be shiny fuzz on the dashboard of her Mazda 3. When she touched the dash, she realized that it was sticky and had begun to melt. At the time that it began melting, the vehicle had approximately 38,000 miles on the odometer.
- 40. Since August, the melting has continued and now causes a harsh glare on Ms. Soto's windshield that obscures her vision when she is driving on a sunny day. The glare from the dashboard presents a safety hazard every time she drives the car and the sun is shining, which is nearly daily in her home state.

- 41. Ms. Soto contacted the Mazda North American Operations' Customer Service Center upon realizing that her dashboard was deteriorating. She was directed to contact Daytona Mazda, the closest dealership to her home and which is located in Daytona Beach, Florida. Ms. Soto set up an appointment to have her vehicle's dash inspected at the dealership and confirmed the appointment with the corporate office.
- 42. After the inspection Ms. Soto received a call from Mazda of Daytona, stating that since her car was no longer under warranty, Mazda corporate would pay for the cost of the parts and she would be responsible for the cost of all labor. At the time, she asked for an estimate of the labor costs and was told by the dealership's service person that she was not sure, but it would have to be the same labor costs "as another customer who was coming in with the same problem."
- 43. Ms. Soto repeatedly asked for this agreement in writing, but never received it. She received a copy of an email that Greg Smith sent to her local Mazda dealership on August 22, 2014. Greg Smith's email signature indicates he is with Mazda North American Operations, Southeast Region. The email from Greg Smith to the dealership stated: "Tony and Tania this customer has no CP history at all and really does not deserve any assistance and she is not the original owner. However is s dash issue on some these units. Tony you incorrectly listed the part cost at \$237 It is \$273. I will give you a 30% mark up and pay \$355 to cover the part. The customer will be responsible for all labor." In this email, Mazda acknowledged the dashboard "issue," but did not explain why Ms. Soto "does not deserve any assistance," despite the fact that Ms. Soto's Mazda has a manufacturing defect.
- 44. Mazda eventually told Ms. Soto that if she were to have the Mazda dealer replace her dashboard, she would have to pay Mazda approximately \$400.00 in labor costs and that there was nothing else they would do for her.
- 45. Ms. Soto is afraid to drive her car during the day because her melting dashboard causes a glare on her windshield when the sun is shining. Furthermore, she is concerned that the airbags would fail to deploy properly in case of an accident as a result

of stickiness of the melting dashboard. Ms. Soto's car is dangerous to drive during the day in its current condition.

46. If Ms. Soto had known that the Mazda vehicle's dashboard would deteriorate if exposed to sunlight, she would not have purchased her vehicle or she would have spent significantly less to purchase her vehicle. She did not receive the benefit of her bargain.

Tolling and Estoppel of Statutes of Limitation and Fraudulent Concealment

- 47. The claims alleged in this complaint accrued upon discovery of the defects of the dashboards of the Class Vehicles. Mazda took steps to actively misrepresent and conceal the true character, nature and quality of the material of the dashboard. The defect manifests itself after a period of time and under certain predictable weather conditions, such that Plaintiffs and Class members could not reasonably discover the defect through reasonable and diligent investigation. Furthermore, Plaintiffs and Class members could not have reasonably discovered or known of the safety risks until the dashboard began to visibly deteriorate.
- 48. Any applicable statutes of limitations have been tolled by Mazda's knowledge and actual misrepresentation, concealment and denial of the facts as alleged herein. Mazda's misrepresentations and concealments have been and are ongoing and continue to this day. As a result of Mazda's active concealment of the design and material defect and/or failure to inform Plaintiffs and all members of the Classes and/or Subclasses of the defect, any and all statutes of limitations otherwise applicable to the allegations have been tolled.
- 49. Alternatively, the facts alleged give rise to an estoppel. Mazda knew of the defect and the serious risks it posed to consumers and has actively concealed it. Mazda was and is under a continuous duty to disclose to Plaintiffs and all members of the Classes and/or Subclasses the true character, quality and nature of the Class Vehicles,

particularly that their dashboards are not designed to withstand exposure to sunlight and will pose a threat to the safety of the driver and passengers when the dashboard prematurely deteriorates.

- 50. At all relevant times, and continuing to this day, Mazda knowingly and actively misrepresented and concealed the true character, quality and nature of the Class Vehicles and sold the Class Vehicles into the stream of commerce as if they were suitable for their intended use. Given Mazda's failure to disclose this non-public information about the defective nature of the Class Vehicles and risks to the public —information over which Mazda had and continues to have exclusive control—and because Plaintiffs and all members of the Classes and/or Subclasses could not reasonably have known that the Class Vehicles were thereby defective, Plaintiffs and all members of the Classes and/or Subclasses reasonably relied on Mazda's knowing affirmative and ongoing concealment. Had Plaintiffs and all members of the Classes and/or Subclasses known that the Class Vehicles posed a safety risk to the public, they would not have purchased the Class Vehicles. Therefore, Mazda is estopped from any statute of limitations defense in this action.
- 51. Additionally, Mazda is estopped from raising any defense of laches due to its own conduct as alleged herein.

CLASS ACTION ALLEGATIONS

52. Plaintiffs bring this action on behalf of themselves and on behalf of a proposed Nationwide Class, initially defined as:

All persons in the United States who owned or leased a Class Vehicle.

- 53. Plaintiffs propose the following Florida Class:
- All persons who purchased or leased a Class Vehicle in Florida.
- 54. Excluded from each proposed class is Mazda; any affiliate, parent, or subsidiary of Mazda; any entity in which Mazda has a controlling interest; any officer, director, or employee of Mazda; any successor or assign of Mazda; anyone employed by

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counsel for Plaintiffs in this action; any judge to whom this case is assigned, his or her spouse, and all persons within the third degree of relationship to either of them, as well as the spouses of such persons; and anyone who purchased a Class Vehicle for the purpose of resale.

- 55. This action has been brought and may properly be maintained on behalf of the classes proposed above under the criteria of Federal Rule of Civil Procedure Rule 23.
- 56. Numerosity. Mazda sold hundreds of thousands of Class Vehicles, including a substantial number in the states covered by the proposed classes. Members of the proposed classes likely number in the tens or hundreds of thousands and 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 (if deemed necessary or appropriate by the Court) by published notice.
- 57. Existence and predominance of common questions. Common questions of law and fact exist as to all members of the proposed classes and predominate over questions affecting only individual class members. These common questions include whether:
 - a. Class Vehicles were factory equipped with defective dashboards;
 - b. Mazda knew or should have known about the dashboard defect and, if so, when Mazda discovered the defect;
 - The existence of the dashboard defect would be important to a reasonable person, for example, because it poses an unreasonable safety risk;
 - d. Mazda disclosed the dashboard defect to potential customers;
 - e. Mazda dealerships have failed to provide free dashboard repairs for Class Vehicles.
- 58. <u>Typicality</u>. Plaintiffs' claims are typical of the claims of the proposed classes. Each Plaintiff and the class members he or she proposes to represent purchased a

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Class Vehicle that contains the same defective dashboard, giving rise to substantially the same claims.

- 59. Adequacy. Plaintiffs are adequate representatives of the proposed classes because their interests do not conflict with the interests of the members of the classes they seek to represent. Plaintiffs have retained counsel competent and experienced in complex class action litigation, and Plaintiffs intend to prosecute this action vigorously. The interests of members of the classes will be fairly and adequately protected by Plaintiffs and their counsel.
- 60. <u>Superiority</u>. The 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 Mazda 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 Mazda defect, 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, the class action device presents far fewer management difficulties and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court.
 - 61. In the alternative, the proposed classes may be certified because:
 - the prosecution of separate actions by the individual members of the a. proposed classes would create a risk of inconsistent or varying adjudication with respect to individual class members which would establish incompatible standards of conduct for Mazda;
 - the prosecution of separate actions by individual class members would b. create a risk of adjudications with respect to them which would, as a practical matter, be dispositive of the interests of other class members

- not parties to the adjudications, or substantially impair or impede their ability to protect their interests; and
- c. Mazda has acted or refused to act on grounds generally applicable to the proposed classes, thereby making appropriate final and injunctive relief with respect to the members of the proposed classes as a whole.

COUNT ONE

Plaintiffs, on behalf of the Nationwide Class For unlawful, unfair, and fraudulent business practices under California Business and Professions Code § 17200 et seq.

- 62. Plaintiffs, on behalf of themselves and the proposed Nationwide class, hereby re-allege the paragraphs above.
- 63. Mazda has violated and continues to violate California's Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, *et seq.*, which prohibits unlawful, unfair, or fraudulent business acts or practices.
- 64. Mazda's acts and practices constitute fraudulent practices in that they are likely to deceive a reasonable consumer. A reasonable consumer would not have bought a Class Vehicle if Mazda adequately disclosed the dashboard defect in its Class Vehicles, and that the dashboard defect presents a safety hazard.
- 65. Mazda's fraudulent acts and practices also constitute unfair practices in that (i) they are unethical, unscrupulous, and substantially injurious to consumers; (ii) any legitimate utility of Mazda's conduct is outweighed by the harm to consumers; (iii) the injury is not one that consumers reasonably could have avoided; and/or (iv) the conduct runs afoul of the public safety policy embodied in the Highway Safety Act, which seeks to protect consumers against unfair and sharp business practices and to promote a basic level of honesty and reliability in the marketplace.
- 66. As a direct and proximate result of Mazda's unlawful, unfair, and fraudulent business practices as alleged herein, Plaintiffs and Class members have suffered injury in

fact and lost money or property, in that they purchased Class Vehicles they otherwise would not have, paid more for Class Vehicles than they otherwise would, paid for repairs, and replacements, and/or rental cars, and are left with Class Vehicles of diminished value and utility because of the defect. Meanwhile, Mazda has sold more Class Vehicles than it otherwise could have and charged inflated prices for Class Vehicles, unjustly enriching itself thereby.

67. Plaintiffs and Class members are entitled to equitable relief, including restitutionary disgorgement of all profits accruing to Mazda because of its deceptive practices, and an order requiring Mazda to adequately disclose and repair the dashboard defect.

COUNT TWO

Plaintiffs, on Behalf of the Nationwide Class Violation of the Consumers Legal Remedies Act, Cal. Civ. Code. §§ 1750, et seq.

- 68. Plaintiffs, on behalf of a Nationwide Class, reallege as if fully set forth, each and every allegation set forth herein.
- 69. Mazda is a "person" within the meaning of Civil Code sections 1761(c) and 1770, and has provided "goods" within the meaning of California Civil Code section 1761(b) and 1770.
- 70. Plaintiffs and members of the class are "consumers" within the meaning of Civil Code section 1761(d) and 1770, and have engaged in a "transaction" within the meaning of Civil Code section 1761(e) and 1770.
- 71. Mazda's acts and practices, undertaken in transactions intended to result and which did result in the sale or lease of Class Vehicles, violate Section 1770 of the Consumers Legal Remedies Act in that:
 - (a) Mazda represents that its goods have sponsorship, approval, characteristics, uses or benefits which they do not have;
 - (b) Mazda advertises its goods with intent not to sell them as advertised;

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- (c) Mazda represents that a transaction confers or involves rights, remedies, or obligations which it does not have or involve; and
- (d) Mazda represents that its goods have been supplied in accordance with a previous representation when they have not.
- 72. Mazda has violated the Consumers Legal Remedies Act by failing to disclose, at the point of sale or otherwise, that the Class Vehicles' dashboards are defective and pose a safety hazard.
- 73. Had Mazda adequately disclosed information about the defective dashboards, Plaintiffs, Class members, and reasonable consumers would not have purchased or would have paid less for their Class Vehicles.
- 74. Pursuant to the provision of California Civil Code § 1780, Plaintiffs seek an order enjoining Mazda from the unlawful practices described herein, a declaration that Mazda's conduct violates the Consumers Legal Remedies Act, and attorneys' fees and costs of litigation.
- 75. Plaintiffs, on behalf of themselves and the Class, notified Mazda in writing of the CLRA violations and requested that Mazda cure the violations. Should Mazda not comply with Plaintiffs' request, Plaintiffs intend to amend their complaint and seek damages under the CLRA.

COUNT THREE

Plaintiffs, on Behalf of the Florida Class Violation of the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. § 501.201, et seq.

- 76. Plaintiffs, on behalf of themselves and the Florida class, hereby re-allege the preceding paragraphs.
- 77. The purpose of the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. § 501.201 et seq., is to "protect the consuming public...from those who engage in unfair methods of competition, or unconscionable, deceptive or unfair acts or practice in the conduct of any trade or commerce." Fla. Stat. § 501.202(2).

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- 78. Plaintiffs and the Florida class members are "consumers" within the meaning of Fla. Stat. §501.203(7).
- 79. At all relevant times, Mazda was engaged in trade or commerce within the meaning of Fla. Stat. §501.203(8).
- 80. Mazda has violated Florida's Deceptive and Unfair Trade Practices Act by failing to disclose, at the point of sale or otherwise, that the dashboard in Class Vehicles is defective and poses a safety hazard. This conduct offends public policy and is unethical, unscrupulous, and substantially injurious to consumers.
- 81. Mazda's actions as set forth above occurred in the conduct of trade or commerce.
- 82. Mazda's actions impact the public interest because Plaintiffs and the Florida Class members were injured in exactly the same way as thousands of others purchasing and/or leasing Class Vehicles as a result of Mazda's generalized course of deception.
- 83. All of the wrongful conduct alleged herein occurred, and continues to occur, in the conduct of Mazda's business.
- 84. Plaintiffs and the Florida Class members were injured and suffered economic damages as a result of Mazda's conduct.
- 85. Plaintiffs and the Florida Class members overpaid for their Class Vehicles and did not receive the benefit of their bargain, and the Class Vehicles have suffered a diminution in value as a result of the conduct described herein.
- 86. Mazda's conduct proximately caused the injuries to Plaintiff and the Florida Class members.
- 87. Mazda is liable to Plaintiffs and the Florida Class members for damages in amounts to be proven at trial, including attorneys' fees recoverable pursuant to Fla. Stat. § 501.2105, costs, and treble damages.
- 88. As a direct and proximate result of Mazda's conduct, Plaintiffs and other members of the Florida class have been harmed in that they purchased Class Vehicles they otherwise would not have, paid more for Class Vehicles than they otherwise would

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have, paid for dashboard diagnoses, repairs, and replacements, and/or rental cars, and are left with Class Vehicles of diminished value and utility because of the defect.

Meanwhile, Mazda has sold more Class Vehicles than it otherwise could have and charged inflated prices for Class Vehicles, unjustly enriching itself thereby.

89. Pursuant to Fla. Stat. §501.211, Plaintiffs and the Florida Class seek damages, a declaratory judgment, and an order requiring Mazda to adequately disclose and repair the dashboard defect.

COUNT FOUR

Plaintiffs, on Behalf of the Florida Class Unjust Enrichment

- 90. Plaintiffs incorporate by reference and re-allege all paragraphs previously alleged herein and further allege as follows.
- 91. Mazda had knowledge of the dashboard defect and the serious safety risks it poses, which it failed to disclose to Plaintiffs and the Florida Class members.
- 92. As a result of their wrongful and fraudulent acts and omissions, as set forth above, pertaining to the design defect of the Class Vehicles and the concealment of the defect, Mazda obtained monies which rightfully belong to Plaintiffs to the detriment of the Plaintiffs.
- 93. Mazda appreciated, accepted and retained the non-gratuitous benefits conferred by Plaintiffs and the Florida Class members, who without knowledge of the defect paid a higher price for their Class Vehicles which actually had lower values, and received monies for Class Vehicles that Plaintiffs and Florida Class members would not have purchased.
- 94. It would be inequitable and unjust for Mazda to retain these wrongfully-obtained profits.
- 95. Mazda's retention of these wrongfully-obtained profits would violate the fundamental principles of justice, equity, and good conscience.

96. Plaintiffs, therefore, are entitled to restitution of the profits unjustly obtained, plus interest.

COUNT FIVE

Plaintiffs, on Behalf of the Nationwide Class Negligence

- 97. Plaintiffs, on behalf of themselves and the Nationwide Class, re-allege as if fully set forth, each and every allegation set forth herein.
- 98. Mazda owed Plaintiffs and Class members a duty, once it discovered the dashboard defect, to ensure that an appropriate repair procedure was made available to drivers.
- 99. Mazda owed a duty to Plaintiffs and Class members not to engage in fraudulent or deceptive conduct, including the knowing omission of material information such as the existence of the dashboard defect. This duty is independent of any contractual duties Mazda may owe or have owed.
- 100. A finding that Mazda owed a duty to Plaintiffs and Class members would not significantly burden Mazda. Mazda has the means to efficiently notify drivers of Mazda vehicles about dangerous defects. The cost borne by Mazda for these efforts is insignificant in light of the dangers posed to Plaintiffs and Class members by Mazda's failure to disclose the dashboard defect and provide an appropriate notice and repair.
- 101. Mazda failed to disclose and deceptively concealed the dashboard defect to Plaintiffs, and other drivers of Class Vehicles, and failed to provide appropriate notice of repair procedures for the dashboard defect. Mazda departed from the reasonable standard of care and breached its duties to Plaintiffs and other drivers of Mazda vehicles.
- 102. Mazda's conduct was morally blameworthy. Mazda knew about the dashboard defect and knew it was dangerous. Yet Mazda concealed the defect, placing drivers of Class Vehicles at unnecessary risk.

- 103. Mazda's conduct was contrary to public policy favoring the disclosure of defects that may affect customer safety and the prevention of accidents and injuries due to defective automobiles.
- 104. As a direct, reasonably foreseeable, and proximate result of Mazda's failure to exercise reasonable care, inform Plaintiffs and other Class members of the defect, and provide appropriate repairs for the defect, Plaintiffs and Class members have suffered damages in that they spent more money on Class Vehicles and related purchases than they otherwise would have and are left with Class Vehicles that cannot be safely driven and which are of diminished value.
- 105. Plaintiffs could not through the exercise of reasonable diligence have prevented the injuries caused by Mazda's negligence. Neither Plaintiffs nor other Class members contributed to Mazda's failure to provide appropriate notice and repairs. Plaintiffs seek to recover their damages caused by Mazda.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment as follows:

- a. For an order certifying the proposed classes and appointing Plaintiffs and their counsel to represent the classes;
- For an order awarding Plaintiffs and the members of the classes actual,
 statutory, punitive or any other form of damages provided by and pursuant to
 Counts Three and Five;
- For an order awarding Plaintiffs and the members of the classes restitution, disgorgement or other equitable relief provided by and pursuant to Counts One, Three, and Four, or as the Court deems proper;
- d. For an order requiring Mazda to adequately disclose and repair the dashboard defect:
- e. For an order awarding Plaintiffs and the members of the classes prejudgment and post-judgment interest;

DEMAND FOR JURY TRIAL 1 2 Plaintiffs hereby demand a trial by jury on all claims so triable. 3 4 DATED: October 3, 2014 Respectfully submitted, 5 **GIRARD GIBBS LLP** 6 By: /s/Eric H. Gibbs 7 8 Eric H. Gibbs Dylan Hughes 9 Jennifer McIntosh 10 601 California Street, 14th Floor San Francisco, California 94108 11 Telephone: (415) 981-4800 12 Facsimile: (415) 981-4846 13 Gregory F. Coleman 14 Adam Edwards 15 Lisa A. White GREG COLEMAN LAW PC 16 Bank of America Center 17 550 Main Avenue, Suite 600 18 Knoxville, TN 37902 Telephone: (865) 247-0080 19 Facsimile: (865) 522-0049 20 Attorneys for Plaintiffs 21 22 23 24 25 26 27 28 28 CLASS ACTION COMPLAINT CASE NO. 8-14-cv-01608