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7 *Counsel for Plaintiff and the Putative Class*

8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10 **SOUTHERN DIVISION**

11
12 EDWARD LEWAND, individually and
on behalf of all others similarly situated,

13 Plaintiff,

14
15 v.

16 MAZDA MOTOR OF AMERICA,
INC., a California corporation,

17 Defendant.
18

No. 8:17-cv-620

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

1 Plaintiff Edward Lewand (“Plaintiff”), individually and on behalf of all others
2 similarly situated, by and through his undersigned counsel, brings this Class Action
3 Complaint against Defendant Mazda Motor of America, Inc. (“Defendant”), and alleges
4 as follows based on personal knowledge of facts pertaining to him and on information
5 and belief as to all other matters:

6 **NATURE OF THE CASE**

7 1. This class action arises from Defendant’s marketing and sales of navigation
8 software with “real-time” or live traffic alerts (the “Traffic Software”) in its 2016 model
9 year vehicles (the “Vehicles”). The Traffic Software was initially offered with the
10 Vehicles as a material, integral part of an add-on tech package at an additional cost to
11 the base price of the Vehicles (the “Grand Touring Package”). Defendant advertised the
12 Traffic Software as factory-installed navigation software with real-time traffic alerts,
13 which provided alternative routes in the event of road closures and heavy traffic.
14 Defendant offered the Traffic Software knowing that this feature was a material factor
15 in consumers’ decision to purchase the Grand Touring Package and the Vehicles
16 themselves.

17 2. Contrary to Defendant’s representations, as of early 2016, purchasers and
18 lessees of the Vehicles were unable to access the Traffic Software. Defendant failed to
19 notify the affected consumers of the Traffic Software’s lack of functionality.

20 3. Without the Traffic Software, the Vehicles purchased and leased by
21 Plaintiff and Class members did not and continue to not perform as Defendant
22 advertised, promised, and warranted. As a result, Plaintiff and Class members received
23 Vehicles worth less than what Defendant represented and for what they paid.

24 4. As alleged herein, Defendant’s conduct constitutes a violation of the
25 California Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, *et seq.* (the
26 “UCL”), a violation of the California Consumers Legal Remedies Act, Cal. Civ. Code §
27 1750, *et seq.* (the “CLRA”), a violation of the Magnuson-Moss Warranty Act, 15 U.S.C.
28 § 2301, *et seq.* (the “MMWA”), a breach of express warranty, and a breach of contract.

PARTIES

1
2 5. Plaintiff is a resident of Fulton County, Georgia. Plaintiff was a Georgia
3 resident when he purchased his Vehicle, a 2016 Mazda CX-R with the Grand Touring
4 Package, on or about November 28, 2015. At the time of purchase, Defendant
5 represented that the Grand Touring Package included the Traffic Software. This
6 software was material to Plaintiff’s decision to purchase the Vehicle and pay
7 approximately \$1,505 additional for the Grand Touring Package.

8 6. Defendant is incorporated in California, with its headquarters and principal
9 place of business located at 7755 Irvine Center Drive, Irvine, California 92618.
10 Defendant, as part of Mazda North American Operations, is the American subsidiary
11 and largest component of Mazda Motor Corporations outside of Japan. Defendant
12 designed, manufactured, marketed, distributed, leased, and sold, through its authorized
13 dealers and distributors, the Vehicles in the United States to Plaintiff and Class
14 members.

JURISDICTION AND VENUE

15
16 7. This Court has subject matter jurisdiction over this action under the Class
17 Action Fairness Act, 28 U.S.C. § 1332(d)(2). The amount in controversy exceeds \$5
18 million exclusive of interest and costs. Plaintiff and Defendant are citizens of different
19 states. There are more than 100 putative Class Members.

20 8. This Court has personal jurisdiction over Defendant because it is
21 headquartered in this District and regularly conducts business in California, has
22 sufficient minimum contacts with California, and the events giving rise to this matter
23 arose out of those contacts. Defendant intentionally availed itself of this jurisdiction by
24 marketing and selling products and services from its principle place of business in this
25 District to thousands of consumers in California and throughout the United States.

26 9. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because
27 Defendant is headquartered in this District, Defendant regularly transacts business here,
28 and some Class members reside in this District. In addition, the events giving rise to

1 Plaintiff's causes of action arose, in part, in this District.

2 **FACTS**

3 10. In its marketing brochure for the Vehicles, Defendant advertised the Traffic
4 Software as "an available factory-integrated navigation system with cutting-edge
5 features such as voice command, real-time traffic alerts and advanced lane guidance."

6 *See, e.g.,* 2016 Mazda CX-5 brochure, at 18, *available at*
7 [https://www.mazdausa.com/siteassets/pdf/brochures/2016-mazda-cx-](https://www.mazdausa.com/siteassets/pdf/brochures/2016-mazda-cx-5/2016.5_mazda_cx5_brochure.pdf)
8 [5/2016.5_mazda_cx5_brochure.pdf](https://www.mazdausa.com/siteassets/pdf/brochures/2016-mazda-cx-5/2016.5_mazda_cx5_brochure.pdf) (emphasis added) (last visited Feb. 9, 2017).

9 11. As disclosed in the Vehicles' owner manuals, the Traffic Software is
10 purported to have real-time functionality:

11 The recommended route is not always the same between two points. Offline
12 historical traffic information (historical speed information or traffic patterns) can
13 be taken into account in the route calculation based on the time of day and the day
14 of week whenever suitable data exists. In addition, **real-time traffic information**
15 **can help you avoid current traffic events like temporary road closures or a**
traffic jam caused by an accident.

16 *See* Navigation Manual for 2016 Mazda CX-5 with Grand Touring Package, at 75
17 (emphasis added). A true and correct copy is attached hereto as **Exhibit A**.

18 12. Through its Mazda Connect vehicle update service, Defendant confirmed
19 to Plaintiff and certain Class members that the Traffic Software feature has been
20 disabled in the Vehicles. Defendant further confirmed that the Traffic Software was
21 originally designed into the current NAVTEQ navigation system in the Vehicles. Upon
22 information and belief, Defendant had a temporary agreement with a traffic service
23 provider that enabled Defendant to provide the real-time traffic alerts it promised to
24 Plaintiff and Class members, but that agreement has since expired. Defendant began
25 advertising the Grand Touring Package with portable Garmin navigation devices instead
26 of the factory-installed Traffic Software.

27 13. For the first few months of Plaintiff's Vehicle ownership, the Traffic
28 Software in Plaintiff's Vehicle functioned properly. When traveling in his Vehicle with

1 the live traffic feature turned on, the Traffic Software would alert Plaintiff of upcoming
2 heavy traffic on his route and offer him alternate routes to avoid the heavy traffic.

3 14. However, the Traffic Software stopped working after the initial months of
4 ownership. When attempting to turn on the live traffic feature on his Vehicle's
5 touchscreen menu, the "traffic" button was greyed out such that it could no longer be
6 turned on.

7 15. Plaintiff brought his Vehicle back to the dealership multiple times for
8 service, in part to attempt to service this nonfunctioning Traffic Software. After
9 multiple unsuccessful attempts to restore the Traffic Software, the technicians at his
10 dealership confirmed with Defendant's corporate office that later updates of the
11 Vehicles' software had disabled the live traffic feature:

12 VERIFIED CUSTOER [sic] CONCERN THAT LIVE TRAFFIC WAS NOT
13 WORKING CHECKED FOR MAZDA CONNECT UPDATE. VEHICLE
14 UPDATED TO LATEST VERSION, TRAFFIC CAME ON FOR A MOMENT
15 AND THAN [sic] GREYED OUT AGAIN. A CALL TO TECHLINE
16 CONFIRMED THAT IN LATER UPDATES OF [sic] THAT LIVE TRAFFIC
WAS DISABLED.

17 *See* Mazda of Marietta Customer Invoice, September 8, 2016. A true and correct copy
18 is attached hereto as **Exhibit B** (personal identifying information redacted for privacy
19 reasons).

20 16. Like Plaintiff, many other Class members have voiced their frustration with
21 Defendant's deceptive marketing of the Traffic Software in the Vehicles, some even
22 starting an online petition for Defendant to rectify the nonfunctioning software. *See,*
23 *e.g.,* iPetitions, Live Traffic in 2016 Mazdas, *available at*
24 <https://www.ipetitions.com/petition/live-traffic-in-2016-mazdas> (last visited Feb. 9,
25 2017) ("Mazda Connect's explanation that they are 'working on it' and it 'might' be
26 available in the future is not acceptable."); *see also* Mazda6Club, 2016 Mazda6 Touring
27 – Navigation – Live Traffic, *available at* [http://forum.mazda6club.com/newbie-](http://forum.mazda6club.com/newbie-section/356474-2016-mazda6-touring-navigation-live-traffic.html)
28 [section/356474-2016-mazda6-touring-navigation-live-traffic.html](http://forum.mazda6club.com/newbie-section/356474-2016-mazda6-touring-navigation-live-traffic.html) (last visited Feb. 9,

1 2017); Reddit, Does the Nav’s Traffic Feature Work for Anyone?, *available at*
2 [https://www.reddit.com/r/mazda/comments/3kubwp/does_the_navs_traffic_feature_wor](https://www.reddit.com/r/mazda/comments/3kubwp/does_the_navs_traffic_feature_work_for_anyone/)
3 [k_for_anyone/](https://www.reddit.com/r/mazda/comments/3kubwp/does_the_navs_traffic_feature_work_for_anyone/) (last visited Feb. 9, 2017); Mazdas247, Mazda “Connect” Navigation
4 System in 2016 and beyond (Good Read, Trust me), *available at*
5 [https://www.mazdas247.com/forum/showthread.php?123853331-Mazda-quot-Connect-](https://www.mazdas247.com/forum/showthread.php?123853331-Mazda-quot-Connect-quot-Navigation-System-in-2016-and-beyond-(Good-Read-Trust-me))
6 [quot-Navigation-System-in-2016-and-beyond-\(Good-Read-Trust-me\)](https://www.mazdas247.com/forum/showthread.php?123853331-Mazda-quot-Connect-quot-Navigation-System-in-2016-and-beyond-(Good-Read-Trust-me)) (last visited Feb.
7 9, 2017); CX-3 Forum, How do you enable live traffic updates?, *available at*
8 [http://www.cx3forum.com/forum/electronics-audio/5417-how-do-you-enable-live-](http://www.cx3forum.com/forum/electronics-audio/5417-how-do-you-enable-live-traffic-updates.html)
9 [traffic-updates.html](http://www.cx3forum.com/forum/electronics-audio/5417-how-do-you-enable-live-traffic-updates.html) (last visited Feb. 9, 2017).

10 CLASS ACTION ALLEGATIONS

11 17. Plaintiff brings his claims as class claims under Federal Rule of Civil
12 Procedure 23(b)(1), (b)(2), (b)(3), and (c)(4), on behalf of a proposed nationwide class
13 defined as follows:

14 *All natural persons and entities who purchased and/or leased a 2016*
15 *model year Mazda vehicle advertised to include factory-installed*
16 *navigation software with real-time traffic alerts.*

17 18. Plaintiff brings his alternative breach of warranty and breach of contract
18 claims on behalf of a subclass of similarly situated Georgia residents, defined as
19 follows:

20 *All natural persons and entities in Georgia who purchased and/or*
21 *leased a 2016 model year Mazda vehicle advertised to include*
22 *factory-installed navigation software with real-time traffic alerts.*

23 19. Except where otherwise noted, the “Class” and “Class members” shall refer
24 to members of the nationwide Class and the Georgia Subclass, collectively.

25 20. Excluded from the Class are Defendant and its current employees, as well
26 as the Court and its personnel presiding over this action.

27 21. The Class meets the requirements of Federal Rules of Civil Procedure
28 23(a) and 23(b)(1), (b)(2), and (b)(3) for all of the following reasons.

1 22. **Numerosity:** The Class is so numerous that joinder of all members is
2 impracticable. On information and belief, Plaintiff alleges that there are thousands to
3 millions of individuals in the Class. The parties will be able to identify each member of
4 the Class after Defendant's document production and/or related discovery.

5 23. **Commonality:** There are numerous questions of law and fact common to
6 Plaintiff and the Class, including but not limited to the following:

- 7 • whether Defendant engaged in the wrongful conduct alleged herein;
- 8 • whether Plaintiff and Class members suffered legally cognizable damages
9 as a result of Defendant's conduct;
- 10 • whether Defendant misrepresented that purchasers and lessees of the
11 Vehicles would have access to the Traffic Software;
- 12 • whether Defendant's representations regarding the Traffic Software were
13 likely to mislead a reasonable consumer;
- 14 • whether Defendant breached express warranties with Plaintiff and Class
15 members when it sold Vehicles that lacked the capabilities it represented;
- 16 • whether Defendant violated the UCL;
- 17 • whether Defendant violated the CLRA
- 18 • whether Defendant violated the MMWA; and
- 19 • whether Plaintiff and Class members are entitled to equitable relief
20 including injunctive relief.

21 24. **Typicality:** All of Plaintiff's claims are typical of the claims of the Class.
22 Plaintiff, like all proposed Class members, purchased a Vehicle with Traffic Software
23 that did not function as advertised by Defendant.

24 25. **Adequacy:** Plaintiff will fairly and adequately protect the interests of the
25 Class. Plaintiff has no interests that are adverse to, or in conflict with, those of Class
26 members. There are no claims or defenses that are unique to Plaintiff. Likewise,
27 Plaintiff has retained counsel experienced in class action and complex litigation who
28 have sufficient resources to prosecute this action vigorously.

1 26. **Predominance:** The proposed action meets the requirements of Federal
2 Rule of Civil Procedure 23(b)(3) because questions of law and fact common to the Class
3 predominate over any questions which may affect only individual Class members.

4 27. **Superiority:** The proposed action also meets the requirements of Federal
5 Rule of Civil Procedure 23(b)(3) because a class action is superior to other available
6 methods for the fair and efficient adjudication of the controversy. Class treatment of
7 common questions is superior to multiple individual actions or piecemeal litigation,
8 avoids inconsistent decisions, presents far fewer management difficulties, conserves
9 judicial resources and the parties' resources, and protects the rights of each Class
10 member. Absent a class action, the majority of Class members would find the cost of
11 litigating their claims prohibitively high and would have no effective remedy.

12 28. **Risks of Prosecuting Separate Actions:** Plaintiff's claims also meet the
13 requirements of Federal Rule of Civil Procedure 23(b)(1) because prosecution of
14 separate actions by individual Class members would create a risk of inconsistent or
15 varying adjudications that would establish incompatible standards for Defendant.
16 Varying adjudications could establish incompatible standards with respect to: whether
17 Defendant's ongoing conduct violates the claims alleged herein; and whether the
18 injuries suffered by Class members are legally cognizable, among others. Prosecution
19 of separate actions by individual Class members would also create a risk of individual
20 adjudications that would be dispositive of the interests of other Class members not
21 parties to the individual adjudications, or substantially impair or impede the ability of
22 Class members to protect their interests.

23 29. **Injunctive Relief:** In addition, Defendant has acted and/or refused to act
24 on grounds that apply generally to the Class, making injunctive and/or declaratory relief
25 appropriate with respect to the Class under Federal Rule of Civil Procedure 23(b)(2).
26 Defendants continue to make misrepresentations concerning the Traffic Software and
27 other claims alleged herein.

28 30. **Certification of Particular Issues:** In the alternative, the Class may be

1 maintained as a class action with respect to particular issues, in accordance with Fed. R.
2 Civ. P. 23(c)(4).

3 **FIRST CAUSE OF ACTION**

4 **Violation of the Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, *et seq.***
5 **(On Behalf of the Nationwide Class)**

6 31. Plaintiff incorporates by reference all factual allegations above.

7 32. The UCL prohibits any “unlawful,” “unfair,” or “fraudulent” business
8 practice.

9 33. Defendant violated the “unlawful” prong of the UCL by making material
10 misrepresentations that the Vehicles were equipped with functional Traffic Software,
11 which violated, without limitation, the CLRA and the MMWA.

12 34. Defendant’s practice of representing that the Vehicles were equipped with
13 functional Traffic Software when they were not violated the “unfair” prong of the UCL
14 because it was immoral, unethical, oppressive, unscrupulous, unconscionable, and/or
15 substantially injurious to Plaintiff and Class members. Defendant’s practice was also
16 contrary to public policy and the harm it caused to consumers outweighed its utility, if
17 any.

18 35. Defendant violated the “fraudulent” prong of the UCL by making material
19 misrepresentations that the Vehicles were equipped with functional Traffic Software,
20 when in fact they were not. These material misrepresentations were likely to mislead
21 consumers.

22 36. Plaintiff and Class members relied on Defendant’s material
23 misrepresentations and would not have paid for, or would not have paid as much for, the
24 Vehicles had they known the truth.

25 37. As a direct and proximate result of Defendant’s unfair, unlawful, and
26 fraudulent conduct, Plaintiff and Class members lost money or property.

27 38. Defendant’s conduct caused substantial injury to Plaintiff and Class
28 members. Accordingly, Plaintiff seeks an order enjoining Defendant from committing

1 such unlawful, unfair, and fraudulent business practices, and seeks the full amount of
2 money Plaintiff and Class members paid for the Traffic Software and/or restitutionary
3 disgorgement of profits from Defendant. Plaintiff also seeks attorneys' fees and costs
4 under Cal Code Civ. Proc. § 1021.5.

5 **SECOND CAUSE OF ACTION**

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

7 **(On Behalf of the Nationwide Class)**

8 39. Plaintiff incorporates by reference all factual allegations above.

9 40. The CLRA has adopted a comprehensive statutory scheme prohibiting
10 various deceptive practices in connection with the conduct of a business providing
11 goods, property, or services to consumers primarily for personal, family, or household
12 purposes. The self-declared purposes of the CLRA are to protect consumers against
13 unfair and deceptive business practices and to provide efficient and economical
14 procedures to secure such protection.

15 41. Defendant is a "person" as defined by Civil Code Section 1761(c), because
16 Defendant is a corporation as set forth above.

17 42. Plaintiff and Class members are "consumers" within the meaning of Civil
18 Code Section 1761(d).

19 43. The Vehicles and the Traffic Software constitute "goods" and "services,"
20 as defined by Cal. Civ. Code § 1761(a) and (b).

21 44. Plaintiff's and Class members' purchases of the Vehicles constitute
22 "transactions," as defined by Cal. Civ. Code § 1761(e).

23 45. Plaintiff's and Class members' purchased the Vehicles for personal, family,
24 and household purposes, as defined by Cal. Civ. Code § 1761(d).

25 46. Venue is proper under Cal. Civ. Code § 1780(d) because a substantial
26 portion of the conduct at issue occurred in this District. An affidavit establishing that
27 this Court is the proper venue for this action is attached below.

28

1 47. Defendant deceived consumers in that it misrepresented that the Traffic
2 Software was functional in the Vehicles, when in fact the Traffic Software was not and
3 continues to not be functional.

4 48. Defendant's misrepresentations and nondisclosures violated the CLRA in
5 the following manner:

6 a. In violation of Section 1770(a)(5), Defendant misrepresented that the
7 Vehicles had characteristics, benefits, or uses that they did not have (representing the
8 Vehicles were equipped with functional Traffic Software when they were not);

9 b. In violation of Section 1770(a)(7), Defendant misrepresented that the
10 Vehicles were of a particular standard, quality, and/or grade when they were of another
11 (representing the Vehicles were equipped with functional Traffic Software when they
12 were not);

13 c. In violation of Section 1770(a)(9), Defendant advertised the Vehicles
14 with an intent not to sell them as advertised (representing the Vehicles were equipped
15 with functional Traffic Software when they were not); and

16 d. In violation of Section 1770(a)(16), Defendant misrepresented that
17 the Vehicles were supplied in accordance with previous representations when they were
18 not (representing the Vehicles were equipped with functional Traffic Software when
19 they were not).

20 49. Defendant's misrepresentations and nondisclosures regarding the Vehicles
21 were material to Plaintiff and Class members because a reasonable person would have
22 considered them important in deciding whether or not to purchase the Vehicles and
23 because Defendant had a duty to disclose the truth.

24 50. Plaintiff and Class members relied upon Defendant's material
25 misrepresentations and nondisclosures, and had Plaintiff and Class members known the
26 truth they would have acted differently.

27 51. As a direct and proximate result of Defendant's material misrepresentations
28 and nondisclosures, Plaintiff and the Class have been irreparably harmed.

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury of all issues in this action so triable of right.

Dated: April 5, 2017

Respectfully submitted,

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