

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. 2:19-cv-05984-RGK-AS Date June 3, 2021

Title *Jimmy Banh et al v. American Honda Motor Company, Inc.*

Present: The Honorable R. GARY KLAUSNER, UNITED STATES DISTRICT JUDGE

Sharon L. Williams

Not Reported

N/A

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiff:

Attorneys Present for Defendants:

Not Present

Not Present

Proceedings: (IN CHAMBERS) Order Re: Plaintiffs' Renewed Motion for Preliminary Approval of Class Action Settlement [DE 194]

I. INTRODUCTION

Plaintiffs filed this putative class action against American Honda Motor Co., Inc. ("Defendant"). The named Plaintiffs are individuals who purchased or leased a 2019 or 2020 Acura RDX vehicle ("Vehicle") manufactured by Defendant.

In their Second Amended Complaint ("SAC"), Plaintiffs alleged numerous claims that spanned twenty states. These claims could generally be grouped into four categories: (1) breach of express warranty; (2) breach of implied warranty of merchantability; (3) violation of state consumer protection laws; and (4) fraudulent concealment. Since then, some Plaintiffs have been dismissed, others compelled to arbitration, and a few non-California Plaintiffs' claims were severed and set to be transferred to their respective home states' district courts. (*See* Orders Granting Stipulation to Dismiss, ECF. Nos. 103, 127; Order Granting J. Pursuant to D.'s Accepted Rule 68 Offers, ECF No. 182; Mot. to Compel Arbitration Order at 12, ECF No. 153; Mot. to Certify Class Order at 30–31, ECF No. 154). Some other non-California Plaintiffs' claims were not transferred pending mediation. (*See* Ps.' Brief, ECF No. 163).

Now before the Court is Plaintiffs' Motion for Preliminary Approval of Class Settlement and Direction of Notice under Federal Rule of Civil Procedure 23(e). For the following reasons, the Court **GRANTS** Plaintiffs' Motion.

II. FACTUAL BACKGROUND

Plaintiffs allege as follows:

Honda manufactures the Vehicle. The named Plaintiffs purchased or leased the Vehicles.

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A. The Infotainment System Defect

The Vehicle contains a defect associated its Infotainment System—*e.g.*, the navigation system, audio system, backup camera, Bluetooth, Apple CarPlay—that causes it to malfunction. This defect poses a safety risk because drivers become distracted when the Infotainment System malfunctions. The defect can also cause safety-related systems such as the backup camera to fail.

Defendant knew or should have known about this defect based on (1) pre-release design, manufacturing, and testing data; (2) warranty claims data; (3) consumer complaints made directly to Defendant and/or posted on public forums online; (4) testing done in response to those complaints; (5) aggregate data and complaints from authorized dealers; and (6) other sources. Yet Defendant failed to disclose and actively concealed the Infotainment System’s defect from the public and continues to manufacture, distribute, and sell the Vehicles without disclosing the defect.

Defendant administers a New Vehicle Limited Warranty (“NVLM”) for the Vehicles. Under the NVLM, Defendant must repair or replace any part that is defective in material or in workmanship under normal use. Although the Infotainment System’s defect is covered under the NVLM, Defendant has not repaired or replaced the Infotainment System. “Instead, Honda tells Vehicle owners to wait for a forthcoming ‘software update’ to fix the infotainment problems, or alternatively simply replaces defective parts with equally defective parts, thereby leaving consumers caught in a cycle of use, malfunction, and replacement. In fact, Honda’s authorized dealerships are routinely discouraging Vehicle owners from bringing their Vehicles to the dealership because there is nothing the dealership can do to repair the defect.” (SAC ¶ 9, ECF No. 66-1).

B. The Android Auto Feature

The Vehicle was originally scheduled to launch with both Android Auto and Apple CarPlay connectivity. Defendant distributed promotional materials to dealers touting the Vehicles’ Android auto compatibility. The distributors then shared this information with consumers. But when the Vehicles went on sale, they came equipped with Apple CarPlay only. “Defendant both directly and indirectly through its authorized dealers promised prospective buyers that Android Auto would be made available to all Vehicle owners through a software update ‘soon.’” (*Id.* ¶ 10).

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C. The Settlement Agreement

Since February 2020, the parties have conducted several formal private mediation sessions with the Honorable Dickran M. Tevrizian and reached a class-wide settlement of this dispute. The key settlement terms are:

The settlement class will include all current owners and lessees of the 2019–2020 Acura RDX, “who reside in, and who purchased or leased their vehicles (other than for purposes of resale or distribution) in the United States, Puerto Rico, and all United States territories, as well as former owners and lessees” who submit a claim. (Matt Decl. Ex. 1 (“Settlement Agreement”) ¶ 2.1, ECF No. 194-2). In exchange for releasing their claims, the members of the class will receive the following benefits: (1) independent review of the measures Defendant takes to address the infotainment system defects, (*id.* ¶ 7.6); (2) extended warranty of two additional years or 24,000 miles to cover qualified repairs of the infotainment system—this includes reimbursement from Defendant for “properly reimbursable, actual out-of-pocket expenses that would otherwise have been covered under the LVLW,” (*id.* ¶¶ 3.8–3.15); (3) ongoing software updates, (*id.* ¶ 3.11); (4) dealership assistance and assessment program requiring dealerships and their technicians to undergo added training to better address the Infotainment System issues, (*id.* ¶¶ 3.6–3.7); (5) Defendant will create and maintain, for at least 24 months, an Infotainment System online resource that will, among other things, allow a class member to report an issue and view possible solutions, (*id.* ¶¶ 3.2–3.5); (6) two years of free AcuraLink Security Service to class members who made multiple visits to an authorized Acura dealership due to the infotainment system issues and were not effectively repaired during the initial visit, (*id.* ¶¶ 3.16-3.17); and (7) compensation of certain costs related to delayed warranty claims, such as transportation and battery recharging costs, (*id.* ¶¶ 3.23-3.26).

Defendant will pay Class Counsel’s reasonable attorneys’ fees and costs and reasonable service awards to the named Plaintiffs. Although the parties have not yet agreed on the appropriate amounts for the attorneys’ fee, costs, and service awards, these sums will be paid separate and apart from any relief provided to the settlement class.

Notice will be provided to the class members via First Class U.S. Mail or electronic mail where possible.

III. JUDICIAL STANDARD

A. Rule 23 Class Action

Federal Rule of Civil Procedure (“Rule”) 23 requires that class action settlements satisfy two primary prerequisites before a court may grant preliminary approval: (1) that the settlement class meets

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the requirements for class certification if it has not yet been certified; and (2) that the proposed settlement is “fair, adequate, and reasonable.” *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1020, 1026 (9th Cir. 1988), *overruled on other grounds by Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338 (2011); *see* Fed. R. Civ. P. 23(a), (e)(2).

As a threshold for class certification, the proposed class must satisfy four prerequisites under Rule 23(a). First, the class must be so numerous that joinder of all members individually is impracticable. Fed. R. Civ. P. 23(a)(1). Second, there must be questions of law or fact common to the class. Fed. R. Civ. P. 23(a)(2). Third, the claims or defenses of the class representative must be typical of the claims or defenses of the class as a whole. Fed. R. Civ. P. 23(a)(3). Finally, the proposed class representatives and proposed class counsel must be able to fairly and adequately protect the interests of all members of the class. Fed. R. Civ. P. 23(a)(4).

If all four prerequisites of Rule 23(a) are satisfied, a court must then determine whether to certify the class under one of the three subsections of Rule 23(b). Under Rule 23(b), the proposed class must establish that: (1) there is a risk of substantial prejudice from separate actions; (2) declaratory or injunctive relief benefitting the class as a whole would be appropriate; or (3) common questions of law or fact predominate such that a class action is superior to other methods available for adjudicating the controversy at issue. Fed. R. Civ. P. 23(b).

In analyzing whether the proposed class meets the requirements for certification, a court must take the substantive allegations of the complaint as true and may consider extrinsic evidence submitted by the parties. *See Blackie v. Barrack*, 524 F.2d 891, 901 (9th Cir. 1975).

Finally, upon a finding that the requirements of Rule 23(a) and 23(b) are satisfied, the Court must ensure that the proposed settlement is “fair, reasonable, and adequate” under Rule 23(e). Fed. R. Civ. P. 23(e)(2). The Ninth Circuit has provided a non-exhaustive list of fairness factors. *See Officers for Just. v. Civ. Serv. Comm’n of City & Cnty. of S.F.*, 688 F.2d 615, 625 (9th Cir. 1982). Courts evaluate the settlement as a whole, rather than its individual parts, to determine its overall fairness. *Id.* Second, the court must consider the adequacy of the proposed settlement notice. *Id.* at 1025; Fed. R. Civ. P. 23(e).

IV. DISCUSSION

Plaintiffs seek preliminary approval of the class action settlement agreement. Plaintiffs contend that the Court should provisionally certify a class under Rule 23(a) and Rule 23(b) because all the requirements are met. If the Court deems class certification appropriate for settlement purposes,

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Plaintiffs also argue that the proposed settlement is fair and that the proposed notice is adequate. The Court first addresses the class certification, the fairness of the settlement, and then the proposed notice.

A. Rule 23 Class Certification

Plaintiffs seek certification of one Rule 23(b)(3) class. The class is defined as, “All current owners and lessees of the 2019–2020 Acura RDX (each a ‘Settlement Class Vehicle’), who reside in, and who purchased or leased their vehicles (other than for purposes of resale or distribution) in the United States, Puerto Rico, and all United States territories, as well as former owners and lessees of Settlement Class Vehicles who submit a Claim. The Settlement Class also includes all United States military personnel who purchased a Settlement Class Vehicle during military duty.” (Settlement Agreement ¶ 2.1).

The Court addresses the Rule 23(a) and (b) requirements in turn.

1. Rule 23(a) Requirements

As set forth above, a party seeking class certification must establish that the numerosity, commonality, typicality, and adequacy requirements of Rule 23(a) have been met.

a. Numerosity

Rule 23(a)(1) requires that a class be so numerous that joinder of all members is impracticable. Fed. R. Civ. P. 23(a)(1). The plaintiff need not state the exact number of potential class members, and there is no threshold number of class members required to satisfy numerosity. *Bates v. United Parcel Serv.*, 204 F.R.D. 440, 444 (N.D. Cal. 2001). However, it is “generally accepted that when a proposed class has at least forty members, joinder is presumptively impracticable based on numbers alone.” *In re Banc of Cal. Sec. Litig.*, 326 F.R.D. 640, 646 (C.D. Cal. 2018).

Plaintiffs assert that based on the number of Vehicles sold or leased nationwide, the settlement class consists of about 130,000 members. (Renewed Mot. Prelim. Approval at 14–15, ECF No. 194). This easily satisfies the threshold requirement of Rule 23(a)(1).

b. Commonality

Rule 23(a)(2) requires that there be “questions of law or fact common to the class.” Fed. R. Civ. P. 23(a)(2). In the Ninth Circuit, the commonality requirement is “construed permissively.” *Hanlon*, 150 F.3d at 1019. Not *all* questions of fact or law need be common to the class; the existence of shared legal

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issues with divergent factual predicates or a common core of salient facts coupled with disparate legal remedies is sufficient to satisfy commonality. *Id.*; see also *Dukes*, 564 U.S. at 350 (the class claims must “depend upon a common contention” that is “capable of classwide resolution”).

Commonality is satisfied, here, because all claims being settled involve the same defect in the Infotainment System, found in the same vehicles of the same make and model, and covered by the same warranty.

c. Typicality

Rule 23(a)(3) requires that the claims or defenses of the class representatives be typical of the claims or defenses of the class they seek to represent. Fed. R. Civ. P. 23(a)(3). This does not require that the claims of the representative members be identical to the claims of the proposed class members. *Hanlon*, 150 F.3d at 1020. Rather, typicality focuses on whether the unnamed class members have injuries similar to those of the named plaintiffs, and whether those injuries result from the same injurious course of conduct. *Armstrong v. Davis*, 275 F.3d 849, 869 (9th Cir. 2001). In practice, the commonality and typicality requirements of Rule 23 “tend to merge.” *Gen. Tel. Co. of Sw. v. Falcon*, 457 U.S. 147, 158 n.13 (1982).

Plaintiffs assert that typicality is satisfied because class members and Plaintiffs suffered the same injury—defects in the Infotainment System in their Vehicles—that arose out of the same conduct by Defendant. The Court agrees that this is sufficient to satisfy the typicality requirement.

d. Adequacy

Rule 23(a)(4) requires the Court to determine if the proposed class representatives and proposed class counsel will fairly and adequately protect the interests of the entire class. Fed. R. Civ. P. 23(a)(4). The adequacy requirement is satisfied if the named plaintiffs and their counsel will prosecute the action vigorously on behalf of the class, and do not have interests adverse to unnamed class members. *Hanlon*, 150 F.3d at 1020.

i. Proposed Representatives of the Two Classes

Here, there is no evidence of any conflicts of interest between Plaintiffs and the members of the proposed class. And because Plaintiffs share the same claims, they are interested in prosecuting the action vigorously. Further, Plaintiffs have actively participated in the litigation thus far. Accordingly, the proposed representatives will fairly and adequately protect the interests of the other members.

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ii. Class Counsel

To be adequate, “[t]he named representative’s attorney [must] be qualified, experienced, and generally capable to conduct the litigation.” *Sali v. Corona Reg’l Med. Ctr.*, 909 F.3d 996, 1007 (9th Cir. 2018) (alteration in original) (quoting *Jordan v. Cnty. of L.A.*, 669 F.2d 1311, 1323 (1982)).

Plaintiffs maintains that their attorneys are experienced class action attorneys. (Matt Decl. ¶¶ 10–12, ECF No. 77-1; Goldenberg Delc. ¶¶ 4–5, ECF No. 77-22.) Without any challenge to the adequacy of the class counsel, there is no reason to believe that the proposed class counsel will not fairly and adequately protect the interests of the class. In any event, the Court has already approved these attorneys to represent a California class. (*See* Mot. Class Certification at 23, ECF No. 154)

Plaintiffs therefore meet Rule 23(a)’s requirements.

2. Rule 23(b) Requirements

The Court now determines whether Plaintiffs meet their burden of showing that the proposed classes satisfy the requirements of Rule 23(b)(3).

A class action may be maintained under Rule 23(b)(3) if the Court finds that (1) questions of law or fact common to the members of the class predominate over questions affecting only individual members, and (2) a class action is superior to other available methods for the fair and efficient adjudication of the controversy. Fed. R. Civ. P. 23(b)(3). “Implicit in the satisfaction of the predominance test is the notion that the adjudication of common issues will help achieve judicial economy.” *Valentino v. Carter-Wallace, Inc.*, 97 F.3d 1227, 1234 (9th Cir. 1996).

a. *Predominance*

When evaluating whether common issues predominate, the operative question is whether a putative class is “sufficiently cohesive” to merit representative adjudication. *Amchem Prod., Inc. v. Windsor*, 521 U.S. 591, 623 (1997). Though common issues need not be “dispositive of the litigation,” *In re Lorazepam & Clorazepate Antitrust Litig.*, 202 F.R.D. 12, 29 (D.D.C. 2001), they must “present a significant aspect of the case [that] can be resolved for all members of the class in a single adjudication”

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so as to justify “handling the dispute on a representative rather than on an individual basis.” *Hanlon*, 150 F.3d at 1022.

Plaintiffs submit that common issues predominate because the primary issues in this case are whether the Vehicle’s Infotainment System was defective, and whether Defendant’s conduct was uniformly wrong. The Court agrees that the adjudication by representation is warranted because the Infotainment System’s defects and Defendant’s knowledge of those defects is a question common to the claims of all class members that Plaintiffs seek to represent and thus, can be resolved for all members in a single adjudication. Thus, the putative class is “sufficiently cohesive,” and common questions of law and fact predominate.

b. Superiority

Rule 23(b)(3) also requires the Court to assess whether a class action is superior to other methods of adjudication. In making this assessment, the Court considers: (1) the interest of each member in “individually controlling the prosecution or defense of separate actions”; (2) the “extent and nature of any litigation already begun”; (3) the “desirability or undesirability of concentrating the litigation of the claims”; and (4) the “likely difficulties in managing a class action.” Fed. R. Civ. P. 23(b)(3).

Plaintiffs contend that a class action is superior to numerous individualized actions because individual resolution of claims is likely to result in modest settlements or not be pursued at all due to high litigation cost. The Court agrees. First, according to the record provided, no potential members of the class has expressed desire to proceed independently. A class action is also desirable because it resolves many substantially identical claims efficiently. Finally, because the parties already have a settlement agreement, the Court faces no difficulty in managing this class action. Therefore, the Court is satisfied that a class action is a superior alternative method of adjudication.

As a result, all requirements of Rule 23(a) and (b) are met. Thus, for purposes of the settlement, the Court provisionally certifies the class.

B. Fairness of the Settlement Agreement

Having determined that Plaintiffs meet Rule 23 requirements to certify the class, the Court must now determine whether the settlement is fair.

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1. *The Settlement Agreement*

For preliminary approval of a class settlement, the Court determines whether the proposed settlement is “fair, reasonable, and adequate.” Fed. R. Civ. P. 23(e)(2). To determine whether a settlement agreement meets the above standards, a district court may consider some, or all, of the following factors:

(1) the strength of the plaintiff’s case; (2) the risk, expense, complexity, and likely duration of further litigation; (3) the risk of maintaining class action status throughout the trial; (4) the amount offered in settlement; (5) the extent of discovery completed and the stage of the proceedings; (6) the experience and views of counsel; (7) the presence of a governmental participant; and (8) the reaction of the class members of the proposed settlement.

In re Bluetooth Headset Prods. Liab. Litig., 654 F.3d 935, 946 (9th Cir. 2011) (quoting *Churchill Vill., LLC v. Gen. Elec.*, 361 F.3d 566, 575 (9th Cir. 2004)); see *Officers for Just.*, 688 F.2d at 625 (noting that the list of factors is “by no means an exhaustive list of relevant considerations”). Further, when the settlement agreement comes “[p]rior to formal class certification, there is an even greater potential for a breach of fiduciary duty” owed to the class, and thus a court must scrutinize the settlement for evidence of collusion or other conflicts of interest. *In re Bluetooth*, 654 F.3d at 946–47.

The Court first addresses any potential conflicts of interest or evidence of collusion, then turns to the settlement agreement and notice.

a. *Collusion*

Because the present Motion for Approval of Class Settlement comes before formal class certification, the Court addresses whether there is any evidence of collusion or conflicts of interest. Plaintiffs assert the settlement is the product of arms-length, non-collusive negotiations using the assistance of a mediator, and warrants a presumption of fairness.

Relevant factors in evaluating a settlement for evidence of collusion include: (1) whether counsel receives “a disproportionate distribution of the settlement, or when the class receives no monetary distribution but class counsel are amply rewarded,” (2) if there is a “clear sailing” agreement “providing for the payment of attorneys’ fees separate and apart from class funds, which carries ‘the potential of enabling a defendant to pay class counsel excessive fees and costs in exchange for counsel accepting an unfair settlement on behalf of the class,’” and (3) if “the parties arrange for fees not awarded to revert to defendants rather than be added to the class fund.” *Id.* at 947.

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None of the above factors are seriously implicated here. Although Defendant has agreed to pay reasonable attorneys' fees, the parties have not yet agreed on the amount. (Settlement Agreement ¶ 5.3). And though any attorneys' fees will be paid "separate and apart from any relief provided to the Settlement Class," (*id.* ¶ 5.5), the parties did not begin negotiating attorneys' fees "until after all material settlement benefits for the Class were negotiated," (Renewed Mot. Prelim. Approval at 13–14). This settlement method circumscribes the potential collusive effect of settlement agreements. In any event, there is no clear sailing agreement here, as Defendant has not agreed to not contest Plaintiffs' request for attorneys' fees. Most importantly, attorneys' fees will not diminish the benefits awarded to class members under the settlement. Lastly, the parties have participated in numerous mediations with the Honorable Dickran Tevrizian, who has assured that the settlement was the product of "arm's length, spirited, prolonged, and difficult" negotiations. (Tevrizian Decl. ¶ 7, ECF No. 194-9).

The Court is persuaded that there is no evidence of collusion.

b. Effects of Continuing Litigation

The first factor the Court analyzes in assessing the Settlement Agreement is the potential risk to Plaintiffs and the class if the litigation were to continue.

Plaintiffs are convinced that their claims are strong on the merits, but recognize the substantial risks involved in further litigating the case. Plaintiffs considered the significant benefits they've obtained through the settlement and the uncertainty of whether the class would be able to obtain a better outcome through continued litigation. They also weighed the risk that Defendant's Rule 23(f) appeal could succeed, the possibility that the class could receive nothing, or that potential recovery could be years away should they continue litigation. These potential risks favor a finding that the Settlement Agreement is fair, adequate, and reasonable.

c. Amount Offered and Allocation of Class Member Settlement Shares

"In assessing the consideration obtained by the class members in a class action settlement, 'it is the complete package taken as a whole, rather than the individual component parts, that must be examined for overall fairness.'" *Nat'l Rural Telecomms. Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523, 527 (C.D. Cal. 2004) (quoting *Officers for Just.*, 688 F.2d at 628). Even if a higher award per a class member was possible, "the very essence of a settlement is compromise." *Linney v. Cellular Alaska P'ship*, 151 F.3d 1234, 1242 (9th Cir. 1998).

The settlement adequately and fairly compensates class members. They will receive automatic benefits (like the warranty extension and Infotainment System Online Resource), and they will have the

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opportunity to file claims for added relief in a streamlined process. Among other things, some class members will also receive two free years of AcuraLink Security Service if made more than one visit for an Infotainment System issue not resolved during the initial warranty service visit.

Therefore, the recovery obtained is substantial and fair.

d. Attorney's Fees

Although there are two methods to determine whether attorneys' fees are fair—the lodestar approach and the percentage approach—"the main inquiry is whether the end result is reasonable." *Cox v. Clarus Mktg. Grp.*, 291 F.R.D. 473, 482 (S.D. Cal. 2013) (citing *Powers v. Eichen*, 229 F.3d 1249, 1258 (9th Cir. 2000)).

Under the lodestar approach, attorneys are awarded an amount calculated by multiplying the hours reasonably expended on litigation by a reasonable hourly rate. *In re Bluetooth*, 654 F.3d at 941. The percentage method, however, rewards fees as a percentage of the common fund recovered for the class. *See Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1047 (9th Cir. 2002).

As explained above, Defendant has agreed to pay reasonable attorneys' fees. The parties, however, have not yet agreed on the amount. If the parties cannot reach an agreement, they will present the dispute to the Court for adjudication. (Settlement Agreement ¶ 5.3). Importantly, the attorneys' fees will not "terminate or cancel this Settlement Agreement." (*Id.* ¶ 5.6). Whatever the eventual agreement, the final award will be subject to the Court's approval.

e. Class Representative Awards

Class representative incentive awards are "fairly typical in class action cases." *In re Online DVD-Rental Antitrust Litig.*, 779 F.3d 934, 943 (9th Cir. 2015). A district court may look to the following factors in determining the reasonableness of an incentive reward: "the actions the plaintiff has taken to protect the interest of the class, the degree to which the class has benefitted from those actions, . . . the amount of time and effort the plaintiff expended in pursuing the litigation . . . and reasonabl[e] fear[s of] workplace retaliation." *See Staton v. Boeing Co.*, 327 F.3d 938, 977 (9th Cir. 2003) (alternations in original) (citation omitted).

Like the attorneys' fees, Defendant has agreed to pay service awards to the named plaintiffs, but have not yet reached an agreement on the amount. Still, the Settlement Agreement does not hinge on the named plaintiffs receiving their service awards. And given the time already expended, the risk of continued litigation, the potential appeals, and the favorable settlement award, the Court agrees that

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awarding an incentive payment to the class representatives is reasonable under the circumstances. With that in mind, the service awards will be subject to the Court's approval.

f. Scope of Release

A settlement agreement may preclude a member from bringing a related claim in the future “even though the claim was not presented and might not have been presentable in the action,” but only where the released claim is “based on the identical factual predicate as that underlying the claims in the settled class action.” *Hesse v. Spring Corp.*, 598 F.3d 581, 590 (9th Cir. 2010) (citations omitted). A proposed settlement agreement is overly broad when it fails to limit the claims released to those based on the facts alleged in the complaint. *See id.*

The Court previously took issue with the scope of the Settlement Agreement's release because it was “overly broad insofar as it impermissibly releases claim beyond the factual predicate of the operative complaint.” (Order Mot. Preliminary Settlement Approval at 5, ECF No. 193). The parties have now remedied this deficiency by adding language to the release that narrows its scope to only claims asserted, or could have been asserted, “that are based on the same factual predicate asserted in the Second Amended Complaint (the operative complaint) filed in the Litigation.” (Settlement Agreement ¶ 1.26).

The released claims are now limited to those based on the same factual predicate in the operative complaint. (Settlement Agreement ¶ 1.26). Thus, the scope of the release fits within the parameters established by the Ninth Circuit.

After reviewing the parties' submitted materials, at this stage, the proposed Settlement Agreement is fair, adequate, and reasonable.

2. The Proposed Notice

Having found the proposed settlement is fair and reasonable, “[t]he court must direct notice in a reasonable manner to all class members who would be bound” by the proposed settlement. Fed. R. Civ. P. 23(e)(1). Further, 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). “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.*, 361 F.3d at 575 (quoting *Mendoza v. Tucson Sch. Dist. No. 1*, 623 F.2d 1138, 1352 (9th Cir. 1980)).

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Defendant, acting as Settlement Administrator will, among other things, notify the class by first-class mail, postage prepaid, and email each person on the class list the same information if an email address is available. (Renewed Mot. Prelim. Approval at 19). The notice will contain claim forms that may be submitted to Defendant. Defendant will also develop a process to handle deficient claim forms, prepare and submit to the Court an opt-out list along with any objections, maintain a mailing address through which class members can send correspondence, and create a settlement website.

As for the notice itself, the proposed notice sufficiently informs the members of the class of (1) the nature of the litigation and the settlement classes; (2) the terms of the Settlement Agreement; (3) the benefits that the Settlement Agreement will provide to the members; (4) the deadlines for requesting exclusion of the Settlement Agreement; (5) how to object to the Settlement Agreement; (6) the consequences of taking or foregoing the various options available to the members of the class; (7) that the attorneys representing the class along with the named plaintiffs have not yet agreed on their awards, but the award will not reduce the benefits to the class; and (8) the date, time, and place of the Final Approval Hearing. (See Settlement Agreement—Notices, ECF No. 194-4).

Accordingly, the proposed notice and method of delivery are sufficient, and the Court approves the notice.

The parties also request, and the Court approves, the following schedule for providing class notice:

Event	Date
Preliminary Approval Hearing	May 24, 2021
Class Notice Disseminated (“Notice Date”)	No later than 120 days after entry of preliminary approval
Motions for Approval of Attorneys’ Fees and Expenses and Service Awards Filed	No later than 30 days after Notice Date
Motion for Final Approval Filed	No later than 28 days before Final Approval Hearing
Objection and Opt-Out Deadline	45 days after Notice Date
Reply Memoranda in Support of Final Approval and Fee Application filed	No later than 14 days before Final Approval Hearing
Final Settlement Approval	No earlier than 90 days after Notice Date

The Court therefore grants preliminary approval of the Settlement Agreement, subject to final approval.

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. 2:19-cv-05984-RGK-AS Date June 3, 2021

Title *Jimmy Banh et al v. American Honda Motor Company, Inc.*

V. **CONCLUSION**

For the foregoing reasons, the Court provisionally certifies the class and **GRANTS** Plaintiffs' Motion for Preliminary Approval of Class Action Settlement. Additionally, the Court approves Plaintiffs' method and time frame for notifying class of the Settlement Agreement. Hagens Berman Sobol Shapiro LLP and Goldenberg Schneider, LPA are appointed as Class Counsel.

Robert Bilbrey, Jimmy Banh, Mark Peoples, Jamal Samaha, George Quinlan, Sarah Gravlin, Alexis Chisari, Michael Brumer, Dave Jashman, John Bartholomew, Vimal Lawrence, Mark Klein, Adam Pryor, Srikarthik Subbarao, Daniel Allan, Paul Gonzales, Eric Faden, and Kristen Gratton are appointed as Class Representatives.

The Final Approval Hearing is scheduled for hearing on **December 6, 2021 at 9:00 a.m.**

Additionally, the Pretrial Conference, currently set for June 21, 2021, is hereby continued to **December 20, 2021, at 9:00 a.m.** The Jury Trial, currently set for July 6, 2021, is hereby continued to **January 4, 2022 at 9:00 a.m.**

IT IS SO ORDERED.

Initials of Preparer

_____ : _____
