UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA

Kristen Sadlon v. FCA US LLC

Sadlon · No. 8:24-cv-02033-JWH-KES · Decided April 14, 2025

SUMMARY

The United States District Court for the Central District of California denied Kristen Sadlon's motion to remand her Song-Beverly Consumer Warranty Act action against FCA US LLC to state court. The court held that FCA sufficiently established an amount in controversy exceeding $75,000 based on potential restitution, civil penalties, attorneys' fees, prejudgment interest, and punitive damages. The court also rejected Sadlon's arguments that the civil penalties and attorneys' fees were too speculative to support diversity jurisdiction.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	John W. Holcomb
JURISDICTION	United States District Court for the Central District of California
DECIDED	April 14, 2025
DOCKET	8:24-cv-02033-JWH-KES
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiff moved to remand a removed Song-Beverly Consumer Warranty Act action to Orange County Superior Court, arguing that the amount in controversy did not exceed $75,000. The district court denied the motion.
STANDARD OF REVIEW	The removing defendant bears the burden of establishing federal subject-matter jurisdiction, and doubts concerning removal jurisdiction are resolved in favor of remand.
PRECEDENTIAL VALUE	Unpublished federal district court order; persuasive but not precedential outside the case.
PARTIES	Kristen Sadlon v. FCA US LLC

TOPICS

subject matter jurisdiction · civil procedure · consumer protection · damages · attorney fees

PRACTICE AREAS

Civil procedure · Removal jurisdiction · Consumer warranty law

QUESTIONS PRESENTED

1. Whether FCA established that the amount in controversy exceeded $75,000 for purposes of diversity jurisdiction under 28 U.S.C. § 1332.
2. Whether civil penalties and attorneys' fees available under the Song-Beverly Act could be included in calculating the amount in controversy.
3. Whether FCA was required to demonstrate a likelihood that the claimed civil penalties and attorneys' fees would actually be awarded.

HOLDINGS

1. FCA established that the amount in controversy exceeded $75,000 because the claimed vehicle restitution, civil penalties, attorneys' fees, prejudgment interest, and punitive damages placed more than $75,000 at stake.
2. FCA was not required to demonstrate a likelihood that Sadlon would ultimately recover the claimed civil penalties or attorneys' fees in order to establish federal jurisdiction.

KEY QUOTATIONS

> *"The removing defendant bears the burden of establishing that removal is proper."* (at 2)

> *"The amount in controversy is not a prospective assessment of a defendant's liability."* (at 5)

> *"The Court thus disagrees that FCA must demonstrate a likelihood of success in order to avail itself of federal jurisdiction."* (at 5)

FACTUAL BACKGROUND

Sadlon asserted five claims against FCA under the Song-Beverly Consumer Warranty Act concerning alleged defects in the transmission of her vehicle. She alleged that FCA acted willfully and fraudulently concealed transmission problems and refused to repair or replace the vehicle. The vehicle was valued at approximately $30,000, and Sadlon sought restitution, civil penalties, attorneys' fees, prejudgment interest, and punitive damages.

PROCEDURAL HISTORY

Sadlon filed suit in Orange County Superior Court in August 2024. FCA removed the action to the Central District of California in September 2024 based on diversity jurisdiction. After Sadlon moved to remand, the court permitted jurisdictional discovery and supplemental briefing concerning the amount in controversy, then denied the motion.

DISPOSITION

dismissed

CASES CITED

- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- DaimlerChrysler Corp. v. Cuno, 547 U.S. 332, 342 n.3 (2006)
- Syngenta Crop Prot., Inc. v. Henson, 537 U.S. 28, 32-33 (2002)
- In re Digimarc Corp. Derivative Litigation, 549 F.3d 1223, 1234 (9th Cir. 2008)
- Abrego Abrego v. Dow Chem. Co., 443 F.3d 676, 684 (9th Cir. 2006)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Babasa v. LensCrafters, Inc., 498 F.3d 972, 974 (9th Cir. 2007)
- Morey v. Louis Vuitton North Am., Inc., 561 F. App'x 642, 643 (9th Cir. 2014)
- Shoner v. Carrier Corp., 30 F.4th 1144, 1148 (9th Cir. 2022)
- Chavez v. JPMorgan Chase & Co., 888 F.3d 413, 417 (9th Cir. 2018)
- Herko v. FCA US LLC, 2019 WL 5587140, at *2 (S.D. Cal. Oct. 30, 2019)