

CALIFORNIA COURT OF APPEAL, SECOND APPELLATE DISTRICT,  
DIVISION TWO

David Kostandian v. American Honda Motor Co., Inc., et al.

Kostandian · No. B345489 · Decided May 27, 2026

SUMMARY

The California Court of Appeal reversed an order denying American Honda Motor Co., Inc. and Standard Motor, LLC’s motion to compel arbitration in a vehicle-defect and warranty dispute. The court held that the appellants met their initial burden of establishing arbitration agreements in the vehicle lease and manufacturer’s warranty booklet, and that the respondent failed to dispute the agreements’ existence with evidence. The matter was remanded with directions to grant the motion to compel arbitration, and the opinion was later certified for publication.

CASE DETAILS

|                       |                                                                                                                                                                                                                                                                                                                                 |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT                 | California Court of Appeal, Second Appellate District, Division Two                                                                                                                                                                                                                                                             |
| WRITING FOR THE COURT | Chavez, Acting Presiding Justice; Richardson, Justice; Gilbert, Justice                                                                                                                                                                                                                                                         |
| JURISDICTION          | California Court of Appeal, Second Appellate District, Division Two                                                                                                                                                                                                                                                             |
| DECIDED               | May 27, 2026                                                                                                                                                                                                                                                                                                                    |
| DOCKET                | B345489                                                                                                                                                                                                                                                                                                                         |
| DISPOSITION           | reversed_and_remanded                                                                                                                                                                                                                                                                                                           |
| PROCEDURAL POSTURE    | Defendants appealed from an order of the Los Angeles County Superior Court denying without prejudice their motion to compel arbitration.                                                                                                                                                                                        |
| STANDARD OF REVIEW    | De novo review applies to an order granting or denying a motion to compel arbitration when there is no factual dispute about the language of the arbitration agreement or conflicting extrinsic evidence concerning the contract terms. Substantial evidence review applies when the order is based on a factual determination. |
| PRECEDENTIAL VALUE    | Published and certified for publication                                                                                                                                                                                                                                                                                         |
| PARTIES               | American Honda Motor Co., Inc., Standard Motor, LLC v. David Kostandian                                                                                                                                                                                                                                                         |

TOPICS

arbitration

appellate procedure

standard of review

contracts

consumer protection

## PRACTICE AREAS

arbitration

appellate procedure

civil procedure

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## QUESTIONS PRESENTED

1. Whether defendants established the existence of an arbitration agreement in the vehicle lease with Standard Motor by presenting the signed lease, reciting the arbitration provision, and relying on Kostandian's pleading that Standard Motor did business as Acura of Los Angeles Westside.
2. Whether Kostandian disputed the existence of the lease arbitration agreement sufficiently to shift the burden back to defendants to prove a valid agreement.
3. Whether defendants established the existence of an arbitration agreement between American Honda Motor and Kostandian through the arbitration provision in the manufacturer's warranty booklet.
4. Whether the trial court's denial of the motion to compel arbitration should be reversed.

## HOLDINGS

1. Defendants met their initial burden of establishing the existence of an arbitration agreement with Standard Motor by presenting the signed lease, reciting the arbitration provision verbatim, and relying on Kostandian's judicial admission that Standard Motor did business as Acura of Los Angeles Westside.
2. Kostandian failed to dispute the existence of an arbitration agreement with Standard Motor and therefore did not require defendants to make a further evidentiary showing of a valid agreement.
3. Defendants met their initial burden of establishing an arbitration agreement between American Honda Motor and Kostandian by producing the warranty booklet, reciting its arbitration provision verbatim, and presenting Kostandian's signed acknowledgment that he received the warranty information.
4. The order denying the motion to compel arbitration was reversed, and the trial court was directed to enter an order granting defendants' motion to compel arbitration.

## KEY QUOTATIONS

*“Arbitration ... is a matter of consent, not coercion...”* (7)

*“The statute does not require the petitioner to introduce the agreement into evidence. A plain reading of the statute indicates that as a preliminary matter the court is only required to make a finding of the agreement’s existence, not an evidentiary determination of its validity.”* (8)

*“The burden therefore shifted to respondent to dispute the existence of an arbitration agreement as to Standard Motor.”* (10)

*“Thus, respondent failed to meet his burden of proof in disputing the existence of an arbitration agreement with American Honda Motor.”* (16)

## FACTUAL BACKGROUND

David Kostandian leased a 2024 Acura Integra that he alleged had multiple defects and could not be repaired despite five visits to an authorized repair facility. The lease contained an arbitration provision and was signed by Kostandian and a representative of Acura of Los Angeles Westside, which defendants alleged was Standard Motor, LLC, doing business under that name. The vehicle's manufacturer warranty booklet also contained an arbitration provision applicable to disputes with American Honda Motor Co., Inc.; Kostandian signed a delivery inspection form acknowledging receipt of the warranty information. Kostandian later sued defendants and challenged arbitration on various grounds, but he did not dispute the existence of the lease arbitration agreement as to Standard Motor or the warranty arbitration agreement as to American Honda.

## PROCEDURAL HISTORY

Kostandian sued American Honda Motor Co., Inc., and Standard Motor, LLC, alleging defects in his leased 2024 Acura Integra and asserting tort and warranty claims. Defendants moved to compel arbitration based on an arbitration provision in the vehicle lease and a separate provision in the manufacturer's warranty booklet. The trial court denied the motion, concluding defendants had not shown an existing binding arbitration agreement. The Court of Appeal reversed and remanded with directions to grant the motion.

## DISPOSITION

reversed\_and\_remanded

## REMAND INSTRUCTIONS

The trial court is directed to enter an order granting appellants' motion to compel arbitration. Appellants are awarded their costs on appeal.

## CASES CITED

- Bono v. David, 147 Cal.App.4th 1055, 1061-1062 (2007)
- Carlson v. Home Team Pest Defense, Inc., 239 Cal.App.4th 619, 630 (2015)
- Avila v. Southern California Specialty Care, Inc., 20 Cal.App.5th 835, 843-844 (2018)
- Baker v. Italian Maple Holdings, LLC, 13 Cal.App.5th 1152, 1160 (2017)
- Sprunk v. Prisma LLC, 14 Cal.App.5th 785, 793 (2017)
- Condee v. Longwood Management Corp., 88 Cal.App.4th 215, 219 (2001)
- Ruiz v. Moss Bros. Auto Group, Inc., 232 Cal.App.4th 836, 845 n.8 (2014)
- Valerio v. Andrew Youngquist Construction, 103 Cal.App.4th 1264, 1271 (2002)
- Gamboa v. Northeast Community Clinic, 72 Cal.App.5th 158, 165-166 (2021)
- Knutson v. Sirius XM Radio Inc., 771 F.3d 559, 561-566 (9th Cir. 2014)
- Norcia v. Samsung Telecommunications America, LLC, 845 F.3d 1279, 1284, 1288 & n.3 (9th Cir. 2017)
- Weinstat v. Dentsply International, Inc., 180 Cal.App.4th 1213 (2010)
- Yuri v. Hyundai Motor America, 2023 Cal. Super. LEXIS 93783

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