

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Moore v. American Honda Motor Co., Inc.

Moore · No. 5:23-cv-05011-BLF · Decided March 28, 2025

SUMMARY

The United States District Court for the Northern District of California considers American Honda Motor Co., Inc.’s partial motion to dismiss claims arising from alleged transmission programming defects in certain Honda vehicles. The court addresses Ohio and Illinois fraudulent omission claims, California, South Carolina, and Texas fraud claims, and related Magnuson-Moss Warranty Act claims, including issues concerning pleading standards, duties to disclose, the economic loss rule, and the independent tort doctrine. The motion is granted in part and denied in part.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Beth Labson Freeman
JURISDICTION	United States District Court for the Northern District of California
DECIDED	March 28, 2025
DOCKET	5:23-cv-05011-BLF
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs brought a putative class action alleging vehicle transmission defects and asserted state-law fraud, consumer-protection, warranty, and Magnuson-Moss Warranty Act claims. Honda moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss specified claims from the Second Amended Consolidated Class Action Complaint.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded factual allegations as true and construes them in the light most favorable to the plaintiff, but need not accept conclusory allegations, unwarranted factual deductions, or unreasonable inferences. Claims sounding in fraud must satisfy Rule 9(b), including particularity as to the who, what, when, where, and how of the alleged misconduct.
PRECEDENTIAL VALUE	unpublished
PARTIES	Kevin Moore, Anita Moore, Tony Boatwright, Chuen Yong, Thomas DeSilvia, Julie DeSilvia, Mark Treleven v. American Honda Motor

TOPICS

[motions to dismiss](#) [consumer protection](#) [fraud](#) [deceptive trade practices](#) [class actions](#)

PRACTICE AREAS

[civil procedure](#) [consumer protection](#) [products liability](#) [contracts](#) [torts](#)

QUESTIONS PRESENTED

1. Whether the Ohio and Illinois common-law fraudulent-omission claims adequately alleged a duty to disclose based on a special relationship or partial disclosure.
2. Whether the California common-law fraudulent-omission claim was barred by the economic loss rule or independent-tort doctrine.
3. Whether the California fraudulent-omission claim adequately pleaded a duty to disclose under Rule 9(b).
4. Whether the Texas common-law fraudulent-omission claim was barred by the economic loss rule.
5. Whether the South Carolina common-law fraud claim was barred by South Carolina's economic loss rule.
6. Whether the Illinois Consumer Fraud and Deceptive Business Practices Act claim adequately identified an actionable deceptive communication rather than puffery.
7. Whether the Magnuson-Moss Warranty Act claims could proceed only to the extent corresponding state-law warranty claims remained viable.

HOLDINGS

1. The Ohio and Illinois common-law fraudulent-omission claims were inadequately pleaded because the alleged buyer-seller relationship did not establish the special relationship or qualifying partial disclosure necessary to impose a duty to disclose.
2. The California fraudulent-omission claim was not barred by the economic loss rule or the independent-tort doctrine at the pleading stage.
3. Plaintiffs adequately pleaded a California fraudulent-omission claim under Rule 9(b) by alleging that Honda had exclusive pre-sale knowledge of the transmission programming defect.
4. The Texas fraudulent-omission claim was not barred by the economic loss rule because Texas recognizes an exception for properly pleaded fraudulent inducement or concealment claims involving an independent duty.
5. The South Carolina common-law fraud claim was barred because the alleged damages were limited to the allegedly defective vehicle itself and South Carolina does not recognize a general fraud exception to its economic loss rule.
6. The Illinois statutory fraud claim was inadequately pleaded because the identified Honda communications were puffery or true factual statements, not actionable deceptive communications.

7. The Magnuson-Moss Warranty Act claims could proceed only to the extent they corresponded to the surviving state-law warranty claims; all other MMWA claims were dismissed without leave to amend.

KEY QUOTATIONS

“With the benefit of that supplemental briefing, the Court finds that Plaintiffs’ California fraudulent omission claim is not barred by the economic loss rule or the independent tort doctrine.” (III.B.1)

“In Texas, the economic loss rule is no bar to a properly pled fraudulent concealment claim, and Defendant does not argue that Plaintiffs fail to allege the elements of a fraudulent concealment or omission claim under Texas law.” (III.B.2)

“For the foregoing reasons, IT IS HEREBY ORDERED that:” (IV)

FACTUAL BACKGROUND

Plaintiffs purchased Honda vehicles equipped with ZF 9HP nine-speed automatic transmissions and alleged that the transmissions suffered from a programming defect causing rough or delayed shifting, harsh gear engagement, sudden acceleration or deceleration, loud noises, and loss of power. Plaintiffs alleged that Honda knew of the defect through technical service bulletins, service campaigns, dealership repair orders, consumer complaints, and other internal sources, but failed to disclose it before the purchases. Several plaintiffs reported transmission problems to dealers, but the alleged defect persisted and, in some instances, repairs were not performed or did not resolve the problem.

PROCEDURAL HISTORY

The action was filed on September 29, 2023, and consolidated with *Browning v. American Honda Motor Co.* The court previously granted in part and denied in part an earlier motion to dismiss, after which plaintiffs filed the Second Amended Consolidated Class Action Complaint. The court granted in part and denied in part Honda’s partial motion to dismiss, dismissing several claims without leave to amend while allowing specified California and Texas fraud claims and certain Magnuson-Moss claims to proceed.

DISPOSITION

other

CASES CITED

- *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555, 570 (2007)
- *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009)
- *Davidson v. Kimberly-Clark Corp.*, 889 F.3d 956, 964 (9th Cir. 2018)
- *Cafasso, U.S. ex rel. v. General Dynamics C4 Systems, Inc.*, 637 F.3d 1047, 1055 (9th Cir. 2011)
- *Reese v. BP Exploration (Alaska) Inc.*, 643 F.3d 681, 690 (9th Cir. 2011)
- *In re Gilead Sciences Securities Litigation*, 536 F.3d 1049, 1055 (9th Cir. 2008)
- *Stoyas v. Toshiba Corp.*, 896 F.3d 933, 938 (9th Cir. 2018)

- New Mexico State Investment Council v. Ernst & Young LLP, 641 F.3d 1089, 1094 (9th Cir. 2011)
- Foman v. Davis, 371 U.S. 178 (1962)
- Eminence Capital, LLC v. Aspeon, Inc., 316 F.3d 1048, 1051-52 (9th Cir. 2003)
- Connick v. Suzuki Motor Co., 174 Ill. 2d 482, 501 (1996)
- Rodriguez v. Ford Motor Co., 596 F. Supp. 3d 1050, 1058 (N.D. Ill. 2022)
- Drake v. Toyota Motor Corp., No. 20-cv-01421, 2021 WL 2024860, at *6 (C.D. Cal. May 17, 2021)
- Gary-Wheaton Bank v. Burt, 104 Ill. App. 3d 767, 774 (1982)
- Carey Electric Contracting, Inc. v. First National Bank of Elgin, 74 Ill. App. 3d 233, 237 (1979)
- Moore v. Pendavinji, -- N.E.3d --, 2024 WL 4489612, at *7 (Ill. App. Oct. 15, 2024)
- In re Hair Relaxer Marketing Sales Practices & Products Liability Litigation, No. 23-cv-0818, 2024 WL 4333246, at *12 (N.D. Ill. Sept. 27, 2024)
- McCarthy v. Ameritech Publishing, Inc., 763 F.3d 469, 480 (6th Cir. 2014)
- Showe Management Corp. v. Kerr, No. 83406, 2004 WL 1118819, at *32 (Ohio Ct. App. May 20, 2004)
- Blon v. Bank One, Akron, N.A., 35 Ohio St. 3d 98, 101 (1988)
- In re General Motors LLC Ignition Switch Litigation, 257 F. Supp. 3d 372, 414 (S.D.N.Y. 2017)
- Henderson Square Condominium Association v. LAB Townhomes LLC, 16 N.E.3d 197, 217 (Ill. App. 2014)
- Newman v. Metropolitan Life Insurance Co., 885 F.3d 992, 1004 (7th Cir. 2018)
- Crichton v. Golden Rule Insurance Co., 576 F.3d 392, 397-98 (7th Cir. 2009)
- Barbara's Sales, Inc. v. Intel Corp., 227 Ill. 2d 45, 73-74 (2007)
- Diemert v. Lincoln Wood Products, Inc., No. 11-cv-358, 2012 WL 84968, at *3 (N.D. Ohio Jan. 11, 2012)
- Robinson Helicopter Co. v. Dana Corp., 34 Cal. 4th 979, 988 (2004)
- Rattagan v. Uber Technologies, Inc., 17 Cal. 5th 1, 26, 38, 41 n.12, 45 (2024)
- Dhital v. Nissan North America, Inc., 84 Cal. App. 5th 828, 840-41 (2022)
- Dhital v. Nissan North America, 559 P.3d 1083 (2024)
- Ladanowsky v. FCA US LLC, No. 24-cv-07197, 2024 WL 5250357, at *4-5 (N.D. Cal. Dec. 30, 2024)
- Antonov v. General Motors LLC, No. 23-cv-01593, 2024 WL 217825, at *9 (C.D. Cal. Jan. 19, 2024)
- Crair v. Ford Motor Company, No. BC664414 (Cal. Super. Ct. Dec. 20, 2024)
- Santana v. FCA US, LLC, 56 Cal. App. 5th 334, 345 (2020)
- In re Ford Motor Co. DPS6 Powershift Transmission Products Liability Litigation, 689 F. Supp. 3d 760 (C.D. Cal. 2023)
- Davidson v. Apple, Inc., No. 16-cv-4942, 2017 WL 3149305 (N.D. Cal. July 25, 2017)
- Falk v. General Motors Corp., 496 F. Supp. 2d 1088, 1095 (N.D. Cal. 2007)
- Hahn v. Mirda, 147 Cal. App. 4th 740, 748 (2007)
- Chapman Custom Homes, Inc. v. Dallas Plumbing Co., 445 S.W.3d 716, 718 (Tex. 2014)
- In re General Motors LLC Ignition Switch Litigation, 257 F. Supp. 3d 447-48 (S.D.N.Y. 2017)
- Kershaw County Board of Education v. U.S. Gypsum Co., 302 S.C. 390, 393-94 (1990)
- Gonzalez v. American Honda Motor Co., 720 F. Supp. 3d 833, 848 (C.D. Cal. 2024)

- Chapman v. General Motors LLC, 531 F. Supp. 3d 1257, 1297 (E.D. Mich. 2021)
- Oliveira v. Amoco Oil Co., 201 Ill. 2d 134, 149 (2002)
- Celex Group, Inc. v. Executive Gallery, Inc., 877 F. Supp. 1114, 1128 (N.D. Ill. 1995)
- O'Connor v. Ford Motor Co., 567 F. Supp. 3d 915, 962 (N.D. Ill. 2021)
- High Road Holdings, LLC v. Ritchie Bros. Auctioneers (Am.), Inc., No. 07-cv-4590, 2008 WL 450470, at *4 (N.D. Ill. 2008)
- Avery v. State Farm Mutual Automobile Insurance Co., 216 Ill. 2d 100, 174 (2005)
- Moore v. American Honda Motor Co., Inc., 740 F. Supp. 3d 814, 828-29 (N.D. Cal. 2024)
- Browning v. American Honda Motor Co., No. 20-cv-05417-BLF, 2022 WL 5287775, at *2-3 (N.D. Cal. 2022)