

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
INDIANA, NEW ALBANY DIVISION

Kendell Anderson v. Lucid Group USA, Inc.

Anderson v. Lucid Group USA, Inc. · No. 4:25-cv-00040-SEB-KMB · Decided March 31, 2026

SUMMARY

The United States District Court for the Southern District of Indiana granted Lucid Group USA, Inc.'s motion to compel arbitration in a dispute concerning alleged vehicle defects, warranty claims, and an Indiana motor vehicle protection statute claim. The court held that the parties had a valid arbitration agreement governed by the Federal Arbitration Act, that Lucid had not waived arbitration, and that the plaintiff's prior participation in the voluntary BBB AUTO LINE process did not satisfy or replace the contractual arbitration obligation.

CASE DETAILS

COURT	United States District Court for the Southern District of Indiana, New Albany Division
WRITING FOR THE COURT	Sarah Evans Barker
JURISDICTION	United States District Court for the Southern District of Indiana, New Albany Division
DECIDED	March 31, 2026
DOCKET	4:25-cv-00040-SEB-KMB
DISPOSITION	other
PROCEDURAL POSTURE	Defendant moved to compel arbitration of Plaintiff's warranty and Indiana consumer-protection claims under the Federal Arbitration Act.
STANDARD OF REVIEW	The court applied the Federal Arbitration Act's standard for compelling arbitration, requiring a written arbitration agreement, a dispute within the agreement's scope, and a refusal to arbitrate.
PRECEDENTIAL VALUE	unpublished district court order; persuasive rather than precedential
PARTIES	Kendell Anderson v. Lucid Group USA, Inc.

TOPICS

- arbitration
- waiver
- breach of contract
- consumer protection
- civil procedure

PRACTICE AREAS

arbitration

contracts

consumer protection

civil procedure

QUESTIONS PRESENTED

1. Whether Lucid waived its contractual right to compel arbitration by delaying its motion and by directing Anderson to the BBB AUTO LINE process.
2. Whether Anderson's participation in the BBB AUTO LINE process fulfilled or replaced the parties' contractual obligation to submit unresolved disputes to binding arbitration.
3. Whether the parties' written arbitration agreement covered Anderson's claims and was enforceable under the Federal Arbitration Act.

HOLDINGS

1. The written arbitration agreement was governed by the Federal Arbitration Act and covered Anderson's claims arising from the purchase and use of the Lucid vehicle.
2. Lucid did not waive its right to compel arbitration.
3. Anderson's participation in BBB AUTO LINE did not fulfill, replace, or invalidate the parties' contractual obligation to proceed to binding arbitration.

KEY QUOTATIONS

“Courts must grant a motion to compel arbitration where there is (1) a written agreement to arbitrate, (2) a dispute within the scope of the agreement to arbitrate, and (3) a refusal to arbitrate.”

“The argument that a signed agreement to arbitrate any unresolved disputes between signatories could be invalidated simply by reference to the existence of a separately available voluntary program is unavailing.”

FACTUAL BACKGROUND

Anderson purchased a 2023 Lucid Air Touring from Lucid and signed a purchase agreement incorporating terms requiring binding arbitration of disputes after a sixty-day notice-and-resolution period. The agreement also provided a sixty-day email opt-out, but Anderson did not opt out. After alleged unsuccessful repairs, Anderson pursued the BBB AUTO LINE process recommended by Lucid, rejected the resulting decision, and filed suit asserting warranty and Indiana Motor Vehicle Protection Act claims.

PROCEDURAL HISTORY

Anderson filed suit in Floyd Superior Court on January 10, 2025. Lucid removed the action to the Southern District of Indiana on March 7, 2025, answered, and moved to compel arbitration. The court granted the motion, concluding that Lucid had not waived arbitration and that Anderson's participation in the BBB AUTO LINE process did not satisfy or replace the contractual binding-arbitration obligation.

DISPOSITION

other

CASES CITED

- Gupta v. Morgan Stanly Smith Barney, LLC, 934 F.3d 705, 710 (7th Cir. 2019)
- AT&T Mobility LLC v. Concepcion, AT&T Mobility LLC v. Concepcion, 563 U.S. 333, 339 (2011)
- Citizens Bank v. Alafabco, Inc., 539 U.S. 52, 56 (2003)
- Allied-Bruce Terminix Companies, Inc. v. Dobson, 513 U.S. 265, 274 (1995)
- Zurich Am. Ins. Co., 417 F.3d 682, 687 (7th Cir. 2005)
- Kawasaki Heavy Indus., Ltd. v. Bombardier Recreational Prods., Inc., 660 F.3d 988 (7th Cir. 2011)

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