

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Armen Mardusian v. Mercedes-Benz USA, LLC

Mardusian · No. 2:25-cv-03641 HDV JPRx · Decided July 21, 2025

SUMMARY

The United States District Court for the Central District of California denied Armen Mardusian’s motion to remand a Song-Beverly Consumer Warranty Act action. The court held that complete diversity existed and that the amount in controversy exceeded \$75,000 based on the vehicle’s purchase price and potential civil penalties.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Hernán D. Vera
JURISDICTION	United States District Court for the Central District of California
DECIDED	July 21, 2025
DOCKET	2:25-cv-03641 HDV JPRx
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiff moved to remand an action removed from California state court on the basis of diversity jurisdiction.
STANDARD OF REVIEW	The removing party bears the burden of establishing federal subject matter jurisdiction, and removal statutes are strictly construed with a strong presumption against removal jurisdiction. The court assesses a challenged amount in controversy by a preponderance of the evidence.
PRECEDENTIAL VALUE	unknown
PARTIES	Armen Mardusian v. Mercedes-Benz USA, LLC

TOPICS

- subject matter jurisdiction
- civil procedure
- consumer protection
- damages

PRACTICE AREAS

- Civil procedure
- Federal jurisdiction
- Consumer protection
- Automobile warranties

QUESTIONS PRESENTED

1. Whether the parties were completely diverse for purposes of federal diversity jurisdiction.
2. Whether the amount in controversy exceeded \$75,000, including potential civil penalties under the Song-Beverly Act.
3. Whether the removed action should be remanded to state court for lack of subject matter jurisdiction.

HOLDINGS

1. Complete diversity existed because Plaintiff was adequately shown to be a California citizen, while Mercedes-Benz USA, LLC, whose sole member was incorporated in Delaware and had its principal place of business in Michigan, was a citizen of Delaware and Michigan rather than California.
2. The amount in controversy exceeded \$75,000 because the \$70,080.24 purchase price, together with potential civil penalties of up to twice the actual damages, yielded a potential recovery of \$210,240.72.

KEY QUOTATIONS

“The removal statute is strictly construed and there is a “strong presumption” against removal jurisdiction.”
(Section II)

“This sum should be considered as part of the amount in controversy, which “reflects the maximum recovery the plaintiff could reasonably recover.”” (Section III.B)

FACTUAL BACKGROUND

Plaintiff purchased a 2022 Mercedes-Benz E350W for \$70,080.24 and alleged that the vehicle developed several warranty nonconformities, including defects involving the fuel gauge, fuel tank, infotainment screen, and radio. He alleged that Mercedes-Benz refused to repurchase the vehicle and provide restitution. Plaintiff sought relief under the California Song-Beverly Consumer Warranty Act, including civil penalties.

PROCEDURAL HISTORY

Mardusian filed a Song-Beverly Consumer Warranty Act action in the Superior Court of California, Los Angeles County, on March 21, 2025. Mercedes-Benz USA, LLC removed the action to federal court on April 24, 2025. Plaintiff moved to remand, the parties briefed the motion, and the court heard oral argument before denying remand.

DISPOSITION

remanded

CASES CITED

- Prize Frize, Inc. v. Matrix, Inc., 167 F.3d 1261, 1265 (9th Cir. 1999)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Shamrock Oil & Gas Corp. v. Sheets, 313 U.S. 100, 108–09 (1941)

- Caterpillar Inc. v. Lewis, 519 U.S. 61, 68 (1996)
- Kanter v. Warner-Lambert Co., 265 F.3d 853, 857 (9th Cir. 2001)
- Johnson v. Columbia Props. Anchorage, LP, 437 F.3d 894, 899 (9th Cir. 2006)
- Hertz Corp. v. Friend, 559 U.S. 77, 92–93 (2010)
- Fritsch v. Swift Transp. Co. of Arizona, LLC, 899 F.3d 785, 793 (9th Cir. 2018)
- Lewis v. Verizon Commc'ns. Inc., 627 F.3d 395, 400 (9th Cir. 2010)
- Campbell v. Vitran Express, Inc., 471 F. App'x 646, 648 (9th Cir. 2012)
- Dart Cherokee Basin Operating Co. v. Owens, 574 U.S. 81, 82, 89 (2014)
- Arias v. Residence Inn by Marriott, 936 F.3d 920, 927

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