UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO

Lucas Cranor v. State Farm Mutual Automobile Insurance Company

Civil Action No. 23-cv-02113-PAB-TPO · No. 23-cv-02113-PAB-TPO · Decided February 25, 2026

SUMMARY

The United States District Court for the District of Colorado considers State Farm’s motion for summary judgment on Lucas Cranor’s common-law bad-faith and statutory unreasonable-delay claims arising from an automobile insurance claim. The court analyzes alleged steering to repair shops, responsibility for poor repairs, and the valuation and payment process. The excerpt indicates that the court granted summary judgment on the steering-based theory, but does not include the complete disposition of the motion.

CASE DETAILS

COURT	United States District Court for the District of Colorado
WRITING FOR THE COURT	Philip A. Brimmer
JURISDICTION	United States District Court for the District of Colorado
DECIDED	February 25, 2026
DOCKET	23-cv-02113-PAB-TPO
DISPOSITION	other
PROCEDURAL POSTURE	Defendant moved for summary judgment on plaintiff's Colorado statutory and common-law bad-faith insurance claims. The court granted the motion, dismissed the claims with prejudice, denied defendant's motion to exclude expert opinions as moot, and closed the case.
STANDARD OF REVIEW	Summary judgment is proper under Federal Rule of Civil Procedure 56 when there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law. The court views the evidence in the light most favorable to the nonmoving party, but the nonmovant must identify specific facts showing a genuine issue for trial.
PRECEDENTIAL VALUE	Nonprecedential federal district court order; unpublished disposition.
PARTIES	Lucas Cranor v. State Farm Mutual Automobile Insurance Company

TOPICS

insurance bad faith · casualty insurance litigation · summary judgment · insurance coverage · civil procedure

PRACTICE AREAS

insurance bad faith · casualty insurance litigation · civil procedure · summary judgment · remedies

QUESTIONS PRESENTED

1. Whether State Farm's alleged steering of Cranor toward Crash Champions or away from Nylund's violated Colorado Revised Statutes section 10-4-120 or otherwise constituted objectively unreasonable conduct supporting statutory or common-law bad-faith claims.
2. Whether State Farm could be held responsible for Crash Champions's allegedly poor repairs based on agency, vicarious liability, a duty to supervise, or insurance-industry standards.
3. Whether the February 2023 inspection involved a cover-up that constituted unreasonable claims conduct.
4. Whether the timing of State Farm's inspections, total-loss determination, valuation process, and payment constituted unreasonable delay.
5. Whether Cranor presented sufficient evidence of objectively unreasonable conduct to support his statutory unreasonable-delay claim or common-law bad-faith claim.

HOLDINGS

1. State Farm was entitled to summary judgment on the steering theories because the undisputed evidence showed that it did not require Cranor to use Crash Champions, threaten nonpayment or delayed payment if he used another shop, or prohibit him from using Nylund's. Its warning that Nylund's might charge more than State Farm's prevailing-market estimate did not violate section 10-4-120(2)(b).
2. Cranor failed to create a genuine dispute that State Farm was vicariously liable for Crash Champions's repairs or had a duty to supervise the repair shop. State Farm was therefore entitled to summary judgment on this theory.
3. Cranor failed to present evidence creating a genuine dispute that State Farm engaged in a cover-up during its February 10 inspection, so summary judgment was proper on that theory.
4. No reasonable juror could find unreasonable delay based on the undisputed timing of State Farm's actions. State Farm inspected the truck ten days after receiving notice of the repair problem, inspected it five days after it was taken to Nylund's, and determined it was a total loss four days after that inspection.
5. A valuation disagreement, a single initial offer lower than the insured's proposed value, and back-and-forth negotiations did not establish objectively unreasonable conduct. Cranor presented no evidence that State Farm's valuation process was objectively unreasonable.

KEY QUOTATIONS

> *"Indeed, were the Court to hold that a mere disagreement between parties as to the valuation of a claim created a triable bad faith claim, essentially every insurance dispute would proceed to trial on such a claim, as disputes between the insurer and insured over the proper valuation of the loss are routine."* (III.B.4.c)

> *"when an insured selects and retains an independent contractor, even upon the recommendation of his or her insurer, the insured has primary responsibility for supervising the contractor, absent any representation that the insurer would assume that duty."* (III.B.2)

FACTUAL BACKGROUND

Cranor's insured truck was damaged after he allegedly struck a deer, and State Farm initially arranged valuation and repair-related claim handling. Cranor selected Crash Champions, a State Farm Select Service provider, for repairs; after he reported continuing problems, State Farm inspected the truck, later determined it was a potential total loss, and progressively increased its valuation after considering additional information and comparable vehicles supplied by Cranor. State Farm ultimately valued the truck at $67,451 and issued payment. Cranor alleged that State Farm steered him toward or away from particular repair shops, was responsible for Crash Champions's poor repairs, attempted a cover-up, and unreasonably delayed and undervalued his claim.

PROCEDURAL HISTORY

Cranor sued State Farm for statutory unreasonable delay of insurance benefits and common-law bad-faith breach of an insurance contract. After briefing on State Farm's motion for summary judgment, the district court concluded that plaintiff failed to establish a genuine dispute of material fact concerning any alleged unreasonable conduct by State Farm. The court granted summary judgment and dismissed both claims with prejudice.

DISPOSITION

other

CASES CITED

- Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248-50 (1986)
- Wright v. Abbott Labs., Inc., 259 F.3d 1226, 1231-32 (10th Cir. 2001)
- Faustin v. City & Cnty. of Denver, 423 F.3d 1192, 1198 (10th Cir. 2005)
- Allen v. Muskogee, 119 F.3d 837, 839 (10th Cir. 1997)
- Bausman v. Interstate Brands Corp., 252 F.3d 1111, 1115 (10th Cir. 2001)
- Concrete Works of Colo., Inc. v. City & Cnty. of Denver, 36 F.3d 1513, 1518 (10th Cir. 1994)
- Celotex Corp. v. Catrett, 477 U.S. 317, 324 (1986)
- Estate of Morris v. COPIC Ins. Co., 192 P.3d 519, 523-24 (Colo. App. 2008)
- Masters v. Safeco Ins. Co. of Am., No. 20-cv-00631-PAB-NRN, 2021 WL 4326269, at *5 (D. Colo. Sept. 23, 2021)
- Bd. of Cnty. Comm'rs v. Auslaender, 745 P.2d 999, 1001 (Colo. 1987)
- Schultz v. GEICO Cas. Co., 429 P.3d 844, 847 (Colo. 2018)
- Zolman v. Pinnacol Assurance, 261 P.3d 490, 497 (Colo. App. 2011)
- Goodson v. Am. Standard Ins. Co. of Wisc., 89 P.3d 409, 415 (Colo. 2004)
- Travelers Insurance Co. v. Savio, 706 P.2d 1258, 1275-76 (Colo. 1985)

- Cooper v. Am. Family Mut. Ins. Co., 653 F. Supp. 3d 878
- Williams v. Owners Insurance Co., 621 F. App'x 914, 919-20 (10th Cir. 2015) (unpublished)
- Kisselman v. Am. Family Mut. Ins. Co., 292 P.3d 964, 975 (Colo. App. 2011)
- Bruce v. Pac. Specialty Ins. Co., No. 15-cv-01323-RM-CBS, 2016 WL 11693598, at *9 (D. Colo. Aug. 15, 2016), report and recommendation adopted, 2017 WL 11545237 (D. Colo. Feb. 8, 2017), aff'd, 755 F. App'x 731 (10th Cir. 2018)
- Dunn v. Am. Fam. Ins., 251 P.3d 1232, 1235-36 (Colo. App. 2011)
- Digital Landscape Inc. v. Media Kings LLC, 440 P.3d 1200, 1212 (Colo. App. 2018)
- Grease Monkey Int'l, Inc. v. Montoya, 904 P.2d 468, 472 (Colo. 1995)
- Settle v. Basinger, 411 P.3d 717, 724 (Colo. App. 2013)
- In re HomeAdvisor, Inc. Litig., No. 16-cv-01849-PAB-KAS, 2024 WL 4187099, at *6 (D. Colo. Sept. 13, 2024)
- Roe v. FCA US LLC, 42 F.4th 1175, 1181 (10th Cir. 2022)
- Glacier Constr. Co. v. Travelers Prop. Cas. Co. of Am., 569 F. App'x 582, 590-91 (10th Cir. 2014) (unpublished)
- Iwaskow v. Safeco Ins. Co. of Am., No. 21-cv-00005-PAB-SBP, 2023 WL 6376712, at *7 (D. Colo. Sept. 29, 2023)
- KAT Constr. Mgmt. LLC v. Safeco Ins. Co. of Am., No. 19-cv-02981-RM-KLM, 2022 WL 136905, at *6 (D. Colo. Jan. 14, 2022)
- Vinnedge v. Owners Ins. Co., 542 F. Supp. 3d 1145, 1151 (D. Colo. 2021)
- Sw. Nurseries, LLC v. Florists Mut. Ins., Inc., 266 F. Supp. 2d 1253, 1259 (D. Colo. 2003)
- Baker v. Allied Prop. & Cas. Ins. Co., 939 F. Supp. 2d 1091, 1111 (D. Colo. 2013)
- Green Earth Wellness Ctr., LLC v. Atain Specialty Ins. Co., 163 F. Supp. 3d 821, 836 (D. Colo. 2016)
- Zarevo v. State Farm Mut. Auto. Ins. Co., No. 22-cv-00117-RMR-NYW, 2022 WL 1061910, at *5 (D. Colo. Apr. 8, 2022), report and recommendation adopted, 2022 WL 3099205 (D. Colo. June 15, 2022)
