Honda Wins Appeal Of Small-Claims Hybrid Judgment

Greg Risling, Associated Press

LOS ANGELES (AP) — A judge overturned a nearly $10,000 small-claims judgment against American Honda Motor Co. that was won by a car owner who said the automaker misrepresented the gas mileage of her hybrid Civic, according to a ruling released Wednesday.

Superior Court Judge Dudley W. Gray II ruled Tuesday on Honda's appeal of a small-claims court commissioner's award of $9,867 to Civic owner Heather Peters. A phone message left for Honda's attorney, Roy Brisbois, was not immediately returned.

Peters opted out of a class-action settlement giving some 200,000 owners between $100 and $200 each, plus a rebate if they buy a new Honda, electing instead to sue the automaker on her own.

The ruling will not have a direct effect on any other cases involving the mileage claim.

Peters, a lawyer, previously urged Honda owners to take the small-claims route as she did, and her initial success led some 1,700 other hybrid owners to follow suit.

Gray's ruling found, among other issues, that while Peters had standing to bring the case in state court, federal regulations govern fuel economy ratings posted on vehicles and related advertising claims. The ruling also said most owners of that type of car achieve fuel economy close to federal Environmental Protection Agency estimates.

In addition, the judge said EPA miles per gallon ratings are for comparison among vehicles and don't account for various factors such as the condition of the car or the length of the trip, that can affect mileage.

"Despite these many variables, most of the owners of the subject vehicle achieve fuel economy very close to the EPA estimate," Gray wrote.

Peters argued that Honda knew it had problems with the hybrid cars but continued to advertise them as an alternative to high gas prices and a way to help the environment.

But Gray said the automaker's advertising slogans "are not specific promises of anything."

Peters also said her battery failed early on and was never again fully charged after

she received a software update, leaving the car to run almost entirely on gasoline.

"The court finds it was designed to prolong the life of the battery, not to increase mileage or performance of the vehicle," Gray said of the software update.

Peters' "subjective impressions of sluggishness or impaired safety are unsupported by any objective evidence," he said.

Peters has said her purpose for not being part of the settlement was to hold Honda accountable for false advertising. Her suit was a unique end run around the class-action process that she said offered too little to Honda owners and too much to lawyers.

A judge has valued the class-action settlement at $170 million. Attorneys for the plaintiffs have placed the value between $87.5 million and $461.3 million, depending largely on how many people accept rebates of up to $1,500.

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