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Honda To Pay For Repairs Of Defective Vehicles

By **Allison Grande**

Law360, New York (September 09, 2011, 7:58 PM ET) -- A New Jersey federal judge on Friday gave preliminary approval to a putative class action settlement that requires Honda Motor Co. Ltd. to pay for repairs to allegedly defective compressors and condensers in certain CR-V, Odyssey and Acura TSX vehicles.

U.S. District Judge Katharine S. Hayden ruled that the proposed settlement — which covers more than 1 million vehicles of the three models over six model years — was “sufficiently within the range of reasonableness” to warrant the distribution of a settlement notice to individuals who purchased or leased a 2002-2004 CR-V, a 2004 Acura TSX or a 2005-2007 Odyssey from the automaker.

“The court observes that the relief provided in the agreement is responsive to plaintiffs’ class allegations in that the complaint alleged that defendant refused to cover the cost of plaintiffs’ repairs under their respective vehicle warranties, and the agreement provides full reimbursement for damage sustained during the class members’ individual warranty periods,” the order said.

Under the terms of the proposed opt-out settlement, Honda will fully reimburse any out-of-pocket payments made by Odyssey subclass members to repair road debris damage to their air condensers and by CR-V and Acura TSX members to repair compressor damage during their original warranty period. The company will also provide Odyssey owners and lessees with a screen that is intended to protect the condenser from road debris damage.

Honda will also partially reimburse CR-V and Acura TSX subclass members for compressor damage repairs made outside their original warranty period up to an extended eight-year, 96,000-mile range for both vehicles, according to the settlement.

A final settlement approval hearing will be scheduled for sometime after Feb. 9, which is the class counsel’s deadline to answer any objections to the proposed settlement and file any materials supporting the resolution.

Plaintiffs Jon Alin, Robert Loughhead and Paul Feldman — whom the court preliminarily approved as class representatives on Friday — initiated the suit in September 2008, alleging that Honda negligently designed or manufactured the air-conditioning units of the three subject vehicles.

Specifically, the complaint alleged that the condenser was placed in a position in Odyssey vehicles that was vulnerable to contact from rocks, pebbles and other road debris during normal driving conditions on paved roadways, and that Honda failed to design the vehicle either to withstand this impact or with a guard or grill that would protect the condenser despite the “clear vulnerability” of the condenser to this debris contact.

The plaintiffs singled out the compressors of the Honda CR-V and Acura TSX vehicles as being negligently designed, claiming the compressors failed prematurely, which contaminated the entire air-conditioning system and required the replacement of most components and high repair costs.

The plaintiffs moved for preliminary approval of the proposed settlement on Jan. 28, saying “the parties recognized the significant uncertainties and risks faced by the proposed plaintiff class and the defendants, and the benefits of reaching a comprehensive nationwide settlement.”

While Honda continued to deny the plaintiffs' allegations, the automaker supported the plaintiffs' request in a Feb. 10 filing, adding that it believed that the proposed settlement was “fair, reasonable and in the best interests of the members of the settlement class.”

The plaintiffs are represented by Matthew R. Mendelsohn and David A. Mazie of Mazie Slater Katz & Freeman LLC, Richard Norman and R. Martin Weber of Crowley Norman LLP, Joel M. Fineberg of Joel M. Fineberg PC, and David W. Jones of Beck Redden & Secrest LLP.

Honda is represented by Robert M. Goodman of Greenbaum Rowe Smith & Davis LLP, and David B. Johnson and Michael C. Andolina of Sidley Austin LLP.

The case is *Alin v. Honda Motor Co. Ltd. et al.*, case number 2:08-cv-04825, in the U.S. District Court for the District of New Jersey.

--Editing by John Williams.

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