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ENDORSED
FEB 8 2005
By N. Smith, Deputy

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO

Coordination Proceeding JCCP Nos. 4266 & 4270
Special Title (Rule 1550(b))
BRIDGESTONE/FIRESTONE TIRE DEPARTMENT 29
CASES I & II
MOTION FOR CLASS CERTIFICATION
RULING ON SUBMITTED MATTER
Included Actions:
Tompkins v. Bridgestone/
Firestone, Inc.
Sacramento Superior Court
Case No. 02AS02919
Katz v. Bridgestone/Firestone,
Inc.
Los Angeles Superior Court
Case No. BC 279457
Tompkins v. Ford Motor Co.,
Sacramento Superior Court
Case No. 03AS00391
Katz v. Motor Co.,
Los Angeles Superior Court
Case No. BC 279458

1 Gray v. Ford Motor Co.,
2 Sacramento Superior Court
Case No. 03AS04782

3 Montoya and McLachlan v.
4 Ford Motor Co.
5 Sacramento Superior Court
Case No. 03AS05213

6 This motion, filed on July 16, 2004, was originally scheduled for hearing on October 22,
7 2004. Subsequently, it was continued and fully briefed for hearing on December 3, 2004. On
8 November 22, 2004 defendant, Ford Motor Company, filed a surreply in which it argued that the
9 passage of proposition 64 requires denial of the class action petition. Since proposition 64 became
10 effective on November 3, the Court continued the matter to allow this issue to be fully briefed.

11 The matter was heard on December 20, in Department 29, Judge David De Alba presiding.
12 Kevin Roddy, Elizabeth Cabraser, Henry Rossbacher and Lisa Lebove appeared for plaintiffs.
13 Daniel Alexander, Stephen Harburg and Morgan Sullivan appeared for defendant. At the hearing
14 the Court took judicial notice of proposition 64 and the official voter information guide materials
15 submitted by plaintiffs on December 13, 2004. The Court also took judicial notice, without
16 objection by the parties, of the trial court opinions submitted by defendant on December 16 and the
17 decision of Judge Cccil in department 54 of this court submitted by plaintiffs.

18 At the end of oral argument the Court permitted the parties to file supplemental briefing
19 limited to discussion of the recent Supreme Court decision in *Elsner v. Uveges* (2004) 34 Cal. 4th
20 915. The final briefs were filed and the matter was submitted on January 7, 2005.

21 Having considered all of the briefs and the argument of counsel the Court now rules as
22 follows.

23 The issue presently before the Court is whether to certify the pending case against Ford
24 Motor Company as a class action. Before making this determination, the Court must first decide
25 whether proposition 64 affects the outcome.

26 *Proposition 64*

27 This action is brought pursuant to the Unfair Competition Law (UCL) set forth in Business
28 and Professions Code section 17200 et seq., the False Advertising Law (FAL), Business and

1 Professions Code section 17500 et seq.¹ and the Consumer Legal Remedies Action (CLRA) Civil
2 Code section 1750 et seq.. Before passage of proposition 64, this law permitted an action to be
3 brought by any person acting for the interests of him/her or the general public without any showing
4 of actual injury. (See e.g. Bus. & Prof. Code sections 17204 and 17535) Proposition 64 amends
5 Business and Professions Code section 17203 to provide that any person may pursue
6 representative claims or relief on behalf of others only if the claimant meets the standing
7 requirement of section 17204 and complies with section 382 of the Code of Civil Procedure. The
8 limitations do not apply to the Attorney-General, or any district attorney, county counsel, city
9 attorney, or city prosecutor. Proposition 64 also amends section 17204 to require any person
10 prosecuting an action for relief under the UCL to have suffered injury in fact and to have lost
11 money or property as a result of the unfair competition.
12

13 There is no dispute that proposition 64, passed by the voters on November 2, 2004, is
14 effective immediately. The question is whether it applies retroactively to this case.

15 The Court is aware the issue of retroactive application of proposition 64 is being litigated
16 around the state. However, no binding published appellate decision has issued on the issue of
17 whether proposition 64 should be applied retroactively.² The decisions of other superior courts of
18 which this Court has taken judicial notice are in no way binding. The matter is one of first
19 impression for this Court.

20 The applicable general principles of law are well settled. It is well established a new
21 statute or initiative is presumed to operate prospectively, absent an express declaration of
22 retroactivity or a clear indication the electorate, or the Legislature, intended otherwise. (*Tapia v.*
23 *Superior Court*, (1991) 53 Cal. 3d 282, 287; *Evangelatos v. Superior Court* (1988) 44 Cal. 3d
24 1188)

25 There is an equally well established exception the rule does not preclude the application of
26 new *procedural* or *evidentiary* statutes (emphasis added) to trials occurring after enactment, even
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28 ¹ Since the changes have the same effect in both statutes, the Court will use the UCL provisions in its discussion.

² On February 1, 2005, the Court of Appeal, First Appellate District, found no retroactive application to proposition 64. (*California for Disability Rights v. Mervyns LLC*, A106199).

1 though such trials may involve the evaluation of civil or criminal conduct occurring before
2 enactment. (*Id.* at 288-289) This is so because these uses typically affect only future conduct.
3 The effect is actually prospective in nature since the changes relate to the procedure to be followed
4 in the future.

5 It is also well settled that where the government's authority rests solely upon a statute,
6 repeal of such statute without a saving clause will terminate all pending actions based thereon.
7 (*Governing Board v. Mann* (1977) 18 Cal.3d 819, 822)

8 Defendant argues proposition 64 falls within the exception for procedural statutes and that
9 it qualifies as repeal of a statutory authority without a saving clause. The Court is not persuaded
10 by either argument.

11 Retroactive application cannot be supported by characterizing Proposition 64 as merely a
12 "procedural" statute. In deciding whether the application of a law is prospective or retroactive the
13 trial court is directed to look to function not form. (*Elsner v. Uveges* (2004) 34 Cal. 4th 915, 936)
14 The court must consider the effect of a law on a party's rights and liabilities, not whether a
15 procedural or substantive label best applies. The proper question is whether the law changes the
16 legal consequences of past conduct by imposing new or different liabilities based upon such
17 conduct i.e. whether it substantially affects existing rights and obligations. (*Id.* at 937) The
18 distinction relates not so much to the form of the statute as to its effects. (*Evangelatos (supra)* at
19 1225) If substantial changes are made, even in a statute which might ordinarily be classified as
20 procedural, the operation on existing rights would be retroactive because the legal effects of past
21 events would be changed, and the statute will be construed to operate prospectively only absent
22 clear legislative intent to the contrary. (*Ibid.*)

23 Defendant contends proposition 64 does nothing more than affect standing and class
24 actions which defendant maintains are procedural.

25 It is certainly true that some authorities describe standing as a procedural concept.
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1 However, the Court is instructed it must not rely on any such procedural label. (See *Tapia* and
2 *Elsner supra*)

3
4 In this case, applying proposition 64 would terminate the right of any existing plaintiff who
5 could not show actual injury to bring the action and adversely affect the substantive rights of those
6 persons who are not parties but whose rights and interests are being pursued in this lawsuit. The
7 fact that standing may be described as procedural is immaterial. Any changes in the requirements
8 for standing go to the very heart of the cause of action. Retroactive application of Proposition 64
9 to preexisting causes of action would have a very definite substantive effect on plaintiffs and those
10 they represent who, during the pending litigation, acted in reasonable reliance on the existing state
11 of the law. (See *Evangelatos supra*)

12 *Brenton v. Metabolife Int'l Inc.* (116 Cal.App.4th 679, 689), relied on by defendant, does
13 not compel a different result. In *Brenton* the court determined that applying Code of Civil
14 Procedure section 425.17 to the anti-SLAPP statute did not eliminate the right to be free of
15 meritless lawsuits, it simply removed one procedural mechanism for enforcing that right. (*Id.* at
16 691) The court concluded the changes to the law were purely procedural.

17 Defendant also contends proposition 64 effects a repeal of statute without a saving clause
18 and thus it terminates pending actions. (*Governing Board v. Mann* (1977) 18 Cal.3d 819, 822)
19 The Court is not so persuaded.

20
21 *Governing Board v. Mann* is one of a long line of cases setting forth the general rule that a
22 cause of action or remedy dependent on a statute falls with a repeal of the statute, even after the
23 action thereon is pending, in the absence of a saving clause in the repealing statute. (See e.g.
24 *People v. Acosta*, (1996) 48 Cal. App. 4th 411, 418-419)

25 The court in *Physicians Com. for Responsible Medicine v. Tyson Foods, Inc.* (2004) 119
26 Cal. App. 4th 120 stated the rule as follows:

27 Although the courts normally construe statutes to operate prospectively,
28 the courts correlatively hold under the common law that when a pending action

1 rests solely on a statutory basis, and when no rights have vested under the statute,
2 a repeal of such a statute without a saving clause will terminate all pending
3 actions based thereon. (*Id.* at 127)

4 This rule only applies when the right in question is a statutory right and does not apply to
5 an existing right of action which, has accrued to a person under the rules of the common law, or by
6 virtue of a statute codifying the common law. In such a case, it is generally stated that the cause of
7 action is a vested property right which, may not be impaired by legislation. (*Cross v. Bonded*
8 *Adjustment Bureau* (1996) 48 Cal. App. 4th 266, 275-276.) In other words, the repeal of such a
9 statute or of such a right should not be construed to affect existing causes of action. In short, the
10 repeal of a statute affects a cause of action based solely upon the statute; it does not affect a claim
11 that exists at common law. (*Ibid.*)

12 In *Younger v. Superior Court of Sacramento County*, (1978) 21 Cal. 3d 102, the Supreme
13 Court explained the elements of the rule. (1) The procedure in question must be created by, and
14 wholly dependent on, statute. There must be no equivalent common law right. (2) The new
15 legislation must completely eliminate the earlier procedure. (3) There must be no express or
16 implied saving clause. (*Id.* at 109-110).

17 In *Younger* the repeal of the statute completely deprived the court of the jurisdiction the
18 statute had conferred. There was no common law right to have the court order marijuana
19 possession records destroyed and there was no saving clause. (*Id.* at 110).

20 In contrast, proposition 64 does not repeal either a cause of action or a remedy. Individuals
21 and members of the public continue to have a cause of action and a remedy under the UCL.
22 Moreover, the cause of action against, and a remedy for, unfair competition existed at common
23 law. Thus it is not a cause of action unknown at common law.

24 The Court is persuaded that this matter is governed by *Evangelatos v. Superior Court*
25 (1988) 44 Cal.3d 1188 and *Elsner v. Uveges* (*supra*). Revision to the law will substantially affect
26 existing rights and obligations. Proposition 64 should have only prospective effect. It does not
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1 apply to the instant case.

2 Assuming arguendo Proposition 64 is applicable to the instant case, the plaintiffs in the
3 case at bar allege they have suffered actual injury and would be proper plaintiffs under the new
4 law. Upon making the requisite showing under Code of Civil Procedure 382, they may proceed as
5 representatives of the class.
6

7 *Class Action*

8 Plaintiffs in this coordinated action seek in their moving papers to certify as a class "all
9 persons or entities in California who purchased, owned or leased new or used Ford Explorers at
10 any time during the period from 1990 to the present and who either (a) currently own, lease or
11 operate the vehicle(s) or (b) sold, traded or otherwise disposed of such vehicle(s) or whose lease
12 for such vehicle expired or otherwise terminated between August 9, 2000 and the later date of
13 Class certification or the dissemination of class notice." Plaintiffs also make proposals for
14 subclasses should the Court find such subclasses necessary.

15 In their points and authorities plaintiffs describe the potential class as including all
16 Californians who purchased or leased Ford Explorers in California during a ten year period from
17 the fall of 1990 to August 2000. At another place in the points and authorities plaintiffs suggest
18 2001 as the proper date. At the hearing, there was still some confusion regarding the cut-off date
19 for an Explorer purchaser or lessee to be a member of the class.

20 It appears to the Court that in light of the fact this action is largely premised on the fact that
21 the vehicles lost significant value after the Rollover defect became public, and that defect became
22 widely known in August 2000, purchasers after that date are not proper members of the class. Any
23 order for certification will have a concluding date that reflects this fact.

24 Since the named plaintiffs in these coordinated cases seek monetary and injunctive relief
25 under the UCL, the FAL and the Consumer Legal Remedies Act (CLRA) Code of Civil Procedure
26 section 382 and Civil Code section 1781 set forth the standards for class actions.

27 Section 382 provides as follows:
28

1 If the consent of anyone who should have been joined as plaintiff cannot
2 be obtained, he may be made a defendant, the reason thereof being stated in the
3 complaint; and when the question is one of common or general interest, of
4 many persons or when the parties are numerous, and it is impracticable to bring
5 them all before the court, one or more may sue or defend for the benefit of all.

6 The California Supreme Court has urged trial courts to be procedurally innovative in
7 determining whether to allow class suits as well as encouraging them to incorporate procedures
8 from outside sources, in particular rule 23 of the Federal Rules of Civil Procedure. (See *Bell v.*
9 *Farmers Ins. Exchange* (2004) 115 Cal. App. 4th 715, 740)

10 Rule 23 provides as follows:

11 (a) Prerequisites to a Class Action. One or more members of a class
12 may sue or be sued as representative parties on behalf of all only if (1) the class
13 is so numerous that joinder of all members is impracticable, (2) there are
14 questions of law or fact common to the class, (3) the claims or defenses of the
15 representative parties are typical of the claims or defenses of the class, and (4)
16 the representative parties will fairly and adequately protect the interests of the
17 class.
18

19 (b) An action may be maintained as a class action if the prerequisites of
20 subdivision (a) are satisfied, and in addition:

21 (1) the prosecution of separate actions by or against individual members
22 of the class would create a risk of

23 (A) inconsistent or varying adjudications with respect to individual
24 members of the class which would establish incompatible standards of conduct
25 for the party opposing the class, or

26 (B) adjudications with respect to individual members of the class which
27 would as a practical matter be dispositive of the interests of the other members
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1 not parties to the adjudications or substantially impair or impede their ability
2 to protect their interests; or

3 (2) the party opposing the class has acted or refused to act on grounds
4 generally applicable to the class, thereby making appropriate final injunctive
5 relief or corresponding declaratory relief with respect to the class as a whole; or

6 (3) the court finds that the questions of law or fact common to the
7 members of the class predominate over any questions affecting only individual
8 members, and that a class action is superior to other available methods for the
9 fair and efficient adjudication of the controversy. The matters pertinent to the
10 findings include: (A) the interest of members of the class in individually
11 controlling the prosecution or defense of separate actions; (B) the extent and
12 nature of any litigation concerning the controversy already commenced by or
13 against members of the class; (C) the desirability or undesirability of
14 concentrating the litigation of the claims in the particular forum; (D) the
15 difficulties likely to be encountered in the management of a class action. (Fed
16 Rules Civ. Proc Rule 23)

17 California courts have long held that two requirements must be met in order to sustain any
18 class action: (1) there must be an ascertainable class; and (2) there must be a well defined
19 community of interest in the questions of law and fact involved affecting the parties to be
20 represented. (*Ibid.*) While the requirement of an ascertainable class normally requires little
21 elaboration, the community of interest requirement has been held to embody three factors: (1)
22 predominant common questions of law or fact; (2) class representatives with claims or defenses
23 typical of the class; and (3) class representatives who can adequately represent the class. (*Ibid.*)

24 Civil Code section 1781 governs class actions under the CLRA. It essentially adopts the
25 federal rule. Section 1781(b) provides that the court shall permit the suit to be maintained on
26 behalf of all members of the represented class if all of the following conditions exist:
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1 (1) It is impracticable to bring all members of the class before the Court.

2 (2) The questions of law or fact common to the class are substantially similar and
3 predominate over the questions affecting the individual members.

4 (3) The claims or defenses of the representative plaintiffs are typical of the claims or
5 defenses of the class.

6 (4) The representative plaintiffs will fairly and adequately protect the interests of the class.

7 The certification of a class is a discretionary decision demanding consideration of many
8 relevant considerations. The ultimate question in every case of this type is whether, given an
9 ascertainable class, the issues which may be jointly tried, when compared with those requiring
10 separate adjudication, are so numerous or substantial that the maintenance of a class action would
11 be advantageous to the judicial process and to the litigants.

12 Applying the rules set forth above the Court is persuaded that this is a proper case for class
13 action.

14
15 *1. Ascertainability*

16 A class is ascertainable if it identifies a group of unnamed plaintiffs by describing a set of
17 common characteristics sufficient to allow a member to identify himself or herself as having a
18 right to recover based on the description. (*Bartold v. Glendale Fed. Bank* (2000) 81 Cal.App.4th
19 816,828.) Here, the identified class of purchasers and lessees of Ford Explorers is readily
20 ascertainable.

21 *2. Numerosity*

22 Plaintiffs, have identified the class as persons in California who bought or leased Ford
23 Explorers between 1990 and 2000. They presented evidence that Ford sold 440,086 Explorers in
24 California between 1991 and 2001. Plaintiffs have certainly satisfied the requirement of showing
25 that the class is so numerous that it would be impracticable to bring all members before the court.

26 *3. Commonality and Predominance*

27 The question then becomes whether there are common questions of law and fact that
28

1 predominate.

2 The commonality requirement is ordinarily satisfied when there is a common nucleus of
3 operative facts. Not all questions of law and fact need to be identical as long as there are common
4 questions at the heart of the case. The existence of shared legal issues with divergent factual
5 predicates is sufficient, as is a common core of salient facts coupled with disparate legal remedies
6 within the class.
7

8 Common questions predominate when they present a significant aspect of the case and they
9 can be resolved for all the members of the class in a single adjudication. Plaintiffs have the burden
10 of establishing that common questions of law and fact predominate with respect to their claims
11 that defendant concealed a dangerous design defect and falsely advertised the safety of the
12 Explorer thereby misleading consumers to purchase or lease Explorers far in excess of their values.
13 The Court finds plaintiffs have met this burden.

14 Plaintiffs identify the common issues as follows. The claims of all members of the class
15 stem from the same source, namely, that Ford knew of the rollover defect and concealed it from
16 consumers. The deception was widely revealed in late 2000 resulting in significant decline in the
17 value of all Explorers. Plaintiffs allege consumers found that they owned, but could not sell,
18 Explorers they would not have purchased or lease had the truth been known. Plaintiffs contend
19 they can demonstrate by common proof a decline in the market value of all Explorers after the
20 public revelation of Ford's deception. Plaintiffs maintain that there are no significant design
21 differences among Explorers to warrant separate treatment.

22 Defendant contends there is no common Explorer making it impossible for plaintiffs' to
23 prove their proposed defect theory with class-wide evidence. Defendant also contends plaintiffs
24 cannot show that Explorers performed differently than other SUVs. Defendant argues plaintiffs
25 have not shown that they can prove that all of the members of the class were deceived by Ford's
26 advertising into buying Explorers at inflated prices. Defendants also argue that there is no
27 commonality because each plaintiff's damages are potentially different and there are different
28

1. classes of plaintiffs whose rights conflict.

2. Defendant's contentions are not persuasive.

3. The court is satisfied plaintiffs have shown that Ford treated all Explorer model years the
4. same for many purposes. For example, Ford did not distinguish among Explorers when setting tire
5. pressures. Ford's internal memoranda do not differentiate among model years or configurations
6. when addressing the rollover problems. When serious problems began to appear in the Middle
7. East and South America, Ford generally treated Explorers as a class, with little differentiation as to
8. model year or as to whether the vehicle was a four-wheel drive or a two-wheel drive vehicle. This
9. similar treatment of all Explorers, regardless of variations that defendant now claims significant,
10. provides sufficient common proof to support plaintiffs' claims.

11. Additionally, many of defendant's arguments are premised on a misconception of plaintiff's
12. claims. Plaintiffs' claims are based on defendant's conduct in concealing the rollover defect that
13. ultimately came to light resulting in a diminution of value. They are not premised on the existence
14. of a defect per se. The issues of whether defendant knew of and concealed the defect and resulting
15. diminution of value are susceptible of class-wide proof.

16. Defendant's argument that plaintiffs can only prove their case by comparing the Explorer
17. to other SUVs is not convincing. The performance of other SUVs has no relevance to the question
18. of whether defendant engaged in deceptive and unfair business practices in concealing a defect in
19. the Ford Explorer.

20. Defendant attacks the likelihood of plaintiffs' success on the merits. While the merits of
21. the case may be considered in determining whether plaintiffs satisfy the requirements for class
22. action, the Court does not weigh the evidence or consider whether or not plaintiffs will succeed.
23. The certification question is "essentially a procedural one that does not ask whether an action is
24. legally or factually meritorious. (*Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th
25. 319, 326)

26. Finally, defendant's contentions regarding causation and damages are unavailing. Contrary
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1 to defendant's contentions, plaintiffs do not have to show each member of the represented class
2 saw a misleading advertisement. (See e.g. *Mass Mutual* (2002) 97 Cal.App.4th 1282, 1286) An
3 inference of reliance arises if a material false representation was made to persons whose acts
4 thereafter were consistent with reliance upon the representation. (*Occidental Land, Inc. v.*
5 *Superior Court of Orange County*, (1976) 18 Cal. 3d 355, 363) Plaintiffs allege the ability to
6 show concealment and false representation in advertising on a class-wide basis.
7

8 It is well-established a class action is not inappropriate simply because each member of the
9 class may at some point be required to make an individual showing as to his or her eligibility for
10 recovery or as to the amount of his or her damages. (*Sav-On Drug Stores, Inc. v. Superior Court*,
11 (*supra*) at 333) Here, plaintiffs have met their burden of showing that the common interests of the
12 members of the class predominate over any minor differences that may exist as to damages.

13 The Court is persuaded that plaintiffs satisfy the commonality requirement and that
14 common questions of law and fact predominate.

15 3. Typicality

16 Little discussion of the typicality of the claims is required. The typicality requirement is
17 satisfied where the claims are substantially similar. The named plaintiffs owned or leased
18 allegedly defective vehicles at allegedly inflated prices which lost value as a result of the public
19 revelation of the defect. Thus, the representatives' claims are substantially similar to those of the
20 represented class. They satisfy the typicality requirement.

21 4. Adequacy of Representation

22 Defendant contends that plaintiffs are inadequate representatives of the class because
23 irreconcilable differences exist between the named plaintiffs and the class they seek to represent.
24 Defendant relies on *Global Minerals and Metals Corp. v. Superior Court* (2003) 113 Cal.App.4th
25 836.)

26 There, the court explained that in order to be deemed an adequate class representative, the
27 class action proponent must show it has claims or defenses that are typical of the class, and it can
28 adequately represent the class. This is part of the community of interest requirement. Where there

1 is a conflict that goes to the "very subject matter of the litigation," it will defeat a party's claim of
2 class representative status. Thus, a finding of adequate representation will not be appropriate if the
3 proposed class representative's interests are antagonistic to the remainder of the class. The
4 adequacy inquiry serves to uncover conflicts of interest between named parties and the class they
5 seek to represent. A class representative must be part of the class and "possess the same interest
6 and suffer the same injury" as the class members. To assure adequate representation, the class
7 representative's personal claim must not be inconsistent with the claims of other members of the
8 class. (*Global Minerals & Metals Corp. v. Superior Court* (*supra*) at 851)

9 Applying this standard the court found clear conflicts among members of the class who had
10 different interests as buyers and sellers in the complex business of copper product distribution
11 making class certification inappropriate (*Id.*). The Court's reasoning was largely based on the
12 unique peculiarities of the copper market and that there was competition among the various class
13 members.
14

15 *Global Minerals* is factually distinguishable. Plaintiffs here are not in competition with
16 each other. They have no conflict that goes to the very subject matter of the litigation. The
17 conflicts identified by defendant between plaintiffs who sold their vehicles and plaintiffs to whom
18 they were sold are largely illusory. Any such conflicts between class members would go to the
19 issue of apportionment of damages. That there may ultimately be differences in the amount of
20 damages does not preclude certification of the class.

21 The named plaintiffs have shown that they can adequately represent the class.

22 Defendant properly does not challenge the adequacy of counsel. Plaintiffs' counsel are
23 extremely well qualified to represent the class.

24 5. Superiority

25 Under the federal rule, the matters pertinent to the finding of superiority include: (A) the
26 interest of members of the class in individually controlling the prosecution or defense of separate
27 actions; (B) the extent and nature of any litigation concerning the controversy already commenced
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1 by or against members of the class; (C) the desirability or undesirability of concentrating the
2 litigation of the claims in the particular forum; (D) the difficulties likely to be encountered in the
3 management of a class action. (Fed Rules Civ. Proc., rule 23(b) (3))

4 In California, despite its general support of class actions, the Supreme Court has
5 consistently admonished trial courts to carefully weigh respective benefits and burdens and to
6 allow maintenance of the class action only where substantial benefits accrue both to litigants and
7 the courts. (*City of San Jose v. Superior Court* (1974) 12 Cal. 3d 447, 459)

8 The main inquiry is whether the class action is a fair and efficient means of adjudicating
9 the claims. Defendant asserts the large number of individualized issues render the class action
10 unmanageable. The court finds a large number of individualized issues do not exist. Hence, this
11 argument is not persuasive. Similarly, the Court is not persuaded NHTSA procedures provide a
12 superior method of resolving the issues raised in this action. This argument is premised once more
13 on defendant's erroneous characterization of plaintiffs' case. The California legislature has enacted
14 the UCL, FAL, and CLRA in order to provide adequate protection to California consumers from
15 the type of unfair practices alleged by plaintiffs.

16 The claims at issue in this case are exactly the kind of claims that ought to be litigated in
17 one forum on behalf of all affected parties. It is extremely important to avoid inconsistent
18 decisions where a course of conduct by one defendant affecting hundreds of thousands of plaintiffs
19 is at issue. Determining all of the claims in one forum will result in a uniform decision applicable
20 to members of the class. It is clear that substantial benefits will accrue to both the litigants and the
21 courts.

22 As for the federal rules, there is no evidence that members of the class have shown any
23 strong interest in litigating their individual claims. This Court has already been designated as the
24 proper forum for litigation of this coordinated action. This case is eminently manageable and
25 class certification represents the most appropriate means of continuing this litigation in a manner
26 most economical to the effected parties, counsel and the courts.
27
28

1 At this time the Court is prepared to certify one class. On the present record, there is no
2 need to certify subclasses. The certification is conditional. As the case proceeds, it may well
3 become apparent that subclasses will be beneficial. The Court is prepared to reconsider this
4 determination should it become necessary.

5 The class shall be certified as follows:

6 "All persons or entities in California who purchased, owned or leased new or
7 used Ford Explorers at any time during the period from 1990 to August 9, 2000 and
8 who either (a) currently own, lease or operate the vehicle(s) or (b) sold, traded or
9 otherwise disposed of such vehicle(s) or whose lease for such vehicle expired or
10 otherwise terminated before August 9, 2000."

11 The Court directs all parties to meet and confer regarding scheduling a further case
12 management conference. Court further directs plaintiffs' counsel to submit a proposed notice to
13 potential class members for review at the case management conference.
14

15 IT IS SO ORDERED.

16 Dated: 7-8-05



17 David De Alba
18 Judge of the Superior Court of California
19 County of Sacramento

20 * * A Certificate of Mailing is Attached * *
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CERTIFICATE OF SERVICE BY MAILING

(C.C.P. Sec. 1013a(3))

I, the Clerk of the Superior Court of California, County of Sacramento, certify that I am not a party to this cause, and on the date shown below I served the foregoing Ruling on submitted matter - Motion for Class Certification, depositing true copies thereof, enclosed in separate, sealed envelopes with the postage fully prepaid, in the United States Mail at Sacramento, California, each of which envelopes was addressed respectively to the persons and addresses shown below:

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I, the undersigned deputy clerk, declare under penalty of perjury that the foregoing is true and correct.

Dated: FEB - 8 2005

N. SMITH

N. Smith, Deputy Clerk