<u>Tentative Rulings for March 26, 2025</u> <u>Department 503</u>

For any matter where an oral argument is requested and any party to the hearing desires a remote appearance, such request must be timely submitted to and approved by the hearing judge. In this department, the remote appearance will be conducted through Zoom. If approved, please provide the department's clerk a correct email address. (CRC 3.672, Fresno Sup.C. Local Rule 1.1.19)

There are no tentative rulings for the following cases. The hearing will go forward on these matters. If a person is under a court order to appear, he/she must do so. Otherwise, parties should appear unless they have notified the court that they will submit the matter without an appearance. (See California Rules of Court, rule 3.1304(c).) The above rule also applies to cases listed in this "must appear" section.

| 24CECG01349 | Hernandez v. Largo, et al. | | | | |
|---|--|--|--|--|--|
| 23CECG02253 | Christian Solis v. Cali Smoke Shop, Inc. | | | | |
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| The court has continued the following cases. The deadlines for opposition and reply papers will remain the same as for the original hearing date. | | | | | |
| (Tentative Rulings | begin at the next page) | | | | |

Tentative Rulings for Department 503

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(46)

Tentative Ruling

Re: Daniel Garcia v. Hyundai Motor America

Superior Court Case No. 24CECG03490

Hearing Date: March 26, 2025 (Dept. 503)

Motion: Petition by Defendant to Compel Arbitration

Tentative Ruling:

To grant judicial notice. To deny petition.

Explanation:

Daniel W. Garcia ("plaintiff") filed the present action regarding a leased 2021 Hyundai Kona Electric, which plaintiff alleges came with manufacturer warranties. (Compl., ¶ 9.) Problems with the vehicle ensued, forming the basis of the instant complaint for damages.¹

Defendant Hyundai Motor America moves to compel arbitration pursuant to plaintiff's purported agreement to do so in the Owner's Handbook and Warranty Information manual ("the Manual"); and in the Connected Services Agreement ("CSA") associated with enrollment in Hyundai's Bluelink services.

Laws

In moving to compel arbitration, defendant must prove by a preponderance of evidence the existence of the arbitration agreement and that the dispute is covered by the agreement. The party opposing the motion must then prove by a preponderance of evidence that a ground for denial of the motion exists. (Rosenthal v. Great Western Fin'l Securities Corp. (1996) 14 Cal.4th 394, 413-414; Hotels Nevada v. L.A. Pacific Ctr., Inc. (2006) 144 Cal.App.4th 754, 758; Villacreses v. Molinari (2005) 132 Cal.App.4th 1223, 1230.)

A trial court is required to grant a motion to compel arbitration "if it determines that an agreement to arbitrate the controversy exists." (Code Civ. Proc. § 1281.2.) However, there is "no public policy in favor of forcing arbitration of issues the parties have not agreed to arbitrate." (Garlach v. Sports Club Co. (2012) 209 Cal.App.4th 1497, 1505.) Thus, in ruling on a motion to compel arbitration, the court must first determine whether the parties actually agreed to arbitrate the dispute. (Mendez v. Mid-Wilshire Health Care Center (2013) 220 Cal.App.4th 534, 541.)

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¹ Defendant requests judicial notice of the operative complaint filed in the instant action. Judicial notice is granted pursuant to Evidence Code section 452 subdivision (d).

Owner's Manual

Defendant submits that there is an arbitration provision housed in the Manual. A copy of a document titled "Owner's Handbook and Warranty Information" is attached as Exhibit 3 to the declaration of Ali Ameripour, counsel for defendant.

Nothing in the Manual suggests that a contract was created. Among other things, essential to a contract are: parties capable of contracting, and their consent. (Civ. Code § 1550.) Generally speaking, one must be a party to an arbitration agreement to be bound by it or invoke it. (Westra v. Marcus & Millichap Real Estate Investment Brokerage Co., Inc. (2005) 129 Cal.App.4th 759, 763.) Strong public policy in favor of arbitration does not extend to those who are not parties to an arbitration agreement, and a party cannot be compelled to arbitrate a dispute that he has not agreed to resolve by arbitration. (Buckner v. Tamarin (2002) 98 Cal.App.4th 140, 142.)

Terms of a contract are ordinarily to be determined by an external, not an internal standard; the outward manifestation or expression of assent is the controlling factor. (Windsor Mills, Inc. v. Collins & Aikman Corp. (1972) 25 Cal.App.3d 987, 992.) Where an offeree does not know that a proposal has been made to him, this objective standard does not apply. (Id. at p. 993.) An offeree, regardless of apparent manifestation of his consent, is not bound by inconspicuous contractual provisions of which he was unaware, contained in a document whose contractual nature is not obvious. (Ibid.) This principle of knowing consent applies with particular force to provisions for arbitration; if a party wishes to bind in writing another to an agreement to arbitrate future disputes, such purpose should be accomplished in a way that each party to the arrangement will fully and clearly comprehend that the agreement to arbitrate exists and binds the parties thereto. (Id. at pp. 993-994.)

Defendant has not demonstrated that plaintiff signed any agreement under the Manual, nor that he had notice from either the non-party seller or defendant that there was any agreement to arbitrate in the Manual, and that his failure to opt out constituted an agreement. Plaintiff did not expressly assent to any agreement in the handbook or act in a manner in which his failure to opt out was intended to accept the arbitration agreement.

Based on the above, the court finds that the Manual is not an enforceable written agreement to arbitrate. (Windsor Mills, Inc. v. Collins & Aikman Corp., supra, 25 Cal.App.3d at pp. 993-994 [finding that where a plaintiff was not advised of the arbitration provision and had no knowledge of the provision until after the demand for arbitration, there is no agreement to arbitrate, regardless of outward manifestations of apparent assent by acceptance of the object of the contract].) Even if there had been some indication of assent, because the nature of the agreement is for arbitration, the party sought to be compelled to arbitration must have demonstrated knowledge or expectation of the provision. All of these factors are absent as to the Manual. Accordingly, the motion is denied as to the Manual.

Bluelink Connected Services Agreement

Defendant asserts that plaintiff agreed to arbitrate his warranty claims when he enrolled in the Hyundai Bluelink service and electronically acknowledged the Connected Services Agreement. As evidence of plaintiff's agreement, Vijay Rao, Director of Connected Ops & Owner Apps/Web for defendant, attests to plaintiff having enrolled his vehicle in Bluelink services and the requirement that customers agree to the CSA or "Terms & Conditions" upon enrollment. (Rao Decl., ¶¶ 4-5.) Rao includes an example screen capture for activating Bluelink services and a copy of the CSA in effect on April 30, 2021. (Id., ¶ 6, Exhs. 1 and 2.) The text of the CSA is available to review by clicking the hyperlink connected to the phrase "Terms & Conditions." (Id., ¶ 6.)

As discussed above, one must be a party to an arbitration agreement to be bound by it or invoke it. (Westra v. Marcus & Millichap Real Estate Investment Brokerage Co., Inc., supra, 129 Cal.App.4th at p. 763.) Strong public policy in favor of arbitration does not extend to those who are not parties to an arbitration agreement, and a party cannot be compelled to arbitrate a dispute that he has not agreed to resolve by arbitration. (Buckner v. Tamarin, supra, 98 Cal.App.4th at p. 142.)

The court is not satisfied by defendant's evidence that plaintiff enrolled in Bluelink services or assented to the CSA or "Terms & Conditions" upon enrollment. Defendant provides a sample screen capture of the Bluelink activation screen. (Rao Decl., ¶ 6, Exh. 1.) Defendant provides no evidence that plaintiff checkmarked the relevant box or otherwise agreed to enroll in Bluelink services subject to the linked CSA. A mere sample screen is insufficient to support the claim that plaintiff agreed to these services. The CSA presented to the court by defendant is a general copy of the terms effective in April of 2021, and does not identify or reflect a connection to plaintiff or demonstrate his assent. Accordingly, the motion is denied as to the CSA.

Pursuant to California Rules of Court, rule 3.1312(a), and Code of Civil Procedure section 1019.5, subdivision (a), no further written order is necessary. The minute order adopting this tentative ruling will serve as the order of the court and service by the clerk will constitute notice of the order.

| Tentative Ruling | | | | | |
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| Issued By: | JS | on | 3/24/2025 | | |
| , | (Judge's initials) | | (Date) | | |