- Mike Arias (CSB #115385)
 Craig S. Momita (CSB #163347)
- 2 | Claig S. Mollitta (CSB #103347) M. Anthony Jenkins (CSB #171958)
- 3 ARIAS SANGUINETTI WANG & TEAM LLP
- 4 | 6701 Center Drive West, Suite 1400
 - Los Angeles, California 90045
- 5 | Telephone: (310) 844-9696
- 6 Facsimile: (310) 861-0168
- mike@aswtlawyers.com
- 7 <u>craig@aswtlawyers.com</u>

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8 anthony@aswtlawyers.com

[Additional Counsel Cont'd. After Caption]

UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

GLENN KESSELMAN, an individual, on behalf of himself and all others similarly situated in the State of California; KIRK COVIELLO, an individual, on behalf of himself and all others similarly situated in the State of California; KAREN AMBROSE, an individual, on behalf of herself and all others similarly situated in the State of Arizona; PAUL ARELLANO, an individual, on behalf of himself and all others similarly situated in the State of Colorado; CRAIG GRANGER, an individual, on behalf of himself and all others similarly situated in the State of New York; DAVID DOUGLAS, an individual, on behalf of himself and all others similarly situated in the State of Washington; JOSH DOWNS, an individual, on behalf of himself and all others similarly situated in the State of Illinois; JUAN GIRALDO,

an individual, on behalf of himself

Case No.: 2:21-cv-06010-TJH-JC

HON. TERRY J. HATTER JR.

CLASS ACTION

FIFTH AMENDED CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

- 1

1 and all others similarly situated in the State of Georgia; MATTHEW 2 SHAFFER, an individual, on behalf 3 of himself and all others similarly situated in the State of Ohio; 4 WAYNE SLATES, an individual, on 5 behalf of himself and all others similarly situated in the State of 6 Oregon; MITCHELL TROCKMAN, 7 an individual, on behalf of himself and all others similarly situated in the 8 State of Minnesota; and JAMIE 9 BROWN, an individual, on behalf of herself and all others similarly 10 situated in the State of Missouri, 11 Plaintiffs, 12 13 v. 14 TOYOTA MOTOR SALES, U.S.A., 15 INC., a California corporation, 16 Defendant. 17 18 19

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1	Thomas P. Rosenfeld, admitted pro hac vice
2	Kevin P. Green, admitted pro hac vice
	Richard S. Cornfeld, admitted pro hac vice
3	Daniel S. Levy, admitted pro hac vice
4	GOLDENBERG HELLER & ANTOGNOLI, P.C. 2227 South State Route 157
5	Edwardsville, Illinois 62025
6	Telephone: (618) 656-5150
	tom@ghalaw.com
7	kevin@ghalaw.com
8	rick@ghalaw.com
9	daniel@ghalaw.com
10	Attorneys for Plaintiffs
11	
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27	
28	2

TABLE OF CONTENTS				
INT	ROI	RODUCTION		
PLA	INI	TIFFS	S6	
DEF	DEFENDANT			
JUR	ISD	ICTI	ION AND VENUE11	
CLASS ACTION ALLEGATIONS				
FACTUAL ALLEGATIONS				
ГАС				
	A.		Class Vehicles	
	В.	Toy	vota's Knowledge of the Echo Defect	
		1.	Toyota's Knowledge of the Echo Defect from Online Forums	
			and Customer Complaints	
		2.	Toyota's Knowledge of the Echo Defect Evidenced by Its 2017	
			Technical Service BulletinError! Bookmark not defined.	
		3.	Toyota's Knowledge of the Echo Defect Evidenced by Customer	
			Complaints Made Directly to Toyota	
		4.	Toyota's Knowledge of the Echo Defect Evidenced by Its 2018	
			and 2020 "Tech Tips,"	
	C.	The Dis	Echo Defect is a Material Fact that Toyota Failed to close	
	D.	Toy Eth	vota's Practices Are Unethical and Violated Established ical Standards	
		1.	DMA Ethical Guidelines	
		2.	AMA Statement of Ethics	
	E.	Plai	intiffs' Experiences	
		1.	Plaintiff Glenn Kesselman (California)	
		2.	Plaintiff Kirk Coviello (California)	
		3.	Plaintiff Karen Ambrose (Arizona)	
			Page 1	

FIFTH AMENDED CLASS ACTION COMPLAINT (Case No.: 2:21-cv-06010-TJH-JC)

Case 2:21-cv-06010-TJH-JC Document 139 Filed 01/06/25 Page 5 of 101 Page ID #:3266

1	4. Plaintiff Paul Arellano (Colorado)	. 35
2	5. Plaintiff Craig Granger (New York)	. 38
3	6. Plaintiff David Douglas (Washington)	. 40
4	7. Plaintiff Josh Downs (Illinois)	. 42
5	8. Plaintiff Juan Giraldo (Georgia)	. 45
6	9. Plaintiff Matthew Shaffer (Ohio)	. 47
7	10. Plaintiff Wayne Slates (Oregon)	. 50
8	11. Plaintiff Jamie Brown (Missouri)	. 52
9	12. Plaintiff Mitchell Trockman (Minnesota)	. 55
10	FIRST CAUSE OF ACTION	. 57
11	SECOND CAUSE OF ACTION	. 60
12	THIRD CAUSE OF ACTION	. 63
13	FOURTH CAUSE OF ACTION	65
14		
15	FIFTH CAUSE OF ACTION	. 68
16	SIXTH CAUSE OF ACTION	. 70
17	SEVENTH CAUSE OF ACTION	. 73
18	EIGHTH CAUSE OF ACTION	. 77
19 20	NINTH CAUSE OF ACTION	. 80
21	TENTH CAUSE OF ACTION	84
22	ELEVENTH CAUSE OF ACTION	
23		
24	TWELFTH CAUSE OF ACTION	. 90
25	THIRTEENTH CAUSE OF ACTION	. 93
26	PRAYER FOR RELIEF	. 96
27	DEMAND FOR JURY TRIAL	. 98
28		

Page 2
FIFTH AMENDED CLASS ACTION COMPLAINT (Case No.: 2:21-cv-06010-TJH-JC)

FIFTH AMENDED CLASS ACTION COMPLAINT

Plaintiffs Glenn Kesselman, Kirk Coviello, Karen Ambrose, Paul Arellano, Craig Granger, David Douglas, Josh Downs, Juan Giraldo, Matthew Shaffer, Wayne Slates, Mitchell Trockman, and Jamie Brown on behalf of themselves and all others similarly situated in their respective states (collectively "Plaintiffs"), file this Fifth Amended Complaint against Defendant Toyota Motor Sales, U.S.A., Inc. ("Toyota"), based on personal knowledge as to their own actions and on information and belief, based on the investigation of counsel, as to Toyota's conduct and practices. Plaintiffs bring this action for injunctive relief against Toyota.

INTRODUCTION

- 1. Plaintiffs bring this class action individually and on behalf of a Class of similarly situated individuals within their respective states, as more fully alleged herein (referred to collectively as "Class Members"), who purchased or leased a Toyota vehicle with a defective hands-free phone system, such that when the driver of the Toyota uses the hands-free phone system to make or receive a call, the person on the other end of the call hears an echo of his or her own words (referred to herein as the "Echo Defect"). The Echo Defect exists due to a defect in the "head unit" hardware and/or software used by Toyota and placed in every Class Vehicle.
- 2. A "Class Vehicle" is defined as a Toyota 2014-2019 4Runner, 2015-2018 Avalon, 2015-2018 Avalon HV, 2014-2019 Highlander, 2014-2019 Highlander HV, 2016-2018 Mirai, 2016-2019 Prius, 2017-2019 Prius Prime, 2015-2019 Prius V, 2014-2019 Sequoia, 2015-2017 Sienna, 2014-2019 Tacoma, 2014-2019 Tundra, 2015 Venza, and 2018-2019 Yaris..
- 3. The Echo Defect creates a safety hazard and/or makes continuation of a phone conversation impossible to maintain.

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- 4. The Echo Defect exists regardless of whether the Toyota driver initiates or receives the phone call, and whether the person on the other end is using a cell phone, a landline, or a hands-free phone system in or out of a vehicle.
- Toyota has known about the Echo Defect since at least 2017. As 5. set forth herein, Toyota has repeatedly been notified of the Echo Defect since 2017. Toyota has also issued several Tech Tips to its dealers related to the Echo Defect in 2017, 2018, 2019, and 2020.
- 6. The Tech Tips provide a procedure for adjusting the volume of the Class Vehicle's head unit and the cellular phone that works to alleviate the Echo Defect.
- 7. Despite providing its dealers the Tech Tip since 2017, Toyota failed to notify Plaintiffs and Class Members of the Echo Defect prior to their purchases or leases of Toyota's vehicles.
- 8. Despite providing its dealers the Tech Tips beginning in 2018, Toyota did not, and still does not, provide the Tech Tips to potential purchasers or lessees of the Class Vehicles, or otherwise notify them of the Echo Defect, prior to their purchase or lease of a Class Vehicle.
- Despite providing its dealers the Tech Tips since 2018, Toyota did 9. not provide, and still has not provided, the Tech Tips to Plaintiffs and Class Members or otherwise notified Plaintiffs and the Class Members of the Echo Defect or of a known volume adjustment that works to alleviate the Echo Defect following their purchases or leases of the Class Vehicles.
- 10. Moreover, the Tech Tips inadequately describe the volumeadjustment procedure for alleviating the Echo Defect, and providing them directly to consumers would create a safety hazard as it would lead drivers to make the recommended volume adjustments while driving the Class Vehicles.

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- 11. Toyota's actions as alleged herein violate the various consumer protection statutes in each of the Plaintiffs' states by means of unfair practices, deception and omissions, and also constitute unjust enrichment.
- Toyota has not directly disclosed to Plaintiffs and the Class 12. Members the existence of the Echo Defect (which is not readily apparent to the driver of the vehicle). Further, Toyota has not adequately described any fix and/or volume workaround to resolve the impact of the Echo Defect, or provided any such workarounds to Plaintiffs and the Class Members prior to or following their purchases or leases of the Class Vehicles.
- Accordingly, the Echo Defect present in Plaintiffs and the Class Members' vehicles has not been resolved and is an ongoing defect that continues to cause harm to Plaintiffs and the Class Members for which legal remedies are inadequate by creating a safety risk through their inability to use the Class Vehicle's hands-free Bluetooth system.
- 14. Furthermore, Plaintiffs and Class Members desire to purchase vehicles from Toyota in the future and would consider spending their money to purchase vehicles from Toyota in the future if Toyota acknowledged the existence of a known issue in the Class Vehicles including the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgement of the Echo Defect and notice of a remedy would enable Plaintiffs to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiffs and the Class Members will continue to suffer harm for which remedies at law are inadequate.
- Finally, Toyota's lack of an adequate description to remedy the 15. Echo Defect and notice thereof hinders Plaintiffs' and the Class Members' ability to maximize the resale or trade-in value of their Class Vehicles when they

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sell them in the future. The resale/trade-in value for such Class Vehicles is lower for a vehicle with a known Echo Defect and inadequately described workaround versus the same vehicle with a known Echo Defect and adequately described workaround. Thus, Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiffs and the Class Members the risk of future harm for which legal remedies are inadequate.

PLAINTIFFS

16. Plaintiff GLENN KESSELMAN and Plaintiff KIRK COVIELLO, citizens of the State of California, bring this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of California who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of California (hereinafter the "California Class").

- 17. At all relevant times herein mentioned, Plaintiff GLENN KESSELMAN and Plaintiff KIRK COVIELLO were members of the California Class.
- 18. Plaintiff KAREN AMBROSE, a citizen of the State of Arizona, brings this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of Arizona who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of Arizona (hereinafter the "Arizona Class").

19. At all relevant times herein mentioned, Plaintiff KAREN AMBROSE was a member of the Arizona Class.

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20. Plaintiff PAUL ARELLANO, a citizen of the State of Colorado, brings this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of Colorado who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of Colorado (hereinafter the "Colorado Class").

- 21. At all relevant times herein mentioned, Plaintiff PAUL ARELLANO was a member of the Colorado Class.
- 22. Plaintiff CRAIG GRANGER, a citizen of the State of New York, brings this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of New York who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of New York (hereinafter the "New York Class").

- 23. At all relevant times herein mentioned, Plaintiff CRAIG GRANGER was a member of the New York Class.
- 24. Plaintiff DAVID DOUGLAS, a citizen of the State of Washington, brings this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of Washington who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of Washington (hereinafter the "Washington Class").

25. At all relevant times herein mentioned, Plaintiff DAVID DOUGLAS was a member of the Washington Class.

26. Plaintiff JOSH DOWNS, a citizen of the State of Illinois, brings this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of Illinois who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of Illinois (hereinafter the "Illinois Class").

- 27. At all relevant times herein mentioned, Plaintiff JOSH DOWNS was a member of the Illinois Class.
- 28. Plaintiff JUAN GIRALDO, a citizen of the State of Georgia, brings this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of Georgia who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of Georgia (hereinafter the "Georgia Class").

- 29. At all relevant times herein mentioned, Plaintiff JUAN GIRALDO was a member of the Georgia Class.
- 30. Plaintiff MATTHEW SHAFFER, a citizen of the State of Ohio, brings this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of Ohio who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of Ohio (hereinafter the "Ohio Class").

31. At all relevant times herein mentioned, Plaintiff MATTHEW SHAFFER was a member of the Ohio Class.

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32. Plaintiff WAYNE SLATES, a citizen of the State of Oregon, brings this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of Oregon who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of Oregon (hereinafter the "Oregon Class").

- At all relevant times herein mentioned, Plaintiff WAYNE SLATES 33. was a member of the Oregon Class.
- Plaintiff MITCHELL TROCKMAN, a citizen of the State of 34. Minnesota, brings this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of Minnesota who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of Minnesota (hereinafter the "Minnesota Class").

- At all relevant times herein mentioned, Plaintiff MITCHELL 35. TROCKMAN was a member of the Minnesota Class.
- Plaintiff JAMIE BROWN, a citizen of the State of Missouri, brings 36. this class action individually and on behalf of a Class of similarly situated individuals defined as follows:

All citizens of the State of Missouri who, within the applicable statute of limitations preceding the filing of this lawsuit to the date of class certification, purchased or leased a Class Vehicle within the State of Missouri (hereinafter the "Missouri Class").

At all relevant times herein mentioned, Plaintiff JAMIE BROWN 37. was a member of the Missouri Class.

- 38. The Arizona Class, California Class, Colorado Class, Georgia Class, Illinois Class, Minnesota Class, Missouri Class, New York Class, Ohio Class, Oregon Class, and Washington Class are collectively referred to herein as the "State Classes."

 39. Excluded from the State Classes as defined herein are officers,
 - 39. Excluded from the State Classes as defined herein are officers, directors and employees of Toyota, counsel and members of the immediate families of counsel for Plaintiffs herein, and the judge presiding over this action and any member of the judge's immediate family.
 - 40. Plaintiffs reserve the right to amend or modify the above class definitions for the State Classes after having had an opportunity to conduct discovery.

DEFENDANT

- 41. Defendant Toyota Motor Sales, U.S.A., Inc. ("Toyota Sales"), is a California corporation, with its principal place of business at 6565 Headquarters Drive, Plano, TX 75024. It is, therefore, a citizen of California and Texas. On information and belief, it manufactures, distributes, markets, and sells Toyota vehicles in the United States on behalf of Toyota Motor Corporation.
- 42. Toyota markets the high quality of its vehicles and represents them as the best in their field. For example, in a post on Toyota's website entitled "2019 Toyota Tundra: Ready for the Toughest Jobs" Toyota states that the 2019 Tundra is "ready to tackle workhorse duties at a moment's notice, but . . . also meet the demands of the toughest critics and road trip companions: your friends and family." The post also touts the 2019 Tundra's "sound quality of the

¹ Available at https://pressroom.toyota.com/2019-toyota-tundra-ready-for-toughest-jobs/ (accessed 3/17/21).

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standard and available Entune Audio systems" and describes each model's inclusion of "hands-free phone capability . . . via Bluetooth."²

JURISDICTION AND VENUE

- 43. This is a class action under Rule 23 of the Federal Rules of Civil Procedure.
- 44. This Court has jurisdiction pursuant to the Class Action Fairness Act, 28 U.S.C. § 1332(d). Because at least one Plaintiff and one Defendant are citizens of different states, there is minimal diversity. The total claims of Class Members exceed \$5,000,000 exclusive of interest and costs. There are at least 100 Class Members in each of the State Classes.
- 45. The Court has personal jurisdiction over Defendant because it is a California citizen and purposefully directs its activities at residents of California and the litigation results from injuries that arise out of or relate to those activities.
 - 46. Venue is proper in this Court pursuant to 28 U.S.C. § 1391.

CLASS ACTION ALLEGATIONS

- 47. This action is properly maintainable as a class action under Federal Rule of Civil Procedure 23(a), 23(b)(2), and/or 23(c)(4).
- 48. **Numerosity.** Fed. R. Civ. P. 23(a)(1). The members of the proposed State Classes are so numerous that joinder of all members is impracticable. Plaintiffs are informed and believe that there are thousands of members of each of the State Classes. The precise number of Class Members can be ascertained from Toyota's records.
- 49. Commonality and Predominance. Fed. R. Civ. P. 23(a)(2) and (b)(3). There are questions of law and fact common to each class, which

² *Id*.

predominate over any questions affecting individual members of each respective class. These common questions of law and fact include, without limitation:

- Whether Toyota designed, manufactured, marketed, sold and/or distributed the Class Vehicles with the Echo Defect:
 - When Toyota first learned of the Echo Defect;
- Whether Toyota had a duty to disclose to consumers the existence of the Echo Defect in the Class Vehicles;
- Whether Toyota concealed the existence of the Echo Defect
- Whether Toyota has omitted relevant information regarding the Echo Defect from its communications with consumers prior to their
- Whether and to what capacity Toyota is able to repair the Echo Defect and whether it results from a design or manufacturing defect;
- Whether Toyota's conduct in refusing to acknowledge and/or notify purchasers or lessees of Class Vehicles of the existence of the Echo
- Toyota's volume-adjustment procedure is
- Whether Toyota's conduct in refusing to provide adequate information about its volume-adjustment procedure to purchasers or lessees of Class Vehicles is ongoing and causes harm;
- Whether Toyota has unjustly profited from the sale and/or
- Whether Toyota's actions described herein are unfair, deceptive, or constitute an omission of a material fact pursuant to the various state consumer protection statutes, as more fully alleged herein;
 - Whether Toyota's actions described herein are unethical

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pursuant to the various state consumer protection statutes, as more fully alleged herein;

- m. Whether Plaintiffs and the State Classes were injured as a result of Toyota's conduct as asserted herein; and
- n. Whether Plaintiffs and the State Classes are entitled to equitable relief, including, but not limited to, injunctive relief.
- 50. **Typicality.** Fed. R. Civ. P. 23 (a)(3). Plaintiffs' claims are typical of the claims of the class they seek to represent. Plaintiffs and all members of the State Classes have suffered damages as a result of Toyota's deceptive, unlawful, and unfair acts and omissions in failing to disclose the Echo Defect prior to their purchases or leases of the Class Vehicles.
- 51. Adequacy of Representation. Fed. R. Civ. P. 23(a)(4). Plaintiffs are committed to the vigorous prosecution of this action and have retained competent counsel experienced in the prosecution of class actions. Plaintiffs will fairly and adequately represent and protect the interests of their respective proposed State Classes.
- 52. **Injunctive Relief.** Fed. R. Civ. P. 23(b)(2). A class action is appropriate because Defendant has acted or refused to act on grounds that apply generally to the Class, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Class as a whole.
- 53. Class Action on Limited Issues. Fed. R. Civ. P. 23(c)(4). Because there are common individual issues among the State Classes, it is appropriate for this action to be maintained as a class action with respect to particular issues if necessary.

FACTUAL ALLEGATIONS

A. The Class Vehicles

54. Toyota has manufactured and sold vehicles containing a Bluetooth hands-free phone system for over ten-years. This is shown by a review of its

55. Toyota also publicizes the supposed hands-free phone capabilities that are available in its Class Vehicles. For example, on a prior iteration of Toyota Sales' website from 2019, under the heading entitled "Local Specials," there was a webpage with the headline "Drive Safely with Hands Free In-Car Navigation & Calling" referencing the advantages of hands-free calling that stated: "Taking your eyes off the road to dial is never a good decision. With hands-free calling in your car you can say the number or the contact name that you want to connect with." It further stated: "[Y]ou do not need a smartphone to use Bluetooth hands-free phone." *Id.* Toyota made this same statement on this web page since at least 2015, as shown by the Internet Archive Wayback Machine.

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³ For Toyota's vehicles containing a navigation/multimedia system, Toyota offers a separate navigation/multimedia owner's manual that explains the operation of the system. The navigation and multimedia owner's manuals also include information regarding the vehicles' hands-free phone system. For example, the "Introduction" to the 2019 Tundra Navigation and Multimedia System Owner's Manual states: "This manual explains the operation of the navigation/multimedia system. Please read this manual carefully to ensure proper use." *See* 2019 Tundra Navigation and Multimedia System Owner's Manual, at 2, *available at* https://www.toyota.com/t3Portal/document/omnav-s/OM0C019U/pdf/OM0C019U.pdf (accessed 3/18/21). This manual also has a section entitled, "PHONE OPERATION (HANDS-FREE SYSTEM FOR CELLULAR PHONES). *Id.* at 149.

⁴ 2010 Toyota Tundra Owner's Manual (OM34495U), at 413, available at https://www.toyota.com/t3Portal/document/om-s/OM34516U/pdf/OM34516U.pdf (accessed 3/18/21).

⁵ https://www.toyota.com/car-tips/drive-safe-hands-free-in-car-navigation-calling (accessed 6/6/19).
⁶ See, e.g., https://web.archive.org/web/20151218030339/https://www.toyota.com/car-tips/drive-safe-hands-free-in-car-navigation-calling (accessed 3/18/21).

- 56. Toyota also has a "Bluetooth Support" webpage, on which it states, "Toyota multimedia systems work with your smartphone to provide hands-free calling, audio streaming and more." Toyota has made a similar statement on this webpage since at least 2016, as shown by the Internet Archive Wayback Machine.⁸
- 57. While Toyota publicizes the hands-free phone capabilities in its vehicles, the Class Vehicles suffer from the Echo Defect described above due to a defect in their design and/or manufacturing, which makes it nearly impossible for Plaintiffs and members of the State Classes to use their hands-free phone systems.

B. Toyota's Knowledge of the Echo Defect

- 58. Toyota has known about the Echo Defect since at least 2017.
- 1. Toyota's Knowledge of the Echo Defect from Online Forums and Customer Complaints.
- 59. Toyota's knowledge of the Echo Defect is evidenced by the online forums related to Toyota in which customers have, for years, complained of the Echo Defect.
- 60. Toyota routinely monitors and/or should have been monitoring the internet for complaints about Toyota vehicles.
- 61. As described by Toyota's Chief Information Officer in 2013, Toyota uses "social media monitoring and sentiment-analysis tools," which it correlates with Toyota's "own internal data to look for new insights." For example, Toyota uses this "data analysis across many areas," including "service"

https://www.toyota.com/connect/ (accessed 3/18/21), (italics in original).

⁸ See, e.g., https://web.archive.org/web/20160802225037/https://www.toyota.com/connect/ (accessed 3/18/21).

 $[\]frac{9}{(accessed\ 3/29/21)} \underline{https://www.cio.com/article/2383143/toyota-goes-all-in-with-social-media-monitoring.html}$

1	[and] quality	y."10 Additionally, "[b]y "analyzing free-form text, [Toyota] can		
2	learn what c	learn what customers think of specific vehicles, like the new Avalon. In the		
3	quality area,	quality area, [Toyota] can look for information like whether new-car owners are		
4	hearing a sli	hearing a slight rattle and pass that on to our quality engineers."11		
5	62.	Various customer complaints about the Echo Defect can be found		
6	online.			
7	63.	On January 8, 2017, an owner of a 2015 Toyota Highlander		
8	_	complained about the Echo Defect on apple.com:		
9		I have a 2015 Toyota Highlander. When I use my iPhone 6S (iOS 10.2) via hands-free Bluetooth		
10		I have a 2015 Toyota Highlander. When I use my iPhone 6S (iOS 10.2) via hands-free Bluetooth connection, there is a echo on the phone that makes it very hard for the other person to hear me. Has anyone figured out how to solve this problem? ¹²		
11		figured out how to solve this problem? ¹²		
12	64.	The website indicates that 958 people had a similar question.		
13	65.	Other Toyota owners made similar complaints and indicated that		
14	they alerted	Toyota of the Echo Defect, and Toyota was unable to fix it:		
15		[April 3, 2017] I have the same issue with my 2015 Toyota highlander-		
16 17		it started about 3 months ago went to Toyota- they updated the software on Highlander. Unpaired and re-		
18		it started about 3 months agowent to Toyota- they updated the software on Highlander. Unpaired and repaired IOS device and Highlander Bluetooth-updated IOS-reset network settings- still have issueturning down sound in car helps somewhat but still echo. 13		
19	,	down sound in our helps somewhat out still cono.		
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27	¹⁰ <i>Id</i> . ¹¹ <i>Id</i> .			
28	12 https://	/discussions.apple.com/thread/7820825 (accessed 3/23/21). nphasis added).		

to the dealership, they monkeyed with the settings gave it back to me, still a horrible echo. . . . I called Toyota and they opened a case for me. They need to fix this. ¹⁸

- 67. Clearly, based on the complaints available to Toyota on various websites, Toyota was well aware of the Echo Defect.
 - 2. Toyota's Knowledge of the Echo Defect Evidenced by Customer Complaints Made Directly to Toyota.
- 68. Toyota has also received numerous complaints since at least 2017 directly from its customers regarding the Echo Defect in the Class Vehicles.
 - 69. Toyota has knowledge of and keeps logs of such complaints.
- 70. Plaintiff is aware of Toyota receiving over 500 complaints about the Echo Defect prior to 2021 directly from consumers regarding various Class Vehicles.
- 71. Upon information and belief, Toyota has knowledge of, and is in possession of additional logs of customer complaints not referenced above that refer to the Echo Defect.
 - 3. Toyota's Knowledge of the Echo Defect Evidenced by Its 2018 and 2020 "Tech Tips,"
- 72. In 2017 and 2018, Toyota prepared a "Tech Tip" dated March 9, 2018, with the subject "Bluetooth Hands Free Call Echo."
- 73. The "Tech Tip" states that it applies to the following "Applicable Vehicles": 2016-2018 Highlander; 2017-2018 Avalon; 2016-2018 Sienna; 2016-2018 Prius V; 2016-2018 Tacoma; 2016-2018 Sequoia; 2016-2018 Prius; 2016-2018 Tundra; 2017-2018 Avalon HV; 2018 Yaris; 2017-2018 4Runner; 2016-2018 Highlander HV.
- 74. In the "Tech Tip," Toyota states: "Some customers may experience echoing on the line calling the vehicle when using Bluetooth Hands Free. This

https://www.toyotanation.com/threads/tsb-032217-bluetooth-echo-2018-camry-xse-jbl-premium-replaces-the-head-unit-by-dealer.1597506/page-4 (accessed 3/23/21).

- is caused by the phone Hands Free volume being too low. These settings may need to be reapplied any time the phone is paired to a new head unit, a phone update is applied, or the phone is un-paired and re-paired." The "head unit" is the component of Class Vehicles located in the dashboard that contains the multimedia system, including the Bluetooth system.
- 75. This "Tech Tip" makes the following recommendation: "Initiate a phone call and increase the volume on the phone to max volume using the volume up button on the side of the phone, then lower the head unit volume to 45 or lower."
- 76. On November 19, 2020, Toyota published another "Tech Tip" with the subject "Bluetooth Hands Free Call Echo." This "Tech Tip" repeated the conditions and recommendations from the first "Tech Tip," and added the 2019 models of the Toyota Tacoma, 4Runner, Prius, Highlander, Highlander HV, Tundra, Sienna, and Sequoia.¹⁹
- 77. Adjusting the volume on the phone and/or head unit does not, by itself, solve the underlying technical defect in the hands-free phone system but provides a "workaround" to consumers as to the defect's impact.
- 78. Toyota has never directly disseminated the Tech Tip (or any related instructions regarding volume adjustments) to consumers, but even if it had disseminated the Tech Tip, doing so would have been insufficient to inform consumers of the Echo Defect and the known resolution thereto.
- 79. Significantly, the language of the Tech Tip is too vague to adequately inform consumers of the existence of the Echo Defect and of Toyota's resolution.

¹⁹ Available at https://static.nhtsa.gov/odi/tsbs/2020/MC-10184555-9999.pdf (accessed 3/18/21).

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- 80. Initially, the Tech Tip does not make clear who experiences the echo. Rather than stating that it is the person on the phone call who is speaking to the Toyota driver who experiences the echo, and not the Toyota driver who hears the echo, the Tech Tip simply states that "[s]ome customers may experience echoing on the line calling the vehicle. . . . "
- The reader of the Tech Tip will likely assume the "customer" is the 81. driver of the Toyota, but it is the person speaking to the Toyota driver who hears the echo, specifically an echo of his or her own words. The Tech Tip does not make this clear, nor is the meaning of "the line calling the vehicle" clear.
- Additionally, the statement that the echoing "is caused by the phone 82. Hands Free volume being too low" is also vague, as an ordinary consumer will not know what is meant by "phone Hands Free volume." Further, the Tech Tip immediately follows this statement with: "These settings may need to be reapplied any time the phone is paired to a new head unit, a phone update is applied, or the phone is un-paired and re-paired," but it is not clear what "settings" it is referring to.
- Moreover, under "Recommendations," the Tech Tip does not 83. explain what the "head unit" is in stating "then lower the head unit volume to 45 or lower."
- 84. Thus, the Tech Tip does not sufficiently inform consumers of the existence and nature of the Echo Defect or the volume adjustments and procedure needed to resolve the Echo Defect.
- Furthermore, the Tech Tip requires the driver to adjust the volume 85. of the phone after the call is initiated, but does not make clear that the volume adjustments should not be performed while the vehicle is being driven. If the driver followed the Tech Tip instructions while driving, he or she would have to make and connect a phone call, find the phone, pick it up and adjust the volume

- 86. Twenty-four states, including many of the states in which the Plaintiffs herein reside, prohibit all drivers from using hand-held cellphones while driving, according to the National Conference of State Legislatures.²⁰ Some states prohibit drivers from picking up the cellphone after connecting a Bluetooth call or touching buttons on the phone after the call is connected.
- 87. Thus, if the driver followed the "Tech Tip" while driving the vehicle, it would be a safety hazard, and, if the driver were in California and many other parts of the United States, illegal.
- 88. Despite the vagueness of the Tech Tips they evidence Toyota's knowledge of the Echo Defect. Further, as Toyota acknowledges changing the volume on the head unit works to reduce the echo, thus there is no question that the Echo Defect results from a design and/or manufacturing defect in Toyota's hands-free phone system, and not in either persons' phone.

C. The Echo Defect is a Material Fact that Toyota Failed to Disclose

- 89. As set forth above, Toyota was aware of the Echo Defect in the Class Vehicles since at least 2017.
- 90. Even if Toyota had been unaware of the Echo Defect, which it was not, the Echo Defect would have been known to it upon reasonable inquiry.
- 91. The existence of the Echo Defect is a material fact, because a reasonable consumer would likely consider it important to know, when purchasing or leasing a vehicle, that the hands-free phone system in the vehicle results in the person on the other end of a phone call hearing a severe echo when he or she speaks, so that the hands-free phone system is unsafe and/or not usable.

²⁰ https://www.ncsl.org/research/transportation/cellular-phone-use-and-texting-while-driving-laws.aspx (accessed 3/19/2021).

- 92. Furthermore, the existence of the Echo Defect is also a material fact because a reasonable consumer would likely be induced to change his or her decision to purchase or lease one of Toyota's vehicles based on knowing that the hands-free phone system in that vehicle results in the person on the other end of a phone call hearing a severe echo when he or she speaks, so that the hands-free phone system is unsafe and/or not usable.
- 93. Although it has known about the Echo Defect since at least 2017, Toyota failed to directly inform Plaintiffs and Class Members of the Echo Defect prior to their purchases or leases of Class Vehicles and has failed to repair Plaintiff's and Class Members' vehicles to alleviate the Echo Defect.
- 94. For example, despite having a webpage specifically entitled "Bluetooth Support," Toyota failed to make any disclosure relating to the Echo Defect on this webpage.
- 95. Toyota also did not make any disclosures relating to the Echo Defect on its webpage with the headline "Drive Safely with Hands Free In-Car Navigation & Calling," or on any other easily accessible webpage specifically relating to its Bluetooth hands-free system.
- 96. Nor did Toyota include information about the Echo Defect in the promotional materials related to the Class Vehicles.
- 97. Nor did Toyota notify its dealers that they should inform potential purchasers of the Class Vehicles about the Echo Defect prior to selling the vehicle.
- 98. Toyota should have directly disclosed to consumers, and directed its dealers to disclose to consumers prior to their purchase or lease of a Class Vehicle, that when the driver of a Class Vehicle uses the Bluetooth hands-free phone system to make or receive a phone call, the person on the other end of the phone call will hear an echo of his or her own words. Toyota also should have disclosed, and directed its dealers to disclose, the severity of the echo, so that

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consumers would understand that the Echo Defect prevents them from being able to carry on a conversation.

- 99. Toyota should also have directly disclosed to consumers, and directed its dealers to disclose to consumers prior to their purchase or lease of a Class Vehicle, that there is a workaround for the Echo Defect involving adjusting the volume of the consumer's phone and head unit.
- 100. By failing to make adequate disclosures on its webpages or other materials provided to consumers, and by failing to direct its dealers to make these disclosures, Toyota prevented consumers from learning about the existence and nature of the Echo Defect prior to their purchases or leases.
- 101. As a result, Toyota obtained money from consumers through their purchases or leases of Class Vehicles in transactions in which Class Members lacked material information relevant to their purchases or leases.
- 102. Plaintiffs and Class Members have been damaged by Toyota's conduct and omissions because they purchased or leased a Class Vehicle of a quality different than promised and, in some instances, have been charged to correct the Echo Defect.
- 103. Moreover, after Plaintiffs and Class Members purchased or leased the Class Vehicles, Toyota should have disclosed the existence of the Echo Defect, and adequately disclosed directly to Plaintiffs and Class Members an adequate procedure for enacting the volume-adjustment workaround.
- 104. By failing to make adequate disclosure of the Echo Defect and by failing to provide adequate notice and procedures for the volume-adjustment workaround, Toyota is causing Plaintiffs and the Class Members to suffer ongoing and continuous harm for which legal remedies are inadequate by creating a safety risk through their inability to use the Class Vehicle's handsfree Bluetooth system and/or distracted driving while attempting to rectify the Echo Defect.

105. By failing to make adequate disclosure of the Echo Defect and by failing to provide adequate notice and procedures for the volume-adjustment workaround, Toyota is further causing Plaintiffs and the Class Members to suffer ongoing and continuous harm for which legal remedies are inadequate by eroding their confidence in Toyota's representations about its other vehicles and hindering their ability to purchase vehicles from Toyota in the future, which they have a desire to do.

D. <u>Toyota's Practices Are Unethical and Violated Established Ethical</u> **Standards**

106. Toyota's practice of selling or leasing Class Vehicles with the Echo Defect, without disclosing the defect to consumers, as alleged herein, violates generally accepted ethical principles of business conduct.

107. The basis for the allegation that it was unethical to engage in the above practices comes, in part, from established ethical principles recognized by the Direct Marketing Association ("DMA"), the leading industry association for companies that, like Toyota, market directly to consumers, and the American Marketing Association, "the leading organization for marketers [and] the trusted go-to resource for marketers and academics."²¹

1. DMA Ethical Guidelines

108. DMA published principles of ethical business practices in Direct Marketing Association's Guidelines for Ethical Business Practices ("DMA Ethical Guidelines") (2014).

109. These Ethical Guidelines "are intended to provide individuals and organizations involved in direct marketing in all media with generally accepted principles of conduct." *Id.* at 2.

https://www.crunchbase.com/organization/american-marketing-association#section-overview (accessed 7/2/2019).

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- 110. The Ethical Guidelines apply to all marketers, not just those that belong to DMA. DMA states that they "reflect DMA's long-standing policy of high levels of ethics and the responsibility of the Association, its members, and all marketers to maintain consumer and community relationships that are based on fair and ethical principles." *Id.* (emphasis added).
- 111. DMA's Ethical Guidelines are set forth in a series of "Articles," each of which states a separate ethical principle.
- 112. Article #1 of DMA's Ethical Guidelines is "HONESTY AND CLARITY OF OFFER." It states: "All offers should be clear, honest and complete so that the consumer may know the exact nature of what is being offered Before publication of an offer, marketers should be prepared to substantiate any claims or offers made "
- 113. By not giving potential purchasers or lessees any information about the Echo Defect prior to their purchase or lease of a Toyota vehicle, Toyota violated this principle because its offer was not clear, honest and complete.
- 114. Article #2 of DMA's Ethical Guidelines is "ACCURACY AND It states: "Simple and consistent statements or CONSISTENCY." representations of all the essential points of the offer should appear in the The overall impression of an offer should not be promotional material. contradicted by individual statements, representations or disclaimers."
- 115. DMA has published a companion volume to its Ethical Guidelines called Do the Right Thing: A Companion to DMA's Guidelines for Ethical Business Practice (Revised January 2009) ("Do the Right Thing"). That volume is intended to "give [] direct marketers advice on how to assure their business practices comply with" the Ethical Guidelines. Do the Right Thing at 2.
- 116. In Do the Right Thing, DMA elaborates on Article #2 of its ethical principles. It states, "Keep in mind that a disclaimer or disclosure alone usually is not enough to remedy a misleading or false claim."

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- 118. In July 2018, DMA (then going by the name "Data & Marketing Association") was acquired by the Association of National Advertisers ("ANA"), "one of the oldest and most venerated trade association in the marketing industry." ANA adopted DMA's Ethical Guidelines, which it publishes on its web site as Part II of its Member Principles under the heading, "Marketing." Thus, these ethical principles are still current and applicable.
- 119. Defendant Toyota Motor North America, Inc., is a member of ANA.²⁴

2. AMA Statement of Ethics

120. The American Marketing Association ("AMA") "commits itself to promoting the highest standard of professional ethical norms and values . . ."²⁵ As such, it has published its "Statement of Ethics." *Id.* AMA states that "marketers are expected to embrace the highest professional ethical norms and the ethical values implied by our responsibility toward multiple stakeholders (e.g., customers)." *Id.* Thus, the Statement of Ethics contains "Ethical Norms," which "are established standards of conduct that are expected and maintained by society and/or professional organizations." *Id.*

²² https://www.ana.net/content/show/id/49074 (accessed 7/2/2019).
23 https://thedma.org/accountability/ethics-and-compliance/dma-ethical-guidelines/
7/2/2019) (accessed

https://www.ana.net/members/list#t (accessed 11/17/2019.

²⁵ Available at https://www.ama.org/codes-of-conduct/ (accessed 7/2/2019).

- 121. The AMA's Ethical Norms state that marketers must "consciously avoid [] harmful actions and omissions," "striv[e] for good faith and fair dealing," "avoid [] deception in . . . pricing, communication, and delivery of distribution," and affirm "core values" of honesty, . . . fairness [and] transparency."
- 122. By not including any information about the Echo Defect in material that it made available to consumers prior to their purchases or leases of Toyota's vehicles, Toyota violated these Ethical Norms because, among other reasons, it did not strive (or achieve) good faith and fair dealing, did not avoid deception in communication, and did not affirm the core values of honesty, fairness and transparency.
- 123. The AMA has also published "Ethical Values," which "represent the collective conception of what communities find desirable, important and morally proper." *Id.* AMA states that marketers' Ethical Values include honesty, meaning "[s]triv[ing] to be truthful in all situations and at all times" and "[h]onoring our explicit and implicit commitments and promises."
- 124. Another Ethical Value, according to the AMA, is fairness, which includes "[r]epresent[ing] products in a clear way in selling, advertising and other forms of communication," "avoid[ing] false, misleading and deceptive promotion," and "[r]efusing to engage in 'bait-and-switch' tactics." *Id*.
- 125. Yet another Ethical Value, according to the AMA, is "Transparency," which includes "[s]triv[ing] to communicate clearly with all constituencies." *Id*.
- 126. By not disclosing any information regarding the Echo Defect in material that it made available to consumers prior to their purchases or leases of Toyota's vehicles, Toyota violated these Ethical Values, because, among other reasons, it was not truthful (to say nothing of not striving to be truthful) in all situations, did not honor its explicit and implicit commitments and promises, did

not represent its products in a clear way, did not avoid false, misleading and deceptive promotion, and did not communicate clearly.

E. <u>Plaintiffs' Experiences</u>

1. Plaintiff Glenn Kesselman (California)

- 127. Prior to offering its 2018 Toyota Highlander for sale in the state of California, Toyota knew that its 2018 Toyota Highlander used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
- 128. Plaintiff GLENN KESSELMAN resides in Half Moon Bay, California.
- 129. In April of 2018, Plaintiff GLENN KESSELMAN purchased a 2018 Toyota Highlander Hybrid from Fremont Toyota, in Fremont, California ("Plaintiff GLENN KESSELMAN's Vehicle").
- 130. Plaintiff GLENN KESSELMAN purchased his vehicle not for resale, but for his own use. Specifically, Plaintiff GLENN KESSELMAN's Vehicle was to be driven by Plaintiff GLENN KESSELMAN.
- 131. Prior to purchasing his vehicle, Plaintiff GLENN KESSELMAN was aware that the vehicle included a Bluetooth hands-free phone system. Before the purchase he spent time searching on Toyota's website, including reading the sections of its website relating to the 2018 Toyota Highlander Hybrid. Plaintiff GLENN KESSELMAN saw representations on Toyota's website and in its marketing materials that its 2018 Toyota Highlander Hybrid included, or had the option to include, hands-free phone systems, but there was no mention of the systems' Echo Defect. He was also told by the salesperson at Fremont Toyota prior to purchasing the vehicle that the vehicle included a Bluetooth hands-free phone system but was not told about the Echo Defect.

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- 132. Plaintiff GLENN KESSELMAN expected that the Bluetooth handsfree phone system in his 2018 Toyota Highlander Hybrid would function properly and be free of defects.
- 133. The inclusion of the Bluetooth hands-free phone system in Plaintiff GLENN KESSELMAN's Vehicle was material to Plaintiff GLENN KESSELMAN, who often must make and receive phone calls while driving. As set forth above, California law prohibits using a cell phone without a hands-free device while driving.
- 134. Plaintiff GLENN KESSELMAN was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing his Vehicle.
- 135. Because of the undisclosed defect, Plaintiff GLENN KESSELMAN's Vehicle was worth less than what he paid for it.
- 136. Had Plaintiff GLENN KESSELMAN been aware of the Echo Defect, he could have obtained a better price for his vehicle in the marketplace.
- 137. After Plaintiff GLENN KESSELMAN purchased his vehicle, when he used the vehicle's hands-free phone system to make or receive calls, he was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them and that it was impossible to carry on the conversation.
- 138. The Echo Defect present in Plaintiff GLENN KESSELMAN's Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff GLENN KESSELMAN, including by creating a safety risk through Plaintiff GLENN KESSELMAN's inability to use his Vehicle's handsfree Bluetooth system.
- 139. Toyota has not directly disclosed to Plaintiff GLENN KESSELMAN any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to

- 140. Plaintiff GLENN KESSELMAN desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending his money to purchase such vehicles from Toyota in the future if Toyota acknowledged the existence of the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.
- 141. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff GLENN KESSELMAN will continue to suffer harm for which remedies at law are inadequate.
- 142. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff GLENN KESSELMAN the risk of future harm for which legal remedies are inadequate by hindering Plaintiff GLENN KESSELMAN's ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

2. Plaintiff Kirk Coviello (California)

- 143. Prior to offering its 2019 Toyota Highlander for sale in the state of California, Toyota knew that its 2019 Toyota Highlander used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
 - 144. Plaintiff KIRK COVIELLO resides in Atascadero, California.

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- 145. In October of 2019, Plaintiff KIRK COVIELLO purchased a 2019 Toyota Highlander from Toyota San Luis Obispo, in San Luis Obispo, California ("Plaintiff KIRK COVIELLO's Vehicle").
- 146. Plaintiff KIRK COVIELLO purchased his vehicle not for resale, but for his own use. Specifically, Plaintiff KIRK COVIELLO's Vehicle was to be driven by Plaintiff KIRK COVIELLO.
- 147. Prior to purchasing his vehicle, Plaintiff KIRK COVIELLO was aware that the vehicle included a Bluetooth hands-free phone system. Before the purchase he spent time searching on Toyota's website, including reading the sections of its website relating to the 2019 Toyota Highlander. Plaintiff KIRK COVIELLO saw representations on Toyota's website and in its marketing materials that its 2019 Toyota Highlander included, or had the option to include, hands-free phone systems, but there was no mention of the systems' Echo Defect. He was also told by the salesperson at Toyota San Luis Obispo prior to purchasing the vehicle that the vehicle included a Bluetooth hands-free phone system but was not told about the Echo Defect.
- 148. Plaintiff KIRK COVIELLO expected that the Bluetooth hands-free phone system in his 2019 Toyota Highlander would function properly and be free of defects.
- 149. The inclusion of the Bluetooth hands-free phone system in Plaintiff KIRK COVIELLO's Vehicle was material to Plaintiff KIRK COVIELLO, who often must make and receive phone calls while driving. As set forth above, California law prohibits using a cell phone without a hands-free device while driving.
- 150. Plaintiff KIRK COVIELLO was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing his Vehicle.

- 151. Because of the undisclosed defect, Plaintiff KIRK COVIELLO'S Vehicle was worth less than what he paid for it.
- 152. Had Plaintiff KIRK COVIELLO been aware of the Echo Defect, he could have obtained a better price for his vehicle in the marketplace.
- 153. After Plaintiff KIRK COVIELLO purchased his vehicle, when he used the vehicle's hands-free phone system to make or receive calls, he was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them.
- 154. The Echo Defect present in Plaintiff KIRK COVIELLO's Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff KIRK COVIELLO, including by creating a safety risk through Plaintiff KIRK COVIELLO's inability to use his Vehicle's hands-free Bluetooth system.
- 155. Toyota has not directly disclosed to Plaintiff KIRK COVIELLO any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff KIRK COVIELLO, the existence and nature of the Echo Defect and the proper volume adjustments relating thereto.
- 156. Plaintiff KIRK COVIELLO desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending his money to purchase such vehicles from Toyota in the future if Toyota acknowledged the existence of the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.

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Page 33
FIFTH AMENDED CLASS ACTION CO

157. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff KIRK COVIELLO will continue to suffer harm for which remedies at law are inadequate.

158. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff KIRK COVIELLO the risk of future harm for which legal remedies are inadequate by hindering Plaintiff KIRK COVIELLO's ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

3. Plaintiff Karen Ambrose (Arizona)

- 159. Prior to offering its 2018 Toyota Highlander for sale in the state of Arizona, Toyota knew that its 2018 Toyota Highlander used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
 - 160. Plaintiff KAREN AMBROSE resides in Oro Valley, Arizona.
- 161. In April of 2018, Plaintiff KAREN AMBROSE purchased a 2018 Toyota Highlander, limited edition, from Precision Toyota in Tucson, Arizona ("Plaintiff KAREN AMBROSE's Vehicle").
- 162. Plaintiff KAREN AMBROSE purchased her vehicle not for resale, but for her own use. Specifically, Plaintiff KAREN AMBROSE's Vehicle was to be driven by Plaintiff KAREN AMBROSE.
- aware that the vehicle included a Bluetooth hands-free phone system. Before the purchase she spent time searching on Toyota's website and Precision Toyota's website, including reading on Precision Toyota's website that Bluetooth was listed as a feature in the Highlander, but there was no mention of the systems' Echo Defect. She was also told by multiple salespersons at Precision Toyota prior to purchasing the vehicle that the vehicle included a Bluetooth hands-free phone system but was not told about the Echo Defect.

- 164. Plaintiff KAREN AMBROSE expected that the Bluetooth handsfree phone system in her 2018 Toyota Highlander would function properly and would be free of defects.
- 165. The inclusion of the Bluetooth hands-free phone system in Plaintiff KAREN AMBROSE's Vehicle was material to her, who often has to make and receive phone calls while driving. As set forth above, Arizona law prohibits using a cell phone without a hands-free device while driving.
- 166. Plaintiff KAREN AMBROSE was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing her vehicle.
- 167. Because of the undisclosed defect, Plaintiff KAREN AMBROSE's Vehicle was worth less than what she paid for it.
- 168. Had Plaintiff KAREN AMBROSE been aware of the Echo Defect, she could have obtained a better price for her vehicle in the marketplace.
- 169. After Plaintiff KAREN AMBROSE purchased her vehicle, when she used the vehicle's hands-free phone system to make or receive calls, she was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them.
- 170. The Echo Defect present in Plaintiff KAREN AMBROSE's Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff KAREN AMBROSE, including by creating a safety risk through Plaintiff KAREN AMBROSE's inability to use her Vehicle's hands-free Bluetooth system.
- 171. Toyota has not directly disclosed to Plaintiff KAREN AMBROSE any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff KAREN AMBROSE, the existence

- 172. Plaintiff KAREN AMBROSE desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending her money to purchase such vehicles from Toyota in the future if Toyota acknowledged the existence of the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.
- 173. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff KAREN AMBROSE will continue to suffer harm for which remedies at law are inadequate.
- 174. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff KAREN AMBROSE the risk of future harm for which legal remedies are inadequate by hindering Plaintiff KAREN AMBROSE's ability to maximize the resale or trade-in value of her vehicle when she sells it in the future.

4. Plaintiff Paul Arellano (Colorado)

- 175. Prior to offering its 2017 Toyota Tacoma for sale in the state of Colorado, Toyota knew that its 2017 Toyota Tacoma used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
 - 176. Plaintiff PAUL ARELLANO resides in Pueblo, Colorado.
- 177. In March of 2018, Plaintiff PAUL ARELLANO purchased a 2017 Toyota Tacoma, TDR Sport, from the Pueblo Toyota in Pueblo, Colorado ("Plaintiff PAUL ARELLANO's Vehicle").

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- 179. Prior to purchasing his vehicle, Plaintiff PAUL ARELLANO was aware that the vehicle included a Bluetooth hands-free phone system. Before the purchase he spent time searching on Toyota's website, including reading the sections of its website relating to the 2017 Toyota Tacoma, TDR Sport. He also reviewed brochures on the Tacoma that he obtained from Pueblo Toyota and Liberty Toyota, which referred to the vehicle's Bluetooth system. Plaintiff PAUL ARELLANO also saw advertisements from Toyota dealerships that the Tacoma included, or had the option to include, hands-free phone systems, and referring to them as a safety feature, but there was no mention of the systems' Echo Defect. He was also told by the salesperson at Pueblo Toyota prior to purchasing the vehicle that the vehicle included a Bluetooth hands-free phone system but was not told about the Echo Defect.
- 180. Plaintiff PAUL ARELLANO expected that the Bluetooth handsfree phone system in his 2017 Toyota Tacoma, TDR Sport would function properly and would be free of defects.
- 181. The inclusion of the Bluetooth hands-free phone system in Plaintiff PAUL ARELLANO's Vehicle was material to Plaintiff PAUL ARELLANO, who often must make and receive phone calls while driving.
- 182. Plaintiff PAUL ARELLANO was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing his Vehicle.
- 183. Because of the undisclosed defect, Plaintiff PAUL ARELLANO's Vehicle was worth less than what he paid for it.
- 184. Had Plaintiff PAUL ARELLANO been aware of the Echo Defect, he could have obtained a better price for his vehicle in the marketplace.

- 185. After Plaintiff PAUL ARELLANO purchased his vehicle, when he used the vehicle's hands-free phone system to make or receive calls, he was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them.
- 186. The Echo Defect present in Plaintiff PAUL ARELLANO's Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff PAUL ARELLANO, including by creating a safety risk through Plaintiff PAUL ARELLANO's inability to use his Vehicle's hands-free Bluetooth system.
- 187. Toyota has not directly disclosed to Plaintiff PAUL ARELLANO any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff PAUL ARELLANO, the existence and nature of the Echo Defect and the proper volume adjustments relating thereto.
- 188. Plaintiff PAUL ARELLANO desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending his money to purchase such vehicles from Toyota in the future if Toyota acknowledged the existence of the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.
- 189. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff PAUL ARELLANO will continue to suffer harm for which remedies at law are inadequate.

190. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff PAUL ARELLANO the risk of future harm for which legal remedies are inadequate by hindering Plaintiff PAUL ARELLANO's ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

5. Plaintiff Craig Granger (New York)

- 191. Prior to offering its 2018 Toyota Tacoma for sale in the state of New York, Toyota knew that its 2018 Toyota Tacoma used the same Bluetooth handsfree hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
 - 192. Plaintiff CRAIG GRANGER resides in Putnam Station, New York.
- 193. In 2017, Plaintiff CRAIG GRANGER purchased a new 2018 Toyota Tacoma from the Romeo Toyota Dealership in Glensfalls, New York ("Plaintiff CRAIG GRANGER's Vehicle").
- 194. Plaintiff CRAIG GRANGER purchased his vehicle not for resale, but for his own use. Specifically, Plaintiff CRAIG GRANGER's Vehicle was to be driven by Plaintiff CRAIG GRANGER.
- 195. Prior to purchasing his vehicle, Plaintiff CRAIG GRANGER was aware that the vehicle included a Bluetooth hands-free phone system. He was told by the salesperson at the Toyota dealership prior to purchasing the vehicle that the vehicle included a Bluetooth hands-free phone system but was not told about the Echo Defect.
- 196. Plaintiff CRAIG GRANGER expected that the Bluetooth hands-free phone system in his 2018 Toyota Tacoma would function properly and would be free of defects.
- 197. The inclusion of the Bluetooth hands-free phone system in Plaintiff CRAIG GRANGER's Vehicle was material to Plaintiff CRAIG GRANGER, who often must make and receive phone calls while driving. As set forth above,

spending his money to purchase such vehicles from Toyota in the future if

Toyota acknowledged the existence of the Echo Defect and provided an

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27 28 adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.

- 205. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff CRAIG GRANGER will continue to suffer harm for which remedies at law are inadequate.
- 206. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff CRAIG GRANGER the risk of future harm for which legal remedies are inadequate by hindering Plaintiff CRAIG GRANGER's ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

Plaintiff David Douglas (Washington) 6.

- 207. Prior to offering its 2018 Toyota Prius for sale in the state of Washington, Toyota knew that its 2018 Toyota Prius used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
 - 208. Plaintiff DAVID DOUGLAS resides in Ellensburg, Washington.
- 209. In May of 2018, Plaintiff DAVID DOUGLAS purchased a 2018 Toyota Prius, 3 Touring Edition from Michael's Toyota, in Bellevue, Washington ("Plaintiff DAVID DOUGLAS's Vehicle").
- 210. Plaintiff DAVID DOUGLAS purchased his vehicle not for resale, but for his own use. Specifically, Plaintiff DAVID DOUGLAS's Vehicle was to be driven by Plaintiff DAVID DOUGLAS.
- 211. Prior to purchasing his vehicle, Plaintiff DAVID DOUGLAS was aware that the vehicle included a Bluetooth hands-free phone system. He reviewed a brochure that he obtained from Bud Clary Toyota, where he had test

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- driven a Prius, which referenced the Bluetooth feature in the Prius. He was also told by the salesperson at Michaels Toyota prior to purchasing the vehicle that the vehicle included a Bluetooth hands-free phone system but was not told about the Echo Defect.
- 212. Plaintiff DAVID DOUGLAS expected that the Bluetooth handsfree phone system in his 2018 Toyota Prius would function properly and would be free of defects.
- 213. The inclusion of the Bluetooth hands-free phone system in Plaintiff DAVID DOUGLAS's Vehicle was material to Plaintiff DAVID DOUGLAS, who often must make and receive phone calls while driving. As set forth above, Washington law prohibits using a cell phone without a hands-free device while driving.
- 214. Plaintiff DAVID DOUGLAS was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing his Vehicle.
- 215. Because of the undisclosed defect, Plaintiff DAVID DOUGLAS's Vehicle was worth less than what he paid for it.
- 216. Had Plaintiff DAVID DOUGLAS been aware of the Echo Defect, he could have obtained a better price for his vehicle in the marketplace.
- 217. After Plaintiff DAVID DOUGLAS purchased his vehicle, when he used the vehicle's hands-free phone system to make or receive calls, he was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them.
- 218. The Echo Defect present in Plaintiff DAVID DOUGLAS's Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff DAVID DOUGLAS, including by creating a safety risk through Plaintiff DAVID DOUGLAS's inability to use his Vehicle's hands-free Bluetooth system.

- 219. Toyota has not directly disclosed to Plaintiff DAVID DOUGLAS any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff DAVID DOUGLAS, the existence and nature of the Echo Defect and the proper volume adjustments relating thereto.
- 220. Plaintiff DAVID DOUGLAS desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending his money to purchase such vehicles from Toyota in the future if Toyota acknowledged the existence of the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.
- 221. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff DAVID DOUGLAS will continue to suffer harm for which remedies at law are inadequate.
- 222. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff DAVID DOUGLAS the risk of future harm for which legal remedies are inadequate by hindering Plaintiff DAVID DOUGLAS's ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

7. Plaintiff Josh Downs (Illinois)

223. Prior to offering its 2019 Toyota Highlander for sale in the state of Illinois, Toyota knew that its 2019 Toyota Highlander used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.

224. Plaintiff JOSH DOWNS resides in Du Quoin, Illinois.

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- 225. In June of 2019, Plaintiff JOSH DOWNS purchased a 2019 Toyota Highlander, Limited Platinum edition from Monken Toyota, in Mt. Vernon, Illinois ("Plaintiff JOSH DOWNS's Vehicle").
- 226. Plaintiff JOSH DOWNS purchased his vehicle not for resale, but for his own use. Specifically, Plaintiff JOSH DOWNS's Vehicle was to be driven by Plaintiff JOSH DOWNS.
- 227. Prior to purchasing the Downs Vehicle, Plaintiff JOSH DOWNS was aware that the vehicle included a Bluetooth hands-free phone system. In June 2019, prior to the purchase, Plaintiff JOSH DOWNS visited Monken Toyota in Mt. Vernon on multiple occasions to consider purchasing his Vehicle. Toyota marketing materials at the dealership, including the 2019 Highlander brochure and the Toyota Sticker attached to Plaintiff JOSH DOWNS's Vehicle's window, described the 2019 Toyota Highlander Limited Platinum edition and its features, with Interior features that included the Entune Premium JBL Audio and Bluetooth hands-free phone system. Plaintiff JOSH DOWNS reviewed one of these 2019 Highlander brochures while at the dealership and took it home with him after his first visit to the dealership, where he again reviewed it and saw the representations about the Bluetooth hands-free phone system. Plaintiff JOSH DOWNS also saw the representations on Plaintiff JOSH DOWNS's Vehicle's Sticker, including the representation that the Josh Downs Vehicle included the Bluetooth phone capability as part of its standard equipment. Neither Toyota's brochure that Plaintiff JOSH DOWNS reviewed nor Toyota's Sticker on the Vehicle mentioned the system's Echo Defect. Toyota's agent, the Toyota salesperson at Monken Toyota, who worked with Plaintiff JOSH DOWNS on multiple occasions in June 2019 prior to his purchase of the Vehicle, also did not tell Plaintiff JOSH DOWNS about the Echo Defect.

- 228. Plaintiff JOSH DOWNS expected that the Bluetooth hands-free phone system in his 2019 Toyota Highlander would function properly and would be free of defects.
- 229. The inclusion of the Bluetooth hands-free phone system in Plaintiff JOSH DOWNS's Vehicle was material to Plaintiff JOSH DOWNS, who often must make and receive phone calls while driving. As set forth above, Illinois law prohibits using a cell phone without a hands-free device while driving.
- 230. Plaintiff JOSH DOWNS was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing his Vehicle.
- 231. Because of the undisclosed defect, Plaintiff JOSH DOWNS's Vehicle was worth less than what he paid for it.
- 232. Had Plaintiff JOSH DOWNS been aware of the Echo Defect, he could have obtained a better price for his vehicle in the marketplace.
- 233. After Plaintiff JOSH DOWNS purchased his vehicle, when he used the vehicle's hands-free phone system to make or receive calls, he was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them.
- 234. The Echo Defect present in Plaintiff JOSH DOWNS' Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff JOSH DOWNS, including by creating a safety risk through Plaintiff JOSH DOWNS's inability to use his Vehicle's hands-free Bluetooth system.
- 235. Toyota has not directly disclosed to Plaintiff JOSH DOWNS any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff JOSH DOWNS, the existence and nature of the Echo Defect and the proper volume adjustments relating thereto.
- 236. Plaintiff JOSH DOWNS desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending his

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- 237. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff JOSH DOWNS will continue to suffer harm for which remedies at law are inadequate.
- 238. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff JOSH DOWNS the risk of future harm for which legal remedies are inadequate by hindering Plaintiff JOSH DOWNS' ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

8. Plaintiff Juan Giraldo (Georgia)

- 239. Prior to offering its 2018 Toyota 4Runner for sale in the state of Georgia, Toyota knew that its 2018 Toyota 4Runner used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
 - 240. Plaintiff JUAN GIRALDO resides in Lawrenceville, Georgia.
- 241. In 2018, Plaintiff JUAN GIRALDO purchased a 2018 Toyota 4Runner, SR5 with XP Package, from the AutoNation Toyota Mall of Georgia in Buford, Georgia ("Plaintiff JUAN GIRALDO's Vehicle").
- 242. Plaintiff JUAN GIRALDO purchased his vehicle not for resale, but for his own use. Specifically, Plaintiff JUAN GIRALDO's Vehicle was to be driven by Plaintiff JUAN GIRALDO.

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- 243. Prior to purchasing his vehicle, Plaintiff JUAN GIRALDO was aware that the vehicle included a Bluetooth hands-free phone system. Before the purchase he spent time searching on Toyota's website, including reading the sections of its website relating to the 2018 Toyota 4Runner. Plaintiff JUAN GIRALDO saw representations on Toyota's website that its 2018 Toyota 4Runner included, or had the option to include, hands-free phone systems, but there was no mention of the systems' Echo Defect.
- 244. Plaintiff JUAN GIRALDO expected that the Bluetooth hands-free phone system in his 2018 Toyota 4Runner would function properly and would be free of defects.
- 245. The inclusion of the Bluetooth hands-free phone system in Plaintiff JUAN GIRALDO's Vehicle was material to Plaintiff JUAN GIRALDO, who often must make and receive phone calls while driving. As set forth above, Georgia law prohibits using a cell phone without a hands-free device while driving.
- 246. Plaintiff JUAN GIRALDO was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing his Vehicle.
- 247. Because of the undisclosed defect, Plaintiff JUAN GIRALDO's Vehicle was worth less than what he paid for it.
- 248. Had Plaintiff JUAN GIRALDO been aware of the Echo Defect, he could have obtained a better price for his vehicle in the marketplace.
- 249. After Plaintiff JUAN GIRALDO purchased his vehicle, when he used the vehicle's hands-free phone system to make or receive calls, he was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them.
- 250. The Echo Defect present in Plaintiff JUAN GIRALDO's Vehicle has not been resolved and is an ongoing defect that continues to cause harm to

- 251. Toyota has not directly disclosed to Plaintiff JUAN GIRALDO any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff JUAN GIRALDO, the existence and nature of the Echo Defect and the proper volume adjustments relating thereto.
- 252. Plaintiff JUAN GIRALDO desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending his money to purchase such vehicles from Toyota in the future if Toyota acknowledged the existence of the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.
- 253. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff JUAN GIRALDO will continue to suffer harm for which remedies at law are inadequate.
- 254. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff JUAN GIRALDO the risk of future harm for which legal remedies are inadequate by hindering Plaintiff JUAN GIRALDO's ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

9. Plaintiff Matthew Shaffer (Ohio)

255. Prior to offering its 2017 Toyota Tacoma for sale in the state of Ohio, Toyota knew that its 2017 Toyota Tacoma used the same Bluetooth hands-

free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.

- 256. Plaintiff MATTHEW SHAFFER resides in Bradford, Ohio.
- 257. In May of 2020, Plaintiff MATTHEW SHAFFER purchased a used 2017 Toyota Tacoma TRD Off Road from Joseph Airport Toyota in Vandalia, Ohio ("Plaintiff MATTHEW SHAFFER's Vehicle").
- 258. Plaintiff MATTHEW SHAFFER purchased his vehicle not for resale, but for his own use. Specifically, Plaintiff MATTHEW SHAFFER's Vehicle was to be driven by Plaintiff MATTHEW SHAFFER.
- 259. Prior to purchasing his vehicle, Plaintiff MATTHEW SHAFFER was aware that the vehicle included a Bluetooth hands-free phone system. Before the purchase he spent time searching on Toyota's website, including reading the sections of its website relating to the Toyota Tacoma, but there was no mention of the systems' Echo Defect. He was also told by the salesperson at Joseph Airport Toyota prior to purchasing the vehicle that the vehicle included a Bluetooth hands-free phone system but was not told about the Echo Defect.
- 260. Plaintiff MATTHEW SHAFFER expected that the Bluetooth handsfree phone system in his 2017 Toyota Tacoma would function properly and would be free of defects.
- 261. The inclusion of the Bluetooth hands-free phone system in Plaintiff MATTHEW SHAFFER's Vehicle was material to Plaintiff MATTHEW SHAFFER, who often must make and receive phone calls while driving.
- 262. Plaintiff MATTHEW SHAFFER was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing his Vehicle.
- 263. Because of the undisclosed defect, Plaintiff MATTHEW SHAFFER's Vehicle was worth less than what he paid for it.

- 264. Had Plaintiff MATTHEW SHAFFER been aware of the Echo Defect, he could have obtained a better price for his vehicle in the marketplace.
- 265. After Plaintiff MATTHEW SHAFFER purchased his vehicle, when he used the vehicle's hands-free phone system to make or receive calls, he was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them.
- 266. The Echo Defect present in Plaintiff MATTHEW SHAFFER's Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff MATTHEW SHAFFER, including by creating a safety risk through Plaintiff MATTHEW SHAFFER's inability to use his Vehicle's handsfree Bluetooth system.
- 267. Toyota has not directly disclosed to Plaintiff MATTHEW SHAFFER any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff MATTHEW SHAFFER, the existence and nature of the Echo Defect and the proper volume adjustments relating thereto.
- 268. Plaintiff MATTHEW SHAFFER desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending his money to purchase such vehicles from Toyota in the future if Toyota acknowledged the existence of the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.

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- 269. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff MATTHEW SHAFFER will continue to suffer harm for which remedies at law are inadequate.
- 270. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff MATTHEW SHAFFER the risk of future harm for which legal remedies are inadequate by hindering Plaintiff MATTHEW SHAFFER's ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

10. Plaintiff Wayne Slates (Oregon)

- 271. Prior to offering its 2018 Toyota Tacoma for sale in the state of Oregon, Toyota knew that its 2018 Toyota Tacoma used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
 - 272. Plaintiff WAYNE SLATES resides in Damascus, Oregon.
- 273. In January of 2021, Plaintiff WAYNE SLATES purchased a used 2018 Toyota Tacoma, TDR 4 Wheel Drive from Broadway Toyota in Portland, Oregon ("Plaintiff WAYNE SLATES's Vehicle").
- 274. Plaintiff WAYNE SLATES purchased his vehicle not for resale, but for his own use. Specifically, Plaintiff WAYNE SLATES's Vehicle was to be driven by Plaintiff WAYNE SLATES.
- 275. Prior to purchasing his vehicle, Plaintiff WAYNE SLATES was aware that the vehicle included a Bluetooth hands-free phone system. He was also told by the salesperson at Broadway Toyota prior to purchasing the vehicle that the vehicle included a Bluetooth hands-free phone system but was not told about the Echo Defect. When he picked up his vehicle from Broadway Toyota the day after his purchase, a dealership employee described the Bluetooth feature and connected his phone to the Bluetooth hands-free phone system, but did not tell him about the Echo Defect.

- 276. Plaintiff WAYNE SLATES expected that the Bluetooth hands-free phone system in his 2018 Toyota Tacoma, TDR 4 Wheel Drive would function properly and would be free of defects.
- 277. The inclusion of the Bluetooth hands-free phone system in Plaintiff WAYNE SLATES's Vehicle was material to Plaintiff WAYNE SLATES, who often must make and receive phone calls while driving.
- 278. Plaintiff WAYNE SLATES was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing his Vehicle.
- 279. Because of the undisclosed defect, Plaintiff WAYNE SLATES's Vehicle was worth less than what he paid for it.
- 280. Had Plaintiff WAYNE SLATES been aware of the Echo Defect, he could have obtained a better price for his vehicle in the marketplace.
- 281. After Plaintiff WAYNE SLATES purchased his vehicle, when he used the vehicle's hands-free phone system to make or receive calls, he was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them.
- 282. The Echo Defect present in Plaintiff WAYNE SLATES' Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff WAYNE SLATES, including by creating a safety risk through Plaintiff WAYNE SLATES' inability to use his Vehicle's hands-free Bluetooth system.
- 283. Toyota has not directly disclosed to Plaintiff WAYNE SLATES any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff WAYNE SLATES, the existence and nature of the Echo Defect and the proper volume adjustments relating thereto.
- 284. Plaintiff WAYNE SLATES desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending his

- 285. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff WAYNE SLATES will continue to suffer harm for which remedies at law are inadequate.
- 286. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff WAYNE SLATES the risk of future harm for which legal remedies are inadequate by hindering Plaintiff WAYNE SLATES' ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

11. Plaintiff Jamie Brown (Missouri)

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- 287. Prior to offering its 2015 Toyota Highlander for sale in the state of Missouri, Toyota knew that its 2015 Toyota Highlander used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
 - 288. Plaintiff JAMIE BROWN resides in Frontenac, Missouri.
- 289. In 2018, Plaintiff JAMIE BROWN purchased a used 2015 Toyota Highlander from Seeger Toyota, located at 12833 Olive Blvd, St. Louis, Missouri ("Plaintiff JAMIE BROWN's Vehicle").
- 290. Plaintiff JAMIE BROWN purchased the vehicle primarily for personal, family, or household purposes.
- 291. Prior to purchasing her vehicle, Plaintiff JAMIE BROWN was aware that this vehicle included a Bluetooth hands-free phone system. Before

- phone system in her 2015 Toyota Highlander would function properly and would be free of defects.
- 293. The inclusion of the Bluetooth hands-free phone system in Plaintiff JAMIE BROWN's Vehicle was material to Plaintiff JAMIE BROWN, who often must make and receive phone calls while driving with children in the vehicle.
- 294. Plaintiff JAMIE BROWN was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing her Vehicle.
- 295. Because of the undisclosed defect, Plaintiff JAMIE BROWN's Vehicle was worth less than what she paid for it.
- 296. Had Plaintiff JAMIE BROWN been aware of the Echo Defect, she could have obtained a better price for her vehicle in the marketplace.
- 297. After Plaintiff JAMIE BROWN purchased her vehicle, when she used the vehicle's hands-free phone system to make or receive calls, she was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them.

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- 298. The Echo Defect present in Plaintiff JAMIE BROWN's Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff JAMIE BROWN, including by creating a safety risk through Plaintiff JAMIE BROWN's inability to use her Vehicle's hands-free Bluetooth system.
- 299. Toyota has not directly disclosed to Plaintiff JAMIE BROWN any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff JAMIE BROWN, the existence and nature of the Echo Defect and the proper volume adjustments relating thereto.
- 300. Plaintiff JAMIE BROWN desires to purchase vehicles, including Class Vechilces, from Toyota in the future and would consider spending her money to purchase such vehicles from Toyota in the future if Toyota acknowledged the existence of the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.
- 301. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff JAMIE BROWN will continue to suffer harm for which remedies at law are inadequate.
- 302. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff JAMIE BROWN the risk of future harm for which legal remedies are inadequate by hindering Plaintiff JAMIE BROWN's ability to maximize the resale or trade-in value of her vehicle when she sells it in the future.

12. Plaintiff Mitchell Trockman (Minnesota)

- 303. Prior to offering its 2016 Toyota Prius for sale in the state of Minnesota, Toyota knew that its 2016 Toyota Prius used the same Bluetooth hands-free hardware and software as in prior model years and that no modifications had been made to the system to correct the Echo Defect.
- 304. Plaintiff MITCHELL TROCKMAN resides in Golden Valley, Minnesota.
- 305. In 2016, Plaintiff MITCHELL TROCKMAN purchased a 2016 Toyota Prius V from Rudy Luther Toyota in Golden Valley, Minnesota ("Plaintiff MITCHELL TROCKMAN's Vehicle").
- 306. Plaintiff MITCHELL TROCKMAN purchased his vehicle not for resale, but for his own use. Specifically, Plaintiff MITCHELL TROCKMAN's Vehicle was to be driven by Plaintiff MITCHELL TROCKMAN.
- 307. Prior to purchasing his vehicle, Plaintiff MITCHELL TROCKMAN was aware that the vehicle included a Bluetooth hands-free phone system. Before the purchase, to the best of his recollection Plaintiff believes he spent time searching on Toyota's website, including reading the sections of its website relating to the 2016 Toyota Prius, and received a brochure about the vehicle. He was also told by the salesperson at Rudy Luther Toyota prior to purchasing the vehicle that the vehicle included a Bluetooth hands-free phone system but was not told about the Echo Defect.
- 308. Plaintiff MITCHELL TROCKMAN expected that the Bluetooth hands-free phone system in his 2016 Toyota Prius would function properly and would be free of defects.
- 309. The inclusion of the Bluetooth hands-free phone system in Plaintiff MITCHELL TROCKMAN's Vehicle was material to Plaintiff MITCHELL TROCKMAN, who often must make and receive phone calls while driving.

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- 310. Plaintiff MITCHELL TROCKMAN was not aware of the Echo Defect, and was not made aware of the Echo Defect by Toyota, prior to purchasing his Vehicle.
- 311. Because of the undisclosed defect. Plaintiff MITCHELL TROCKMAN's Vehicle was worth less than what he paid for it.
- 312. Had Plaintiff MITCHELL TROCKMAN been aware of the Echo Defect, he could have obtained a better price for his vehicle in the marketplace.
- 313. After Plaintiff MITCHELL TROCKMAN purchased his vehicle, when he used the vehicle's hands-free phone system to make or receive calls, he was repeatedly told by the other participants in the calls that the other participants heard their own words echo back to them until some point in time in 2018.
- 314. The Echo Defect present in Plaintiff MITCHELL TROCKMAN's Vehicle has not been resolved and is an ongoing defect that continues to cause harm to Plaintiff MITCHELL TROCKMAN, including by creating a safety risk through Plaintiff MITCHELL TROCKMAN's inability to use his Vehicle's hands-free Bluetooth system.
- 315. Toyota has not directly disclosed to Plaintiff MITCHELL TROCKMAN any fix and/or volume workaround to resolve the impact of the Echo Defect, including the Tech Tips, which as set forth herein are too vague to adequately describe to consumers, including Plaintiff MITCHELL TROCKMAN, the existence and nature of the Echo Defect and the proper volume adjustments relating thereto.
- 316. Plaintiff MITCHELL TROCKMAN desires to purchase vehicles, including Class Vehicles, from Toyota in the future and would consider spending his money to purchase such vehicles from Toyota in the future if Toyota acknowledged the existence of the Echo Defect and provided an adequate remedy for the Echo Defect and proper notice thereof. Such

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acknowledgment of the Echo Defect and notice of an adequate remedy would enable Plaintiff to have the confidence to rely on Defendant's representations in the future when considering whether to purchase Defendant's vehicles, which would otherwise be lacking.

- 317. Accordingly, without such acknowledgment of the Echo Defect, adequate remedy, and notice thereof, Plaintiff MITCHELL TROCKMAN will continue to suffer harm for which remedies at law are inadequate.
- 318. Toyota's lack of an adequate description to remedy the Echo Defect and notice thereof causes Plaintiff MITCHELL TROCKMAN the risk of future harm for which legal remedies are inadequate by hindering Plaintiff MITCHELL TROCKMAN's ability to maximize the resale or trade-in value of his vehicle when he sells it in the future.

FIRST CAUSE OF ACTION **UNFAIR COMPETITION**

[California Business & Professions Code §§ 17200, et seq.] (By Plaintiff GLENN KESSELMAN, KIRK COVIELLO, and the California Class)

- 319. Plaintiffs reallege and incorporate by reference, as though fully set forth herein, the preceding paragraphs of this Complaint.
- 320. Plaintiffs GLENN KESSELMAN and KIRK COVIELLO bring this claim individually and on behalf of the members of the California Class against Toyota under California law.
- 321. Plaintiffs GLENN KESSELMAN and KIRK COVIELLO have standing to pursue this cause of action as Plaintiffs GLENN KESSELMAN and KIRK COVIELLO have suffered injury in fact and have lost money or property as a result of Toyota's actions as delineated herein.
- 322. California's Unfair Competition Law ("UCL"), California Business and Professions Code sections 17200, et seq., defines unfair business

- 323. Toyota's scheme, as delineated herein, constitutes unlawful, unfair, or fraudulent business practices in violation of the UCL.
- 324. Toyota's business practices, as alleged herein, violate the "unfair" prong of the UCL because: (i) the utility of Toyota's scheme is significantly outweighed by the gravity of the harm the scheme imposes on Plaintiff GLENN KESSELMAN, KIRK COVIELLO, and the California Class; (ii) the injury suffered by Plaintiff GLENN KESSELMAN, KIRK COVIELLO, and the California Class as a result of Toyota's scheme is not one that Plaintiff GLENN KESSELMAN, KIRK COVIELLO, and the California Class could have reasonably avoided; and (iii) Toyota's scheme runs counter to legislatively declared and public policy.
- 325. Further, an unfair business practice under the UCL "is one that either 'offends an established public policy' or is 'immoral, unethical, oppressive, unscrupulous or substantially injurious to consumers." *Evenchik v. Avis Rent A Car Sys.*, *LLC*, 2012 WL 4111382, at *8 (S.D. Cal. Sept. 17, 2012) (quoting *McDonald v. Coldwell Banker*, 543 F.3d 498, 506 (9th Cir.2008) (quoting *People v. Casa Blanca Convalescent Homes, Inc.*, 159 Cal.App.3d 509, 530 (1984))).
- 326. Toyota's business practices, as alleged herein, violate the "unlawful" prong of the UCL because they constitute a violation of the Consumer Legal Remedies Act.
- 327. Toyota's business practices, as alleged herein, violate the "fraudulent" prong of the UCL because they are likely to deceive a reasonable consumer. Specifically, Toyota has violated the "fraudulent" prong of the UCL by failing to disclose to Plaintiff GLENN KESSELMAN, KIRK COVIELLO, and the California Class prior to their purchases or leases: (a) that when the

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driver of a Class Vehicle uses the Bluetooth hands-free phone system to make or receive a phone call, the person on the other end of the phone call will hear an echo of his or her own words; and (b) the severity of the echo, such that consumers would understand that the echo defect prevents them from being able to carry on a conversation.

- 328. Accordingly, Toyota violated, and continues to violate the UCL's proscription against engaging in unlawful business acts or practices.
- 329. As a direct and proximate result of Toyota's unlawful, unfair, and fraudulent business practices, Plaintiff GLENN KESSELMAN, KIRK COVIELLO, and the California Class have suffered injury in fact and lost money or property, in that they paid for a Bluetooth Hands-free phone system which was defective and did not perform as was represented.
- 330. Based on the allegations herein, Plaintiffs GLENN KESSELMAN, KIRK COVIELLO, and the California Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround presents a continuing and ongoing safety risk to Plaintiffs GLENN KESSELMAN and KIRK COVIELLO and the California Class. Further, as described above, Plaintiffs GLENN KESSELMAN and KIRK COVIELLO and the California Class face the risk of future harm from decreased resale/trade-in values based on Toyota's inadequately described volumeadjustment workaround. Accordingly, Plaintiffs GLENN KESSELMAN and KIRK COVIELLO and the California Class members risk irreparable injury as a result of Toyota's acts and omissions set forth above, and these violations present a continuing risk of harm to the California Class as well as to the general public. Toyota's unlawful acts and practices complained of herein affect the public interest.

- 331. Plaintiffs GLENN KESSELMAN, KIRK COVIELLO, and the California Class lack an adequate remedy at law and, as a result, are entitled to equitable relief.
- 332. Plaintiffs GLENN KESSELMAN and KIRK COVIELLO therefore seek the relief for themselves and the California Class described in the Prayer for Relief.

SECOND CAUSE OF ACTION VIOLATIONS OF THE CONSUMER FRAUD ACT

[Arizona Rev. Stat. § 44-1521, et seq.]

(By Plaintiff KAREN AMBROSE and the Arizona Class)

- 333. Plaintiffs reallege and incorporate by reference, as though fully set forth herein, the preceding paragraphs of this Complaint.
- 334. Plaintiff KAREN AMBROSE brings this claim individually and on behalf of the members of the Arizona Class against Toyota under Arizona law.
- 335. This cause of action is brought pursuant to the Consumer Fraud Act, Arizona Rev. Stat. §44-1521 *et seq*. (the "CFA"), because Toyota's actions and conduct described herein constitute transactions that have resulted in the sale or lease of merchandise to persons.
- 336. Plaintiff KAREN AMBROSE, and the Arizona Class, are "persons" within the meaning of the CFA, Arizona Rev. Stat. §44-1521(6).
- 337. The Class Vehicles are "merchandise" within the meaning of the CFA, Arizona Rev. Stat. §44-1521(5).
- 338. The CFA provides that "[t]he act, use or employment by any person of any deception, deceptive act or practice, fraud,... misrepresentation, or concealment, suppression or omission of any material fact with intent that others rely on such concealment, suppression or omission, in connection with the sale ... of any merchandise whether or not any person has in fact been misled,

- 339. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and deceptive acts or practices in the conduct of trade or commerce in violation of the CFA.
- 340. As alleged herein, Toyota knew of the Echo Defect, while the Arizona Class was deceived by Toyota's omission into believing the Bluetooth hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.
- 341. Toyota knew or should have known that its conduct violated the CFA.
- 342. As alleged above, Toyota made representations to the Arizona Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.
- 343. Toyota's unfair or deceptive acts or practices were likely to deceive reasonable consumers, including the Arizona Class, about the performance of the Bluetooth hands-free system in the Class Vehicles. Toyota intentionally and knowingly misrepresented material facts regarding the Class Vehicles with an intent to mislead the Arizona Class.
- 344. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the Arizona Class. Had members of the Arizona

- 345. All members of the Arizona Class suffered ascertainable loss caused by Toyota's failure to disclose material information. The Arizona Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 346. As a direct and proximate result of Toyota's violations of the CFA, the Arizona Class has suffered injury-in-fact and/or actual damage.
- 347. Based on the allegations herein, Plaintiff KAREN AMBROSE and the Arizona Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround presents a continuing and ongoing safety risk to Plaintiff KAREN AMBROSE and the Arizona Class. Further, as described above, Plaintiff KAREN AMBROSE and the Arizona Class face the risk of future harm from decreased resale/trade-in values based on Toyota's inadequately described volume-adjustment workaround. Accordingly, Plaintiff KAREN AMBROSE and the Arizona Class members risk irreparable injury as a result of Toyota's acts and omissions set forth above, and these violations present a continuing risk of harm to the Arizona Class as well as to the general public. Toyota's unlawful acts and practices complained of herein affect the public interest.
- 348. Thus, Plaintiff KAREN AMBROSE and the Arizona Class lack an adequate remedy at law and, as a result, are entitled to equitable relief.
- 349. Plaintiff KAREN AMBROSE therefore seeks the relief for herself and the Arizona Class described in the Prayer for Relief.

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THIRD CAUSE OF ACTION

VIOLATIONS OF THE CONSUMER PROTECTION ACT
[Colorado Rev. Stat. § 6-1-101, et seq.]

(By Plaintiff PAUL ARELLANO and the Colorado Class)

- 351. Plaintiffs reallege and incorporate by reference, as though fully set forth herein, the preceding paragraphs of this Complaint.
- 352. Plaintiff PAUL ARELLANO brings this claim individually and on behalf of the members of the Colorado Class against Toyota under Colorado law.
- 353. This cause of action is brought pursuant to the Consumer Protection Act, Colorado Rev. Stat. §6-1-101 *et seq*. (the "CPA"), because Toyota's actions and conduct described herein constitute transactions that have resulted in the sale or lease of good and services to consumers.
- 354. Toyota is a "person" within the meaning of the CPA, Colorado Rev. Stat. §6-1-102(6).
- 355. Plaintiff PAUL ARELLANO and the Colorado Class are "consumers" within the meaning of the CPA, Colorado Rev. Stat. §6-1-113(1)(a), who purchased or leased one or more of the Class Vehicles.
- 356. The CPA prohibits deceptive trade practices in the course of a person's business. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and

deceptive acts or practices in the conduct of trade or commerce in violation of the CPA.

- 357. Toyota's actions as set forth above occurred in the conduct of trade or commerce.
- 358. As alleged herein, Toyota knew of the Echo Defect, while the Colorado Class was deceived by Toyota's omission into believing the Bluetooth hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.
 - 359. Toyota knew or should have known that its conduct violated CPA.
- 360. As alleged above, Toyota made representations to the Colorado Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.
- 361. Toyota's unfair or deceptive acts or practices were likely to deceive reasonable consumers, including the Colorado Class, about the performance of the Bluetooth hands-free system in the Class Vehicles. Toyota intentionally and knowingly misrepresented material facts regarding the Class Vehicles with an intent to mislead the Colorado Class.
- 362. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the Colorado Class. Had members of the Colorado Class known that their vehicles had the Echo Defect, they would have paid less for them than they did.
- 363. All members of the Colorado Class suffered ascertainable loss caused by Toyota's failure to disclose material information. The Colorado Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 364. As a direct and proximate result of Toyota's violations of the CPA, the Colorado Class has suffered injury-in-fact and/or actual damage.

and the Colorado Class described in the Prayer for Relief.

FOURTH CAUSE OF ACTION

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DECEPTIVE ACTS OR PRACTICES PURSUANT TO NEW YORK

GENERAL BUSINESS LAW

[New York Gen. Bus. Law §349]

(By Plaintiff CRAIG GRANGER and the New York Class)

- 368. Plaintiffs reallege and incorporate by reference, as though fully set forth herein, the preceding paragraphs of this Complaint.
- 369. Plaintiff CRAIG GRANGER brings this claim individually and on behalf of the members of the New York Class against Toyota under New York law.

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- 370. This cause of action is brought pursuant to Section 349 of the New York General Business Law (the "NYGBA"), because Toyota's actions and conduct described herein constitute deceptive acts or practices in the conduct of Toyota's business.
- 371. Plaintiff CRAIG GRANGER and the New York Class, are "person[s]" within the meaning of NYGBL, New York Gen. Bus. Law §349(h).
- 372. Toyota is a "person," "firm," "corporation," or "association" within the meaning of New York Gen. Bus. Law §349(b).
- 373. The NYGBL makes unlawful "[d]eceptive acts or practices in the conduct of any business, trade or commerce." New York Gen. Bus. Law §349. Toyota's conduct, as described herein, constitutes "deceptive acts or practices" within the meaning of the NYGBL. Furthermore, Toyota's deceptive acts and practices, which were intended to mislead consumers who were in the process of purchasing and/or leasing the Class Vehicles, was conduct directed at consumers.
- 374. Toyota's actions as set forth above occurred in the conduct of trade or commerce.
- 375. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and deceptive acts or practices in the conduct of trade or commerce in violation of the NYGBL.
- 376. As alleged herein, Toyota knew of the Echo Defect, while the New York Class was deceived by Toyota's omission into believing the Bluetooth

hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.

- 377. Toyota knew or should have known that its conduct violated the NYGBL.
- 378. As alleged above, Toyota made representations to the New York Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.
- 379. Toyota's deceptive acts or practices were likely to deceive reasonable consumers, including the New York Class, about the performance of the Bluetooth hands-free system in the Class Vehicles. Toyota intentionally and knowingly misrepresented material facts regarding the Class Vehicles with an intent to mislead the New York Class.
- 380. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the New York Class. Had members of the New York Class known that their vehicles had the Echo Defect, they would have paid less for them than they did.
- 381. All members of the New York Class suffered ascertainable loss caused by Toyota's failure to disclose material information. The New York Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 382. As a direct and proximate result of Toyota's violations of the NYGBL, the New York Class has suffered injury-in-fact and/or actual damage.
- 383. Based on the allegations herein, Plaintiff CRAIG GRANGER and the New York Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround

1	presents a continuing and ongoing safety risk to Plaintiff CRAIG GRANGER
2	and the New York Class. Further, as described above, Plaintiff CRAIG
3	GRANGER and the New York Class face the risk of future harm from decreased
4	resale/trade-in values based on Toyota's inadequately described volume-
5	adjustment workaround. Accordingly, Plaintiff CRAIG GRANGER and the
6	New York Class members risk irreparable injury as a result of Toyota's acts and
7	omissions set forth above, and these violations present a continuing risk of harm
8	to the New York Class as well as to the general public. Toyota's unlawful acts
9	and practices complained of herein affect the public interest.
10	384. Thus, Plaintiff CRAIG GRANGER and the New York Class lack an
11	adequate remedy at law and, as a result, are entitled to equitable relief.
12	385. Plaintiff CRAIG GRANGER therefore seeks the relief for himself
13	and the New York Class described in the Prayer for Relief.
14	FIFTH CAUSE OF ACTION
15	FALSE ADVERTISING PURSUANT TO NEW YORK GENERAL
16	BUSINESS LAW
17	[New York Gen. Bus. Law §350]
18	(By Plaintiff CRAIG GRANGER and the New York Class)
19	386. Plaintiffs reallege and incorporate by reference, as though fully set
20	forth herein, the preceding paragraphs of this Complaint.
21	387. Plaintiff CRAIG GRANGER brings this claim individually and on

lividually and on behalf of the members of the New York Class against Toyota under New York law.

This cause of action is brought pursuant to Section 350 of the New York General Business Law (the "NYGBA"), because Toyota's actions and conduct described herein constitute false advertising in the conduct of Toyota's business.

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- 389. Toyota engaged in the "conduct of... business, trade or commerce" within the meaning of New York Gen. Bus. Law §350.
- 390. The NYGBL makes unlawful "[f]alse advertising in the conduct of any business, trade or commerce." False advertising includes "advertising, including labeling, of a commodity... if such advertising is misleading in a material respect," taking into account "the extent to which the advertising fails to reveal facts material in light of... representations [made] with respect to the commodity...." New York Gen. Bus. Law §350-a.
- 391. Toyota caused to be made or disseminated through New York, through advertising, marketing and other publications as more fully described herein, statements that were untrue or misleading, and that were known, or which by the exercise of reasonable care should have been known to them, to be untrue and misleading to consumers and New York Class.
- 392. Toyota has violated New York Gen. Bus. Law §350 because the misrepresentations and omissions regarding the Echo Defect, as set forth herein, were material and likely to deceive a reasonable consumer.
- 393. The New York Class has suffered an injury, including the loss of money or property, as a result of Toyota's false advertising. In purchasing or leasing their vehicles, the New York Class relied on the misrepresentation and/or omissions relating to the Bluetooth hands-free system in the Class Vehicles. Those representations were false and/or misleading because the Bluetooth hands-free system had the known Echo Defect. Had the New York Class known this, they would not paid as much for their vehicles.
- 394. Based on the allegations herein, Plaintiff CRAIG GRANGER and the New York Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround

1	presents a continuing and ongoing safety risk to Plaintiff CRAIG GRANGER
2	and the New York Class. Further, as described above, Plaintiff CRAIG
3	GRANGER and the New York Class face the risk of future harm from decreased
4	resale/trade-in values based on Toyota's inadequately described volume-
5	adjustment workaround. Accordingly, Plaintiff CRAIG GRANGER and the
6	New York Class members risk irreparable injury as a result of Toyota's acts and
7	omissions set forth above, and these violations present a continuing risk of harm
8	to the New York Class as well as to the general public. Toyota's unlawful acts
9	and practices complained of herein affect the public interest.
10	395. Thus, Plaintiff CRAIG GRANGER and the New York Class lack an
11	adequate remedy at law and, as a result, are entitled to equitable relief.
12	396. Plaintiff CRAIG GRANGER therefore seeks the relief for himself
13	and the New York Class described in the Prayer for Relief.
14	SIXTH CAUSE OF ACTION
15	VIOLATIONS OF THE WASHINGTON CONSUMER
16	PROTECTION ACT
17	[Wash Rev. Code. Ann., §§19.86.010, et seq.]
18	(By Plaintiff DAVID DOUGLAS and the Washington Class)
19	397. Plaintiffs reallege and incorporate by reference, as though fully set
20	forth herein, the preceding paragraphs of this Complaint.
21	398. Plaintiff DAVID DOUGLAS brings this claim individually and on

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- s though fully set
- dividually and on behalf of the members of the Washington Class against Toyota under Washington law.
- 399. This cause of action is brought pursuant to the Washington Consumer Protection Act, Wash Rev. Code. Ann., §§19.86.010, et seq. (the "WCPA"), because Toyota's actions and conduct described herein constitute unfair or deceptive trade practices in the sale of a consumer good.

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- 400. Toyota committed the acts complained of herein in the course of "trade" or "commerce" within the meaning of Wash Rev. Code. Ann., **§19.96.010.**
- 401. The WCPA broadly prohibits "[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce." Wash Rev. Code. Ann., § 19.96.010. Toyota engaged in unfair and deceptive acts and practices and violated the WCPA by failing to disclose and actively concealing the Echo Defect in the Class Vehicles.
- 402. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and deceptive acts or practices in the conduct of trade or commerce in violation of the WCPA.
- 403. As alleged herein, Toyota knew of the Echo Defect, while the Washington Class was deceived by Toyota's omission into believing the Bluetooth hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.
- 404. Toyota knew or should have known that its conduct violated the WCPA.
- 405. As alleged above, Toyota made representations to the Washington Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.
- 406. Toyota's unfair or deceptive acts or practices were likely to deceive reasonable consumers, including the Washington Class, about the performance

- 407. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the Washington Class. Had members of the Washington Class known that their vehicles had the Echo Defect, they would have paid less for them than they did.
- 408. All members of the Washington Class suffered ascertainable loss caused by Toyota's failure to disclose material information. The Washington Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 409. As a direct and proximate result of Toyota's violations of the WCPA, the Washington Class has suffered injury-in-fact and/or actual damage.
- 410. Based on the allegations herein, Plaintiff DAVID DOUGLAS and the Washington Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround presents a continuing and ongoing safety risk to Plaintiff DAVID DOUGLAS and the Washington Class. Further, as described above, Plaintiff DAVID DOUGLAS and the Washington Class face the risk of future harm from decreased resale/trade-in values based on Toyota's inadequately described volume-adjustment workaround. Accordingly, Plaintiff DAVID DOUGLAS and the Washington Class members risk irreparable injury as a result of Toyota's acts and omissions set forth above, and these violations present a continuing risk of harm to the Washington Class as well as to the general public. Toyota's unlawful acts and practices complained of herein affect the public interest.

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411. Thus, Plaintiff DAVID DOUGLAS and the Washington Class lack an adequate remedy at law and, as a result, are entitled to equitable relief.

Plaintiff DAVID DOUGLAS therefore seeks the relief for himself and the Washington Class described in the Prayer for Relief.

SEVENTH CAUSE OF ACTION

<u>VIOLATIONS OF THE ILLINOIS CONSUMER FRAUD AND</u> <u>DECEPTIVE BUSINESS PRACTICE ACT</u>

[815 ILCS §505/1, et seq.]

(By Plaintiff JOSH DOWNS and the Illinois Class)

- 412. Plaintiffs reallege and incorporate by reference, as though fully set forth herein, the preceding paragraphs of this Complaint.
- 413. Plaintiff JOSH DOWNS brings this claim individually and on behalf of the members of the Illinois Class against Toyota under Illinois law.
- 414. This cause of action is brought pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS § 505/1 et seq. ("ICFA"), because Toyota's actions and conduct described herein constitute unfair and deceptive trade practices in the conduct of trade or commerce.
- 415. Each Class Vehicle is "merchandise" pursuant to 815 ILCS § 505/1(b).
- 416. The advertising, offering for sale, sale, and/or distribution of the Class Vehicles constitutes "trade" or "commerce" pursuant to 815 ILCS § 505/1(f).
- 417. Section 2 of ICFA prohibits unfair and deceptive acts and practices, including, but not limited to, "the use or employment of any deception, fraud, false pretense, false promise, misrepresentation or the concealment, suppression or omission of any material fact, with intent that others rely upon the concealment, suppression or omission of such material fact . . . in the conduct

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of any trade or commerce . . . whether any person has in fact been misled, deceived or damaged thereby."

- 418. Section 2 of ICFA further prohibits unfair methods of competition and unfair or deceptive acts or practices, including "the use or employment of any practice described in Section 2 of the 'Uniform Deceptive Trade Practices Act[.]'"
- 419. Section 2 also provides: "In construing this section consideration shall be given to the interpretations of the Federal Trade Commission and the federal courts relating to Section 5(a) of the Federal Trade Commission Act."
- 420. As set forth above, Toyota engaged in, *inter alia*, the following deceptive trade practices described in Section 2 of the Uniform Deceptive Trade Practices Act ("UDTPA") in transactions with Plaintiff JOSH DOWNS and the Illinois Class in Illinois which were intended to result in, and did result in, the sale of the Class Vehicles:
 - Representing that the Class Vehicles have characteristics, uses, and/or benefits that they do not have.
 - Representing that the Class Vehicles are of a particular standard, quality, or grade when they are of another.
 - Advertising goods with intent not to sell them as advertised.
 - Concealing, omitting, and/or suppressing material facts regarding the Echo Defect for the Class Vehicles so as to create a likelihood of confusion or misunderstanding.
- 421. In the course of its business, Toyota also willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others

- 422. As alleged herein, Toyota knew of the Echo Defect, while the Illinois Class was deceived by Toyota's omission into believing the Bluetooth hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.
 - 423. Toyota knew or should have known that its conduct violated ICFA.
- 424. As alleged above, Toyota made representations to the Illinois Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.
- 425. Toyota unfair or deceptive acts or practices were likely to deceive reasonable consumers, including the Illinois Class, about the performance of the Bluetooth hands-free system in the Class Vehicles. The existence of the Echo Defect and the omitted facts described above are each facts which a reasonable consumer would likely consider to be important in making a purchasing decision, or which would be likely to induce a person to manifest his/her assent, or which the seller knows would be likely to induce a particular consumer to manifest his/her assent, or which would be likely to induce a reasonable consumer to act, respond or change his/her behavior in any substantial manner. Toyota intentionally and knowingly misrepresented material facts regarding the Class Vehicles with an intent to mislead the Illinois Class.
- 426. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the Illinois Class. Had members of the Illinois Class known that their vehicles had the Echo Defect, they would have paid less for them than they did.

- 427. Toyota's false and/or misleading statements, omissions, and misrepresentations described herein constitute unfair or deceptive acts, fraud, false pretense, false promise, misrepresentation or the concealment, suppression or omission of material facts in connection with the sale of merchandise in Illinois and are, thus, unfair and deceptive business acts and practices in violation of 815 ILCS § 505/1 et seq.
- 428. Toyota intended that Plaintiff JOSH DOWNS and the Illinois Class rely on the aforesaid unfair and deceptive acts and practices.
- 429. Plaintiff JOSH DOWNS and the Illinois Class are each a "consumer" under ICFA because they did not purchase or lease their Toyota vehicles for the purpose of reselling them.
- 430. Moreover, Toyota's conduct as set forth herein involves trade practices addressed to the market generally or otherwise implicates consumer protection concerns.
- 431. As a direct and proximate result of the aforesaid violations of ICFA, Plaintiff JOSH DOWNS and the Illinois Class suffered ascertainable loss caused by Toyota's failure to disclose material information. Plaintiff JOSH DOWNS and the Illinois Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 432. Toyota's acts and practices alleged herein have directly, foreseeably, and proximately caused loss, damages, and injury to Plaintiff JOSH DOWNS and the Illinois Class.
- 433. Based on the allegations herein, Plaintiff JOSH DOWNS and the Illinois Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround presents

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VIOLATIONS OF THE MISSOURI MERCHANDISING PRACTICES

workaround.

[Mo. Rev. Stat. § 407.010, et seq.]

(By Plaintiff JAMIE BROWN and the Missouri Class)

- 436. Plaintiffs reallege and incorporate by reference, as though fully set
- 437. Plaintiff JAMIE BROWN brings this claim individually and on behalf of the members of the Missouri Class against Toyota under Missouri law.
- 438. This cause of action is brought pursuant to the Missouri Merchandising Practices Act, Mo. Rev. Stat. § 407.010, et seq. (the "MMPA"), because Toyota's actions and conduct described herein constitute unfair or deceptive trade practices in connection with the sale or advertisement of merchandise in trade or commerce.

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- 439. Toyota committed the acts complained of herein in the course of "trade" or "commerce" within the meaning of Mo. Rev. Stat. § 407.010.
- 440. The Class Vehicles constitute "merchandise" within the meaning of Mo. Rev. Stat. §407.010.
- 441. The MMPA broadly prohibits "[t]he act, use or employment by any person of any deception, fraud, false pretense, false promise, misrepresentation, unfair practice or the concealment, suppression, or omission of any material fact in connection with the sale or advertisement of any merchandise in trade or commerce." Mo. Rev. Stat. § 407.020.1. Toyota engaged in unfair and deceptive acts and practices and violated the MMPA by failing to disclose and actively concealing the Echo Defect in the Class Vehicles.
- 442. The Missouri Attorney General has promulgated regulations defining the meaning of terms in the MMPA. Accordingly, deception as used in the MMPA "is any method, act, use, practice, advertisement or solicitation that has the tendency or capacity to mislead, deceive or cheat, or that tends to create a false impression." 15 C.S.R. § 60-9.020(1). Additionally, omission of a material fact as used in the MMPA is "any failure by a person to disclose material facts known to him/her, or upon reasonable inquiry would be known to him/her." 15 C.S.R. § 60-9.110. And a material fact is "any fact which a reasonable consumer would likely consider to be important in making a purchasing decision, or which would be likely to induce a person to manifest his/her assent, or which the seller knows would be likely to induce a particular consumer to manifest his/her assent, or which would be likely to induce a reasonable consumer to act, respond or change his/her behavior in any substantial manner." 15 C.S.R. § 60-9.010.
- 443. The regulations further provide that reliance, actual deception, knowledge of deception and intent are not elements of deception under the MMPA: "Reliance, actual deception, knowledge of deception, intent to mislead

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or deceive, or any other culpable mental state such as recklessness or negligence, are not elements of deception as used in section 407.020.1, RSMo." 15 C.S.R. § 60-9.020.

- 444. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and deceptive acts or practices in the conduct of trade or commerce in violation of the MMPA.
- 445. As alleged herein, Toyota knew of the Echo Defect, while the Missouri Class was deceived by Toyota's omission into believing the Bluetooth hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.
- 446. Toyota knew or should have known that its conduct violated the MMPA.
- 447. As alleged above, Toyota made representations to the Missouri Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.
- 448. Toyota's unfair or deceptive acts or practices were likely to deceive reasonable consumers, including the Missouri Class, about the performance of the Bluetooth hands-free system in the Class Vehicles. Toyota intentionally and knowingly misrepresented material facts regarding the Class Vehicles with an intent to mislead the Missouri Class.
- 449. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the Missouri Class. Had members of the Missouri

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- 450. All members of the Missouri Class suffered ascertainable loss caused by Toyota's failure to disclose material information. The Missouri Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 451. As a direct and proximate result of Toyota's violations of the MMPA, the Missouri Class has suffered injury-in-fact and/or actual damage.
- 452. Based on the allegations herein, Plaintiff JAMIE BROWN and the Missouri Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround presents a continuing and ongoing safety risk to Plaintiff JAMIE BROWN and the Missouri Class. Further, as described above, Plaintiff JAMIE BROWN and the Missouri Class face the risk of future harm from decreased resale/trade-in Toyota's inadequately described volume-adjustment values based on workaround. Accordingly, Plaintiff JAMIE BROWN and the Missouri Class members risk irreparable injury as a result of Toyota's acts and omissions set forth above, and these violations present a continuing risk of harm to the Missouri Class as well as to the general public. Toyota's unlawful acts and practices complained of herein affect the public interest.
- 453. Thus, Plaintiff JAMIE BROWN and the Missouri Class lack an adequate remedy at law and, as a result, are entitled to equitable relief.
- 454. Plaintiff JAMIE BROWN therefore seeks the relief for herself and the Missouri Class described in the Prayer for Relief.

NINTH CAUSE OF ACTION

VIOLATIONS OF THE FAIR BUSINESS PRACTICES ACT

[Georgia Code Ann. §10-1-390, et seq.]

(By Plaintiff JUAN GIRALDO and the Georgia Class)

- 455. Plaintiffs reallege and incorporate by reference, as though fully set forth herein, the preceding paragraphs of this Complaint.
- 456. Plaintiff JUAN GIRALDO brings this claim individually and on behalf of the members of the Georgia Class against Toyota under Georgia law.
- 457. This cause of action is brought pursuant to the Georgia Fair Business Practices Act, Georgia Code Ann. §10-1-390, *et seq.* (the "FBPA"), because Toyota's actions and conduct described herein constitute unfair or deceptive trade practices in the sale of a consumer good.
- 458. The FBPA declares "[u]nfair or deceptive acts or practices in the conduct of consumer transactions and consumer acts or practices in trade or commerce" to be unlawful, Georgia Code Ann. §10-1-393(a), including but not limited to "(5) representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have,"(7) [r]epresenting that goods or services are of a particular standard, quality, or grade... if they are of another," and "(9) [a]dvertising goods or services with intent not to sell them as advertised," Georgia Code Ann. §10-1-393.
- 459. Toyota engaged in unlawful trade practices, including representing that the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; representing that the Class Vehicles are of a particular standard and quality when they are not; advertising the Class Vehicles with the intent not to sell them as advertised; and engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or of misunderstanding, all in violation of the FBPA.

- 460. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and deceptive acts or practices in the conduct of trade or commerce in violation of the FBPA.
- 461. As alleged herein, Toyota knew of the Echo Defect, while the Georgia Class was deceived by Toyota's omission into believing the Bluetooth hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.
- 462. Toyota knew or should have known that its conduct violated the FBPA.
- 463. As alleged above, Toyota made representations to the Georgia Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.
- 464. Toyota's unfair or deceptive acts or practices were likely to deceive reasonable consumers, including the Georgia Class, about the performance of the Bluetooth hands-free system in the Class Vehicles. Toyota intentionally and knowingly misrepresented material facts regarding the Class Vehicles with an intent to mislead the Georgia Class.
- 465. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the Georgia Class. Had members of the Georgia Class known that their vehicles had the Echo Defect, they would have paid less for them than they did.

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- 466. All members of the Georgia Class suffered ascertainable loss caused by Toyota's failure to disclose material information. The Georgia Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 467. As a direct and proximate result of Toyota's violations of the FBPA, the Georgia Class has suffered injury-in-fact and/or actual damage.
- 468. Based on the allegations herein, Plaintiff JUAN GIRALDO and the Georgia Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround presents a continuing and ongoing safety risk to Plaintiff JUAN GIRALDO and the Georgia Class. Further, as described above, Plaintiff JUAN GIRALDO and the Georgia Class face the risk of future harm from decreased resale/trade-in based on Toyota's inadequately described volume-adjustment workaround. Accordingly, Plaintiff JUAN GIRALDO and the Georgia Class members risk irreparable injury as a result of Toyota's acts and omissions set forth above, and these violations present a continuing risk of harm to the Georgia Class as well as to the general public. Toyota's unlawful acts and practices complained of herein affect the public interest.
- 469. Thus, Plaintiff JUAN GIRALDO and the Georgia Class lack an adequate remedy at law and, as a result, are entitled to equitable relief.
- 470. Plaintiff JUAN GIRALDO therefore seeks the relief for himself and the Georgia Class described in the Prayer for Relief.
- 471. Plaintiffs have complied with the notice requirement set forth in Georgia Code Ann. §10-1-399(b) by virtue of the notice in the form of a demand letter sent on December 3, 2021.

TENTH CAUSE OF ACTION VIOLATIONS OF THE CONSUMER SALES PRACTICES ACT

[Ohio Rev. Code Ann. §1345.01, et seq.]

(By Plaintiff MATTHEW SHAFFER and the Ohio Class)

- 472. Plaintiffs reallege and incorporate by reference, as though fully set forth herein, the preceding paragraphs of this Complaint.
- 473. Plaintiff MATTHEW SHAFFER brings this claim individually and on behalf of the members of the Ohio Class against Toyota under Ohio law.
- 474. This cause of action is brought pursuant to the Ohio Consumer Sales Practices Act, Ohio Rev. Code Ann. §1345.01, *et seq.* (the "CSPA"), because Toyota's actions and conduct described herein constitute unfair or deceptive trade practices in the sale of a consumer good.
- 475. Toyota was at all relevant times a "supplier" as that term is defined in Ohio Rev. Code Ann. §1345.01(D).
- 476. Plaintiff MATTHEW SHAFFER and the Ohio Class are "consumer[s]" as that term is defined in Ohio Rev. Code Ann. §1345.01(D), and their purchases and leases of the Class Vehicles are "consumer transaction[s]" within the meaning of Ohio Rev. Code Ann. §1345.01(A).
- 477. The CSPA, Ohio Rev. Code Ann. §1345.02, broadly prohibits unfair or deceptive acts or practices in connection with a consumer transaction. Specifically, and without limitation of the broad prohibition, the CSPA prohibits suppliers from representing (i) that goods have characteristics or uses or benefits which they do not have; (ii) that their goods are of a particular quality or grade they are not; and (iii) the subject of a consumer transaction has been supplied in accordance with a previous representation, if it has not. *Id.* The conduct of Toyota as alleged above and below constitutes unfair and/or deceptive consumer sales practices in violation of Ohio Rev. Code Ann. §1345.02.

- 478. By failing to disclose and actively concealing the Echo Defect in Class Vehicles, Toyota engaged in deceptive business practices prohibited by the CSPA, including: representing that the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; representing that the Class Vehicles are of a particular standard, quality, and grade when they are not; representing that the subject of a transaction involving Class Vehicles has been supplied in accordance with a previous representation when it has not; and engaging in other unfair or deceptive acts or practices.
- 479. Toyota's actions as set forth above occurred in the conduct of trade or commerce.
- 480. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and deceptive acts or practices in the conduct of trade or commerce in violation of the CSPA.
- 481. As alleged herein, Toyota knew of the Echo Defect, while the Ohio Class was deceived by Toyota's omission into believing the Bluetooth handsfree system operated as was advertised, and this information could not have reasonably been known by the consumer.
- 482. Toyota knew or should have known that its conduct violated the CSPA.
- 483. As alleged above, Toyota made representations to the Ohio Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.

- 484. Toyota unfair or deceptive acts or practices were likely to deceive reasonable consumers, including the Ohio Class, about the performance of the Bluetooth hands-free system in the Class Vehicles. Toyota intentionally and knowingly misrepresented material facts regarding the Class Vehicles with an intent to mislead the Ohio Class.
- 485. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the Ohio Class. Had members of the Ohio Class known that their vehicles had the Echo Defect, they would have paid less for them than they did.
- 486. All members of the Ohio Class suffered ascertainable loss caused by Toyota's failure to disclose material information. The Ohio Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 487. As a direct and proximate result of Toyota's violations of the CSPA, the Ohio Class has suffered injury-in-fact and/or actual damage.
- 488. Plaintiff MATTHEW SHAFFER and the Ohio Class specifically do not allege herein a claim for violation of Ohio Rev. Code Ann. § 1345.72.
- 489. Based on the allegations herein, Plaintiff MATTHEW SHAFFER and the Ohio Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround presents a continuing and ongoing safety risk to Plaintiff MATTHEW SHAFFER and the Ohio Class. Further, as described above, Plaintiff MATTHEW SHAFFER and the Ohio Class face the risk of future harm from decreased resale/trade-in values based on Toyota's inadequately described volume-adjustment workaround. Accordingly, Plaintiff MATTHEW SHAFFER

characteristics... uses, benefits,... or qualities that [they] do not have; (g) Represent[ing] that... goods... are of a particular standard [or] quality... if they are of another; (i) Advertis[ing]... goods or services with intent not to provide [them] as advertised;" and "(u) engag[ing] in any other unfair or deceptive conduct in trade or commerce." Oregon Rev. Stat. §646.608(1).

498. By failing to disclose and actively concealing the Echo Defect in Class Vehicles, Toyota engaged in deceptive business practices prohibited by the OUTPA, including: representing that the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; representing that the Class Vehicles are of a particular standard, quality, and grade when they are not; representing that the subject of a transaction involving Class Vehicles has been supplied in accordance with a previous representation when it has not; and engaging in other unfair or deceptive acts or practices.

499. Toyota's actions as set forth above occurred in the conduct of trade or commerce.

500. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and deceptive acts or practices in the conduct of trade or commerce in violation of the OUTPA.

501. As alleged herein, Toyota knew of the Echo Defect, while the Oregon Class was deceived by Toyota's omission into believing the Bluetooth hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.

presents a continuing and ongoing safety risk to Plaintiff WAYNE SLATES and

the Oregon Class. Further, as described above, Plaintiff WAYNE SLATES and

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the Oregon Class face the risk of future harm from decreased resale/trade-in values based on Toyota's inadequately described volume-adjustment workaround. Accordingly, Plaintiff WAYNE SLATES and the Oregon Class members risk irreparable injury as a result of Toyota's acts and omissions set forth above, and these violations present a continuing risk of harm to the Oregon Class as well as to the general public. Toyota's unlawful acts and practices complained of herein affect the public interest.

- 509. Thus, Plaintiff WAYNE SLATES and the Oregon Class lack an adequate remedy at law and, as a result, are entitled to equitable relief.
- 510. Plaintiff WAYNE SLATES therefore seeks the relief for himself and the Oregon Class described in the Prayer for Relief.
- 511. Pursuant to Oregon Rev. Stat. §646.638(2), Plaintiffs have mailed a copy of the complaint to Oregon's attorney general.

TWELFTH CAUSE OF ACTION

<u>VIOLATIONS OF THE MINNESOTA PREVENTION OF CONSUMER</u> <u>FRAUD ACT</u>

[Minnesota Stat. §325f.68, et seq.]

(By Plaintiff MITCHELL TROCKMAN and the Minnesota Class)

- 512. Plaintiffs reallege and incorporate by reference, as though fully set forth herein, the preceding paragraphs of this Complaint.
- 513. Plaintiff MITCHELL TROCKMAN brings this claim individually and on behalf of the members of the Minnesota Class against Toyota under Minnesota law.
- 514. This cause of action is brought pursuant to the Minnesota Prevention of Consumer Fraud Act, Minnesota Stat. §325f.68, *et seq.* (the "MPCFA"), because Toyota's actions and conduct described herein constitute unfair or deceptive trade practices in the sale of a consumer good.

- 516. The MPCFA prohibits "[t]he act, use, or employment by any person of any fraud, false pretense, false promise, misrepresentation, misleading statement or deceptive practice, with the intent that others rely thereon in connection with the sale of any merchandise, whether or not any person has in fact been misled, deceived, or damaged thereby..." Minnesota Stat. §325f.69(1). Toyota participated in misleading, false, or deceptive acts that violated the MPCFA. By failing to disclose and actively concealing the Echo Defect in the Class Vehicles, Toyota engaged in deceptive business practices prohibited by the MPCFA.
- 517. Toyota's actions as set forth above occurred in the conduct of trade or commerce.
- 518. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and deceptive acts or practices in the conduct of trade or commerce in violation of the MPCFA.
- 519. As alleged herein, Toyota knew of the Echo Defect, while the Minnesota Class was deceived by Toyota's omission into believing the Bluetooth hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.
- 520. Toyota knew or should have known that their conduct violated the MPCFA.

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- 521. As alleged above, Toyota made representations to the Minnesota Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.
- 522. Toyota's unfair or deceptive acts or practices were likely to deceive reasonable consumers, including the Minnesota Class, about the performance of the Bluetooth hands-free system in the Class Vehicles. Toyota intentionally and knowingly misrepresented material facts regarding the Class Vehicles with an intent to mislead the Minnesota Class.
- 523. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the Minnesota Class. Had members of the Minnesota Class known that their vehicles had the Echo Defect, they would have paid less for them than they did.
- 524. All members of the Minnesota Class suffered ascertainable loss caused by Toyota's failure to disclose material information. The Minnesota Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 525. As a direct and proximate result of Toyota's violations of the MPCFA, the Minnesota Class has suffered injury-in-fact and/or actual damage.
- allegations herein, Plaintiff MITCHELL 526. Based on the TROCKMAN and the Minnesota Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround presents a continuing and ongoing safety risk to Plaintiff MITCHELL TROCKMAN and the Minnesota Class. Further, as described above, Plaintiff MITCHELL TROCKMAN and the Minnesota Class face the risk of future harm from decreased resale/trade-in values based on

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Toyota's inadequately described volume-adjustment workaround. Accordingly, Plaintiff MITCHELL TROCKMAN and the Minnesota Class members risk irreparable injury as a result of Toyota's acts and omissions set forth above, and these violations present a continuing risk of harm to the Minnesota Class as well as to the general public. Toyota's unlawful acts and practices complained of herein affect the public interest.

- 527. Thus, Plaintiff MITCHELL TROCKMAN and the Minnesota Class lack an adequate remedy at law and, as a result, are entitled to equitable relief.
- 528. Plaintiff MITCHELL TROCKMAN therefore seeks the relief for himself and the Minnesota Class described in the Prayer for Relief.

THIRTEENTH CAUSE OF ACTION VIOLATIONS OF THE UNIFORM DECEPTIVE TRADE PRACTICES ACT

[Minnesota Stat. §325d.43-48, et seq.]

(By Plaintiff MITCHELL TROCKMAN and the Minnesota Class)

- 529. Plaintiffs reallege and incorporate by reference, as though fully set forth herein, the preceding paragraphs of this Complaint.
- 530. Plaintiff MITCHELL TROCKMAN brings this claim individually and on behalf of the members of the Minnesota Class against Toyota under Minnesota law.
- 531. This cause of action is brought pursuant to the Minnesota Uniform Deceptive Trade Practices Act, Minnesota Stat. §325d.43-48, *et seq.* (the "MUDTPA"), because Toyota's actions and conduct described herein constitute unfair or deceptive trade practices in the sale of a consumer good.
- 532. The MUDTPA prohibits deceptive trade practices, which occur when a person "(5) represents that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that

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- 533. Toyota's actions as set forth above occurred in the conduct of trade or commerce.
- 534. In the course of its business, Toyota willfully failed to disclose and actively concealed the Echo Defect in the Class Vehicles, as described herein, and otherwise engaged in activities with a tendency or capacity to deceive. Toyota also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles. Toyota is directly liable for engaging in unfair and deceptive acts or practices in the conduct of trade or commerce in violation of the MUDTPA.
- 535. As alleged herein, Toyota knew of the Echo Defect, while the Minnesota Class was deceived by Toyota's omission into believing the Bluetooth hands-free system operated as was advertised, and this information could not have reasonably been known by the consumer.
- 536. Toyota knew or should have known that its conduct violated the MUDTPA.

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- 537. As alleged above, Toyota made representations to the Minnesota Class and the public regarding the Bluetooth hands-free system in the Class Vehicles which were either false or misleading.
- 538. Toyota's unfair or deceptive acts or practices were likely to deceive reasonable consumers, including the Minnesota Class, about the performance of the Bluetooth hands-free system in the Class Vehicles. Toyota intentionally and knowingly misrepresented material facts regarding the Class Vehicles with an intent to mislead the Minnesota Class.
- 539. Having a Bluetooth hands-free system which operated without the Echo Defect was material to the Minnesota Class. Had members of the Minnesota Class known that their vehicles had the Echo Defect, they would have paid less for them than they did.
- 540. All members of the Minnesota Class suffered ascertainable loss caused by Toyota's failure to disclose material information. The Minnesota Class overpaid for their vehicles and did not receive the benefit of their bargain. As the result of the concealment and failure to remedy the Echo Defect, the value of their vehicles has diminished.
- 541. As a direct and proximate result of the Toyota's violations of the MUDTPA, the Minnesota Class has suffered injury-in-fact and/or actual damage.
- 542. Based on the allegations herein. Plaintiff MITCHELL TROCKMAN and the Minnesota Class will be unable to rely on the Class Vehicles' advertising or labeling in the future, and so will not purchase the product although they would like to. Moreover, as described above, Toyota's failure to acknowledge the Echo Defect and its current, inadequately described volume-adjustment workaround presents a continuing and ongoing safety risk to Plaintiff MITCHELL TROCKMAN and the Minnesota Class. Further, as described above, Plaintiff MITCHELL TROCKMAN and the Minnesota Class

1	face the risk of future harm from decreased resale/trade-in values based on
2	Toyota's inadequately described volume-adjustment workaround. Accordingly,
3	Plaintiff MITCHELL TROCKMAN and the Minnesota Class members risk
4	irreparable injury as a result of Toyota's acts and omissions set forth above, and
5	these violations present a continuing risk of harm to the Minnesota Class as well
6	as to the general public. Toyota's unlawful acts and practices complained of
7	herein affect the public interest.
8	543. Thus, Plaintiff MITCHELL TROCKMAN and the Minnesota Class
9	lack an adequate remedy at law and, as a result, are entitled to equitable relief.
10	544. Plaintiff MITCHELL TROCKMAN therefore seeks the relief for
11	himself and the Minnesota Class described in the Prayer for Relief.
12	PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, respectfully request that the Court enter judgment against Toyota, as follows:

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- 1. An order certifying appropriate classes and/or subclasses, designating Plaintiffs as the class representatives and their counsel as class counsel;
- 2. An order enjoining Toyota from continuing to engage in the unlawful, unfair, and/or deceptive practices complained of herein and directing Toyota to, *inter alia*, notify Class Members of the Echo Defect along with adequate directions to resolve the Echo Defect;
 - 3. An award of costs and attorneys' fees, as allowed by law; and
 - 4. Such other or further relief as may be appropriate.

Dated: January 6, 2025 ARIAS, SANGUINETTI, WANG & TEAM, LLP

By: /s/ M. Anthony Jenkins

Page 96

DEMAND FOR JURY TRIAL 1 Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiffs, individually 2 and on behalf of all others similarly situated, hereby demand a trial by jury of 3 any and all issues in this action so triable of right. 4 5 Dated: January 6, 2025 ARIAS, SANGUINETTI, WANG 6 & TEAM, LLP 7 By: /s/ M. Anthony Jenkins 8 Mike Arias 9 M. Anthony Jenkins 10 GOLDENBERG HELLER & 11 ANTOGNOLI, P.C. 12 Thomas P. Rosenfeld Kevin P. Green 13 Richard S. Cornfeld 14 Daniel S. Levy 15 Counsel for Plaintiffs 16 17 18 19 20 21 22 23 24 25 26 27 28 Page 98

FIFTH AMENDED CLASS ACTION COMPLAINT (Case No.: 2:21-cv-06010-TJH-JC)

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Toyota Bluetooth Settlement Ends Class Action Lawsuit Over Alleged Echo Defect</u>