

United States Court of Appeals
for the Fifth Circuit

United States Court of Appeals
Fifth Circuit

FILED

March 30, 2021

Lyle W. Cayce
Clerk

No. 20-50422

JOSE L. CAMACHO; MARIA CAMACHO; FABIAN E. CAMACHO;
LUIS E. CAMACHO,

Plaintiffs—Appellants,

versus

FORD MOTOR COMPANY,

Defendant—Appellee.

Appeal from the United States District Court
for the Western District of Texas
USDC No. 5:19-CV-23

Before KING, ELROD, and WILLETT, *Circuit Judges.*

DON R. WILLETT, *Circuit Judge:*

This case requires us to resolve two questions about Texas’s statute of repose for products-liability claims. First, does a car manufacturer’s transfer of a vehicle to a dealer count as a “sale of the product” that triggers the statute of repose? Second, does the statutory rule that a period of minority is “not included in a limitations period” toll the statute of repose? We answer yes to the first question and no to the second. We therefore affirm the district court’s judgment that the statute of repose bars this lawsuit.

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I

Jose Camacho, his wife Maria, and their sons Luis and Fabian were seriously injured when their 2004 Ford F-150 truck rolled over near Nuevo Laredo, Mexico on August 6, 2017. On January 10, 2019, the Camachos brought this products-liability action against Ford under Texas law, invoking the federal district court’s diversity jurisdiction.¹ Ford moved for summary judgment, arguing that the Camachos’ claims were barred by § 16.012(b) of the Texas Civil Practice and Remedies Code, the 15-year statute of repose for products-liability claims. Under § 16.012(b), except in limited circumstances not relevant to this case, “a claimant must commence a products liability action against a manufacturer or seller of a product before the end of 15 years after the date of the sale of the product by the defendant.”² The statute of repose does not define what it means by “the date of the sale of the product.”

Applying the definition of “sale” from the Texas Business and Commerce Code, the district court determined that the statute of repose began running on October 6, 2003, the day Ford transferred—or “released,” to use Ford’s term—the newly manufactured truck to the dealership. The court rejected the Camachos’ argument to adopt the definition of “first sale” from the Texas Transportation Code, which the Camachos contend would have put the relevant sale date at either January 10, 2004, when the first consumer purchaser applied for a title from the Texas Department of Motor Vehicles, or January 21, 2004, when the title was issued. The court also rejected the Camachos’ argument that the statute of repose on Fabian’s claims should have been tolled because he was a minor at the time of the

¹ 28 U.S.C. § 1332.

² TEX. CIV. PRAC. & REM. CODE § 16.012(b). The exceptions are for products with a longer express warranty and products that cause a latent disease. *Id.* § 16.012(c), (d), (d-1).

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accident. Because the lawsuit was filed more than 15 years after October 6, 2003, the court granted Ford's motion for summary judgment. The Camachos timely appealed.

II

We review summary judgment de novo, applying the same standard as the district court.³ Summary judgment is proper “if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.”⁴

In diversity cases, we apply state substantive law and federal procedural rules.⁵ Statutes of repose and tolling provisions are substantive.⁶ In applying Texas law, we are bound by the Texas Supreme Court's decisions.⁷ But if that Court has not considered an issue, we make an “*Erie* guess” about how it would rule.⁸ When interpreting a Texas statute, we use the same methods of statutory interpretation used by the Texas Supreme Court.⁹ And as that text-centric Court has instructed, “text is the alpha and the omega of the interpretive process.”¹⁰

³ *Weatherly v. Pershing, LLC*, 945 F.3d 915, 920 (5th Cir. 2019).

⁴ FED. R. CIV. P. 56(a).

⁵ *Weatherly*, 945 F.3d at 925.

⁶ *Cf. id.* at 927.

⁷ *Conn Credit I, L.P. v. TF LoanCo III, LLC*, 903 F.3d 493, 502 (5th Cir. 2018).

⁸ *Id.*; *Erie R.R. Co. v. Tompkins*, 304 U.S. 64 (1938).

⁹ *Marlow, LLC v. BellSouth Telecomms., Inc.*, 686 F.3d 303, 307 (5th Cir. 2012).

¹⁰ *BankDirect Cap. Fin., LLC v. Plasma Fab, LLC*, 519 S.W.3d 76, 86 (Tex. 2017).

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III

We first consider how to measure “the date of the sale of the product by the defendant” under the products-liability statute of repose in § 16.012(b). We then consider whether § 16.001(b)’s provision that a period of minority “is not included in a limitations period” tolls the statute of repose. The Texas Supreme Court has not addressed either question.

A

The primary dispute concerns the day that the statute of repose began to run. The statute itself answers this question: “the date of the sale of the product by the defendant.”¹¹ But the statute does not define “sale,” leaving the parties to urge different meanings, and thus different start dates. The Camachos say we should import the definition of “first sale” from the Certificate of Title Act in the Texas Transportation Code. The “first sale” is:

(A) the bargain, sale, transfer, or delivery of a motor vehicle, other than an assembled vehicle, that has not been previously registered or titled, with intent to pass an interest in the motor vehicle, other than a lien, regardless of where the bargain, sale, transfer, or delivery occurred; and

(B) the registration or titling of that vehicle.¹²

Under this definition, the Camachos argue that the sale occurred on either January 10, 2004, when the first purchaser filed a title application, or January 21, 2004, when the Texas DMV issued the title. And under either of those dates, this lawsuit is timely.

¹¹ CIV. PRAC. & REM. § 16.012(b).

¹² TEX. TRANSP. CODE § 501.002(8).

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Ford urges the definition of “sale” from the Uniform Commercial Code in the Texas Business and Commerce Code: “A ‘sale’ consists in the passing of title from the seller to the buyer for a price.”¹³ In general, “title passes to the buyer at the time and place at which the seller completes his performance with reference to the physical delivery of the goods, despite any reservation of a security interest and even though a document of title is to be delivered at a different time or place.”¹⁴ Under this definition, the sale occurred on October 6, 2003, when Ford released the truck to the dealership. And if the statute of repose began running on October 6, 2003, this lawsuit is untimely.

By immediately resorting to other statutes for the definition of “sale,” the parties skip a step in the statutory analysis. When faced with an undefined statutory term, our job is to apply the “common, ordinary meaning unless a more precise definition is apparent from the statutory context or the plain meaning yields an absurd result.”¹⁵ To do that, “we may consider a variety of sources, including dictionary definitions, judicial constructions of the term, and other statutory definitions.”¹⁶ Other statutory definitions are helpful because we presume that the legislature employs the same meaning when it uses the same word to address the same subject matter.¹⁷ At the same time, we must avoid “engrafting a special definition from one statute to circumscribe the plain meaning of a term used in another.”¹⁸ In other words,

¹³ TEX. BUS. & COM. CODE § 2.106(a).

¹⁴ *Id.* § 2.401(b).

¹⁵ *Fort Worth Transp. Auth. v. Rodriguez*, 547 S.W.3d 830, 838 (Tex. 2018).

¹⁶ *Colorado Cnty. v. Staff*, 510 S.W.3d 435, 448 (Tex. 2017).

¹⁷ *Id.* at 452.

¹⁸ *Id.* at 453.

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we can't just pluck the definition of "sale" from another statute and call it a day. We must consider the ordinary meaning of the term "sale," then determine whether context supports importing a definition from another statute, either the UCC or the Certificate of Title Act.

We start with the statutory term itself. As defined in the dictionary, a "sale" is "[t]he action or an act of selling or making over to another for a price" or "the exchange of a commodity for money or other valuable consideration."¹⁹ In legal circles, the word is defined as "[t]he transfer of property or title for a price."²⁰

Next, we consider how the dictionary definitions compare to the statutory definitions in the UCC and the Certificate of Title Act, considering the context of each statute. The dictionary definitions accord with the UCC's— "the passing of title from the seller to the buyer for a price."²¹ The UCC governs "transactions in goods,"²² while the statute of repose concerns products-liability actions. But the meaning of "goods" generally tracks with the meaning of "product."²³ So it makes sense that the definitions of the

¹⁹ *Sale*, OXFORD ENGLISH DICTIONARY (2d ed. 1989).

²⁰ *Sale*, BLACK'S LAW DICTIONARY (7th ed. 1999).

²¹ BUS. & COM. § 2.106(a).

²² *Id.* § 2.102.

²³ Compare *id.* § 2.105(a) ("Goods' means all things (including specially manufactured goods) which are movable at the time of identification to the contract for sale other than the money in which the price is to be paid, investment securities (Chapter 8) and things in action.") with *Product*, OXFORD ENGLISH DICTIONARY (2d ed. 1989) (defining "product" as "[a]n article or substance that is manufactured or refined for sale") and *Product*, BLACK'S LAW DICTIONARY (7th ed. 1999) (defining "product" as "[s]omething that is distributed commercially for use or consumption and that is usu. (1) tangible personal property, (2) the result of fabrication or processing, and (3) an item that has passed through a chain of commercial distribution before ultimate use or consumption").

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“sale of the product” for purposes of the statute of repose and the “sale” of goods for purposes of the UCC are similar, if not the same.

To the contrary, the Certificate of Title Act does not comport with the plain meaning of “sale” and context counsels against applying its special definition to the statute of repose. To begin with, the Act does not define the right term; it defines “first sale,” not “sale.”²⁴ Putting that aside, using the Act’s definition would start the statute of repose when the *dealership* sells the vehicle, reading out the requirement that the sale be “by the defendant” in cases like this one where the *manufacturer* is the party being sued.²⁵ Further, the Act only governs the “first sale” of motor vehicles, while the statute of repose applies to all products-liability claims. Applying different standards to the repose period for different products would be an untenable result. Finally, the Act expressly provides that the UCC controls where, as here, the two conflict.²⁶ If the UCC definition applies, then the Act’s definition does not.

We therefore agree with Ford that, to the extent we need guidance from other statutes, the UCC is the appropriate place to look. And under the UCC’s definition of “sale” or the similar dictionary definitions, “the sale of the product by the defendant” happened on October 6, 2003, when Ford released the truck to the dealership.²⁷ According to Ford’s Sales and Service

²⁴ TRANSP. § 501.002(8).

²⁵ CIV. PRAC. & REM. § 16.012(b). *See Crosstex Energy Servs. v. Pro Plus, Inc.*, 430 S.W.3d 384, 390 (Tex. 2014) (“We must not interpret the statute in a manner that renders any part of the statute meaningless or superfluous.” (citation and internal quotation marks omitted)).

²⁶ TRANSP. § 501.005.

²⁷ In addition to being consistent with the plain text of the statute and Texas’s rules of statutory construction, this conclusion comports with our unpublished precedent interpreting the statute of repose. *See Yazdchi v. Mercedes Benz USA, LLC*, 838 F. App’x 86, 87 (5th Cir. 2021) (beginning the statute of repose the day Mercedes Benz “sold the vehicle to a dealership”); *Dalfrey v. Boss Hoss Cycles, Inc.*, 456 F. App’x 329, 333 (5th Cir.

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Agreement with the dealership and the undisputed testimony of Ford's sales strategy manager, ownership passed to the dealership when Ford released the truck for the price of \$25,725.23. All elements of the sale were therefore established. Contrary to the Camachos' argument, the way the dealership financed the purchase is irrelevant to whether a sale occurred.²⁸ Nor does it matter that Ford refers to the sale as a "release." The industry jargon has no bearing on the question before us: whether a sale legally occurred. And, in any event, Ford's representatives did testify that the "release" is a "sale."

The statute of repose began running on October 6, 2003, rendering this lawsuit, filed more than fifteen years later on January 10, 2019, untimely.

B

The Camachos argue that even if most of their claims are barred by the statute of repose, Fabian's may proceed because he was a minor at the time of the accident and the statute of repose was therefore tolled under § 16.001 of the Texas Civil Practice and Remedies Code until he turned 18. The section provides:

- (a) For the purposes of this subchapter, a person is under a legal disability if the person is:
 - (1) younger than 18 years of age, regardless of whether the person is married; or
 - (2) of unsound mind.

2011) (beginning the statute of repose the day a manufacturer sold a motorcycle kit to the dealer).

²⁸ BUS. & COM. § 2.401(b) ("[T]itle passes to the buyer . . . despite any reservation of a security interest and even though a document of title is to be delivered at a different time or place; and in particular and despite any reservation of a security interest by the bill of lading . . .").

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(b) If a person entitled to bring a personal action is under a legal disability when the cause of action accrues, the time of the disability is not included in a limitations period.

(c) A person may not tack one legal disability to another to extend a limitations period.

(d) A disability that arises after a limitations period starts does not suspend the running of the period.²⁹

The question here is whether the term “limitations period” as used in § 16.001(b) applies to the products-liability statute of repose. We hold that it does not.

As the Texas Supreme Court recognizes, the Texas Legislature has used the term “limitations” to refer to both statutes of limitations and statutes of repose.³⁰ That’s true of subchapter 16 of the Texas Civil Practice and Remedies Code, where the minority tolling provision and the products-liability statute of repose are located, which uses “limitations period” to apply to both.³¹ And the products-liability statute of repose refers to itself as a “limitations period.”³² So, § 16.001(b)’s use of “limitations period” doesn’t tell us by itself whether it functions to toll the statute of repose. We have to zoom out and consider more of the statute.

The Camachos argue that the introductory language “[f]or purposes of this subchapter” indicates that § 16.001’s tolling provision applies to all of

²⁹ CIV. PRAC. & REM. § 16.001.

³⁰ *Galbraith Eng’g Consultants, Inc. v. Pochucha*, 290 S.W.3d 863, 867 & n.4 (Tex. 2009).

³¹ *Id.* at 867 n.4.

³² CIV. PRAC. & REM. § 16.012(d-1) (“This section does not reduce a limitations period for a cause of action described by Subsection (d) that accrues before the end of *the limitations period under this section.*” (emphasis added)); see *Galbraith Eng’g*, 290 S.W.3d at 867 (explaining that § 16.012 is a statute of repose).

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the limitations periods in the subchapter, including the products-liability statute of repose. But their argument is based on a selectively altered version of the statute. In their brief, the Camachos quote the statute as stating, “[f]or the purposes of this subchapter . . . the time of the disability is not included in a limitations period.” The alteration obscures that the key language on which the Camachos rely appears in a different subsection than the tolling provision. “For the purposes of this subchapter” is used only in § 16.001(a), which defines a legal disability, while “the time of the disability is not included in a limitations period” is in § 16.001(b). Because “[f]or the purposes of this subchapter” is cabined to subsection (a), it cannot be read to broadly apply *all* of § 16.001, including the tolling provision in subsection (b), to the entire subchapter. The phrase does not do the heavy lifting that the Camachos contend it does.

When we’re out of textual clues, as we seem to be here, the Texas Code Construction Act invites courts to consider the statute’s objective.³³ In *Galbraith Engineering Consultants, Inc. v. Pochucha*, the Texas Supreme Court considered whether § 33.004(e) of the Civil Practice and Remedies Code, which revived claims otherwise “barred by limitations,” would revive claims barred by a statute of repose.³⁴ The Court concluded that the meaning of the general term “limitations” was unclear from the context.³⁵ The Court thus looked to the statutory objective to aid its interpretation, reasoning that

³³ *Galbraith Eng’g*, 290 S.W.3d at 867–68 (citing TEX. GOV’T CODE § 311.023(1)).

³⁴ *Id.* at 864.

³⁵ *Id.* at 867.

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construing the term “limitations” broadly “would defeat the recognized purpose for statutes of repose.”³⁶ *Galbraith*’s reasoning applies here.

“[T]he purpose of a statute of repose is to provide absolute protection to certain parties from the burden of indefinite potential liability” by “fix[ing] an outer limit beyond which no action can be maintained.”³⁷ Unlike statutes of limitations, which “operate procedurally to bar the enforcement of a right, a statute of repose takes away the right altogether.”³⁸ “Generally, a statute of repose specifies a longer period than that found in the statute of limitations applicable to the same cause of action.”³⁹ Further, while statutes of limitations only begin running when the cause of action accrues, statutes of repose run “from a specified date without regard to accrual of any cause of action.”⁴⁰ Indeed, statutes of repose “can cut off rights of action *before* they accrue.”⁴¹

Understanding the function of repose statutes allows us to glean an additional, and ultimately dispositive, clue from the statutory text. The tolling provision in § 16.001(b) applies when the claimant “is under a legal disability *when the cause of action accrues*.”⁴² But statutes of repose don’t care about the accrual date; the language in § 16.001(b) therefore plainly refers to statutes of limitations. Combining this textual reference to statutes of

³⁶ *Id.* at 868.

³⁷ *Methodist Healthcare Sys. of San Antonio, Ltd., LLP v. Rankin*, 307 S.W.3d 283, 287 (Tex. 2010) (internal quotation marks and citations omitted).

³⁸ *Galbraith Eng’g*, 290 S.W.3d at 866.

³⁹ *Rankin*, 307 S.W.3d at 286.

⁴⁰ *Galbraith Eng’g*, 290 S.W.3d at 866 (quoting *Trinity River Auth. v. URS Consultants, Inc.*, 889 S.W.2d 259, 261 (Tex. 1994)).

⁴¹ *Id.* (emphasis added).

⁴² CIV. PRAC. & REM. § 16.001(b) (emphasis added).

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limitations with the purpose of statutes of repose yields one result: § 16.001(b)'s tolling provision does not apply to the products-liability statute of repose in § 16.012(b). The statute of repose thus bars Fabian's claims.

IV

Because Texas's products-liability statute of repose bars the Camachos' claims, we AFFIRM.