

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. 5:24-cv-01525-RGK-DTB Date July 25, 2024

Title *Vance Corporation v. Ford Motor Company et al.*

Present: The Honorable R. GARY KLAUSNER, UNITED STATES DISTRICT JUDGE

Joseph Remigio (not present)

Not Reported

N/A

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiff:

Attorneys Present for Defendant:

Not Present

Not Present

Proceedings: (IN CHAMBERS) Order to Show Cause Re: Notice of Removal [DE 1]

On May 30, 2024, Vance Corporation (“Plaintiff”) filed a Complaint against Ford Motor Company (“Defendant”) in Riverside County Superior Court alleging violations of the Song-Beverly Consumer Warranty Act and the Magnuson-Moss Warranty Act. Plaintiff’s allegations arise from the purchase of a 2023 Ford F-350 from Defendant. On July 22, 2024, Defendant removed the action to this Court on the basis of diversity jurisdiction. Upon review of Defendant’s Notice of Removal, the Court hereby **ORDERS** Defendant to **SHOW CAUSE**, in writing, that the amount in controversy is satisfied.

Pursuant to 28 U.S.C. § 1331, a district court shall have original jurisdiction over any civil action “arising under the Constitution, laws, or treaties of the United States.” A federal question claim brought under the Magnuson-Moss Warranty Act also requires that the amount in controversy exceeds “\$50,000 (exclusive of interests and costs) computed on the basis of all claims to be determined in this suit.” 15 U.S.C. § 2310(d)(3)(B). After a plaintiff files an action in state court, the defendant attempting to remove the action bears the burden of proving the amount in controversy requirement has been met. *Fritsch v. Swift Transp. Co. of Ariz., LLC*, 899 F.3d 785, 793 (9th Cir. 2018) (citing *Urbino v. Orkin Servs. of Cal., Inc.*, 726 F.3d 1118, 1121–22 (9th Cir. 2013)).

Courts must “strictly construe the removal statute against removal jurisdiction” and remand an action “if there is any doubt as to the right of removal in the first instance.” *Id.* at 566. However, “[w]hen a notice of removal plausibly alleges a basis for federal court jurisdiction, a district court may not remand the case back to state court without first giving the defendant an opportunity to show by a preponderance of the evidence that the jurisdictional requirements are satisfied.” *Arias v. Residence Inn*, 936 F.3d 920, 924 (9th Cir. 2019). “A shortcoming in a notice of removal concerning the amount in controversy is not jurisdictional . . . until the movant has an opportunity to correct any perceived deficiency in the notice,” and the notice need not in and of itself prove that the district court has jurisdiction. *Acad. of Country Music v. Cont’l Cas. Co.*, 991 F.3d 1059, 1068 (9th Cir. 2021).

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Plaintiff seeks replacement or restitution for all money paid, civil penalties, and attorneys' fees, among other remedies under the Magnusson-Moss Warranty Act. In the Notice of Removal, Defendant asserts that the amount in controversy exceeds \$50,000. According to Defendant, the value of the Vehicle, combined with the civil penalties and attorneys' fees Plaintiff seeks, exceeds \$50,000.

Defendant, however, fails to plausibly support this assertion. Plaintiff's Complaint is silent as to the exact amount sought. Plaintiff simply states that it seeks an amount in excess of \$35,000. While Defendant attempts to supplement that figure with civil penalties and attorneys' fees, these awards are only available for willful failure to comply with the Act, and there is no evidence from which the Court may estimate the size of such awards, let alone conclude that such awards would be appropriate. The Court declines to speculate about these awards at this time.

Accordingly, the Court finds that Defendant has not satisfied its burden of plausibly alleging that the amount in controversy meets the jurisdictional requirement. Accordingly, the Court **ORDERS** Defendant to **show cause, in writing, that the jurisdictional requirements are satisfied**. Such a response shall not exceed **five pages** and must be submitted within **seven days** of this Order's issuance.

IT IS SO ORDERED.

Initials of Preparer

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JRE/sf
