

LOS ANGELES

Daily Journal

www.dailyjournal.com

VOL. 126 NO. 120

FRIDAY, JUNE 21, 2013

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VERDICTS & SETTLEMENTS

CONSUMER LAW

UNFAIR COMPETITION VERDICT: \$395,000.

CASE/NUMBER: Art Shoshanian
dba Art's Auto Wholesale v. VW
Credit Inc. / SC101359.

COURT/DATE: Los Angeles
Superior Santa Monica / May 8,
2013.

JUDGE: Hon. Craig D. Karlan.

ATTORNEYS: Plaintiff - Sean
Macias (Macias Counsel Inc.,
Pasadena).

Defendant - Michael Gorman
(McDowell, Rice, Smith &
Buchanan, Kansas City, Mo.).

TECHNICAL EXPERTS: Plaintiff
- John T. Crissey, forensic
economics, Sierra Madre.

FACTS: Plaintiff Art Shoshanian
has been in the car-dealership
business in California for over
16 years, specializing in the
purchase and resale of exotic and
luxury automobiles. In October
2008, plaintiff purchased nine
Lamborghinis from Lamborghini
of Orange County over five
separate dates. For each car,
plaintiff obtained a Certificate of
Title, a completed Vehicle/Vessel
Transfer and Reassignment, and
a Wholesale Report of Sale from
Lamborghini of Orange County.
Following the purchase, plaintiff
registered the vehicles with the
California Department of Motor
Vehicles.

After purchase of the vehicles, VW
Credit Inc. (VCI) claimed a security

interest in those vehicles due to a
financing issue between VCI and
Lamborghini of Orange County.
Obviously, plaintiff was not privy to
the business relationship between
Lamborghini of Orange County
and VCI. Plaintiff had already made
arrangements for the sale of two
vehicles, which were delivered
to Ogara Coach Company dba
Beverly Hills of Lamborghini for
inspection prior to finalizing those
sales. While those two vehicles
were at Ogara, representatives of
VCI provided Ogara with a hold
harmless agreement, and VCI
employees Skinner and Zurick
removed the two vehicles from
Ogara's lot without any notice
to plaintiff. Plaintiff immediately
filed a police report for the stolen
vehicles. Thereafter, plaintiff
commenced this action against VCI
for damages stemming from VCI's
and Ogara's conversion of the cars.

PLAINTIFF'S CONTENTIONS:
Plaintiff claimed that he owned the
nine Lamborghinis free and clear.

DEFENDANT'S CONTENTIONS:
Defendant VW Credit Inc. claimed
a security interest per the UCC.

JURY TRIAL: Length, five
days; Poll, 11-1 (for plaintiff);
Deliberation, 1.5 days.

RESULT: The parties settled for
a total payment to plaintiff for
\$395,000 prior to the hearing on
the unfair competition claims.

OTHER INFORMATION: VW
Credit Inc. demanded \$1.8 million
in cross-action claim. Plaintiff
sought \$450,000.