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Takata Responds to Pressure from NHTSA, Honda's Consumer Education Campaign, Recyclers Respond

by **Victoria Antonelli**, Online Editor

The cascading number of vehicle recalls caused by defective *Takata* airbags has been making front page



Photo Credit: 5newsonline.com

news from 2008 to the present day. During that time, automakers have recalled about 17 million vehicles with airbags that can rupture when deployed, producing fragments that can kill or seriously injure motorists.

In the latest action, Honda has launched a multi-million dollar print, digital and radio advertising campaign on March 16 to urge Honda and Acura owners to check for open recalls and complete airbag inflator repairs.

"The goals of this campaign are to save lives and prevent injuries," said **John Mendel**, Executive Vice

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Plaintiffs' Attorneys at Eaves Law Firm Encourage Shops to Share Stories About Alleged Steering

by **Stacey Phillips**, Assistant Editor

Auto body shops in 36 states are now part of the antitrust Multi District Lawsuit (MDL) in Florida. **John Eaves Jr.**, the lead attorney for the plaintiffs, is encouraging shop owners across the country to share their stories about alleged steering and other insurance practices, regardless whether or not they are part of the lawsuit.

Eaves Law Firm in Mississippi plans to use these experiences to help prepare affidavits for an injunction the firm is about to file. "This injunction is going to be asking the court to stop the insurance company's steering

practices and other retaliatory practices," he said.

In March, *Autobody News* reported that Judge **Gregory Presnell** in Florida had dismissed a large portion of the lawsuit. "Since that has happened, we actually found out more information," said Eaves. The law firm has been preparing the documentation to refile the claims that were dismissed without prejudice.

When *Autobody News* spoke to Eaves, he said that Judge Presnell indicated that he wants more specifics in regards to the lawsuit. In response, Eaves Law Firm has been rewriting

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Judge Dismisses Fraud, Racketeering Case Against Warren, MI, Shop Owner, "Evidence Not There"

by **Jameson Cook**, The Macomb Daily

A judge dismissed all the charges against a Warren body shop owner ac-



(l to r) Attorney **Steve Haney**, **Maheer Waad** and attorney **Charles Busse** embrace in a courthouse hallway minutes after all criminal charges against Waad, a Warren business owner, are dismissed by Judge **James Maceroni** of Macomb County Circuit Court in Mount Clemens. Photo Credit: Jameson Cook, Macomb Daily Photo

cused of defrauding customers and operating a criminal enterprise.

Maheer Waad, 29, of Shelby Township, was charged with six counts of false pretenses and one count of racketeering for his actions at his business, *Marks One Collision*, on Eight Mile Road.

Judge **James Maceroni** said from the bench the case never should have made it to Macomb County Circuit Court in Mount Clemens. The ruling followed a half-hour of arguments in court and Maceroni's review of legal briefs.

"It's (the evidence) simply not there," Maceroni said in brief comments from the bench. "This case should have been dismissed at the preliminary examination."

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Automechanika Comes to Chicago

by **Chasidy Rae Sisk**

The first Automechanika show in the U.S. will take place on April 24-26 at McCormick Place West in Chicago. The trade show, designed specifically for shop owners and technicians, focuses on three pillars: education, innovation and inspiration. Show Director Bridget Ferris says, "this is a unique opportunity for shop owners and technicians to get advanced training, discover new technologies and innovations, and see the latest products and services from more than 400 exhibiting companies on the show floor. In addition to training, many exhibitors have confirmed that they will be introducing new products to satisfy the innovation expectations of our attendees. We expect each attendee to leave the show inspired after visiting the many diverse exhibits and interactive feature areas showcasing everything from welding to painting techniques."

Automechanika Frankfurt has grown to become the world's largest

trade event for the automotive aftermarket industry, featuring over 4600 exhibitors and 140,000 international buyers. Ferris states, "today, with a network of 15 events in 14 countries, the brand Automechanika offers exhibitors access to new markets around the world and has more than 16,000 loyal customers worldwide."

Messe Frankfurt's decision to branch out into the U.S. was based on substantial research and communication with their customers who indicated a need for a trade show designed specifically for shop owners and technicians with an emphasis on a high-level educational program. According to Ferris, "the demand from our customer base, together with the opportunity to partner with the leading automotive aftermarket publication, UBM Advanstar, paved the way for this event to be launched."

Ferris continues, "we performed extensive research before deciding on a location to enter the U.S. market, and there were many compelling reasons

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Continued from Cover

Judge Dismisses Fraud

The decision brought a sense of exhilaration to Waad, who embraced his attorneys, **Steve Haney** and **Charles Busse**.

"The truth came out," a smiling Waad said. "I believed in God that the truth would come out."

Waad said the charges, filed in fall 2013, have significantly damaged but not destroyed his multi-million dollar business, which also includes a 200-car fleet rental company.

Former judge **Dean Ausilio** of 37th District Court in Warren and Center was criticized by the judge, an assistant prosecutor and Haney. Ausilio had criticized both the police and prosecution side as well as the defendant but still ordered the case in December to advance to circuit court following a probable cause hearing. Ausilio left office Dec. 31 after losing the November election.

"What is most troubling is the opinion of the lower court," Maceroni said.

"I'm so perplexed by this (Ausilio's) decision," Assistant Macomb Prosecutor **Jean Cloud** said in court among her arguments to maintain the charges. "How can a judge say there is no evidence and yet bound it over?"

In his opinion, Ausilio said he was "troubled by (the prosecution's) reliance in making charging decisions based upon an obviously flawed, self-serving investigative report prepared for the MATS (Macomb Auto Theft Squad) unit by an insurance company ... without a full unbiased, and independent investigation."

On the other hand, he also said he was "stunned" by Waad's business practices. Haney, Waad's attorney, has contended from the start of the case that it was a mere civil "billing dispute" that was unfairly made into a criminal case by police as part of a vendetta by Farmers Insurance against Waad for his federal lawsuit against Farmers.

Haney called the case "an embarrassment to the county and a tremendous waste of taxpayer dollars."

Maceoni said the prosecution failed to show that Waad had "specific knowledge" of the alleged acts.

Farmers and three other insurance carriers were accused by Waad in federal court of steering customers away from his shop for insurance work, defamation and engaging in ethnic bias

that included ethnic slurs about Waad by insurance representatives. Waad is of Arabic descent. Waad says he was called a "dirty Arab," "sand n-----" and "crook." The case is pending.

"If they can convict him of being a dirty Arab and a crook, it will be a defense in the defamation suit," Haney told Maceroni.

MATS says Waad repaired vehicles to a lesser extent than required under written estimates that were negotiated between the shop and insurance company, saving it between several hundred dollars and nearly \$4,000 per vehicle. The incidents occurred from April 2012 to June 2013. In some cases, some aspects of repair work was never done, and in other instances, after-market parts were used when original manufacturer equipment was required in the estimate, according to MATS.

Haney countered that MATS has inflated the alleged over-charges and failed to give credit to Waad and Marks One for other work done or benefits to the vehicle owner to offset the shortcomings, such as a paying the customer's deductible and/or providing a loaner vehicle. The law allows Waad's shop the flexibility to come up with a variety of solutions, Haney said.

"It's exactly the same thing that happens every day in this county, in this state, with insurance companies," he said.

Maceroni said the prosecution failed to show that Waad had "specific knowledge" of the alleged acts. Haney had noted that none of the four customers who testified at the preliminary examination dealt with Waad.

Waad said that the allegations have prompted him to pay closer attention to transactions at his shop. He said he has hired more managers.

Police in April 2014 seized about 70 vehicles, more than \$100,000 in cash, checks, equipment and many boxes of business documents from the collision shop, car-rental lots in Warren and Oak Park, and his home. Only the collision shop raid led to charges. Waad spent \$25,000 to get everything back, his attorneys said.

The most serious charge against Waad was racketeering, punishable by up to 20 years in prison.

Cloud said the prosecutor's office appellate division will review the case for a potential appeal.

Autobody News thanks the Macomb Daily and Jameson Cook for permission to reprint his story.