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# New Jersey Law Journal

ALM Properties, Inc.

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## Mercedes Faces Class Action Alleging Defective Camshafts in Prime Engines

In a putative class action filed in Newark, Mercedes-Benz drivers allege that the German carmaker's top-of-the-line performance engine is prone to premature wear due to defective camshafts.

David Gialanella

09-27-2011

An allegedly defective motor has some Mercedes-Benz drivers racing to court rather than the open road.

In a putative class action filed in Newark, *Chan v. Daimler AG*, 11-cv-5391, the plaintiffs allege that the German carmaker's top-of-the-line performance engine is prone to premature wear due to defective camshafts, draining owners' and lessees' wallets.

"The premature wear can cause eventual catastrophic engine failure, resulting in a necessary replacement of the entire engine block costing tens of thousands of dollars," says the suit.

Most Mercedes vehicle lines include an optional special model, fitted with the high-performance engine designed by Daimler AG subsidiary Mercedes-AMG. Car enthusiasts and collectors often select those models, which the complaint says can cost anywhere from \$60,000 to nearly \$200,000.

Along with Daimler AG and Mercedes-AMG, the suit names Mercedes-Benz USA of Montvale, which is the basis for the New Jersey venue.

Named plaintiff Cedric Chan of California leased a used 2007 Mercedes-Benz E63 AMG sedan, equipped with a 525-horsepower AMG M156 6.2-liter V-8 engine, in 2008.

In April 2010, after noticing a loud ticking noise from under the hood and decreased oil pressure, Chan brought the vehicle to a Mercedes service location for repairs. Damage to the camshaft and valve lifters in the engine's left side required replacement of those and other parts, which cost Chan about \$4,600, as Mercedes would not cover the work under the vehicle warranty, he claims.

Three months later, similar wear surfaced in the engine's right side, leading Chan to trade in the vehicle — at a decreased value of \$27,000 because of the needed repairs, he claims.

The complaint alleges the M156's camshafts are insufficiently heat-treated or improperly offset during manufacture, or both, causing scoring of the shaft's lifters in as little as 5,000 miles, plus subsequent damage. "From the first mile put on the vehicle's engine, the camshafts and lifters started wearing prematurely [and] eventually wore enough to manifest the defect to [Chan]," the complaint says, adding that Mercedes knew of the problem as early as 2007, when it released a series of service bulletins, and should have issued a recall but did not.

The complaint alleges the defect is inherent in every Mercedes-Benz vehicle containing the AMG M156 engine and seeks class certification for current and former owners and lessees of model year 2006 to 2011 vehicles equipped with the M156 engine.

Common questions are asserted to be whether the engine is defective; whether Mercedes concealed the defect; whether

Mercedes engaged in unlawful or unfair business practices; and whether Mercedes had a duty to disclose the defect to the class members.

The complaint alleges breach of express and implied warranty under the federal Magnuson-Moss Warranty Act; common-law breach of implied an express warranty; breach of implied covenant of good faith and fair dealing; and violation of the New Jersey Consumer Fraud Act. It seeks compensatory and punitive damages, disgorgement and restitution, injunctive relief, attorneys' fees and costs and other relief.

Putative class counsel Neil Goro of Wigington Rumley Dunn in San Antonio, Texas, did not return a reporter's call seeking comment.

The plaintiff is represented locally by Trujillo Rodriguez & Richards in Haddonfield.

Mercedes-USA spokeswoman Donna Boland also did not return a call.

The case has been assigned to District Judge Jose Linares and Magistrate Judge Michael Hammer in Newark.

The suit comes a week after Mercedes settled consolidated class actions alleging the carmaker equipped 2003 to 2006 model-year vehicles with an analog onboard emergency-response system that it knew would quickly become obsolete and require costly upgrading.

After its appeal to the Third Circuit failed, Mercedes agreed to pay class members either cash or certificates redeemable toward a new Mercedes vehicle. The company was required to pay \$6.25 million in attorneys' fees spread among four firms, including Trujillo Rodriguez.