

Bird Marella Wins Dismissal Without Leave to Amend for Hyundai in Unfair Competition Law Case

Bird Marella partners [Ekwon Rhow](#), [Thomas Freeman](#), and [Oliver Rocos](#), along with associate [Abigail Smith](#), won an Unfair Competition Law case on behalf of global automotive company Hyundai.

The complaint, filed by Jobs to Move America ("JMA"), claimed that Hyundai, and its co-defendant Kia, sell to California consumers and public agencies vehicles made with parts supplied by third parties who engage in unlawful labor practices. JMA sought an injunction preventing the companies from selling any vehicles in California until it could be judicially determined that their suppliers no longer engaged in any unlawful labor practices.

The Bird Marella team argued on demurrer that the court should abstain from the case on the basis that the claim called for the court to assume the role of federal agencies in enforcing federal labor laws and regulations and that, even if that was proper, it would be unduly burdensome for the court to continuously monitor over 100 non-party, out-of-state suppliers' compliance with those laws and regulations.

Judge William F. Highberger of Los Angeles Superior Court agreed with Bird Marella, finding that the federal authorities already were enforcing the rules and regulations and it was not the court's role to step in. Even if it was, the burden of that work was such that it would be "unbearable" and abstention was warranted. The court separately determined that because the "gravamen of the claim is that bad things are happening in Alabama, Georgia, or locations proximate thereto in the Southeast . . . they are beyond the reach of our unfair competition law."

The case was dismissed without leave to amend, a rare feat for the first hearing.

Hyundai's co-defendants Kia America and Glovis America were represented by O'Melveny & Myers LLP and Jones Day.

Bird Marella continues a long-running streak of victories for Hyundai, including a recent bench trial win resulting in a [\\$29.7 million judgment](#) for Hyundai affiliate Glovis America.