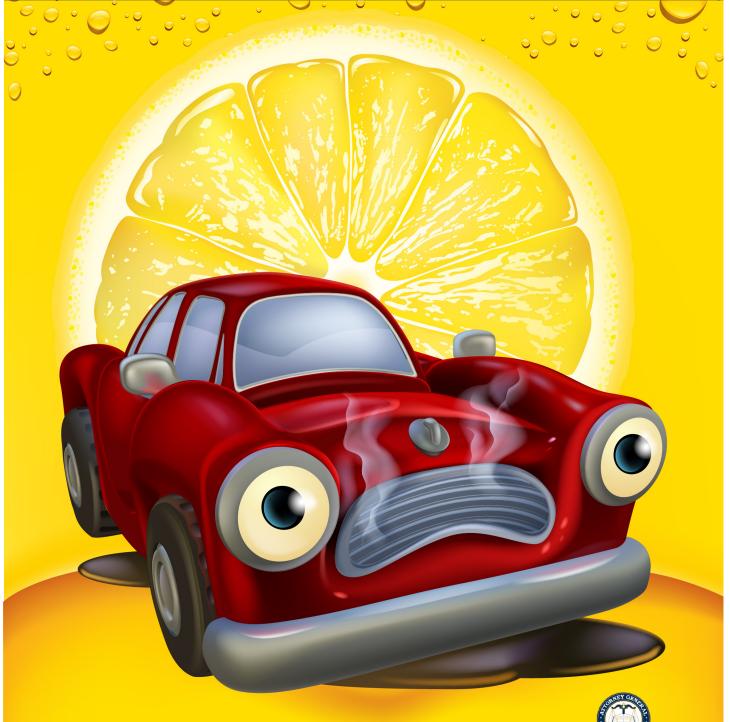
Lemon Law Arbitration Program



2019 ANNUAL REPORT



Table of Contents

LETTER FROM FLORIDA ATTORNEY GENERAL ASHLEY MOODY	5
INTRODUCTION	6
2019 EXECUTIVE SUMMARY	7
CASES APPROVED FOR ARBITRATION	8
PREHEARING SETTLEMENTS	11
DECISIONS BY THE ARBITRATION BOARD	13
NONCONFORMITIES FOUND	16
APPEALS	17
PROGRAM SUMMARY 1989-2019	18
2019 MANUFACTURER REPORTED REACQUIRED VEHICLES	21



Dear Floridians:

The Florida New Motor Vehicle Arbitration Board, housed in the Lemon Law Arbitration division of the Attorney General's office, is a free and effective forum for the resolution of disputes between consumers and motor vehicle manufacturers under Florida's "Lemon Law." Since the first case was filed in 1989 through the close of the reporting period, consumers have recovered more than \$498 million in refunds and vehicle replacements via settlements and arbitration awards.

This report focuses on disputes that were filed with the Office of Attorney General and approved for arbitration before the New Motor Vehicle Arbitration Board for the 2019 calendar year. The report includes a summary comparison of data for cases filed from 1989 through 2019. Also reported is the total number of motor vehicles identified by manufacturers as having been reacquired in 2019.

Consumers can obtain additional information about Florida's Lemon Law and search a list of vehicles repurchased by motor vehicle manufacturers by visiting the Office of the Attorney General's website, **www.myfloridalegal.com**.

Sincerely,

Ashley Moody Attorney General

Ashly Mordy

INTRODUCTION

Florida's "Lemon Law," Chapter 681, Florida Statutes, allows consumers to receive purchase price refunds or replacement motor vehicles when their new or demonstrator motor vehicles are subjected to repeated, unsuccessful repairs by the manufacturer or its authorized service agent for the same defect or condition, or are constantly in the shop for repair of one or more different defects or conditions. The defects or conditions covered by the Lemon Law are those that substantially impair the use, value or safety of the vehicle, and are first reported to the manufacturer or its authorized service agent during a specified period after the consumer takes delivery of the vehicle. If the manufacturer fails to provide the remedy required by statute, the consumer can arbitrate their claim before the Florida New Motor Vehicle Arbitration Board.

Members of the Florida New Motor Vehicle Arbitration Board are appointed by the Attorney General and conduct arbitration hearings throughout the state. Arbitration is an "all-or-nothing" proposition for the consumer, who will either win an award of a refund or replacement vehicle, or have their claim dismissed. Section 681.1095, Florida Statutes, requires the Attorney General to compile annual statistics for all disputes submitted to the Board. Because the law was changed in 2011 to require that requests for arbitration be filed with, and screened by, the Office of the Attorney General, instead of the Department of Agriculture and Consumer Services, comparison of certain data in more recent reports with that from 2010 and years prior may not be possible. Where such comparison is possible, the information will be compared. The information contained in this report was derived from the records of the Attorney General's Lemon Law Arbitration division, and covers claims filed with the Office of the Attorney General and approved for arbitration from January 1, 2019, through December 31, 2019.

Disputes are reported by manufacturer. In cases involving some motor vehicles, a single claim could involve multiple manufacturers. In those instances, approval of the claim for arbitration is credited to the "nameplate" manufacturer (the name of the manufacturer under which the vehicle was sold). In reporting the dollar values of the arbitration awards, all manufacturers found liable by the board in each case are listed; however, the per-case dollar amount of the award is not pro-rated. For example, if two manufacturers were found liable to pay the consumer in one case a refund of \$60,000, only the total amount of the award is reflected in this report, along with the names of both liable manufacturers. The law does not give the board the authority to pro-rate awards in multiple manufacturer cases.

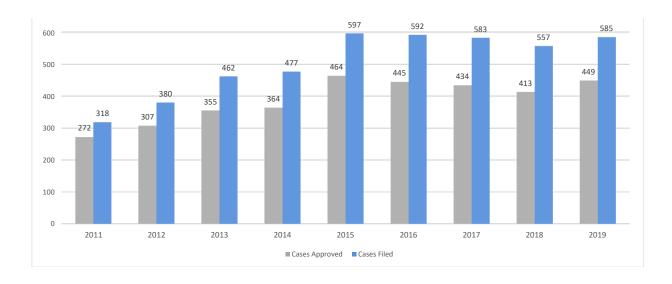


2019 EXECUTIVE SUMMARY

During the calendar year 2019, a total of 585 consumers filed arbitration claims with the Office of the Attorney General. This represents a slight increase in total cases filed compared to the year 2018 (which numbered 557). The overall trend since 2011 reflects an increase in the number of consumers seeking relief through the program. For 2019, purchase price refunds were requested by 85.6 percent (501) of the consumers approved for arbitration, while 14.4 percent (84) requested replacement vehicles. Of the 585 cases filed, 83 cases were rejected by the Office of the Attorney General as outside of the scope of the Arbitration Board's authority, and 53 were withdrawn by the consumer before formal action was taken on the request. The remaining 449 claims were approved for arbitration. This report is focused primarily on the outcomes of those cases. From January 1, 2019, through December 31, 2019, a total of 35 of the approved cases were voluntarily withdrawn by consumers after approval, but prior to any reported resolution. The remaining 414 cases were resolved via prehearing settlement (247) or arbitration decision (167). The dollar amount of relief obtained for the 2019 calendar year totaled very close to \$15.9 million.

Graph A shows the number of cases filed and the number approved for arbitration between 2011 and 2019.

GRAPH A
2011-2019 CASES FILED AND CASES APPROVED



CASES APPROVED FOR ARBITRATION

Since mid-2011, consumers have requested arbitration of their Lemon Law disputes by filing a Request for Arbitration form with the Lemon Law Arbitration division of the Attorney General's office. The forms are screened for eligibility under a process governed by statute. If a request is determined eligible, it is approved for arbitration, the parties are notified of the approval, and the case is assigned to the appropriate regional office of the Lemon Law Arbitration division for administration and the scheduling of a hearing.

The total number of claims filed by consumers in 2019 is reflected in **Table 1**, along with the number of those claims that were rejected or withdrawn prior to approval. Claims were approved against 26 manufacturers during the 2019 report period. The number of cases approved to move forward against each manufacturer, as well as the number of claims withdrawn by consumers after approval but for reasons other than settlement, is reflected in **Table 2**. Manufacturers are identified by the nameplate under which the vehicles were sold.

TABLE 1
2019 CASES FILED FOR ARBITRATION:
CASES REJECTED/NOT APPROVED AND CASES WITHDRAWN/NOT APPROVED

Manufacturer	Cases Filed	Cases Rejected- Not Approved	Cases Withdrawn- Not Approved	Cases Approved
ALFA ROMEO	1	0	0	1
AMERICAN CUSTOM GOLF CARS, INC.	1	0	0	1
AMERICAN HONDA/ACURA	36	1	1	34
ASTON MARTIN	3	0	0	3
BENTLEY	1	1	0	0
BMW	30	0	2	28
CHRYSLER/FCA US LLC	198	17	23	158
EVOLUTION ELECTRIC VEHICLE	1	0	0	1
FORD	44	19	3	22
GENERAL MOTORS	68	16	13	39
HYUNDAI	12	3	0	9
JAGUAR	9	0	0	9



TABLE 1 2019 CASES FILED FOR ARBITRATION: CASES REJECTED/NOT APPROVED AND CASES WITHDRAWN/NOT APPROVED (Continued)

Manufacturer	Cases Filed	Cases Rejected- Not Approved	Cases Withdrawn- Not Approved	Cases Approved
KIA	5	3	0	2
LAMBORGHINI	1	0	0	1
LAND ROVER	30	0	2	28
MASERATI	5	0	1	4
MAZDA	3	1	0	2
MCLAREN	3	0	0	3
MERCEDES-BENZ	29	1	0	28
MITSUBISHI	1	0	0	1
NISSAN/INFINITI	25	5	2	18
PORSCHE	2	1	0	1
SUBARU	12	1	1	10
TESLA	12	0	3	9
TOYOTA/LEXUS	37	9	0	28
VOLKSWAGEN/AUDI	11	5	1	5
VOLVO	5	0	1	4
TOTALS	585	83	53	449











TABLE 2 2019 CASES APPROVED FOR ARBITRATION AND CASES WITHDRAWN AFTER APPROVAL WITHOUT SETTLEMENT

Manufacturer	Cases Approved	Cases Withdrawn After Approval
ALFA ROMEO	1	0
AMERICAN CUSTOM GOLF CARS, INC.	1	0
AMERICAN HONDA/ACURA	34	1
ASTON MARTIN	3	0
BENTLEY	0	0
BMW	28	0
CHRYSLER/FCA US LLC	158	16
EVOLUTION ELECTRIC VEHICLE	1	0
FORD	22	4
GENERAL MOTORS	39	4
HYUNDAI	9	1
JAGUAR	9	1
KIA	2	1
LAMBORGHINI	1	0
LAND ROVER	28	0
MASERATI	4	0
MAZDA	2	0
MCLAREN	3	0
MERCEDES-BENZ	28	2
MITSUBISHI	1	0
NISSAN/INFINITI	18	0
PORSCHE	1	0
SUBARU	10	0
TESLA	9	1
TOYOTA/LEXUS	28	3
VOLKSWAGEN/AUDI	5	1
VOLVO	4	0
TOTALS	449	35



PREHEARING SETTLEMENTS

Consumer claims were resolved by settlement between the parties in 55 percent (247) of the 449 approved cases for the report period. "Full" settlements, or settlements for the same full refund or vehicle replacements consumers would have obtained had they prevailed in arbitration, numbered 215, while the remaining 32 cases were settled for something less than full relief. Generally, these "partial" settlements are for such things as additional repairs, extended warranties, or partial cash payments.

This is the fifth consecutive reporting period in which consumer claims were resolved by settlement between the parties in over 50% of the cases approved for arbitration: the settlement rate for 2015 was 59 percent (274 out of 464 cases), the settlement rate for 2016 was 51 percent (230 out of 445), the settlement rate for 2017 was 58 percent (250 out of 434) and the settlement rate for 2018 was 52 percent (216 out of 413).

Tables 3 and **4** identify the manufacturers entering into partial and full settlements with consumers during the report period, and the total dollar values of the full settlements. The nature of most partial settlements prevents assignment of dollar values to them.

TABLE 3
2019 NUMBER OF "PARTIAL" SETTLEMENTS

Manufacturer	Number
AMERICAN HONDA/ACURA	4
ВМW	6
CHRYSLER/FCA	5
FORD	3
GENERAL MOTORS	5
HYUNDAI	2
JAGUAR	1
LAND ROVER	1
MAZDA	1
MCLAREN	1
MERCEDES-BENZ	2
TOYOTA/LEXUS	1
TOTALS	32

TABLE 4
2019 NUMBER, PERCENT, AND VALUE OF FULL SETTLEMENTS

Manufacturer	Full Settlements	Percentages of All Settlements	Value of Full Settlements
ALFA ROMEO	1	0.47%	\$32,874.00
AMERICAN HONDA/ACURA	9	4.19%	\$313,541.00
ASTON MARTIN	1	0.47%	\$179,461.00
BMW	6	2.79%	\$458,826.00
CHRYSLER/FCA	122	56.74%	\$5,001,003.00
FORD	1	0.47%	\$47,824.00
GENERAL MOTORS	17	7.91%	\$745,534.00
HYUNDAI	1	0.47%	\$3,919.00
JAGUAR	2	0.93%	\$117,765.00
LAND ROVER	12	5.58%	\$840,113.00
MASERATI	3	1.40%	\$358,195.00
MERCEDES-BENZ	12	5.58%	\$1,022,549.00
NISSAN/INFINITI	5	2.33%	\$223,344.00
SUBARU	8	3.72%	\$298,471.00
TESLA	3	1.40%	\$229,202.00
TOYOTA/LEXUS	8	3.72%	\$362,655.00
VOLKSWAGEN/AUDI	2	0.93%	\$146,103.00
VOLVO	2	0.93%	\$92,781.00
TOTALS	215	100.00%	\$10,474,160.00



DECISIONS BY THE ARBITRATION BOARD

Cases that were not withdrawn or settled went to hearings before the Florida New Motor Vehicle Arbitration Board. During the report period, as many as 82 Florida citizens served as members of the statewide Arbitration Board. The Board is comprised of members with diverse backgrounds, and include individuals in the legal, education, automotive, engineering, alternative dispute resolution, and business professions. They perform a very valuable public service, and do so for very little compensation.

Cases are assigned to geographical regions from Pensacola to Miami, depending upon the residence address of the consumer. Arbitration hearings are conducted by three-member panels of the Board in public locations throughout the state. If the consumer prevails at hearing, a refund or replacement motor vehicle is awarded. If the manufacturer prevails, the case is dismissed. It is neither necessary nor required for parties to have attorneys in order to participate in arbitrations before the Florida New Motor Vehicle Arbitration Board. The Board is not empowered by the Legislature to award attorney fees to parties who prevail in arbitration.

The Board conducted a total of 167 arbitration hearings during this report period. Consumers prevailed in 92 (55 percent) of these cases, while manufacturers prevailed in 75 (45 percent).

When the consumer prevails at a hearing, the Arbitration Board awards either a refund of all amounts paid to acquire the vehicle or a replacement motor vehicle, at the option of the Consumer. If a refund is awarded and the "lemon" vehicle was purchased with financing, the consumer and lienholder are refunded according to their interests. Generally, such awards direct the manufacturer to pay the consumer a specified amount consisting of all expenses incurred to acquire the vehicle (e.g. cash down payment, as well as non-financed government fees, options and accessories, extended service agreements, etc.), and where applicable, the net allowance for any trade-in vehicle, all periodic principal and interest payments made as of the date the vehicle is repurchased, and any reasonable costs caused by the substantial defect(s). The manufacturer is directed to pay to the lienholder the balance owed on the loan as of the repurchase date.

If the vehicle was leased, the consumer is awarded all amounts paid at lease signing, the net allowance for any trade-in vehicle, all lease payments made as of the date the vehicle is repurchased, and any reasonable costs caused by the substantial defect(s). The lessor is paid according to a formula set forth by statute and is prohibited from charging any penalty for early termination of the lease.

If a replacement motor vehicle is awarded, the replacement vehicle must be identical or reasonably equivalent to the vehicle being replaced, and it must be acceptable to the consumer. In addition, the consumer is refunded costs paid to acquire the "lemon" vehicle (e.g. options and accessories, sales tax, extended service agreements, interest paid on the loan, or rental charge paid on the lease as of the date of replacement, if applicable), as well as costs incurred as a result of the substantial defect(s).



Whether the award is a refund or a replacement vehicle, a "reasonable offset for use" is charged to the consumer. The offset for use is calculated according to a statutory formula.

Table 5 shows the number, percentage and dollar values of Arbitration Board award decisions for 2019 by manufacturer. Dollar values are based upon the total amount of the awards, including the loan or lease pay-offs, and any additional amounts awarded, reduced by the statutory offsets. In multiple manufacturer cases, one or several of the participating manufacturers could have been found liable for the award. If liability was assessed jointly against several participating manufacturers, these are listed separately.

TABLE 5
2019 DECISION AWARDS BY LIABLE MANUFACTURER

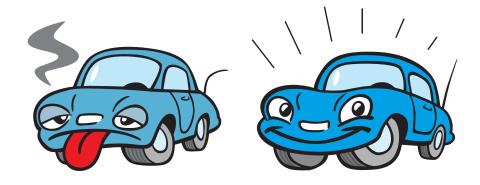
Liable Manufacturer	Number of Decision Awards	Percentages	Value of Awards
AMERICAN CUSTOM GOLF CARS, INC.	1	1.09%	\$0.00
AMERICAN HONDA/ACURA	11	11.96%	\$535,551.00
ASTON MARTIN	2	2.17%	\$432,296.00
вми	10	10.87%	\$538,871.00
EVOLUTION ELECTRIC VEHICLE	1	1.09%	\$10,497.00
FORD	6	6.52%	\$290,405.00
GENERAL MOTORS	6	6.52%	\$199,879.00
HYUNDAI	3	3.26%	\$60,871.00
JAGUAR	4	4.35%	\$207,964.00
KIA	1	1.09%	\$33,547.00
LAMBORGHINI	1	1.09%	\$371.854.00
LAND ROVER	15	16.30%	\$936,830.00
MASERATI	1	1.09%	\$90,402.00
MAZDA	1	1.09%	\$26,000.00
MCLAREN	2	2.17%	\$435,965.00
MERCEDES-BENZ	5	5.43%	\$344,118.00
NISSAN/INFINITI	9	9.78%	\$307,535.00
TESLA	4	4.35%	\$302,287.00
TOYOTA/LEXUS	7	7.61%	\$215,824.00
VOLKSWAGEN/AUDI	1	1.09%	\$38,633.00
VOLVO	1	1.09%	\$65,277.00
TOTALS	92	100.00%	\$5,44,606.00



Table 6 shows the number of cases dismissed, by manufacturer, and the percentage that number represents of the total number of cases dismissed in 2019.

TABLE 6
2019 CASES DISMISSED

Manufacturer	Number	Total Percentages
AMERICAN HONDA/ACURA	9	12.00%
ВМЖ	6	8.00%
CHRYSLER/FCA	15	20.00%
FORD	8	10.67%
GENERAL MOTORS	7	9.33%
HYUNDAI	2	2.67%
JAGUAR	1	1.33%
MERCEDES-BENZ	7	9.33%
MITSUBISHI	1	1.33%
NISSAN/INFINITI	4	5.33%
PORSCHE	1	1.33%
SUBARU	2	2.67%
TESLA	1	1.33%
TOYOTA/LEXUS	9	12.00%
VOLKSWAGEN/AUDI	1	1.33%
VOLVO	1	1.33%
Totals	75	100.00%

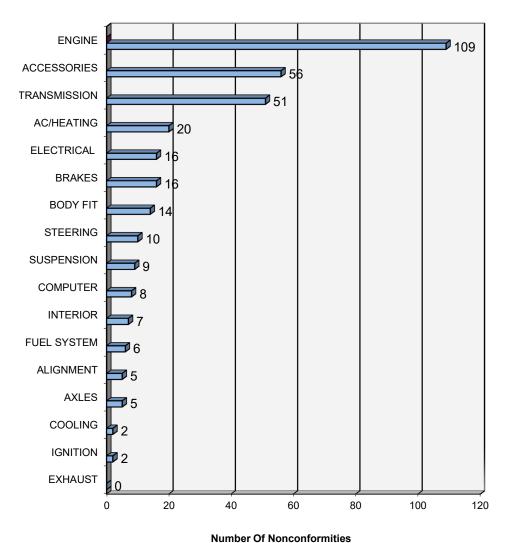




NONCONFORMITIES FOUND

The Lemon Law requires that an award decision on behalf of a consumer be based on the existence of a "nonconformity," meaning a defect or condition that substantially impairs the use, value or safety of the vehicle and that is not the result of abuse, neglect, modification or alteration of the vehicle by persons other than the manufacturer or its authorized service agent. Graph B illustrates the number of nonconformities found by the Arbitration Board in 2019 in the major vehicle systems or components listed. The five most common nonconformities found by the Board in 2019 were defects in the engine, accessories, transmission, AC/heating, and electrical systems.

GRAPH B 2019 NONCONFORMITIES FOUND





APPEALS

Parties not satisfied with decisions of the Florida New Motor Vehicle Arbitration Board can appeal them to the circuit court. Manufacturers filed 1 appeal in 2019. Consumers filed 16 appeals in 2019. Overall, the appeals totaled 10.2% of the 167 cases decided by the Board.





PROGRAM SUMMARY

Graph C illustrates the total number of cases approved for arbitration for each year since the inception of the program through the report period, from 1989-2019.

GRAPH C
1989-2019 CASES APPROVED FOR ARBITRATION

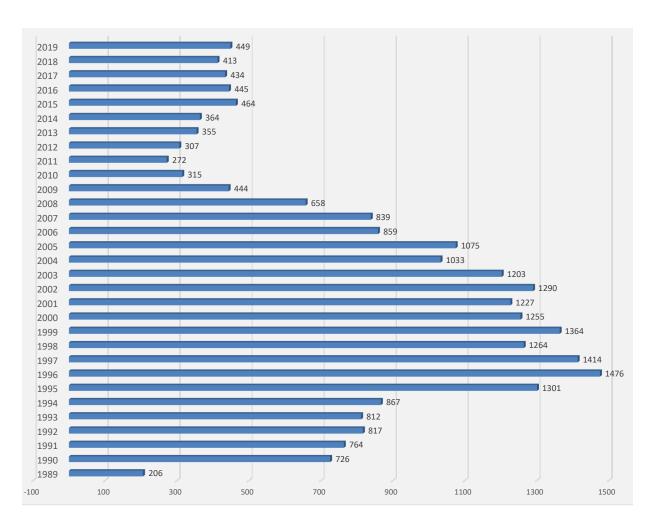




Table 7 and **Graph D** illustrate the consumer relief obtained through the program from 1989-2019. Of the 24,712 consumer claims approved for arbitration during that period, full relief via either prehearing settlements or decision awards was obtained in 69.5 percent (17,184), for a total dollar value of more than \$498 million.

TABLE 7
1989-2019 TOTAL CASES APPROVED AND RECOVERY VALUES

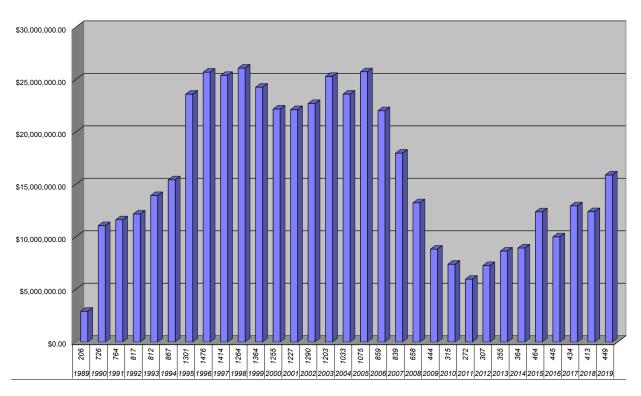
	Total Number	Dollar Value	Number of Cases
Year	of Approved Cases	of Recoveries	with Recoveries
1989	206	\$ 2,925,943.00	145
1990	726	\$ 11,084,254.00	533
1991	764	\$ 11,645,821.00	543
1992	817	\$ 12,194,871.00	661
1993	812	\$ 13,955,116.00	603
1994	867	\$ 15,455,498.00	635
1995	1301	\$ 23,623,638.00	934
1996	1476	\$ 25,716,474.00	1076
1997	1414	\$ 25,407,219.00	1014
1998	1264	\$ 26,103,773.00	905
1999	1364	\$ 24,284,201.00	953
2000	1255	\$ 22,199,403.00	863
2001	1227	\$ 22,144,257.00	850
2002	1290	\$ 22,730,626.00	832
2003	1203	\$ 25,311,738.00	825
2004	1033	\$ 23,626,887.00	714
2005	1075	\$ 25,755,869.00	784
2006	859	\$ 22,047,619.00	611
2007	839	\$ 17,995,763.00	500
2008	658	\$ 13,266,987.00	404
2009	444	\$ 8,851,875.00	254
2010	315	\$ 7,415,805.00	204
2011	272	\$ 5,987,621.00	168
2012	307	\$ 7,280,706.00	207



TABLE 7
1989-2019 TOTAL CASES APPROVED AND RECOVERY VALUES
(Continued)

Year	Total Number of Approved Cases	Dollar Value of Recoveries	Number of Cases with Recoveries
2013	355	\$ 8,670,318.00	235
2014	364	\$ 8,961,428.55	241
2015	464	\$ 12,406,702.32	336
2016	445	\$ 10,021,220.00	298
2017	434	\$ 12,975,100.00	279
2018	414	\$ 12,420,607.00	270
2019	449	\$15,918,766.00	307
Totals	24712	\$498,386,106.05	17184

GRAPH D
1989-2019 TOTAL CASES APPROVED AND RECOVERY VALUES





2019 MANUFACTURER-REPORTED REACQUIRED VEHICLES

Under Florida's Lemon Law, manufacturers are required to notify the Office of the Attorney General when they reacquire new vehicles from the original owners under certain conditions specified by the statute. This notification is made on a form that includes identification of the vehicle, the reason for the buy-back, and disclosure of the reported defects. A portion of the form is sent by the manufacturer to the Office of the Attorney General, with the remainder of the form required to travel with the vehicle and be provided to the retail buyer if and when the vehicle is resold.

When the Attorney General's Office receives a disclosure form from a manufacturer, the information reported is entered in a database maintained by the Lemon Law Arbitration division. This information also forms the basis for the searchable database of repurchased vehicles that is accessible on the Attorney General's website.



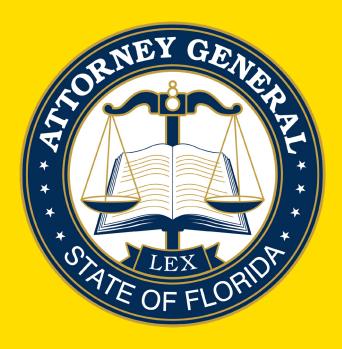
Table 8 lists, by vehicle make, the number of vehicles reported by manufacturers as having been repurchased for 2019. The total number reported was 2,108. Included in that number were vehicles bought back as a result of settlements or decisions of claims before the Florida New Motor Vehicle Arbitration Board, along with vehicles repurchased for a variety of other reasons, including settlements or decisions of manufacturer-sponsored procedures, similar statutes of other states (a number of the reported repurchases originated in states other than Florida), court settlements or decisions, and reasons characterized as "customer goodwill."



TABLE 8 2019 MANUFACTURER-REPORTED REACQUIRED VEHICLES

Vehicle Make	Reporting Manufacturer	Number of Vehicles Repurchased
Acura	American Honda Motor Company	11
Alfa Romeo	Alfa Romeo Distributors of North America	29
Alfa Romeo	FCA US LLC, f/k/a Chrysler Group LLC	9
Audi	Volkswagen/Audi of America Inc.	17
BMW	BMW of North America, LLC	55
BUICK	GENERAL MOTORS LLC	17
CADILLAC	GENERAL MOTORS LLC	58
CHEVROLET	GENERAL MOTORS LLC	248
CHRYSLER	FCA US LLC, F/K/A CHRYSLER GROUP LLC	61
DODGE	FCA US LLC, F/K/A CHRYSLER GROUP LLC	52
FIAT	FCA US LLC, F/K/A CHRYSLER GROUP LLC	1
FORD	FORD MOTOR COMPANY	291
GMC	GENERAL MOTORS LLC	64
HONDA	AMERICAN HONDA MOTOR COMPANY	21
HYUNDAI	HYUNDAI MOTOR AMERICA	159
INFINITI	NISSAN MOTOR CORPORATION U.S.A.	43
JEEP	FCA US LLC, F/K/A CHRYSLER GROUP LLC	132
KIA	KIA MOTORS AMERICA, INC.	39
LEXUS	TOYOTA MOTOR SALES, U.S.A., INC.	14
LINCOLN	FORD MOTOR COMPANY	47
MASERATI	MASERATI NORTH AMERICA, INC.	40
MAZDA	MAZDA MOTOR OF AMERICA, INC	4
MERCEDES-BENZ	MERCEDES-BENZ USA, LLC	185
NISSAN	NISSAN MOTOR CORPORATION U.S.A.	180
PORSCHE	PORSCHE CARS NORTH AMERICA, INC.	27
RAM	FCA US LLC, F/K/A CHRYSLER GROUP LLC	78
ROLLS-ROYCE	ROLLS-ROYCE MOTOR CARS NA, LLC	2
SMART	DAIMLER VEHICLE INNOVATIONS USA, LLC	9
SUBARU	SUBARU OF AMERICA, INC.	52
TOYOTA	TOYOTA MOTOR SALES, U.S.A., INC.	88
VOLKSWAGEN	VOLKSWAGEN/AUDI OF AMERICA, INC.	36
VOLVO	VOLVO CARS OF NORTH AMERICA	33
	TOTAL	2108





Office of the Attorney General Lemon Law Arbitration Program PL-01, The Capitol Tallahassee, FL 32399-1050 (850) 414-3500

Lemon Law Hotline: 1-800-321-5366 http://myfloridalegal.com

Member
International Association of Lemon Law Administrators
http://www.ialla.net