



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF PENNSYLVANIA ELAINE RICE and ALEX KUKICH, Individually, and on behalf of all others similarly situated, Plaintiffs, v. ELECTROLUX HOME PRODUCTS, INC., Defendant.

No. 4:15-CV-00371 (Judge Brann)

MEMORANDUM OPINION

FEBRUARY 20, 2018 Before the Court for disposition is Defendant Electrolux Home Products, Consolidated Amended Class Action Complaint. For the reasons discussed below, this Motion will be granted in part and denied in part.

I. BACKGROUND ¹ This is a class action brought by Plaintiffs Elaine Rice and Alex Kukich to redress a defective condition in the stainless steel over-the-

¹ When considering a motion to dismiss, a court assumes the truth of all allegations made in

the complaint. *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). The material in this section, then, is taken entirely from Plaintiffs Complaint, ECF No. 116, and is presumed true for present purposes. range microwave ovens. ²

Defendant, has designed, manufactured, assembled, and sold a wide range of home appliances for nearly one-hundred years. ³

Defendant sells these appliances both directly through its website, and indirectly through ⁴ As noted above, among the home appliances sold by Defendant are stainless steel, over-the-range microwave ovens ⁵

These Microwaves are, as the name suggests, designed, manufactured, and intended to be used and installed on a vertical wall directly above the cooking surface. ⁶

Plaintiff Elaine Rice purchased one version of the Microwave, model number FGMV174KFC, containing a handle defect. ⁷ -The-Range Microwave Oven, model number FGMV174KFC, containing a handle defect. ⁸



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

This Microwave was purchased from retailer HHGREGG in Catonsville, Maryland in October 2013. 9 Plaintiffs allege that the Microwaves they purchased contain a serious defect due to the stainless steel handle; when installed at the recommended height, the 2 Consolidated Am. Class Action Compl. (ECF No. 116) ¶ 1. 3 Id. ¶ 24. 4 Id. 5 Id. ¶ 25. 6 Id. ¶ 2. 7 Consolidated Am. Class Action Compl. (ECF No. 116) ¶ 10. 8 Id. ¶ 15. 9 Id. ¶ 16. Microwave handle absorbs heat and can reach temperatures exceeding 168 degrees Fahrenheit. 10

Indeed, when tests were conducted on Plaintiff the handle temperature exceeded 168 degrees Fahrenheit in the time it took to bring water to a boil. 11

Standard for Heated System Surface Conditions that Produce Contact Burn

Injuries, 12

skin contact with metallic surfaces which exceed temperatures of 140 degrees Fahrenheit causes burns resulting in irreversible injury. 13

The conduction of opening the Microwave door its intended and ordinary purpose. 14

The Microwave handles containing this defect include at least the following part numbers: 5304471830, 5304481502, 5304471828, 5304472054, 5304472053, and 5304461371. 15 Plaintiff for \$269.10, and paid an additional \$180 to have the Microwave professionally

installed in her home in accordance with the Installation Instructions provided by

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Id. ¶ 2. 11

Id. ¶ 6. 12

ECF No. 116-2. 13

Consolidated Am. Class Action Compl. (ECF No. 116) ¶ 10. 14

Id. ¶ 7. 15

Id. ¶ 26. Electrolux. 16

At some point thereafter, Plaintiff Rice was cooking on her stovetop and reached for the Microwave handle to open the door. 1718



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

The temperature of the 19

Plaintiff Rice thereafter regarding the injury, and Defendant arranged for service representative to inspect the microwave. 20

After inspecting the Microwave, a service representative from Baker Appliance Repair, LLC informed Plaintiff Rice that her Microwave had been installed too close to the surface of her stovetop. 21

Despite the Installation Instructions calling for the Microwave top to be installed thirty inches from the stovetop surface, as Plaintiff Rice had done, the Baker Appliance worker asserted that the Microwave base must be thirty inches from the stovetop surface. 22 On February 18, 2015, Ms. Rice filed a complaint with this Court, alleging eight counts: (1) declaratory relief pursuant to 28 U.S.C. § 2201, et seq.; (2) strict liability for a design defect and failure to warn; (3) negligent failure to warn; (4) violation of the Magnuson-Moss Consumer Products Warranties Act; (5) breach of

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Id. ¶¶ 38 39. 17

Id. ¶ 40. 18

Plaintiff Kukich alleges no such personal injury. 19

Consolidated Am. Class Action Compl. (ECF No. 116) ¶ 40. 20

Id. ¶¶ 41 42. 21

Id. ¶ 43. 22

Id. ¶¶ 43 44. implied warranty of merchantability; (6) breach of express warranty; (7) unjust enrichment; and (8) strict liability for a design defect and failure to warn, resulting in personal injuries. 23

In addition to bringing personal claims, Ms. Rice asserts a class action for three putative classes. 24

By Memorandum Opinion and Order dated July 28, 2015, I (1) dismissed any claims for economic loss related to the cost to repair or replace the Microwaves in tort counts two and three, (2) struck count 8 for strict liability for a design defect and failure to warn resulting in seven for unjust enrichment and any claim for equitable tolling. 25



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

The parties thereafter engaged in discovery 26

dispute 27 and its satisfaction of existing subject matter jurisdiction. 28 On January 24, 2017, the United States District Court for the District of by Plaintiff Kukich. 29

The parties thereafter stipulated to the consolidation of that action with the present case initiated by Plaintiff Rice, and the filing of a

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ECF No. 1. 24

Id. 25

ECF No. 24. 26

ECF No. 29, 83, & 85. 27

ECF Nos. 80 & 81. 28

ECF Nos. 106 & 107. 29

ECF No. 115 ¶ 7. Consolidated Amended Class Action Complaint. 30

Plaintiffs filed the operative Consolidated Amended Class Action Complaint on March 24, 2017. 31

Defendant filed a Partial Motion to Dismiss on April 14, 2017 which, following briefing, is now ripe for disposition. 32

II. DISCUSSION

A. Standard of Review When considering a motion to dismiss for failure to state a claim upon which relief may be granted, 33

a court assumes the truth of all factual allegations in the 34

the court 35 ations, so treated, state a claim that is plausible i.e., the motion is denied; if they fail to do so, the motion is granted. 36

B. Analysis



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

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See generally ECF No. 115. 31

ECF No. 116. 32 ECF Nos. 117, 118, 119, & 120. 33 Federal Rule of Civil Procedure 12(b)(6). 34 Phillips v. County Of Allegheny, 515 F.3d 224, 228 (3rd Cir. 2008). 35 Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009); see also Connelly v. Lane Const. Corp., 809 F.3d 780, 786 (3rd Cir. 2016). 36 Id.

i. Whether the Consolidated Amended Complaint Improperly

Expands the Putative Class Defendant Electrolux first moves to strike the class definitions included Consolidated Amended Class Action Complaint. Defendant avers that such an action is warranted because this Amended Complaint impermissibly expanded the putative class definitions without either opposing or leave of Court. 37

Plaintiffs, in turn, argue that the class definitions within the March 24, 2017 Complaint were not expanded, and, even if they were, such expansion was done with both Court leave and opposing party consent. 38

Plaintiffs base this argument on the Court-approved February 10, 2017 Stipulation in which the Court both consolidated the Rice and Kukich actions, and granted leave to file an amended complaint. 39 Here, I have compared the putative class definitions contained within the Consolidated Amended Class Action Complaint with those of both the original Rice and Kukich Complaints. 40

In these documents, the putative classes are defined as such:

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17. 38

P Mot. to Dismiss (ECF No. 119), at 3 12. 39

Id. 40

See ECF Nos. 1 & 116; Civil Docket No. 4:17-cv-00149, ECF No. 1.

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400-Grade Stainless St 42 43

Given these definitions, I am in agreement with Defendant that the putative class definitions have



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

expanded within the successive pleadings. The question remains therefore whether this expansion occurred with or leave of Court. I find that it occurred with Court leave.

First, I am in agreement with Plaintiffs that the plain language of Stipulation entered into between the parties, and adopted by the Court, provided for the filing of an amended complaint consolidating the Rice and Kukich Actions. 44

The putative class definition within the Consolidated Amended Class Action Complaint was therefore made with leave of Court under Federal Rule of Civil Procedure 15(a)(2), and is a natural, but perhaps overbroad, consequence of that consolidation. Second, I note that, despite the vigorous argument of the parties, the putative class definition contained within the Consolidated Amended Class Action

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See ECF No. 1 ¶¶ 62 63. 42 See Civil Docket No. 4:17-cv-00149, ECF No. 1 ¶¶ 44 45. 43

See ECF No. 116 ¶¶ 2, 66 67. 44

See Stipulation Modifying Case Management Deadlines (ECF No. 114) ¶ 8b. See also ECF No. 115 (containing Court approval). Complaint are just that putative. The Court retains the authority to limit or modify class definitions, in conjunction with the discovery material advanced, to provide the precision needed at the upcoming class certification stage. 45

I will therefore decline to strike the class definitions advanced in the Consolidated Amended Class Action Complaint.

ii.

Economic Loss Rule claims, 46

arguing that they are barred by the economic loss rule of the State of Maryland. 47

Defendant specifically avers that Plaintiff Kukich has failed to allege personal injury, and is instead seeking damages for economic loss resulting from the microwave itself damages not recoverable in tort. 48

Plaintiff Kukich, however, argues that he has plausibly alleged facts establishing economic loss doctrine. 49

averments as true, I am satisfied that Plaintiff Kukich has, at this preliminary stage



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

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See, e.g., *Chedwick v. UPMC*, 263 F.R.D. 269, 272 (W.D.Pa. 2009)(collecting cases); *Logory v. Cnty. of Susquehanna*, 277 F.R.D. 135, 139 n.1 (M.D.Pa. 2011). 46

These tort claims are strict liability, negligent failure to warn, and negligence, as included in Counts II, III, and VII of the Consolidated Amended Class Action Complaint. 47

o. 118), at 18 19. 48

Id. 49

17. of litigation, made plausible that further discovery may support the application of the public safety exception to the economic loss doctrine.

categorized generally as (1) personal injuries, (2) physical harm to tangible things, and (3) intangible economic loss resulting from the inferior quality or unfitness of the product to serve adequately the purpose for which it was 50

A plaintiff alleging only the third type of injury economic loss is generally barred from bringing a tort claim, and must instead proceed under a contract theory. 51 This doctrine, known as the economic loss doctrine, does not, however, always bar tort recovery of solely economic damages. 52

Rather, in *Council of Co-Owners Atlantis Condominium, Inc. v. Whiting Turner Contracting Co.*, 517 A.2d 336, 345 (Md. 1986), circumstances, those in which a product defect presents a substantial, clear and

unreasonable risk of death or personal injury, it is inappropriate to draw a

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A.J. Decoster Co. v. Westinghouse Elec. Corp., 634 A.2d 1330, 1332 (Md. 1994)(citing *W. Page Keeton et al.*, *Prosser and Keeton on the Law of Torts* § 101, at 707-08 (5th ed. 1984)). 51

Id.; see also *Nat'l Labor College, Inc. v. Hillier Group Architecture N.J., Inc.*, 739 F.Supp.2d 821, 832 (D.Md. 2010) negligence claims that allege o 52

Lloyd v. General Motors Corp., 916 A.2d 257, 266 (Md. 2007). personal injury and purely economic loss. 53 Maryland courts apply a two-part test to determine its applicability. 54

Specifically, a of the damage threatened and the probability of damage occurring to determine



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

whether the two, viewed together, exhibit a clear, serious, and unreasonable risk of 55

ts, the critical test is not whether the plaintiff has alleged facts that meet an articulable threshold for both elements, but, rather, whether that plaintiff has met the threshold to satisfy either of the elements so long as, under the facts alleged, both elements are, 56

Indeed, in *Morris v. Osmose Wood Preserving*, the Maryland Court of Appeals described this test as follows:

[I]f the possible injury is extraordinarily severe, i.e., multiple deaths, we do not require the probability of the injury occurring to be as high as we would require if the injury threatened were less severe, i.e. a broken leg or damage to property. Likewise, if the probability of the injury occurring is extraordinarily high, we do not require the injury to be as severe as we would if the probability of injury were lower. 57

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Id.(citing *Council of Co-Owners Atlantis Condominium, Inc. v. Whiting Turner Contracting Co.*, 517 A.2d 336, 345. (Md. 1986)). 54

Morris v. Osmose Wood Preserving, 667 A.2d 624, 632 (Md. 1995). 55

Id. 56

Lloyd, 916 A.2d at 269 (citing *Morris*, 667 A.2d at 631 32). 57

Morris, 667 A.2d at 632. Viewing the facts in the light most favorable to the non-moving party and with all reasonable inferences in his favor, I find that Plaintiff Kukich has alleged facts that make it plausible that further discovery may bring his tort claims for economic loss within the public safety exception. Specifically, concerning the first element the nature of the damage threatened, Plaintiff Kukich alleges that the handle defect is unreasonably 58

Plaintiff specifically avers that testing of this handle revealed temperatures exceeding 168°F when the cooking range below was in use. 59

This exceeds the point of irreversible permanent skin damage, as measured at 158°F. 60 Second, Plaintiff Kukich sufficiently alleges a high probability of serious injury. Indeed, Plaintiff indicates, within the Consolidated Amended Complaint

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Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

Given that use of the handle is therefore unavoidable during the ordinary operation of the microwave and oven range located below, the alleged defect presents a high probability of injury, satisfying the second requirement of the public safety exception. Defendant

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Consolidated Am. Class Action Compl. (ECF No. 116) ¶ 96. 59 Id. ¶ 98. 60

Id. ¶ 97. 61

Id. ¶ 28. loss doctrine will therefore be denied.

iii. -Based Claims Seeking

Economic Damages Are Barred Defendant Electrolux seeks the dismissal of -based claims to the extent they seek economic damages 28, 2015 Order. 62

Because these damages were previously dismissed, Defendant argues that Plaintiff Rice cannot therefore seek them on behalf of the putative class. 63

Plaintiff Rice, however, does not contest the holding of the July 28, 2015 Order dismissing damages for economic loss stemming from her tort claims, and instead argues that she is asserting such claims on behalf of the Rule 23(b)(2) declaratory relief class. 64 In my Memorandum Opinion of July 28, 2015, I addressed the issue of lity and negligent failure to warn claims should be dismissed to the extent based on purely economic damages. 65

Based on my review of Pennsylvania tort law, I wrote the following:

[T]he Court concludes that claims in tort for both economic and non- economic losses must be severed, with all economic losses resulting

62 Br. in Supp. of Partial Mot. to Dismiss (ECF No. 118), at 19 20. 63

-6. 64 7 18. 65

ECF No. 24, at 7.

solely from damage to the product itself being dismissed from the tort claim. 66 Here, Plaintiff Rice does not assert that she is attempted to re-litigate this holding, and the Court sees no reason to abandon it sua sponte. tort for both economic and non-economic losses remain severed, with all economic



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

losses resulting solely from damage to the product itself being dismissed. Therefore, to the extent that Plaintiff Rice attempts to assert claims in tort for such economic loss on behalf of a putative class, those claims for purely economic losses cannot proceed. 67

iv.

Merchantability Claim is Barred by the Statute of Limitations Under Maryland law, claims for breach of implied warranty are subject to a four-year statute of limitations. 68

A product manufacturer can, however, shorten that time period to not less than one year pursuant to Md. Com. Law § 2-725. 69

A claim for breach of implied warranty accrues, and the statute of limitations begins

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Id. at 10. 67 Bass v. Butler 376, 385 (3d Cir. 2004)(stating that, prior to class certification, ; Napoli v. HSBC Mortg. Services Inc., No. 12-CV-222, 2012 WL 3715936 (D.N.J. Aug. 27, 2012). 68

Md. Com. Law Code § 2-725; Youmans v. Douron, Inc., 65 A.3d 185, 188 (Md. App. 2013). 69

Md. Code Ann., Com. Law § 2-725. to run, when tender of delivery is made. 70

The discovery rule does not apply to extend the accrual date for breach of warranty claims. 71 Defendant here mplied warranty of merchantability as barred by the statute of limitations. 72

Specifically, because Defendant limited all claims based on implied warranties to one year, 73

it argues that this implied warranty claim is barred by the statute of limitations because tender of delivery occurred no later than October 2013. 74

Plaintiff Kukich resists dismissal by arguing that, although Section 2-725(1) of the Maryland Commercial Law Code allows for the reduction of the standard four year statute of limitations has misapplied this provision to the case at bar. 75

to this end are twofold. First, he argues that square with the text of the statute as it fails to articulate how the parties agreed to

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Youmans, 65 A.3d at 194; Rassa v. Rollins Protective Servs. Co., 30 F. Supp. 2d 538, 542 (D. Md. 1998).



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

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Md. Com. Law Code § 2-725(2) 72 22. 73 ECF No. 116-4 at 27 , INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE LIMITED TO ONE YEAR OR THE SHORTEST PERIOD ALLOWED . 74

ECF No. 116 ¶ 16. 75

119), at 20. 76

In support of this argument, he cites the non-binding case of Hoffman v. Daimler Trucks N. Am., in which the United States District Court for the Western District of Virginia rejected a reduction of the statute of limitations period under Virginia law that [plaintiff] was ever aware of the limitation period, let alone any agreement by

77 That case, however, is premised on an errant application of this Uniform Commercial Code provision. Indeed, in Merricks v. Monaco Coach Corp. a case distinguished in Hoffman the Western District of Virginia found a one-year limitation under the same Virginia statute to be validly reduced in the written warranties and thus enforceable. 78

In support of this conclusion, the Merricks court cited a multitude of other courts which had held that the same or similar provisions under the laws of other states valid and enforceable. 79 Our Court of Appeals has reached a similar conclusion. In Amvest v. Anderson Equipment Co., the Third Circuit found an identical provision in a limited warranty governed by the Pennsylvania Uniform Commercial Code to be

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Id. 77

940 F.Supp.2d 347, 358 (W.D.Va. 2013). 78

No. 08-CV-00047, 2008 WL 5210856, at *5 (W.D.Va. Dec. 15, 2008). 79

Id.(collecting cases). valid and enforceable. 80

The Third Circuit had previously reached the same conclusion concerning an analogous Delaware Uniform Commercial Code provision. 81

Here, even assuming the veracity of facts supporting Plaintiff implied warranty of merchantability claim. Tender of delivery was made in



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

October 2013. 82

complaint, filed on October 11, 2016, was therefore untimely, as it was nearly two years beyond the one year statute of limitations. This claim will therefore be dismissed, and amendment would be futile given this deficiency; said dismissal is therefore with prejudice. 83

v. s Express Warranty Claim

Should Be Dismissed for Lack of Privity In count six of the Consolidated Amended Complaint, Plaintiff Kukich alleges a breach of express warranty claim. Defendant seeks to dismiss this claim by Plaintiff Kukich for lack of privity. 84

Because 80

Amvest Corp. v. Anderson Equipment Co. -49 (3d Cir. 2009). 81

Strange v. Keiper Recarco Seating, Inc., 281 F.3d 224 (3d Cir. 2001)(affirming the District warranty claim). 82

Consolidated Am. Class Action Compl. (ECF No. 116) ¶ 16. 83 Phillips v. Cnty. of Allegheny finds that amendment would be inequitable or futile, the court must inform the plaintiff that he or she has leave to amend the complaint within a set perio 84

21. with Defendant is legally determinative given his failure to allege personal injury, I will grant that request and dismiss this claim. Under Maryland law, an express warranty exists where there is an

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Here, Plaintiff Kukich has alleged the existence of a limited warranty, and has in fact attached said warranty to the complaint. 86

Plaintiff Kukich also avers, however, that he purchased his microwave from HH Gregg, not from Defendant directly. 87

Because privity of contact is an essential ingredient in an express warranty action not involving personal injury, 88

the clear lack of privity between Plaintiff Kukich and Defendant is fatal to the instant express warranty claim. Dismissal of this claim, however, will be without prejudice to Plaintiff Kukich re-asserting it to the extent it can establish one of Maryland's recognized exceptions to this privity requirement. 89



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

vi.

Magnuson Moss Warranty Act Fails

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Md. Com. Law § 2-313(1)(a). 86

ECF No. 116-1. 87 Consolidated Am. Class Action Compl. (ECF No. 116) ¶ 16. 88 Copiers Typewriters Calculators, Inc. v. Toshiba Corp., 576 F.Supp. 312, 322 (D.Md. 1983)(quoting Addressograph-Multigraph Corp., v. Zink, 329 A.2d 28, 31 (Md. 1974)). 89

See H & M Co., Inc. v. Technical Heat Transfer Services, Inc., No. 14-CV-1518, 2015 WL 1472000, at *4-5 (D.Md. Mar. 30, 2015)(dismissing an express warranty claim where no personal injury is alleged without prejudice to plaintiff refiling it to show that this case falls under one of Maryland's recognized exceptions to privity). Magnuson Moss Warranty Act, codified at 15 U.S.C. § 2301, et seq. Magnuson- Moss actions for breach of limited or implied warranties are subject to the same pleading requirements as state law warranty claims. 90

Having previously found that Plaintiff express warranty claims fail, this claim must be similarly dismissed. Because I granted Plaintiff Kukich leave to amend his implied warranty of merchantability claim, dismissal here will also be without prejudice.

vii. Whether Ku Claim Should Be

Dismissed Finally, Defendant moves to dismiss s claim for declaratory relief, arguing (1) that the relief sought is not consistent with the purpose of declaratory judgments, and (2) the declaratory judgment act does not create an independent cause of action. 91

Plaintiff counters both of these points, and argues instead that this Court squarely rejected both arguments in its prior Memorandum Opinion in the Rice action. 92

Plaintiff Kukich is correct that the Court has already

90 See Laing v. Volkswagen of Am., Inc., 949 A.2d 26, 37 (Md. Ct. Spec. App. 2008); Bussian v. DaimlerChrysler Corp., 411 F.Supp.2d 614, 624(M.D.N.C. 2006). 91

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25. addressed and rejected these arguments in the Rice action. I see no need to deviate in this now consolidated action, as my reasoning there remains compelling. 93



Rice v. Electrolux Home Products, Inc.

2018 | Cited 0 times | M.D. Pennsylvania | February 20, 2018

III. CONCLUSION Based on the above reasoning, Complaint is granted in part and denied in part. Plaintiffs, however, will be

granted limited leave to amend their complaint as outlined above. An appropriate Order follows.

BY THE COURT:

s/ Matthew W. Brann Matthew W. Brann United States District Judge

93 In that Opinion, I found that the declaratory relief sought was appropriate because the microwaves had not yet been recalled and putative class action plaintiffs remain at risk of physical injury, and the relief requested differs from that of other substantive counts. See ECF No. 24, at 17 22.

