

BEFORE THE DIRECTOR
DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF AUTOMOTIVE REPAIR
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

**AAMCO TRANSMISSION; JOHNNY
WALKER**
4306 W. Century Blvd
Inglewood, CA 90304
Automotive Repair Dealer Registration No.
ARD 247358

Respondent.

Case No. 77/14-58

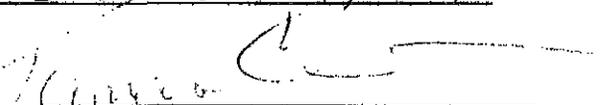
OAH No. 2014060165

DECISION

The attached Stipulated Settlement and Disciplinary Order is hereby accepted and adopted as the Decision of the Director of the Department of Consumer Affairs in the above-entitled matter.

This Decision shall become effective December 4, 2014.

DATED: November 17, 2014



TAMARA COLSON
Assistant General Counsel
Department of Consumer Affairs

1 KAMALA D. HARRIS
Attorney General of California
2 ARMANDO ZAMBRANO
Supervising Deputy Attorney General
3 ANTONIO LOPEZ, JR.
Deputy Attorney General
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300 So. Spring Street, Suite 1702
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Attorneys for Complainant

7
8 **BEFORE THE**
DEPARTMENT OF CONSUMER AFFAIRS
9 **FOR THE BUREAU OF AUTOMOTIVE REPAIR**
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. 77/14-58

12 **AAMCO TRANSMISSION; JOHNNY**
13 **WALKER**

OAH No. 2014060165

13 4306 W. Century Blvd
14 Inglewood, CA 90304
Automotive Repair Dealer Registration No.
ARD 247358

STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER

15
16 Respondent.

17
18 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-
19 entitled proceedings that the following matters are true:

20 **PARTIES**

21 1. Patrick Dorais ("Complainant") is the Chief of the Bureau of Automotive Repair. He
22 brought this action solely in his official capacity and is represented in this matter by Kamala D.
23 Harris, Attorney General of the State of California, by Antonio Lopez, Jr., Deputy Attorney
24 General.

25 2. Respondent Aamco Transmission; Johnny Walker ("Respondent") is represented in
26 this proceeding by attorney William Ferreira, whose address is: 582 Market Street, Suite 1608
27 San Francisco, CA 94104.

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CULPABILITY

9. Respondent understands and agrees that the charges and allegations in Accusation No. 77/14-58, if proven at a hearing, constitute cause for imposing discipline upon his Automotive Repair Dealer Registration.

10. For the purpose of resolving the Accusation without the expense and uncertainty of further proceedings, Respondent agrees that, at a hearing, Complainant could establish a factual basis for the charges in the Accusation, and that Respondent hereby gives up his right to contest those charges.

11. Respondent agrees that his Automotive Repair Dealer Registration is subject to discipline and he agrees to be bound by the Director's probationary terms as set forth in the Disciplinary Order below.

RESERVATION

12. The admissions made by Respondent herein are only for the purposes of this proceeding, or any other proceedings in which the Director of Consumer Affairs, Bureau of Automotive Repair, or other professional licensing agency is involved, and shall not be admissible in any other criminal or civil proceeding.

CONTINGENCY

13. This stipulation shall be subject to approval by the Director of Consumer Affairs or the Director's designee. Respondent understands and agrees that counsel for Complainant and the staff of the Bureau of Automotive Repair may communicate directly with the Director and staff of the Department of Consumer Affairs regarding this stipulation and settlement, without notice to or participation by Respondent or his counsel. By signing the stipulation, Respondent understands and agrees that he may not withdraw his agreement or seek to rescind the stipulation prior to the time the Director considers and acts upon it. If the Director fails to adopt this stipulation as the Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Director shall not be disqualified from further action by having considered this matter.

1 all vehicles (including parts) undergoing repairs, up to and including the point of completion.

2 5. **Jurisdiction.** If an accusation is filed against Respondent during the term of
3 probation, the Director of Consumer Affairs shall have continuing jurisdiction over this matter
4 until the final decision on the accusation, and the period of probation shall be extended until such
5 decision.

6 6. **Violation of Probation.** Should the Director of Consumer Affairs determine that
7 Respondent has failed to comply with the terms and conditions of probation, the Department may,
8 after giving notice and opportunity to be heard, suspend or revoke the license.

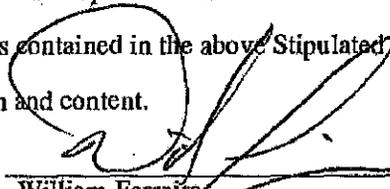
9 7. **Cost Recovery.** Payment to the Bureau of the cost recovery in the amount of
10 \$10,000.00, shall be received no later than 6 months before probation terminates. Failure to
11 complete payment of cost recovery within this time frame shall constitute a violation of probation
12 which may subject Respondent's license to outright revocation; however, the Director or the
13 Director's Bureau of Automotive Repair designee may elect to continue probation until such time
14 as reimbursement of the entire cost recovery amount has been made to the Bureau.

15 ACCEPTANCE

16 I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully
17 discussed it with my attorney, William Ferreira. I understand the stipulation and the effect it will
18 have on my Automotive Repair Dealer Registration. I enter into this Stipulated Settlement and
19 Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the
20 Decision and Order of the Director of Consumer Affairs.

21
22 DATED: 10/6/14 
23 AAMCO TRANSMISSION; JOHNNY WALKER
Respondent

24 I have read and fully discussed with Respondent Aamco Transmission; Johnny Walker the
25 terms and conditions and other matters contained in the above Stipulated Settlement and
26 Disciplinary Order. I approve its form and content.

27 DATED: 10-6-14 
28 William Ferreira
Attorney for Respondent

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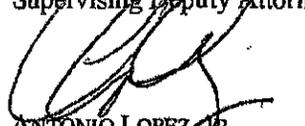
ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Director of Consumer Affairs.

Dated: 10/6/14

Respectfully submitted,

KAMALA D. HARRIS
Attorney General of California
ARMANDO ZAMBRANO
Supervising Deputy Attorney General



ANTONIO LOPEZ, JR.
Deputy Attorney General
Attorneys for Complainant

LA2013510635

Exhibit A

Accusation No. 77/14-58

1 KAMALA D. HARRIS
Attorney General of California
2 ARMANDO ZAMBRANO
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3 LANGSTON M. EDWARDS
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Attorneys for Complainant



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11 **STATE OF CALIFORNIA**

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13 **WALKER**
14 4306 W. Century Blvd
Inglewood, CA 90304

ACCUSATION

15 Automotive Repair Dealer Registration No.
ARD 247358

Amended By
Interlineation

16 Respondent.

17
18
19 Complainant alleges:

20 **PARTIES**

21 1. Patrick Dorais (Complainant) brings this Accusation solely in his official capacity as
22 the Chief of the Bureau of Automotive Repair, Department of Consumer Affairs.

23 2. In 2006, the Bureau of Automotive Repair issued Automotive Repair Dealer
24 Registration Number ARD 247358 to Aamco Transmission; Johnny Walker (Respondent). The
25 Automotive Repair Dealer Registration was in full force and effect at all times relevant to the
26 charges brought herein and will expire on September 30, 2014, unless renewed.

1 JURISDICTION

2 3. This Accusation is brought before the Director of Consumer Affairs (Director) for the
3 Bureau of Automotive Repair, under the authority of the following laws. All section references
4 are to the Business and Professions Code unless otherwise indicated.

5 4. Section 118, subdivision (b), of the Code provides that the suspension/ surrender/
6 cancellation of a license shall not deprive the Board/Registrar/Director of jurisdiction to proceed
7 with a disciplinary action during the period within which the license may be renewed, restored,
8 reissued or reinstated.

9 5. Section 9884.13 of the Code provides, in pertinent part, that the expiration of a valid
10 registration shall not deprive the director or chief of jurisdiction to proceed with a disciplinary
11 proceeding against an automotive repair dealer or to render a decision invalidating a registration
12 temporarily or permanently.

13
14 STATUTORY PROVISIONS

15 6. Section 9884.7 of the Code states:

16 "(a) The director, where the automotive repair dealer cannot show there was a bona fide
17 error, may deny, suspend, revoke, or place on probation the registration of an automotive repair
18 dealer for any of the following acts or omissions related to the conduct of the business of the
19 automotive repair dealer, which are done by the automotive repair dealer or any automotive
20 technician, employee, partner, officer, or member of the automotive repair dealer.

21 (1) Making or authorizing in any manner or by any means whatever any statement written
22 or oral which is untrue or misleading, and which is known, or which by the exercise of reasonable
23 care should be known, to be untrue or misleading.

24 (2) Causing or allowing a customer to sign any work order that does not state the repairs
25 requested by the customer or the automobile's odometer reading at the time of repair.

26 (3) Failing or refusing to give to a customer a copy of any document requiring his or her
27 signature, as soon as the customer signs the document.

28 (4) Any other conduct that constitutes fraud.

1 ...
2 (6) Failure in any material respect to comply with the provisions of this chapter or
3 regulations adopted pursuant to it."

4 7. Section 9884.8 of the Code states, in pertinent part:

5 "All work done by an automotive repair dealer, including all warranty work, shall be
6 recorded on an invoice and shall describe all service work done and parts supplied. Service work
7 and parts shall be listed separately on the invoice, which shall also state separately the subtotal
8 prices for service work and for parts, not including sales tax, and shall state separately the sales
9 tax, if any, applicable to each. One copy of the invoice shall be given to the customer and one
10 copy shall be retained by the automotive repair dealer."

11 8. Section 9884.9 of the Code states:

12 "(a) The automotive repair dealer shall give to the customer a written estimated price for
13 labor and parts necessary for a specific job. No work shall be done and no charges shall accrue
14 before authorization to proceed is obtained from the customer. No charge shall be made for work
15 done or parts supplied in excess of the estimated price without the oral or written consent of the
16 customer that shall be obtained at some time after it is determined that the estimated price is
17 insufficient and before the work not estimated is done or the parts not estimated are supplied.
18 Written consent or authorization for an increase in the original estimated price may be provided
19 by electronic mail or facsimile transmission from the customer. The bureau may specify in
20 regulation the procedures to be followed by an automotive repair dealer if an authorization or
21 consent for an increase in the original estimated price is provided by electronic mail or facsimile
22 transmission. If that consent is oral, the dealer shall make a notation on the work order of the date,
23 time, name of person authorizing the additional repairs and telephone number called, if any,
24 together with a specification of the additional parts and labor and the total additional cost, and
25 shall do either of the following:

26 (1) Make a notation on the invoice of the same facts set forth in the notation on the work
27 order.

1 (2) Upon completion of the repairs, obtain the customer's signature or initials to an
2 acknowledgment of notice and consent, if there is an oral consent of the customer to additional
3 repairs, in the following language:

4 "I acknowledge notice and oral approval of an increase in the original estimated price.

5 _____
6 (signature or initials)"

7 Nothing in this section shall be construed as requiring an automotive repair dealer to give a
8 written estimated price if the dealer does not agree to perform the requested repair."

9 9. Section 17200 of the Code states, in pertinent, that unfair competition shall mean and
10 include any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or
11 misleading advertising and any act prohibited by Chapter 1 (commencing with Section 17500) of
12 Part 3 of Division 7 of the Business and Professions Code.

13 10. Section 17500 of the Code states :

14 "It is unlawful for any person, firm, corporation or association, or any employee thereof
15 with intent directly or indirectly to dispose of real or personal property or to perform services,
16 professional or otherwise, or anything of any nature whatsoever or to induce the public to enter
17 into any obligation relating thereto, to make or disseminate or cause to be made or disseminated
18 before the public in this state, or to make or disseminate or cause to be made or disseminated
19 from this state before the public in any state, in any newspaper or other publication, or any
20 advertising device, or by public outcry or proclamation, or in any other manner or means
21 whatever, including over the Internet, any statement, concerning that real or personal property or
22 those services, professional or otherwise, or concerning any circumstance or matter of fact
23 connected with the proposed performance or disposition thereof, which is untrue or misleading,
24 and which is known, or which by the exercise of reasonable care should be known, to be untrue or
25 misleading, or for any person, firm, or corporation to so make or disseminate or cause to be so
26 made or disseminated any such statement as part of a plan or scheme with the intent not to sell
27 that personal property or those services, professional or otherwise, so advertised at the price
28 stated therein, or as so advertised. Any violation of the provisions of this section is a

1 misdemeanor punishable by imprisonment in the county jail not exceeding six months, or by a
2 fine not exceeding two thousand five hundred dollars (\$2,500), or by both that imprisonment and
3 fine.”

4
5 **REGULATORY PROVISIONS**

6 11. California Code of Regulations, Title 16, section 3353, states in pertinent part:

7 “No work for compensation shall be commenced and no charges shall accrue without
8 specific authorization from the customer in accordance with the following requirements:

9 (a) Estimate for Parts and Labor. Every dealer shall give to each customer a written
10 estimated price for parts and labor for a specific job.

11 ...

12 (c) Additional Authorization. The dealer shall obtain the customer=s authorization before
13 any additional work not estimated is done or parts not estimated are supplied. This authorization
14 shall be in written, oral, or electronic form, and shall describe additional repairs, parts, labor and
15 the total additional cost.

16 (1) If the authorization from the customer for additional repairs, parts, or labor in excess of
17 the written estimated price is obtained orally, the dealer shall also make a notation on the work
18 order and on the invoice of the date, time, name of the person authorizing the additional repairs,
19 and the telephone number called, if any, together with the specification of the additional repairs,
20 parts, labor and the total additional costs.

21 (2) If the authorization from the customer for additional repairs, parts, or labor in excess of
22 the written estimated price is obtained by facsimile transmission (fax), the dealer shall also attach
23 to the work order and the invoice, a faxed document that is signed and dated by the customer and
24 shows the date and time of transmission and describes the additional repairs, parts, labor and the
25 total additional cost.

26 12. California Code of Regulations, Title 16, section 3356 states, in pertinent part:

27 (a) All invoices for service and repair work performed, and parts supplied, as provided for
28 in Section 9884.8 of the Business and Professions Code, shall comply with the following:

1
2 (2) The invoice shall separately list, describe and identify all of the following:

3 (A) All service and repair work performed, including all diagnostic and warranty work, and
4 the price for each described service and repair.

5 (B) Each part supplied, in such a manner that the customer can understand what was
6 purchased, and the price for each described part. The description of each part shall state whether
7 the part was new, used, reconditioned, rebuilt, or an OEM crash part, or a non-OEM aftermarket
8 crash part.

9 13. California Code of Regulations, Title 16, section 3373, states:

10 "No automotive repair dealer or individual in charge shall, in filling out an estimate,
11 invoice, or work order, or record required to be maintained by section 3340.15(f) of this chapter,
12 withhold therefrom or insert therein any statement or information which will cause any such
13 document to be false or misleading, or where the tendency or effect thereby would be to mislead
14 or deceive customers, prospective customers, or the public."

15
16 **COST RECOVERY**

17 14. Section 125.3 of the Code provides, in pertinent part, that the Board may request the
18 administrative law judge to direct a licentiate found to have committed a violation or violations of
19 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
20 enforcement of the case, with failure of the licentiate to comply subjecting the license to not being
21 renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be
22 included in a stipulated settlement.

23
24 **UNDERCOVER OPERATION NO. 1**

25 (1998 Chevrolet)

26 15. On or around April 9, 2013, at approx. 10:04 a.m., a Bureau Operator (operator)
27 arrived at Respondent's location at 4306 W. Century Blvd., Inglewood, CA 90304 with a 1998
28 Chevrolet (vehicle). 

1 16. The vehicle presented with an induced failure of a vehicle speed sensor with an
2 electrical "open" installed in place of the original sensor in the tail housing. This repair item
3 resulted in the vehicle not shifting above second gear, the speedometer would not operate, the
4 odometer will not advance, illuminated service engine soon lamp and diagnostic trouble code
5 (DTC) P0502 stored in the vehicle's computer memory.

6 17. When Respondent inquired about the vehicle, the Operator stated it made a
7 "humming sound on acceleration that started about a week ago."

8 18. Operator then provided the Respondent with the keys to the vehicle. Respondent
9 then prepared an estimate under the Operator's fictitious information with a "\$0.00" amount for
10 the inspection and failed to document the odometer reading. Operator received a copy of signed
11 estimate No. [REDACTED]

12 19. After driving the vehicle for approx. 20 minutes, Respondent reported that further
13 diagnostic tests would be needed and that fees for testing would be \$190.00. A new estimate was
14 written and signed by Operator, but Operator did not receive a copy of this estimate.

15 20. The Operator received a call from Respondent later the same day. Respondent's
16 representative indicated that the vehicle needed a speed sensor replacement, along with a wiring
17 harness for \$399.00. Operator authorized the repair.

18 21. On or around April 10, 2013, Operator contacted Respondent for an update on the
19 status of the vehicle. Respondent's representative reported that the vehicle was ready and the
20 total was \$399.00 plus tax.

21 22. At or around 12:50 p.m., Operator returned to retrieve the vehicle and was presented
22 with a final invoice of \$432.99 for the repairs. The invoiced amount was in excess of the original
23 invoice amount and required written authorization. The invoice failed to identify and describe all
24 work performed and parts supplied for the service. Operator gave Respondent five (5) one
25 hundred dollar bills and received change for \$67.01. Respondent provided invoice No. [REDACTED]
26 without recording "paid" on the final copy.



1 23. Respondent invoiced the Operator for repairing a wiring harness. Per the Bureau's
2 prior inspection of the vehicle, the wiring harness was in good working condition and not in need
3 of repair or replacement. CR

4 **UNDERCOVER OPERATION NO. 2**

5 (2001 Honda)

6 24. On or around July 31, 2013, at approx. 10:03 a.m., a Bureau Operator (operator)
7 arrived at Respondent's location at 4306 W. Century Blvd., Inglewood, CA 90304 with a 2001
8 Honda (vehicle).

9 25. The vehicle presented with an induced failure of a defective fuel injector for #3
10 cylinder with an electrical "open" in place of the original #3 injector. The induced failure
11 resulted in the vehicle running rough, flashing MIL lamp and set a diagnostic trouble code (DTC)
12 *73-1 (P0303) Misfire #3 cylinder.

13 26. When Respondent inquired about the vehicle, the Operator stated "the engine just
14 started running rough and the check engine lamp is flashing."

15 27. Respondent then prepared an estimate under the Operator's fictitious information and
16 stated there was no charge to inspect the vehicle. Respondent accepted the vehicle keys and
17 failed to provide the Operator with any documentation nor was the Operator asked to sign
18 documentation.

19 28. At or around 1:55 p.m., Respondent contacted the Operator to report that Respondent
20 identified two misfire codes in the vehicle and performed a compression tests. Respondent
21 represented that the vehicle needed "a major tune" which included replacing the spark plugs, #3
22 injector, air filter and an oil filter for a total of \$399.00. Respondent failed to record the
23 additional of \$399.00 for replacement of the #3 injector, "tune up" and oil filter.

24 29. Operator authorized the work but requested that Respondent save the old parts.

25 30. On or around August 1, 2013 at approx. 11:08 a.m., the Operator called Respondent
26 for an update on the status of the vehicle. Respondent stated the total was \$435.00, but gave
27 "discount" from the actual price of the service, charging \$414.44. The invoiced amount was in
28 excess of the original invoice amount and required written authorization.

1 31. At or around 1:00 p.m., Operator returned to retrieve the vehicle. The invoice failed
2 to record all the service and repairs performed (MIL codes for misfire, findings of compression
3 and diagnostic testing for "tune up").

4 32. Respondent invoiced the Operator for four (4) new spark plugs, a new set of plug
5 wires, a new air filter and engine oil change with a new filter. Per the Bureau's prior inspection
6 of the vehicle, these parts were in good working condition, had acquired little or no mileage and
7 were not in need of repair or replacement. The returned parts were verified as the same parts in
8 the engine when it went to Respondent for service.

9
10 **FIRST CAUSE FOR DISCIPLINE**

11 (Fraud/False or Misleading Statements)

12 33. Respondent's Registration is subject to disciplinary action under §§ 9884.7(a)(1),
13 9884.7(a)(4), 17200 and 17500 in conjunction with Cal. Code of Regs. Title 16, § 3373 in that it
14 engaged in acts constituting fraud and made or authorized written or oral statements that were
15 untrue or misleading, and that it knew or should have known by the exercise of reasonable care to
16 be untrue or misleading. Complainant incorporates by reference paragraphs 15 - 32, above, as if
17 fully set forth herein.

18
19 **SECOND CAUSE FOR DISCIPLINE**

20 (Unfair Business Practices)

21 34. Respondent's Registration is subject to disciplinary action under §§ 17200 and 17500
22 in conjunction with Cal. Code of Regs. Title 16, § 3373 in that it engaged acts constituting
23 unlawful, fraudulent and unfair business practices. Complainant incorporates by reference
24 paragraphs 15 - 32, above, as if fully set forth herein.

25 //

26 //

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28 //

1 THIRD CAUSE FOR DISCIPLINE 

2 (Failure to Indicate Odometer Reading in a Work Order)

3 35. Respondent's Registration is subject to disciplinary action under § 9884.7(a)(2), in
4 that Respondent allowed a customer to sign a work order that failed to document the vehicle's
5 odometer reading. Complainant incorporates by reference paragraphs 15 - 18, above, as if fully
6 set forth herein.

7
8 FOURTH CAUSE FOR DISCIPLINE 

9 (Failure to Provide Copy of Documents Requiring Signature)

10 36. Respondent's Registration is subject to disciplinary action under § 9884.7(a)(3), in
11 that Respondent failed to provide a customer of a copy of documents requiring signature as soon
12 as the customer signed the document. Complainant incorporates by reference paragraphs 15 - 19,
13 above, as if fully set forth herein.

14
15 FIFTH CAUSE FOR DISCIPLINE

16 (Failure to Comply With the Provisions of the Automotive Repair Act
17 and Regulations-Untrue or Misleading Statements)

18 37. Respondent's Registration is subject to disciplinary action under § 9884.7(a)(6) in
19 that respondent failed to comply in various material respects with the relevant provisions of the
20 Bus. & Prof. Code. Complainant incorporates by reference paragraphs 15 - 32, above, as if fully
21 set forth herein.

22
23 SIXTH CAUSE FOR DISCIPLINE

24 (Failure to Properly Invoice Services)

25 38. Respondent's Registration is subject to disciplinary action under § 9884.8 in
26 conjunction with Cal. Code of Regs. Title 16, § 3356(a)(2)(A) - (B) in that Respondent failed to
27 properly record, on an invoice, all service work performed and parts supplied. Complainant
28 incorporates by reference paragraphs 15 - 32, above, as if fully set forth herein.

