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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. *77/13-25*
12 **A C C U S A T I O N**

13 **1800 ENGINES, INC.**
dba 1800 ENGINES
14 **TARIQ MARJIEH, PRES.**
5395 Arrow Highway
15 Montclair, CA 91763

16 **Automotive Repair Dealer Registration**
17 **No. ARD 257378**

18 Respondent.

19
20 John Wallauch ("Complainant") alleges:

21 **PARTIES**

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

24 2. On or about February 19, 2009, the Bureau issued Automotive Repair Dealer
25 Registration Number ARD 257378 ("registration") to 1800 Engines, Inc. doing business as 1800
26 Engines ("Respondent"), with Tariq Marjieh as the President. The registration was in full force
27 and effect at all times relevant to the charges brought herein and will expire on
28 February 28, 2013, unless renewed.

1 JURISDICTION

2 3. Business and Professions Code ("Code") section 9884.7 provides that the Director
3 may revoke an automotive repair dealer registration.

4 4. Code section 9884.13 provides, in pertinent part, that the expiration of a valid
5 registration shall not deprive the Director of jurisdiction to proceed with a disciplinary proceeding
6 against an automotive repair dealer or to render a decision temporarily or permanently
7 invalidating (suspending or revoking) a registration.

8 STATUTORY AND REGULATORY PROVISIONS

9 5. Code section 9884.7 states, in pertinent part:

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

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

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

22

23 (6) Failure in any material respect to comply with the provisions of this
24 chapter or regulations adopted pursuant to it.

25 (7) Any willful departure from or disregard of accepted trade standards
26 for good and workmanlike repair in any material respect, which is prejudicial to
27 another without consent of the owner or his or her duly authorized representative . . .

28 6. Code section 9884.7, subdivision (c), states, in pertinent part, that the Director may
suspend, revoke, or place on probation the registration for all places of business operated in this
state by an automotive repair dealer upon a finding that the automotive repair dealer has, or is,
engaged in a course of repeated and willful violations of the laws and regulations pertaining to an
automotive repair dealer.

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7. Code section 9884.8 states, in pertinent part:

All work done by an automotive repair dealer, including all warranty work, shall be recorded on an invoice and shall describe all service work done and parts supplied . . . One copy of the invoice shall be given to the customer and one copy shall be retained by the automotive repair dealer.

8. Code section 9884.9, subdivision (a), states, in pertinent part:

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

9. California Code of Regulations, title 16, section ("Regulation") 3353, states, in pertinent part:

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

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

(c) Except as provided in subsection (f), the dealer shall obtain the customer's authorization before any additional work not estimated is done or parts not estimated are supplied. This authorization shall be in written, oral, or electronic form, and shall describe the additional repairs, parts, labor and the total additional cost.

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

....

(d) Estimated Price to Tear Down, Inspect, Report and Reassemble. For purposes of this article, to tear down" shall mean to disassemble, and teardown" shall mean the act of disassembly. If it is necessary to tear down a vehicle component in order to prepare a written estimated price for required repair, the dealer shall first give

1 the customer a written estimated price for the teardown. This price shall include the
2 cost of reassembly of the component. The estimated price shall also include the cost
3 of parts and necessary labor to replace items such as gaskets, seals and O rings that
4 are normally destroyed by teardown of the component. If the act of teardown might
5 prevent the restoration of the component to its former condition, the dealer shall write
6 that information on the work order containing the teardown estimate before the work
7 order is signed by the customer.

8 The repair dealer shall notify the customer orally and conspicuously in
9 writing on the teardown estimate the maximum time it will take the repair dealer to
10 reassemble the vehicle or the vehicle component in the event the customer elects not
11 to proceed with the repair or maintenance of the vehicle and shall reassemble the
12 vehicle within that time period if the customer elects not to proceed with the repair or
13 maintenance. The maximum time shall be counted from the date of authorization of
14 teardown.

15 After the teardown has been performed, the dealer shall prepare a written
16 estimated price for labor and parts necessary for the required repair. All parts required
17 for such repair shall be listed on the estimate. The dealer shall then obtain the
18 customer's authorization for either repair or reassembly before any further work is
19 done . . .

20 10. Regulation 3356 states, in pertinent part:

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

24

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

27

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

11. Regulation 3362.1 states:

An automotive repair dealer shall not make any motor vehicle engine
change that degrades the effectiveness of a vehicle's emission control system. Nor
shall said dealer, in the process of rebuilding the original engine or while installing a
replacement engine, effect changes that would degrade the effectiveness of the
original emission control system and/or components thereof.

12. Regulation 3373 states:

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

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1 **COST RECOVERY**

2 13. Code section 125.3 provides, in pertinent part, that a Board may request the
3 administrative law judge to direct a licentiate found to have committed a violation or violations of
4 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
5 enforcement of the case.

6 **CONSUMER COMPLAINT (WARD) – 1994 Chevrolet S-10 Pickup Truck**

7 14. On or about December 27, 2010, the Bureau received a consumer complaint from
8 Merlin Ward (“consumer”) regarding repairs to his 1994 Chevrolet S-10 pickup truck performed
9 at Respondent’s facility. On or about December 16, 2010, the consumer contacted Respondent's
10 facility by telephone from an advertisement in the “The Recycler” and spoke with a man named
11 Joe. The consumer told Joe that the vehicle had oil in the radiator and asked how much it would
12 cost to have the engine rebuilt. Joe told the consumer the price would be \$1,040 plus tax, as
13 stated in the advertisement. Joe told the consumer that because there was oil in the radiator, the
14 cylinder head may need to be replaced, but in the worst case scenario, the price could go up "a
15 couple hundred bucks." Joe told the consumer that he could have his vehicle towed to the shop
16 that day at no charge, as stated in the advertisement. The consumer agreed. That same day, a tow
17 truck arrived to pick up the consumer's vehicle. The tow truck driver had the consumer sign
18 Estimate No. 010963 for \$1,040, and gave him a copy. The estimate did not state the repairs
19 requested by the consumer, i.e. an engine rebuild. The vehicle was towed to Respondent’s
20 facility. The next day the consumer went to Respondent’s facility and paid \$1,040. On or about
21 December 21, 2010, Joe called the consumer and told him that the cost of the engine rebuild had
22 increased to \$2,460 (plus tax), in that the vehicle needed additional parts/repairs, including roller
23 lifters and a water pump, oil pump, temperature switch, cylinder head, pressure switch, and
24 catalytic converter. Joe told the consumer that if he did not authorize the additional parts/repairs,
25 they would not warranty the engine. The consumer asked Joe how much it would cost to stop
26 work on the engine. Joe told the consumer that it would cost \$1,000 to stop the work, and that the
27 engine would be left in pieces, and the vehicle would need to be picked up. The consumer
28 authorized the repairs.

1 b. **Section 9884.9:** Respondent failed to provide the consumer with a written
2 estimate for additional repairs performed on the vehicle.

3 **CONSUMER COMPLAINT (INGLADA) – 1983 Chevrolet Malibu**

4 20. On or about February 10, 2011, the Bureau received a consumer complaint from
5 Charles Inglada (“consumer”) regarding repairs to his 1983 Chevrolet Malibu performed at
6 Respondent’s facility. On or about January 3, 2011, the consumer contacted Respondent's facility
7 by telephone from an advertisement in the “The Recycler.” The consumer told the employee that
8 the engine was making a pinging noise but that he did not know what was wrong with it. The
9 unidentified employee told the consumer that it would cost \$1,040 plus tax to rebuild the engine.
10 The employee also told the consumer that he could have the vehicle towed to the shop at no
11 charge, but that they would need a \$500 deposit at the time of pickup. The consumer agreed. A
12 tow truck driver arrived at the consumer's home to pick up the vehicle. The tow truck driver had
13 the consumer sign Estimate No. 010971 totaling \$1,040, and the consumer gave him a \$500
14 check.

15 21. A couple of days later, the consumer was contacted by a man named Atif Fakhoury
16 ("Fakhoury") who claimed to be the owner of 1800 Engines. Fakhoury told the consumer that the
17 engine block was no good and that another one would cost \$600. The consumer asked Fakhoury
18 what was wrong with the engine block, but Fakhoury did not give him an answer. The consumer
19 authorized the purchase of another engine block. The consumer asked Fakhoury if there would
20 be any additional expenses and was told that there should not be. A couple of days passed when
21 the consumer received a telephone call from Fakhoury who said that he was unable to get an
22 engine block and that the consumer would be charged the original \$1,040 for tearing down the
23 engine, plus the towing, plus the original \$500 deposit, totaling \$1,600, and that the engine would
24 be left in pieces in the trunk of the vehicle. The consumer asked Fakhoury if they could put
25 another engine in the vehicle. Fakhoury told the consumer that he had a freshly rebuilt 350
26 engine in stock that could be installed in the vehicle for \$1,700, plus the \$500 deposit, totaling
27 \$2,200. The consumer told Fakhoury that before he agreed to the installation of the rebuilt 350
28 engine, he wanted to see the old engine block and be shown what was wrong with it. The

1 consumer told Fakhoury that he was not working and he needed to borrow the money for the
2 repairs.

3 22. On or about January 8, 2011, the consumer went to Respondent's facility and met
4 with Fakhoury. The consumer asked to look at the old engine block. Fakhoury told him that they
5 no longer had it. Fakhoury then showed the consumer that the rebuilt 350 engine had already
6 been installed in his vehicle. The consumer asked again to see the old parts from his vehicle, but
7 his requests were denied. The consumer paid a total of \$2,795.42, signed Invoice No. 011001,
8 and was provided a copy. At that point, the consumer was told that the vehicle would not pass a
9 smog test and that they needed to complete the exhaust system. A couple of days later, a muffler
10 shop called the consumer and told him the vehicle was ready. The consumer picked up the
11 vehicle and while driving home, the vehicle overheated. The consumer contacted Fakhoury and
12 told him that the vehicle overheated and that it was leaking oil. Fakhoury told the consumer to
13 bring the vehicle in so that they could finish the repairs. The consumer had his vehicle towed
14 back to Respondent's facility. The consumer did not receive any estimates or invoices for these
15 additional repairs.

16 23. On or about February 10, 2011, the consumer filed a complaint against Respondent
17 regarding the repairs performed to his vehicle.

18 24. On or about February 25, 2011, a Bureau representative went to the consumer's home
19 and inspected the vehicle. On that same day, the Bureau representative went to Respondent's
20 facility and spoke with Victor, the Manager. Victor stated that all the emission parts were
21 returned to the consumer when he picked up his vehicle. The Bureau representative requested
22 copies of estimates, invoices, and parts receipts for the consumer's vehicle.

23 25. On or about March 15, 2011, the Bureau representative returned to Respondent's
24 facility and spoke with Marjieh, who is the owner of record. The Bureau representative provided
25 Marjieh with photographs of the engine installed in the consumer's vehicle and informed him that
26 it is a violation of the California Code of Regulations to degrade the emission control systems
27 while replacing and rebuilding an engine. Marjieh stated that he was not aware of the law
28 regarding emission systems.

1 **FIFTH CAUSE FOR DISCIPLINE**

2 **(Failure to Record Repairs Requested by the Consumer/Odometer Reading)**

3 28. Respondent's registration is subject to discipline under Code section 9884.7(a)(2), in
4 that on or about January 3, 2011, Respondent caused or allowed the consumer to sign the written
5 estimate that did not state either the repairs requested by the consumer, the rebuilding of the
6 engine on the 1983 Chevrolet Malibu, or the odometer reading of the vehicle.

7 **SIXTH CAUSE FOR DISCIPLINE**

8 **(Departure from Trade Standards)**

9 29. Respondent's registration is subject to discipline under Code section 9884.7(a)(7),
10 in that on or about January 3, 2011, regarding the 1983 Chevrolet Malibu, Respondent willfully
11 departed from or disregarded accepted trade standards for good and workmanlike repair in a
12 material respect without the consent of the owner or the owner's duly authorized representative,
13 by removing the emission control systems and/or components.

14 **SEVENTH CAUSE FOR DISCIPLINE**

15 **(Failure to Comply with Regulations Pursuant to the Automotive Repair Act)**

16 30. Respondent's registration is subject to discipline under Code section 9884.7(a)(6),
17 in that on or about January 3, 2011, regarding the 1983 Chevrolet Malibu, Respondent failed to
18 materially comply with Regulation section 3362.1, by removing the emission control systems
19 and/or components.

20 **EIGHTH CAUSE FOR DISCIPLINE**

21 **(Failure to Comply with Provisions of the Automotive Repair Act)**

22 31. Respondent's registration is subject to discipline under Code section 9884.7(a)(6),
23 in that Respondent failed to comply with Code section 9884.9(a), in a material respect by failing
24 to obtain the consumer's authorization for the engine change.

25 **NINTH CAUSE FOR DISCIPLINE**

26 **(Failure to Comply with Regulations)**

27 32. Respondent's registration is subject to discipline under Code section 9884.7(a)(6),
28 in that Respondent failed to comply with Regulation section 3356(a)(2)(A), in a material respect

1 in that Respondent failed to separately list, describe, or identify on Invoice No. 011001 all service
2 and repair work performed, including all diagnostic and warranty work, and the price for each
3 described service and repair.

4 **CONSUMER COMPLAINT (GRIFFIN) – 2002 Nissan Sentra**

5 33. On or about June 1, 2011, the Bureau received a consumer complaint from West
6 Griffin (“consumer”) regarding repairs to his 2002 Nissan Sentra performed at Respondent’s
7 facility. On or about May 11, 2011, the consumer contacted Respondent’s facility by telephone
8 from an advertisement in the "The Recycler" and spoke with a man named Tony. Tony told the
9 consumer that they could rebuild the engine for \$1,050 plus tax, free towing and a five year
10 warranty as advertised. On or about May 12, 2011, a tow truck driver arrived at the consumer's
11 home to pick up the vehicle. The tow truck driver had the consumer sign Estimate No. 011288
12 and asked for a deposit of \$600. The consumer told the tow truck driver that he was not going to
13 give him a deposit and called Tony. The consumer told Tony that he would personally bring in
14 the deposit. Tony agreed.

15 34. On or about May 16, 2011, the consumer went to Respondent's facility, met with
16 Tony, and gave him a \$600 deposit. Tony told the consumer that the engine had already been
17 torn down and the vehicle's engine block was bad and it needed additional repairs for a total of
18 \$2,500. The consumer negotiated the price down to \$1,800 minus the clutch assembly of \$150, in
19 that the consumer told Tony that he would purchase his own clutch assembly. The consumer told
20 Tony that he was concerned about any storage fees since he was going to need additional time to
21 gather the money for the repairs. Tony told the consumer that they would not charge him any
22 storage fees.

23 35. On or about May 26, 2011, the consumer returned to Respondent's facility to make a
24 payment toward the repairs. The consumer found that Respondent had purchased a clutch and
25 installed it in the vehicle without his authorization, and charged him \$150. Tony told the
26 consumer that they had to purchase and install the clutch, otherwise they would not warranty the
27 engine. The consumer was told that the total of the repairs was \$1,962.25. The consumer told
28 Tony that he was still in the process of gathering the money for the repairs.

1 would have to be torn down and inspected prior to giving the consumer an accurate price to
2 rebuild the engine, or that the engine may need additional parts and labor at an additional cost.

3 b. Respondent told the consumer that he had to return to the facility for an oil change or
4 the warranty would be voided.

5 **ELEVENTH CAUSE FOR DISCIPLINE**

6 **(Failure to Record Repairs Requested by the Consumer)**

7 42. Respondent's registration is subject to discipline under Code section 9884.7(a)(2), in
8 that on or about May 11, 2011, Respondent caused or allowed the consumer to sign the written
9 estimate that did not state the repairs requested by the consumer, the rebuilding of the engine on
10 the 2002 Nissan Sentra.

11 **TWELFTH CAUSE FOR DISCIPLINE**

12 **(Departure from Trade Standards)**

13 43. Respondent's registration is subject to discipline under Code section 9884.7(a)(7),
14 in that on or about May 11, 2011, regarding the 2002 Nissan Sentra, Respondent willfully
15 departed from or disregarded accepted trade standards for good and workmanlike repair in a
16 material respect without the consent of the owner or the owner's duly authorized representative,
17 by failing to secure a long bolt that goes through the transmission bell housing and retains the
18 starter motor to the engine/transmission.

19 **THIRTEENTH CAUSE FOR DISCIPLINE**

20 **(Failure to Comply with Provisions of the Automotive Repair Act)**

21 44. Respondent's registration is subject to discipline under Code section 9884.7(a)(6),
22 in that Respondent failed to comply with Code section 9884.9(a), in a material respect by failing
23 to obtain the consumer's authorization for the purchase and installation of the clutch.

24 **FOURTEENTH CAUSE FOR DISCIPLINE**

25 **(Failure to Comply with Regulations)**

26 45. Respondent's registration is subject to discipline under Code section 9884.7(a)(6),
27 in that Respondent failed to comply with Regulation section 3356(a)(2)(A), in a material respect
28 in that Respondent failed to separately list, describe, or identify on Invoice No. 011288 all service

1 and repair work performed, including all diagnostic and warranty work, and the price for each
2 described service and repair.

3 **OTHER MATTERS**

4 46. Pursuant to Code section 9884.7(c), the director may suspend, revoke, or place on
5 probation the registrations for all places of business operated in this state by 1800 Engines, Inc.
6 doing business as 1800 Engines, upon a finding that it has, or is, engaged in a course of repeated
7 and willful violation of the laws and regulations pertaining to an automotive repair dealer.

8 **PRAYER**

9 **WHEREFORE**, Complainant requests that a hearing be held on the matters herein
10 alleged, and that following the hearing, the Director of Consumer Affairs issue a decision:

- 11 1. Revoking, suspending, or placing on probation Automotive Repair Dealer
12 Registration No. ARD 257378, issued to 1800 Engines, Inc. doing business as 1800 Engines;
13 2. Revoking, suspending, or placing on probation any other automotive repair dealer
14 registration issued to 1800 Engines, Inc. doing business as 1800 Engines;
15 3. Ordering 1800 Engines, Inc. doing business as 1800 Engines to pay the Bureau of
16 Automotive Repair the reasonable costs of the investigation and enforcement of this case,
17 pursuant to Code section 125.3; and,
18 4. Taking such other and further action as deemed necessary and proper.

19 DATED: December 20, 2012 John Wallauch by [Signature]
20 JOHN WALLAUCH
21 Chief
22 Bureau of Automotive Repair
23 Department of Consumer Affairs
24 State of California
25 JOHN BALATTI
26 Complainant
27
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