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

12 In the Matter of the Accusation Against:

Case No. 77/14-31

13 **BETTER BUILT TRANSMISSIONS/LAMONA**
14 **SERVICE**
15 **STEVE B. CHILDRESS, OWNER**
16 **1316 N. First Street**
17 **Fresno, CA 93703**

A C C U S A T I O N

18 **Automotive Repair Dealer Registration No.**
19 **ARD 266200**

Respondent.

20 Complainant alleges:

PARTIES

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

23 2. On or about August 10, 2011, the Director of Consumer Affairs ("Director") issued
24 Automotive Repair Dealer Registration Number ARD 266200 to Steve B. Childress
25 ("Respondent"), owner of Better Built Transmissions/Lamona Service. Respondent's automotive
26 repair dealer registration will expire on August 31, 2014, unless renewed.

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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 states, 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 **(Statutory Provisions)**

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

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

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

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

23

24 (4) Any other conduct that constitutes fraud.

25

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

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

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

1 automotive repair dealer.

2 7. Code section 9884.9, subdivision (a), states, in pertinent part, that “[t]he automotive
3 repair dealer shall give to the customer a written estimated price for labor and parts necessary for
4 a specific job. No work shall be done and no charges shall accrue before authorization to proceed
5 is obtained from the customer . . . “

6 8. Code section 22, subdivision (a), states:

7 “Board” as used in any provision of this Code, refers to the board in
8 which the administration of the provision is vested, and unless otherwise expressly
9 provided, shall include “bureau,” “commission,” “committee,” “department,”
“division,” “examining committee,” “program,” and “agency.”

10 9. Code section 477, subdivision (b), states, in pertinent part, that a “license” includes
11 “registration” and “certificate.”

12 **(Regulatory Provisions)**

13 10. California Code of Regulations, title 16 (“Regulation”), section 3356 states, in
14 pertinent part:

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

17

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

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

21 (B) Each part supplied, in such a manner that the customer can
22 understand what was purchased, and the price for each described part . . .

23 11. Regulation 3361.1 section states, in pertinent part:

24 The following minimum requirements specifying accepted trade
25 standards for good and workmanlike rebuilding of automatic transmissions are
26 intended to define terms that have caused confusion to the public and unfair
27 competition within the automotive repair industry . . . These minimum requirements
28 shall not be used to promote the sale of “rebuilt” automatic transmissions when a less
extensive and/or less costly repair is desired by the customer . . . All automotive
repair dealers engaged in the repair, sale, or installation of automatic transmissions in
vehicles covered under the Act shall be subject to the following minimum
requirements:

1 (a) Before an automatic transmission is removed from a motor vehicle for
2 purposes of repair or rebuilding, it shall be inspected. Such inspection shall determine
3 whether or not the replacement or adjustment of any external part or parts will correct
4 the specific malfunction of the automatic transmission. In the case of an electronically
5 controlled automatic transmission, this inspection shall include a diagnostic check,
6 including the retrieval of any diagnostic trouble codes, of the electronic control
7 module that controls the operation of the transmission . . .

8

9 (c) Any automotive repair dealer that advertises or performs, directly or
10 through a sublet contractor, automatic transmission work and uses the words
11 "exchanged," "rebuilt," "remanufactured," "reconditioned," or "overhauled," or any
12 expression of like meaning, to describe an automatic transmission in any form of
13 advertising or on a written estimate or invoice shall only do so when all of the
14 following work has been done since the transmission was last used:

15

16 (4) All the following parts have been replaced with new parts:

17

18 (B) Internal and external seals including seals that are bonded to metal
19 parts.

20 (C) All sealing rings

21 (D) Gaskets

22 (5) All impaired, defective, or substantially worn parts not mentioned
23 above have been restored to a sound condition or replaced with new, rebuilt, or
24 unimpaired parts. All measuring and adjusting of such parts has been performed as
25 necessary.

26 (6) The transmission's electronic components, if so equipped, have been
27 inspected and found to be functioning properly or have been replaced with new,
28 rebuilt, or unimpaired components that function properly.

(7) The torque converter has been inspected and serviced in accordance
with subsection (d) of this regulation.

(d) The torque converter is considered to be part of the automatic
transmission and shall be examined, cleaned, and made serviceable before the rebuilt,
remanufactured or overhauled transmission is installed. If the torque converter
cannot be restored to a serviceable condition, then the customer shall be so informed .
..

12. Regulation section 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

1 customers, or the public.

2 **COST RECOVERY**

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

7 **BACKGROUND**

8 **Disciplinary Proceeding Against Better Built Transmissions, Inc.**

9 14. On or about October 20, 2000, the Director issued Automotive Repair Dealer
10 Registration Number ARD 211510 ("registration") to Better Built Transmissions, Inc., with
11 Kevin Brent Quinn as president, secretary, and treasurer.

12 15. On March 11, 2011, pursuant to the Stipulated Settlement and Disciplinary Order
13 adopted as the Decision of the Director in the disciplinary action entitled "In the Matter of the
14 Accusation Against: Better Built Transmissions, Inc.," Case No. 77/09-14, the registration was
15 revoked. Better Built Transmissions, Inc. was also ordered to pay \$50,808.22 for the Bureau's
16 cost of investigation at the time respondent applied for reinstatement of the registration and/or a
17 new registration. Better Built Transmissions, Inc. was alleged to have violated the Automotive
18 Repair Act (Bus. & Prof. Code §§ 9880-9889.68) in several respects, including making untrue or
19 misleading statements, committing acts constituting fraud, and willfully departing from accepted
20 trade standards for good and workmanlike repair.

21 **Permanent Injunction Against Better Built Transmissions, Inc.**

22 16. On or about August 15, 2011, pursuant to the Final Judgment and Permanent
23 Injunction in the civil action entitled *People v. Better Built Transmissions, Inc., etc.* (Super. Ct.,
24 Fresno County, Case No 10 CECG 01013), a true and correct copy of which is attached hereto as
25 exhibit A and incorporated herein, the Court ordered that Defendants Better Built Transmissions,
26 Inc., doing business as Better Built Transmission, and Kevin Brent Quinn, individually and doing
27 business as Better Built Transmissions, Inc., and their successors, subsidiaries, divisions, officers,
28 directors, agents, employees, representatives, and all other persons and entities who act in concert

1 with said Defendants who have actual or constructive notice of the Judgment, are permanently
2 enjoined from operating an automotive repair dealer without a valid registration issued by the
3 Bureau. The Judgment also provided that jurisdiction is retained for the purpose of enabling any
4 party to the Judgment to apply to the court at any time for such further orders or directions as may
5 be necessary or appropriate for the carrying out of the Judgment, for the modification or
6 termination of any of the injunctive provisions therein, for the enforcement of compliance
7 therewith, and for punishment of violations thereof.

8 **Denial of Christopher Francis Quinn's Application for Registration**

9 17. On or about February 22, 2011, Christopher Francis Quinn filed an application for an
10 automotive repair dealer registration with the Bureau as the owner of Lamona Service
11 Center/Better Built Transmissions located at 1316 N. First Street, Fresno, California.

12 18. On or about December 17, 2012, pursuant to the Default Decision and Order in the
13 disciplinary proceeding entitled "In the Matter of the Statement of Issues Against: Lamona
14 Service Center/Better Built Transmissions," Case No. 77/09-14s, the Director denied Christopher
15 Francis Quinn's application for licensure.

16 **Undercover Telephone Calls of September 6 and 7, 2012**

17 19. On or before September 5, 2012, Better Built Transmissions/Lamona Service placed
18 an advertisement on the internet website, Craigslist, for an experienced "Automotive
19 Transmission Rebuilder." The ad stated that resumes were to be faxed to "Kevin."

20 20. On September 6, 2012, at approximately 0943 hours, Bureau Representative D. B.,
21 acting in an undercover capacity, called Better Built Transmissions/Lamona Service and asked to
22 speak with the owner regarding the Craigslist advertisement. "Chris" told D. B. that his dad,
23 Kevin, was the owner of the facility, but would not be in for another hour. At approximately
24 1055 hours, D. B. called the facility again and spoke with Chris. Chris told D. B. that his father
25 was out to lunch, then asked D. B. if he (Chris) could answer any questions. D. B. asked Chris
26 about the "transmission rebuilder" position. Chris told D. B., among other things, that they had
27 been in business for 15 years and that he and Kevin were the owners of the facility.

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1 21. On September 7, 2012, D. B. called Better Built Transmissions/Lamona Service and
2 spoke with Kevin. D. B. asked Kevin if he could speak with the owner regarding the Craigslist
3 ad. Kevin identified himself as the owner of Better Built Transmissions/Lamona Service.

4 **CONSUMER COMPLAINT (CAIRNS): 2008 CHEVROLET HHR**

5 22. On or about June 14, 2012, Patricia Cairns ("Cairns") had her 2008 Chevrolet HHR
6 towed to Better Built Transmissions/Lamona Service after the transmission failed. Cairns' friend,
7 William Henry Moser ("Moser"), had previously spoken with Kevin Brent Quinn ("Quinn"), who
8 identified himself as the owner of the facility. Quinn told Moser that he could repair the
9 transmission for \$1,150, plus the cost of hard parts. That same day (June 14, 2012), Cairns and
10 Moser went to the facility and met with Quinn's son, Christopher. Cairns told Christopher that
11 she could only spend \$1,500 on the repairs. Christopher had Cairns sign a blank work order and
12 gave her a copy.

13 23. Several days later, Cairns called the facility and spoke with "Steve." Steve told
14 Cairns that the repairs would cost \$1,399, not including hard parts. Cairns informed Steve that
15 Quinn had given Moser a price of \$1,150 for the work. Steve told Cairns that Quinn could reduce
16 the price later, then asked her if she would authorize the \$1,399 for the transmission repairs, not
17 including hard parts. Cairns said "yes," as long as the repair costs did not exceed \$1,500.

18 24. On or about June 28, 2012, Cairns went to the facility accompanied by Moser and
19 another friend, Robin Mills ("Mills"). Quinn told Cairns that he had not contacted her sooner
20 because there had been a death in his family. Quinn showed Cairns, Moser, and Mills the
21 transmission, which was on a workbench. The transmission had been disassembled. Quinn told
22 Cairns that he was trying to order parts and that the repairs would now cost about \$3,000. Cairns
23 told Quinn that if he could not repair the transmission for the price he initially quoted for the
24 work, she would remove the vehicle from the facility. Quinn asked Cairns to give him more time
25 to come up with parts prices, and acknowledged that Cairns could only spend \$1,500 for the
26 repairs. Cairns told Quinn that she wanted to take the vehicle since he would not honor the
27 original estimate. Quinn refused to release the vehicle to Cairns until she paid him \$1,399.

28 25. On or about June 29, 2012, Cairns filed a complaint with the Bureau.

1 **THIRD CAUSE FOR DISCIPLINE**

2 **(Violations of the Code)**

3 29. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
4 subdivision (a)(6), in that Respondent failed to comply with section 9884.9, subdivision (a), of
5 that Code in a material respect, as follows: Respondent's agent and/or representative,
6 Christopher, failed to provide Cairns with a written estimate for parts and labor necessary for a
7 specific job.

8 **UNDERCOVER OPERATION #1: 2000 PONTIAC**

9 30. On September 5, 2012, an undercover operator of the Bureau ("operator") took the
10 Bureau's 2000 Pontiac to Better Built Transmissions/Lamona Service. The 4th clutch shaft in the
11 transmission of the Bureau-documented vehicle was defective. The operator told Respondent that
12 she wanted the transmission checked because it was not shifting into high gear and was making a
13 noise while driving. Respondent took the vehicle on a test drive, then told the operator upon his
14 return that it was not going into fourth gear. The operator asked Respondent how much it would
15 cost to check the vehicle. Respondent stated that the price would be \$80. Quinn instructed
16 Respondent to have the operator bring the vehicle back later. The operator stated that she was
17 only off work that day and had already arranged to be picked up from the facility. Quinn told
18 Respondent, "ok, she can leave it here," then informed the operator that his son would fill out the
19 paperwork. The operator went into the office and met with "Brandon." Brandon had the operator
20 sign a work order in the amount of \$80 and gave her a copy. The operator left the facility.

21 31. On September 7, 2012, the operator called the facility and spoke with Quinn. Quinn
22 told the operator that the transmission had lost overdrive and needed to be "looked at on the
23 inside," which would cost \$1,395, including labor, a torque converter, an overhaul kit, and fluid.
24 Quinn stated that the price did not include any hard parts or steel components that may be
25 damaged, that the base overhaul cost was \$1,395, and that the final cost could be as much as
26 \$3,000. The operator authorized the repairs.

27 32. On September 18, 2012, the operator telephoned the facility and spoke with Quinn.
28 Quinn told the operator that the transmission was torn down and needed a lot of work, and that

1 the repairs would cost a total of \$3,636.81 plus tax, which included a shaft, bearing, sprag
2 assemblies, re-bonded wash kit, clutch hub, forward band drive chains, forward planetary, shift
3 solenoid, TCC solenoid, EPC solenoid, and a reverse reaction drum. Quinn stated that the rebuilt
4 transmission would come with a 12 month, 12,000 mile warranty. The operator authorized the
5 additional repairs.

6 33. On September 26, 2012, the operator went to the facility to retrieve the vehicle, paid
7 Quinn \$3,637.80 in cash, and received a copy of Invoice No. 018331.

8 34. On and between October 5 and 10, 2012, the Bureau inspected the vehicle using the
9 invoice for comparison. The Bureau found that the 4th clutch shaft had been replaced on the
10 vehicle; however, the facility failed to overhaul the transmission as required by Regulation
11 section 3361, failed to repair the vehicle to accepted trade standards, performed unnecessary
12 repairs, and failed to perform certain repairs as invoiced.

13 **FOURTH CAUSE FOR DISCIPLINE**

14 **(Untrue or Misleading Statements)**

15 35. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
16 subdivision (a)(1), in that Respondent made or authorized statements which he knew or in the
17 exercise of reasonable care should have known to be untrue or misleading, as follows:

18 a. Respondent's agent and/or representative, Quinn, represented to the operator that the
19 Bureau's 2000 Pontiac needed a bearing, sprag assemblies, re-bonded wash kit, clutch hub,
20 forward band drive chains, forward planetary, shift solenoid, TCC solenoid, EPC solenoid, and a
21 reverse reaction drum. In fact, none of these parts or components were impaired, defective or
22 substantially worn or were in need of replacement at the time the vehicle was taken to
23 Respondent's facility. Further, the only repair needed on the vehicle was the replacement of the
24 defective 4th clutch shaft.

25 b. Respondent represented on the invoice that the transmission on the Bureau's 2000
26 Pontiac had been overhauled. In fact, the transmission had not been overhauled as required by
27 Regulation section 3361.1, as set forth in paragraph 38 below.

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1 c. Respondent represented on the invoice that the input shaft and bearing assembly was
2 replaced on the Bureau's 2000 Pontiac. In fact, that component was not replaced on the vehicle
3 as invoiced.

4 d. Respondent represented on the invoice that the input and 3rd sprag assembly was
5 replaced on the Bureau's 2000 Pontiac. In fact, that component was not completely replaced on
6 the vehicle (only certain parts in the assembly were replaced).

7 e. Respondent represented on the invoice that there was metal in the transmission pan
8 on the Bureau's 2000 Pontiac. In fact, there was no metal in the transmission pan at the time the
9 vehicle was taken to Respondent's facility.

10 f. Respondent represented on the invoice that the transmission in the Bureau's 2000
11 Pontiac had "worn parts." In fact, none of the parts or components in the transmission were
12 impaired, defective or substantially worn or were in need of replacement, with the exception of
13 the 4th clutch shaft.

14 **FIFTH CAUSE FOR DISCIPLINE**

15 **(Failure to Record Repairs Requested by the Customer)**

16 36. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
17 subdivision (a)(2), in that Respondent's agent and/or representative, Brandon, caused or allowed
18 the operator to sign the work order which did not state the repairs requested by the operator, the
19 check of the transmission on the Bureau's 2000 Pontiac.

20 **SIXTH CAUSE FOR DISCIPLINE**

21 **(Fraud)**

22 37. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
23 subdivision (a)(4), in that Respondent committed acts that constitute fraud, as follows:

24 a. Respondent's agent and/or representative, Quinn, made a false or misleading
25 statement to the operator regarding the transmission in the Bureau's 2000 Pontiac, as set forth in
26 subparagraph 35 (a) above, in order to induce the operator to authorize unnecessary repairs on the
27 vehicle, then sold the operator unnecessary repairs, including the overhauling of the transmission
28 and the replacement of the thrust washers, 3 accumulator pistons, input shaft and bearing

1 assembly, bonded pistons, oil pump drive shaft, input and 3rd sprag assembly, 1-2 sprag, two
2 drive chains, forward planetary (input carrier), two shift solenoids, TCC solenoid, EPC solenoid,
3 and reverse drum-reaction.

4 b. Respondent obtained payment from the operator for overhauling the transmission in
5 the Bureau's 2000 Pontiac. In fact, the transmission had not been overhauled as required by
6 Regulation section 3361.1, as set forth in paragraph 38 below.

7 c. Respondent obtained payment from the operator for replacing the input shaft and
8 bearing assembly on the Bureau's 2000 Pontiac. In fact, that component was not replaced on the
9 vehicle as invoiced.

10 d. Respondent obtained payment from the operator for replacing the input and 3rd sprag
11 assembly on the Bureau's 2000 Pontiac. In fact, that component was not completely replaced on
12 the vehicle (only certain parts in the assembly were replaced).

13 e. Respondent charged the operator twice for installing two new bonded pistons on the
14 Bureau's 2000 Pontiac. Specifically, Respondent charged the operator \$134.10 for a "bonded
15 piston kit" when, in fact, the transmission overhaul kit, charged separately at a cost of \$201,
16 already contained 2 bonded pistons.

17 **SEVENTH CAUSE FOR DISCIPLINE**

18 **(Departure from Trade Standards)**

19 38. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
20 subdivision (a)(7), in that Respondent willfully departed from or disregarded accepted trade
21 standards for good and workmanlike repair without the consent of the owner or the owner's duly
22 authorized representative, in the following material respects:

23 a. Respondent failed to replace four external seals (the two axle seals, the speed sensor
24 O-ring, and the park pawl actuator guide O-ring) and one internal seal (the oil filter seal) in the
25 transmission of the Bureau's 2000 Pontiac, as required by Regulation section 3361.1.

26 b. Respondent failed to adjust the input clutch housing endplay to manufacturer's
27 specifications.

28 ///

1 c. Respondent installed a broken or defective 2-1 manual band servo piston in the
2 transmission, preventing the unit from operating properly.

3 **EIGHTH CAUSE FOR DISCIPLINE**

4 **(Violations of Regulations)**

5 39. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
6 subdivision (a)(6), in that Respondent failed to comply with Regulation section 3356,
7 subdivisions (a)(2)(A) and (B), in the following material respects:

8 a. Respondent failed to record on the invoice the replacement of the 2-1 manual band
9 servo piston on the Bureau's 2000 Pontiac.

10 b. Respondent failed to list separately on the invoice the price for each repair performed
11 on the Bureau's 2000 Pontiac.

12 **CONSUMER COMPLAINT (NEMETH): 1999 FORD F250**

13 40. On or about August 22, 2012, Kyle Nemeth ("Nemeth") contacted Better Built
14 Transmissions/Lamona Service and spoke with "Kevin," who identified himself as the owner of
15 the facility. Nemeth told Kevin that the transmission tail shaft housing on his 1999 Ford F250
16 was broken. Kevin offered to replace the part for \$400.

17 41. On or about August 23, 2012, Nemeth had his vehicle towed to the facility and was
18 given a "Transmission Repair Invoice." The invoice indicated that the "original estimate" price
19 was \$400, but did not contain a description of the work to be performed on the vehicle. Several
20 days later, Nemeth called the facility and spoke with Kevin. Kevin told Nemeth that he did not
21 know how to find the parts for the vehicle and asked Nemeth to locate the parts himself. That
22 same day, Nemeth located and ordered the parts from Bayshore Truck Equipment Company
23 ("Bayshore").

24 42. About seven days later, Nemeth received the parts, including the drivelines which had
25 been rebuilt. Nemeth took the parts to Better Built Transmissions/Lamona Service to have them
26 installed in his vehicle and spoke to a person named "Steve." Steve told Nemeth that no one
27 would work on the vehicle until Kevin arrived. Kevin contacted Nemeth later and told him to
28 have Bayshore install the parts. Nemeth returned to Better Built Transmissions/Lamona Service

1 and picked up the parts, including the transmission. Nemeth had Bayshore install the parts in the
2 transmission. Nemeth took the transmission back to Better Built Transmissions/Lamona Service
3 to have it installed in the vehicle.

4 43. On or about September 20, 2013, Nemeth returned to Better Built
5 Transmissions/Lamona Service to retrieve his vehicle and was given an invoice in the amount of
6 \$438.45. When Nemeth returned home, he crawled underneath the vehicle to inspect the
7 facility's work. Nemeth discovered that the rear driveline was crooked and was not seated
8 properly on the transfer case flange.

9 44. On or about September 28, 2012, Nemeth filed a complaint with the Bureau.

10 NINTH CAUSE FOR DISCIPLINE

11 (Violations of the Code)

12 45. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
13 subdivision (a)(6), in that Respondent failed to comply with section 9884.9, subdivision (a), of
14 that Code in a material respect, as follows: Respondent or his agents and/or representatives failed
15 to provide Nemeth with a written estimate for parts and labor necessary for a specific job.

16 UNDERCOVER OPERATION #2: 2001 BUICK

17 46. On December 10, 2012, Bureau Representative D. B, acting in an undercover
18 capacity, took the Bureau's 2001 Buick to Better Built Transmissions/Lamona Service. The
19 forward band in the transmission of the Bureau-documented vehicle was defective. D. B. asked
20 Respondent if they would take a look at the vehicle as it seemed to be going into neutral.
21 Respondent checked the fluid on the vehicle, then told D. B. later that the vehicle had "lost 3rd
22 and 4th gear" and that it was "probably a sprag." Respondent told D. B. that it would cost \$90 to
23 inspect the transmission, including dropping the pan, then asked D. B. if he wanted the work
24 done. D. B. said "yes." Respondent walked D. B. into the office. Quinn had D. B. sign a written
25 estimate in the amount of \$90 for an external diagnostic and gave him a copy.

26 47. On December 11, 2012, Quinn called D. B. and informed him that they removed the
27 transmission pan and found a band strut in the pan, indicating that a band had broken. Quinn told
28 D. B. that the problem was internal and that they would need to tear down the transmission for

1 further inspection at a cost of \$1,250 plus hard parts. Quinn stated that this was the price for a
2 basic overhaul, which included a 12 month, 12,000 mile warranty, a new torque converter, and an
3 overhaul kit, but not any hard parts, electrical parts, or steels. D. B. authorized the work.

4 48. On December 13, 2012, D. B. received a call from Quinn. Quinn told D. B. that they
5 had torn down the transmission and had found a broken band, along with worn parts, that they
6 would need to install a bonded piston kit, two sprags, and solenoids, and that the total cost of the
7 repairs would be \$2,482.49.

8 49. On December 14, 2012, D. B. went to Better Built Transmissions/Lamona Service to
9 pick up the vehicle, paid \$2,482.49 for the repairs, and received a copy of Invoice No. 018458.

10 50. On December 20, 2012, the Bureau inspected the vehicle using the invoice for
11 comparison. The Bureau found that the forward band had been replaced on the vehicle; however,
12 the facility failed to overhaul the transmission as required by Regulation section 3361, in addition
13 to other trade standards violations, and performed unnecessary repairs.

14 **TENTH CAUSE FOR DISCIPLINE**

15 **(Untrue or Misleading Statements)**

16 51. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
17 subdivision (a)(1), in that Respondent made or authorized statements which he knew or in the
18 exercise of reasonable care should have known to be untrue or misleading, as follows:

19 a. Respondent's agent and/or representative, Quinn, represented to the operator that the
20 transmission in the Bureau's 2001 Buick had worn parts and that they would need to install a
21 bonded piston kit, two sprags, and solenoids on the vehicle. In fact, none of these parts or
22 components were impaired, defective or substantially worn or were in need of replacement at the
23 time the vehicle was taken to Respondent's facility. Further, the only repair needed on the
24 vehicle was the replacement of the defective forward band.

25 b. Respondent represented on the invoice that the transmission on the Bureau's 2001
26 Buick had been overhauled. In fact, the transmission had not been overhauled as required by
27 Regulation section 3361.1, as set forth in paragraph 53 below.

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1 c. Respondent represented on the invoice that the transmission in the Bureau's 2001
2 Buick had "worn parts." In fact, none of the parts or components in the transmission were
3 impaired, defective or substantially worn or were in need of replacement, with the exception of
4 the forward band.

5 **ELEVENTH CAUSE FOR DISCIPLINE**

6 **(Fraud)**

7 52. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
8 subdivision (a)(4), in that Respondent committed acts that constitute fraud, as follows:

9 a. Respondent's agent and/or representative, Quinn, made a false or misleading
10 statement to the operator regarding the transmission in the Bureau's 2001 Buick, as set forth in
11 subparagraph 51 (a) above, in order to induce the operator to authorize unnecessary repairs on the
12 vehicle, then sold the operator unnecessary repairs, including the overhauling of the transmission
13 and the replacement of two shift solenoids, the EPC solenoid, the TCC solenoid, sprag clutches
14 (1-2 sprag and 3rd and input sprag), a reverse band, clutch friction plates, bonded pistons, torque
15 converter, and washers.

16 b. Respondent obtained payment from the operator for overhauling the transmission in
17 the Bureau's 2001 Buick. In fact, the transmission had not been overhauled as required by
18 Regulation section 3361.1, as set forth in paragraph 53 below.

19 c. Respondent charged the operator twice for installing two new bonded pistons on the
20 Bureau's 2001 Buick. Specifically, Respondent charged the operator \$134.10 for a "bonded
21 piston kit" when, in fact, the transmission overhaul kit, charged separately at a cost of \$201,
22 already contained 2 bonded pistons.

23 **TWELFTH CAUSE FOR DISCIPLINE**

24 **(Departure from Trade Standards)**

25 53. Respondent is subject to disciplinary action pursuant to Code section 9884.7,
26 subdivision (a)(7), in that Respondent willfully departed from or disregarded accepted trade
27 standards for good and workmanlike repair without the consent of the owner or the owner's duly
28 authorized representative, in the following material respects:

1 a. Respondent failed to replace three seals inside the oil pump (the slide seal, the slide
2 support seal and the slide O-ring seal), the manual shaft seal, the speed sensor O-ring seal, the
3 Park pawl actuator guide O-ring seal, and the case side cover gasket in the transmission of the
4 Bureau's 2001 Buick, as required by Regulation section 3361.1.

5 b. Respondent failed to properly assemble, or reassemble, the transmission in that two
6 fluid filter/seals located in the valve body separator plate had been caught between the machined
7 surfaces of the valve body and channel plate, crushing or destroying the filter/seals.

8 c. Respondent failed to perform the electronic diagnostic check on the Bureau's 2001
9 Buick before removing the transmission from the vehicle in that Respondent failed to conduct a
10 test of the fluid operating pressures.

11 **MATTERS IN AGGRAVATION**

12 54. The Bureau has established in their investigation of the consumer complaints and the
13 undercover operations that Kevin Brent Quinn is the true owner of Better Built
14 Transmissions/Lamona Service, that Quinn directly or indirectly controls, conducts, manages, or
15 directs Respondent's business activities, and that in failing to apply for reinstatement of
16 Automotive Repair Dealer Registration Number ARD 211510 or obtain a new registration, Quinn
17 is in violation of the Permanent Injunction of August 15, 2011. The Bureau has also
18 demonstrated that Quinn is engaging in the same acts which resulted in the revocation of
19 Automotive Repair Dealer Registration Number ARD 211510, including making false or
20 misleading statements in order to induce the purchase of unnecessary transmission repairs.

21 **OTHER MATTERS**

22 55. Pursuant to Code section 9884.7, subdivision (c), the Director may suspend, revoke,
23 or place on probation the registration for all places of business operated in this state by
24 Respondent Steve B. Childress, owner of Better Built Transmissions/Lamona Service, upon a
25 finding that Respondent has, or is, engaged in a course of repeated and willful violations of the
26 laws and regulations pertaining to an automotive repair dealer.

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PRAYER

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

1. Revoking or suspending Automotive Repair Dealer Registration Number ARD 266200, issued to Steve B. Childress, owner of Better Built Transmissions/Lamona Service;
2. Revoking or suspending any other automotive repair dealer registration issued in the name of Steve B. Childress;
3. Ordering Steve B. Childress, owner of Better Built Transmissions/Lamona Service, to pay the Bureau of Automotive Repair the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3; and
4. Taking such other and further action as deemed necessary and proper.

DATED: December 3, 2013 

PATRICK DORAIS
Chief
Bureau of Automotive Repair
Department of Consumer Affairs
State of California
Complainant

SA2013112365