

319 Fed.Appx. 615, 2009 WL 688983 (C.A.9 (Cal.)), 2009-1 Trade Cases P 76,533  
**(Not Selected for publication in the Federal Reporter)**  
**(Cite as: 319 Fed.Appx. 615, 2009 WL 688983 (C.A.9 (Cal.)))**

**C**This case was not selected for publication in the Federal Reporter.

Not for Publication in West's Federal Reporter See Fed. Rule of Appellate Procedure 32.1 generally governing citation of judicial decisions issued on or after Jan. 1, 2007. See also Ninth Circuit Rule 36-3. (Find CTA9 Rule 36-3)

United States Court of Appeals,  
 Ninth Circuit.

Sarah PEREZ; Michelle Lackney; Rachel Stewart;  
 Rachel Hardyck, Plaintiffs-Appellants,

v.

STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY, an Illinois corporation; Allstate Insurance Company, an Illinois corporation; Geico, a Maryland corporation; Certified Automotive Parts Association; Liberty Mutual Insurance Company, a Massachusetts corporation, Defendants-Appellees.

**No. 06-16965.**

Argued and Submitted March 11, 2009.  
 Decided March 17, 2009.

**Background:** California automobile insurance policyholders brought action against automobile insurers and industry organization, alleging that they violated California antitrust law by conspiring to thwart competition over, and to deceive policyholders with respect to, repair coverage quality. The United States District Court for the Northern District of California, [James Ware, J.](#), dismissed for lack of constitutional standing. Policyholders appealed.

**Holding:** The Court of Appeals held that policyholders had Article III standing.  
 Reversed and remanded.

West Headnotes

**Antitrust and Trade Regulation** [29T](#)  [963\(3\)](#)

[29T](#) Antitrust and Trade Regulation  
[29TXVII](#) Antitrust Actions, Proceedings, and Enforcement  
[29TXVII\(B\)](#) Actions

[29Tk959](#) Right of Action; Persons Entitled to Sue; Standing; Parties

[29Tk963](#) Injury to Business or Property  
[29Tk963\(3\)](#) k. Particular Cases. [Most](#)

[Cited Cases](#)

California automobile insurance policyholders had Article III standing to assert claim alleging that automobile insurers and industry organization violated California antitrust law by conspiring to thwart competition over, and to deceive policyholders with respect to, repair coverage quality, in that injury asserted, anticompetitive prices charged to all policyholders regardless of whether any particular insured ever had repair need, was concrete, particularized, and actual injury-in-fact that was both fairly traceable to conduct complained of and likely to be redressed by favorable decision. [U.S.C.A. Const. Art. 3, § 2, cl. 1.](#)

\*[616](#) [Steven F. Benz](#), Kellogg Huber Hansen Todd & Evans, PLLC, [R. Stephen Berry](#), [J. Daniel Leftwich](#), Berry & Leftwich, Washington, DC, [James McManis](#), [Colleen Duffy Smith](#), McManis Faulkner, San Jose, CA, for Plaintiffs-Appellants.

[Raoul D. Kennedy](#), Skadden Arps Slate Meagher & Flom LLP, [Steven H. Frankel](#), Sonnenschein Nath & Rosenthal, LLP, [Brian J. Devine](#), [Kenneth M. Seeger](#), Seeger & Salvas LLP, [David A. Degroot](#), Sheppard Mullin Richter & Hampton, LLP, San Francisco, CA, [Richard L. Fenton](#), [Sanford Pastroff](#), Sonnenschein Nath & Rosenthal, LLP, Chicago, IL, [Sheila Carmody](#), Snell & Wilmer, LLP, Phoenix, AZ, [Robert J. Gibson](#), Snell & Wilmer LLP, Costa Mesa, CA, [Simon M. Kann](#), Law Office of Simon Kann, Annapolis, MD, [Michael P. Kenny](#), Alston & Bird, Atlanta, GA, [Mark G. Arnold](#), [Carol A. Rutter](#), Husch Blackwell Sanders LLP, St. Louis, MO, [Frank Falzetta](#), Sheppard Mullin Richter & Hampton, LLP, Los Angeles, CA, for Defendants-Appellees.

Appeal from the United States District Court for the Northern District of California, [James Ware](#), District Judge, Presiding. D.C. No. CV-06-01962-JW.

Before: [McKEOWN](#) and [IKUTA](#), Circuit Judges, and [BLOCK](#),<sup>FN\*</sup> District Judge.

<sup>FN\*</sup> The Honorable [Frederic Block](#), Senior

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United States District Judge for the Eastern  
 District of New York, sitting by designation.

**REVERSED AND REMANDED.**

MEMORANDUM <sup>FN\*\*</sup>

C.A.9 (Cal.),2009.  
 Perez v. State Farm Mut. Auto. Ins. Co.  
 319 Fed.Appx. 615, 2009 WL 688983 (C.A.9 (Cal.)),  
 2009-1 Trade Cases P 76,533

<sup>FN\*\*</sup> This disposition is not appropriate for  
 publication and is not precedent except as  
 provided by 9th Cir. R. 36-3.

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**\*\*1** Plaintiffs appeal from the district court's dismissal of this diversity action for lack of constitutional standing. We have jurisdiction pursuant to [28 U.S.C. § 1291](#), and we reverse.

The district court understood plaintiffs, California auto insurance policy holders, to **\*617** allege that defendants, auto insurers and an industry organization, “conspired not to compete as to the quality of crash parts such that, in some instances, a policy holder will not receive the full value of the premium.” The district court held that plaintiffs' claim “is based solely on the anticipated use of inferior crash parts such that [p]laintiffs' injuries are speculative and insufficient to confer standing under Article III.”

The district court misunderstood plaintiffs' claim. Plaintiffs allege that defendants violated California antitrust law by conspiring to thwart competition over, and to deceive plaintiffs with respect to, repair coverage quality. Such conspiracy and deception, according to plaintiffs, prevented higher quality coverage from reaching the market and artificially inflated premiums for lower quality coverage. Plaintiffs have standing to pursue such a claim. The injury alleged-anticompetitive prices charged to all policyholders regardless of whether any particular insured ever has a repair need-is sufficient to confer constitutional standing: the alleged overcharges are a concrete, particularized, and actual injury-in-fact that is fairly traceable to the conduct complained of, and is likely to be redressed by a favorable decision. See [Lujan v. Defenders of Wildlife](#), 504 U.S. 555, 560-61, 112 S.Ct. 2130, 119 L.Ed.2d 351 (1992).

We offer no view as to whether plaintiffs can state a cognizable claim and do not consider at this juncture defendants' arguments with respect to California insurance law.