



Civil Resolution Tribunal

Date Issued: February 29, 2024

File: SC-2023-000897

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Kallio v. Bayfield Place Holdings Ltd.*, 2024 BCCRT 200

B E T W E E N :

ZOE KALLIO

APPLICANT

A N D :

BAYFIELD PLACE HOLDINGS LTD.

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Leah Volkers

INTRODUCTION

1. This dispute is about an engine replacement.
2. Bayfield Place Holdings Ltd. does business under the trade name Kamloops Honda (Kamloops Honda). Kamloops Honda replaced the original engine in Zoe Kallio's vehicle with a salvage engine in March 2022. Ms. Kallio says less than a year later,

the salvage engine began causing vehicle problems and now also requires replacement. Ms. Kallio says Kamloops Honda should have inspected the salvage engine before installing it in her vehicle. She also says the salvage engine should have lasted longer than one year. She claims \$5,000 in damages to offset the original engine's replacement costs.

3. Kamloops Honda admits installing the salvage engine. However, it says the salvage engine had a 30-day warranty, and it is not responsible to reimburse Ms. Kallio for any engine replacement costs.
4. Ms. Kallio is self-represented. Bayfield is represented by an authorized employee.

JURISDICTION AND PROCEDURE

5. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly.
6. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.
7. Section 42 of the CRTA says the CRT may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in a court of law.
8. Where permitted by section 118 of the CRTA, in resolving this dispute the CRT may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the CRT considers appropriate.

ISSUE

9. The issue in this dispute is whether Honda Kamloops must reimburse Ms. Kallio \$5,000 for part of the original engine's replacement costs.

EVIDENCE AND ANALYSIS

10. As the applicant in this civil proceeding, Ms. Kallio must prove her claims on a balance of probabilities (meaning more likely than not). I have reviewed all the parties' submissions and evidence but refer only to what I find necessary to explain my decision.
11. In March 2022, Kamloops Honda replaced Zoe Kallio's vehicle's original engine with a salvage engine. Ms. Kallio says the engine replacement costs were over \$11,000, and Kamloops Honda says the engine replacement costs totaled only \$8,786.26, with the remaining amounts for unrelated repairs. Nothing turns on this discrepancy because Ms. Kallio only claims \$5,000, which is the CRT's small claims monetary limit in any event.
12. Ms. Kallio says less than a year after the March 2022 engine replacement, the salvage engine began causing vehicle problems. In November 2022, another auto mechanic shop inspected the vehicle and noted carbon build up in the oil, replaced a solenoid, and recommend a "hot oil flush" at minimum. The same month, Kamloops Honda inspected the vehicle after Ms. Kallio reported the findings from the other auto mechanic shop. Kamloops Honda replaced a vtech spool valve assembly. In January 2023, Kamloops Honda again inspected the vehicle and found the entire engine full of "sludge". Kamloops Honda recommended replacing the salvage engine because every oil passage was filled with debris. None of this is disputed.
13. Kamloops Honda says it purchased the salvage engine from an "auto dismantler" who informed Kamloops Honda the salvage engine had 85,000 kilometres on it. Neither party explained how the salvage engine was selected. However, Kamloops Honda says Ms. Kallio was aware the auto dismantler provided a 30-day warranty on

the salvage engine. Kamloops Honda also provided a copy of its March 3, 2022 salvage engine quote addressed to Ms. Kallio. The quote indicated the salvage engine had 85,000 kilometres, and a 30-day warranty. It also indicated there was a \$200 freight charge, and the engine was 1 week away. Although unsigned, Ms. Kallio does not dispute that she received the quote. I find Ms. Kallio was aware the salvage engine had a 30-day warranty. Ms. Kallio did not provide evidence or submissions to show that the salvage engine exhibited any problems in the 30-day warranty period, and I find it did not. Ms. Kallio also says a Honda garage in Quebec told her it would have provided a 1-year warranty for such a significant repair. However, she provided no evidence in support of this hearsay statement. Further, even if I accepted it, it does not show that Kamloops Honda had any obligation to provide the same warranty.

14. Ms. Kallio says Kamloops Honda had a duty to ensure the salvage engine was in good working condition before installing it, and should have inspected the salvage engine before using it for such an expensive repair. I find Ms. Kallio alleges that Kamloops Honda was negligent for failing to inspect the salvage engine before installation.
15. To succeed in a claim for negligence, Ms. Kallio must prove Kamloops Honda owed her a duty of care, Kamloops Honda failed to meet that duty, and the failure resulted in the claimed damages. See *Mustapha v. Culligan of Canada Ltd.*, 2008 SCC 27.
16. I find Kamloops Honda owed its customer Ms. Kallio a duty of care. I find the applicable standard of care is that of a reasonably competent auto repair shop.
17. Kamloops Honda does not argue that it inspected the salvage engine before installation, and the evidence does not show that it did. So, the question is whether Kamloops Honda breached the standard of care or was otherwise negligent in failing to inspect the salvage engine before installing it in Ms. Kallio's vehicle.
18. In claims of professional negligence, it is generally necessary for the party alleging negligence to prove a breach of the applicable standard of care with expert evidence. See *Bergen v. Guliker*, 2015 BCCA 283. This is because the standards of a particular

industry are often outside of an ordinary person's knowledge and experience. There are 2 exceptions to this general rule that I find do not apply here. Here, I find expert evidence is necessary to prove whether Kamloops Honda was negligent because I find it is a technical matter that is not obvious.

19. Here, there is no statement or expert evidence from an auto mechanic or other expert to show that Kamloops Honda breached the standard of care or was otherwise negligent because it did not inspect the salvage engine before installing it. So, I find Ms. Kallio has not proved Kamloops Honda breached the standard of care or was otherwise negligent.
20. I have also considered whether Kamloops Honda breached any implied warranties in the *Sale of Goods Act* (SGA). Under SGA section 18, there is an implied warranty that the salvage engine was in the condition described, was of saleable quality, and would be durable for a reasonable period of time having regard to the use to which it would normally be put and to all the surrounding circumstances of the sale.
21. Ms. Kallio does not allege the salvage engine was not in the condition described, and the evidence does not show the salvage engine was not of saleable quality when she purchased it. However, Ms. Kallio says the salvage engine should have lasted longer than a year of driving. When assessing whether the salvage engine was durable for a reasonable period of time after Ms. Kallio bought it, I find the factors considered for used vehicles are applicable. These include the vehicle's age and mileage, the nature of use before and after purchase, the price paid, the reasons for any defects, and the parties' expectations as determined by express warranties are considered. See *Sugiyama v. Pilsen*, 2006 BCPC 265.
22. In *Sugiyama*, the vehicle's engine had to be rebuilt or replaced after the claimant drove it 616 kilometres. The court determined that the car was still durable for a reasonable time given its age (8 years old), mileage (over 140,000 km), and relatively low price of about \$5,000. I make a similar finding here about the salvage engine. The salvage engine had 85,000 kilometres on it when installed in Ms. Kallio's vehicle, and cost \$4,476.65. The salvage engine required replacement less than a year after

Kamloops Honda installed it. However, Ms. Kallio drove her vehicle over 14,000 kilometres after the salvage engine was installed. In the circumstances, I find that Ms. Kallio has not shown that the salvage engine was not durable for a reasonable period of time. I find Kamloops Honda did not breach the SGA implied warranty of durability.

23. As noted, Ms. Kallio bears the burden of proving her claims. Here, she has not provided expert evidence to prove that Kamloops Honda fell below the standard of care. So, I find she has not met her burden of proving that Kamloops Honda was negligent. I also find she has not shown Kamloops Honda breached any implied warranties under the SGA. Therefore, I find it unnecessary to address Ms. Kallio's claimed damages, and I dismiss her claims.

CRT fees and expenses

24. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. However, neither party paid any CRT fees nor claimed any dispute-related expenses. So, I award none.

ORDER

25. I dismiss Ms. Kallio's claims and this dispute.

Leah Volkers, Tribunal Member