

Highlights of the Fall 2026 Edition Business Litigation (California Civil Practice)

The Fall 2026 Edition includes coverage of recent developments concerning business litigation in California, including the latest case law, statutory and regulatory changes and new and revised forms. Among the matters covered in this edition are:

- Following months-long leaks at the Aliso Canyon gas storage facility, shareholders' derivative claims against Sempra Energy's board failed for want of demand futility where the court found the board of directors had formed a committee, which reported regularly to the board and which monitored the storage infrastructure for safety, and plaintiffs failed to show particularized facts demonstrating that it would have been futile to demand the board take action. See § 2:1
- Although juries are not prohibited from interpreting contracts, the interpretation of a written instrument becomes solely a judicial function when it is based on the words of the instrument alone, when there is no conflict in the extrinsic evidence, or when a determination was made based on incompetent evidence. See § 24:8
- Small font size in a contract is indicative of procedural unconscionability because it contributes to the element of surprise; accordingly, small font size can provide a basis for requiring a lesser showing of substantive unconscionability in the sliding scale analysis. See § 24:51
- A component-part manufacturer's obligations under the Song-Beverly Act do not extend to an entire finished product merely because a dealer bundled the pricing: a boat buyer therefore could not require a marine-engine manufacturer to replace or reimburse the entire boat merely because the dealer bundled the

price, and the court also rejected a related failure-to-repair claim for lack of causation evidence. See § 40:82