

# SUPERIOR COURT OF CALIFORNIA COUNTY OF SAN FRANCISCO

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Case Number: CGC-12-519221

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**COMPLAINT** 

WONG, CRYSTLE INDIVIDUALLY AND ON BEHALF OF OTHERS VS. ALACER CORPORATION

001C04306884

#### Instructions:

Please place this sheet on top of the document to be scanned.

Plaintiffs Crystle Wong Nicholas J. Gianino, Arnold Lee, and Lori Risman, individually and on behalf of others similarly situated, alleges for their Class Action Complaint against California based defendant Alacer Corporation (collectively, "Defendant" or "Alacer"), upon personal knowledge as to themselves and their own acts and upon information and belief – based upon, *inter alia*, the investigation made by their attorneys – as to all other matters, as follows:

#### **INTRODUCTION**

- 1. Defendant Alacer, a California based company, manufactures Emergen-C, a purported immune-boosting and supporting supplement, and distributes it to retailers in California for sale to California consumers.
- 2. This is a proposed class action brought by Plaintiffs, on behalf of a class of those similarly situated, against Alacer seeking redress for Alacer's unjust, unfair, and deceptive practices in misrepresenting the health benefits of Emergen-C in violation of California law.
- 3. Alacer deceptively markets Emergen-C as a supplement that "supports" or "boosts" the user's immune system thereby representing, directly and/or indirectly, expressly and/or by implication, that Emergen-C: (a) has a positive and beneficial effect on one's immune system, in that it can "boost"; power up" or "support" one's immune system; and, therefore can (b) protect against and helps fight germs, thereby reducing the risk of or prevents colds and flu. In addition, Alacer falsely represents that Emergen-C increases the user's metabolic function and "ignites [the user's] energy level."
- 4. Alacer's representations of the health benefits of Emergen-C are false and wholly unsupported.
- 5. Emergen-C does not boost the immune system; offers no protection against germs; provides no health protection, immune defense, or support; and has no effect on whether a user gets or remains sick. In addition, Emergen-C does nothing to improve metabolic function or increase energy.

Emergen-C Products (referred to herein collectively as "Emergen-C" or the "Product") include the following products: Emergen-C Original Formula, Emergen-C Specialty Formula Products (Heart Health, Joint Health, Immune Defense, Lite with MSM, Vitamin D, and Calcium, and ElectroMix), Emergen-C Multi-Vitamin, Kidz Multi-Vitamin, Emergen-C Kidz, Emergen-C Immune Plus, and Super Gram tablets.

6. The purpose of this action is to put an end to Alacer's deceptive marketing of Emergen-C and to provide nationwide consumers with monetary relief for Defendant's unjust enrichment and violations of California's Unfair Competition Law ("UCL"), Bus. & Prof. Code §§ 17200-17209, California's False Advertising Law ("FAL"), Bus. & Prof. Code §§ 17500-17536, and California's Consumers Legal Remedies Act ("CLRA"), Civ. Code §§ 1750-1784.

#### **JURISDICTION AND VENUE**

- 7. This Court has personal jurisdiction over the parties in this case. Plaintiff, Crystle Wong, is a citizen of California within this County. Defendant purposefully avails itself of the California consumer market and sells the Product in at least hundreds of locations within this County and thousands of retail locations throughout California, where the Product is purchased by thousands of consumers every day. Alacer Corporation is a corporate entity whose headquarters are in California.
- 8. This Complaint is filed, and these proceedings are instituted, pursuant to California Business and Professions Code §§ 17203 and 17535, to recover damages and to obtain other relief that Plaintiffs and members of the proposed Plaintiffs Class (the "Class") have sustained as a result of violations by Defendant of California Business and Professions Code §§ 17200 et seq. and 17500 et seq. and of the Consumers Legal Remedies Act, California Civil Code § 1750 et seq.
- 9. Venue is proper in this Court pursuant to California Code of Civil Procedure § 395. Substantial acts in furtherance of the alleged improper conduct occurred within this jurisdiction. Plaintiff Wong resides within this jurisdiction and bought Defendant's Product within this jurisdiction.
- 10. No portion of this Complaint is brought pursuant to federal law, and there is no diversity of citizenship among the Class and Defendant.
- 11. The claims of each member of the Class separately do not exceed seventy-five thousand dollars (\$75,000) exclusive of interest and costs.

#### **PARTIES**

#### **Individual and Representative Plaintiffs**

12. Plaintiff Crystle Wong is an individual consumer who, at all times material hereto, was a citizen of California. Plaintiff purchased Emergen-C from a Walgreen's store located in San Francisco, California.

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- 13. Plaintiff Nicholas J. Gianino is an individual consumer who, at all times material hereto, was a citizen of Illinois. Plaintiff Gianino purchased Emergen-C from a Walgreen's store located in Illinois.
- 14. Plaintiff Arnold Lee is an individual consumer who, at all times material hereto, was a citizen of Massachusetts. Plaintiff Lee purchased several boxes of Emergen-C from a Trader Joe's store located at 1317 Beacon Street, in Brookline, Massachusetts.
- 15. Plaintiff Lori Risman is an individual consumer who, at all times material hereto, was a citizen of New Hampshire. Plaintiff Risman purchased Emergen-C from a Hannaford Supermarket located at 6 Hampton Drive, in Londonderry, New Hampshire.
- 16. Each Plaintiff relied on Defendant's false, misleading and deceptive written misrepresentations that taking Emergen-C would "boost" his or her immune system. Had Plaintiffs known the truth that the statements they relied on were false, misleading, deceptive, and unfair, they would have not purchased Emergen-C.

#### **Defendants**

17. Defendant Alacer Corporation is a California corporation with its principal place of business in Foothill Ranch, California. According to its website, Alacer produces and sells more than 400 million packets of Emergen-C annually.

#### **COMMON FACTUAL ALLEGATIONS**

- 18. Cold and flu remedies are big business in California. The research company Mintel estimated that the cough/cold market accounted for more than \$4.6 billion in 2008 sales through food, drug, and mass outlets, excluding Wal-Mart, representing an increase of 10.7% from the previous year. See Craig Levitt, Nothing to sneeze at: the cough and cold category posted double-digit growth last year and the upward trend is expected to continue this season, Grocery Headquarters Magazine, Sept. 1, 2009, available at http://www.thefreelibrary.com/Nothing+to+sneeze +at:+the+cough+and+cold+category+posted+double-digit+...-a0209032548) (last visited Mar. 13,
- 19. Seeking to cash in on consumers' desire to avoid colds and flu, Alacer markets Emergen-C as a "health drink" that contains 1,000mg of Vitamin C, nearly seventeen times the

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recommended daily allowance of Vitamin C by the Food and Drug Administration, as well as a
concoction of an additional seventeen miscellaneous vitamins and minerals. Emergen-C has been
available in at least 19 varieties of drink mix, nutritional supplements, tablets and four ready-to-drink
beverages. The Product is sold in a variety of outlets, including Walgreens, Wal-Mart, and Safeway
and other health food, grocery, and drug stores.

- 20. Emergen-C's packaging represents that Emergen-C will benefit consumers' health in a variety of ways. The packaging for Emergen-C products has represented that Emergen-C "boosts immunity," "supports immunity" "increases metabolic function," and "ignites" the user's energy level.
- 21. Specifically, the packaging for the various flavors of Emergen-C "Original Formula" has contained the following misrepresentations:
  - (a) The packaging for Emergen-C "Acai Berry" has described the product as a "Health and Energy Booster," and has further stated:
    - i. "The powerful blend of vitamins, antioxidants and minerals boost your immunity, increase your metabolic function and ignite your energy level without caffeine;"
    - ii. "Health Boost 1,000 mg of vitamin C, zinc, quercetin and antioxidants power up your immune system to promote overall health;" and
    - iii. "Energy Boost 7 B vitamins . . . offer a natural energy boost no caffeine, no crash."
  - (b) The packaging for Emergen-C "Blue" has described the product as a "Health and Energy Booster," and has further stated:
    - i. "A powerful blend of 24 vitamins, antioxidants and minerals that increases your metabolic function and gives you a boost of non-caffeinated;"
    - ii. "Health Boost 1,000 mg of vitamin C, zinc, quercetin and antioxidants power up your immune system to promote overall health;" and
    - iii. "Energy Boost 7 B vitamins . . . offer a natural energy boost no caffeine, no crash."

(c)	The packaging of Emergen-C "Lemon-Lime" has described the product as a "Heal	tk
	and Energy Booster," and has further stated:	

- i. "The powerful blend of vitamins, antioxidants and minerals boost your immunity, increase your metabolic function and ignite your energy level without caffeine;"
- ii. "1,000 mg of vitamin C, zinc, quercetin and antioxidants power up your immune system to promote overall health;" and
- iii. "7 B vitamins . . . offer a natural energy boost no caffeine, no crash."
- (d) The packaging of Emergen-C "Lite" has described the product as a "Health and Energy Booster," and has further stated:
  - i. "Emergen-C is a potent blend of antioxidants, vitamins, minerals and other micronutrients that support healthy metabolic function, boost your immunity & give you a burst of non-caffeinated energy;"
  - ii. "Health Boost "1,000 mg of vitamin C, zinc, and antioxidants power up your immune system to promote overall health;" and
  - iii. "B vitamins . . . offer a natural energy boost no caffeine, no crash."
- (e) The packaging of Emergen-C "Pink" has described the product as a "Health and Energy Booster," and has further stated:
  - i. "[T]his delicious Emergen-C Pink Lemonade is loaded with 24 vitamins, antioxidants and minerals that boost your immunity, increase your metabolic function and ignite your energy level – without caffeine;"
  - ii. "Health Boost "1,000 mg of vitamin C, zinc, quercetin and antioxidants power up your immune system to promote overall health;" and
  - iii. "Energy Boost B vitamins . . . offer a natural energy boost no caffeine, no crash."
- (f) The packaging of Emergen-C "Raspberry" has described the product as a "Health and Energy Booster," and has further stated:

i.	"The powerful blend of vitamins, antioxidants and minerals boost your
	immunity, increase your metabolic function and ignite your energy level
	without caffeine;"

- ii. "1,000 mg of vitamin C, zinc, quercetin and antioxidants power up your immune system to promote overall health;" and
- iii. "7 B vitamins . . . offer a natural energy boost no caffeine, no crash."
- (g) The packaging of Emergen-C Super Orange has described the product as a "Health and Energy Booster," and has further stated:
  - i. "The powerful blend of vitamins, antioxidants and minerals boost your immunity, increase your metabolic function and ignite your energy level without caffeine;"
  - ii. "Health Boost "1,000 mg of vitamin C, zinc, quercetin and antioxidants power up your immune system to promote overall health;" and
  - iii. "Energy Boost B vitamins . . . offer a natural energy boost no caffeine, no crash."
- (h) The packaging of Emergen-C "Tangerine" has described the product as a "Health and Energy Booster," and further states:
  - i. "The powerful blend of vitamins, antioxidants and minerals boost your immunity, increase your metabolic function and ignite your energy level without caffeine;"
  - ii. "Health Boost "1,000 mg of vitamin C, zinc, quercetin and antioxidants power up your immune system to promote overall health;" and
  - iii. "Energy Boost B vitamins . . . offer a natural energy boost no caffeine, no crash."
- (i) The packaging of Emergen-C "Tropical" has described the product as a "Health and Energy Booster," and has further stated:

- i. "The powerful blend of vitamins, antioxidants and minerals boost your immunity, increase your metabolic function and ignite your energy level without caffeine;"
- ii. "Health Boost "1,000 mg of vitamin C, zinc, quercetin and antioxidants power up your immune system to promote overall health;" and
- iii. "Energy Boost B vitamins . . . offer a natural energy boost no caffeine, no crash."
- 22. In addition, on Defendant's website www.emergenc.com, Alacer advertised each of its Emergen-C "Original Formula" products identified in ¶ 20 above as "A powerful blend of vitamin C, B vitamins, antioxidants and electrolytes [that] boosts your immunity, increases your metabolic function, and ignites your energy level to help you really feel the good."
- 23. Alacer also produced and sold two versions of its Product Emergen-C "Immune Defense Formula" and Emergen-C "Immune + System Booster" that further emphasized the Product's purported immunity boosting properties by including the term "immune" has in the name of the Product version. In addition, the packaging and advertising for Alacer's Emergen-C "Immune Defense Formula" described the Product as "[t]he feel good way to strengthen your immunity every day," stating: "Boost immunity, increase metabolic function, and ignite your energy level without caffeine. If feeling good while boosting your immunity defenses is your thing, you've found the right box." Further, the packaging for Emergen-C "Immune Defense Formula" made the additional misrepresentations that using this version of Emergen-C will (i) "[a]ctivate the white blood cells that are most important in antibody production and in coordinating immune functions; (ii) "fight[] free radicals and help[] maintain healthy white blood cell activity;" and (iii) "stimulate" and "enhance" the immune system.
- 24. On Defendant's website www.emergenc.com, Defendant advertised its "Immune Defense" version of the Product the following way:

When your immune system needs a boost try this extra power packed Emergen-C drink mix. It starts with 1,000 mg of Vitamin C and key B Vitamins, then adds a full day supply of Zinc, Vitamins A and D, Selenium, Hibiscus extract and Elderberry concentrate. All in a soothing blend of natural fruit and honey flavors you mix with water. We've even

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heard that some like it hot. Since when was pumping up your immune health such a pleasure?

#### Alacer further represented:

With this enhanced formulation, along with the Emergen-C Immune Defense name, we wanted to create an Emergen-C product specifically designed for placement within the fast growing immune support segment of the cold and flu section of the grocery store

http://www.emergenc.com/press/emergen-c-to-the-d-fense/

25. Media advertisements contained the same false claims as found on Emergen-C's packaging. For example, the following is a transcript of an advertisement for Emergen-C played on the radio:

Does Emergen-C, the fizzy, energizing, immune boosting, Vitamin C drink mix really make you feel good? Adam, from Seattle, writes "Dear Emergen-C, I hate you. Why? Because now I see that you were a nefarious conspiracy to stop me from using up all my sick days. Can't walk around all full of bouncy bounce one day and then not show up the next. . . . Clearly you are in cahoots with my manager." Okay Adam. Glad it's working for you. Emergen-C, Feel the good.

26. A similar advertisement for Emergen-C, transcribed below, played on television:

What's in Emergen-C to boost your health and energy? 1000 mg. of immune strengthening Vitamin C plus naturally energizing B Vitamins. Emergen-C, feel the good.

- 27. In fact, however, there is no evidence to suggest that using Emergen-C has any impact on a person's immune system, let alone "boosts" the immune system. Nor is there any evidence that Emergen-C increases metabolic functions and a user's energy level. Alacer has no scientific or other legitimate basis for making any of these claims. All such representations by Alacer are thus unfair, unjust, false, misleading, and deceptive.
- 28. Unfortunately for Plaintiffs and other consumers of Emergen-C, Alacer has not been truthful regarding what its Emergen-C Product "can and cannot do." Alacer has profited enormously from its false advertising of Emergen-C. According to Emergen-C's website, the price of a box

containing 30 single-serving packets of Emergen-C original formula is \$12.99 or \$0.43 per packet, a premium price compared to the cost of a multivitamin.

#### **CLASS ALLEGATIONS**

29. Plaintiffs bring this action pursuant to section 382 of the California Code of Civil Procedure and section 1781 of the California Civil Code on behalf of themselves and all others similarly situated nationwide (the "Class"), defined as follows:

All consumers who purchased Defendant's Emergen-C Product in California during the period March 16, 2008, to the date of class certification. Excluded from the Class are any of Defendant's officers, directors, or employees; officers, directors, or employees of any entity in which Defendant currently has or has had a controlling interest; and Defendant's legal representatives, heirs, successors, and assigns.

- 30. At this time, Plaintiffs do not know the exact number of Class members; however, given the nature of the claims and the number of retail stores nationwide selling Defendant's Product, Plaintiffs believe that Class members are so numerous that joinder of all members of the Class is impracticable.
- 31. There is a well-defined community of interest in the questions of law and fact involved in this case. Questions of law and fact common to the members of the Class which predominate over questions which may affect individual Class members include:
  - (a) Whether Alacer misrepresented and/or failed to disclose material facts concerning Emergen-C;
  - (b) Whether Alacer's conduct was unfair and/or deceptive;
  - (c) Whether Alacer has been unjustly enriched as a result of the unlawful, fraudulent, and unfair conduct alleged in this Complaint such that it would be inequitable for Defendant to retain the benefits conferred upon Defendant by Plaintiffs and the Class;
  - (d) Whether, in violation of Civil Code § 1770(a)(7), Defendant advertised its Emergen-C Product with the intent not to sell it as advertised;

- (e) Whether, in violation of Civil Code §1770(a)(5), Defendant represented on packaging for Emergen-C that the Product had characteristics, ingredients, uses, or benefits that it does not have.
- (f) Whether Defendant is subject to liability for violating California's Consumers Legal Remedies Act, Civ. Code §§ 1750-1784;
- (g) Whether Defendant has violated California's Unfair Competition Law, Bus. & Prof. Code §§ 17200-17209;
- (h) Whether Defendant has violated California's False Advertising Law, Bus. & Prof. Code §§ 17500-17536;
- (i) Whether the Class is entitled to an award of restitution pursuant to California Bus. & Prof. Code § 17203; and
- (j) Whether Plaintiffs and the Class have sustained damages with respect to the common law claims asserted, and if so, the proper measure of their damages.
- 32. Plaintiffs' claims are typical of those of the Class because Plaintiffs, like all members of the Class, purchased, in a typical consumer setting, Defendant's Product bearing the representations about "boost[ing]", "support[ing]" "power[ing] up" and otherwise having positive effect on the user's immune system, "increase[ing] metabolic function," and "igni[ting]" the user's energy level, and Plaintiffs sustained damages from Defendant's wrongful conduct.
- 33. Plaintiffs will fairly and adequately protect the interests of the Class and has retained counsel that is experienced in litigating complex class actions. Plaintiffs have no interests which conflict with those of the Class.
- 34. A class action is superior to other available methods for the fair and efficient adjudication of this controversy.
- 35. The prerequisites to maintaining a class action for injunctive or equitable relief are met as Defendant has acted or refused to act on grounds generally applicable to the Class, thereby making appropriate final injunctive or equitable relief with respect to the Class as a whole.
- 36. The prosecution of separate actions by members of the Class would create a risk of establishing inconsistent rulings and/or incompatible standards of conduct for Defendant. For example,

one court might enjoin Defendant from performing the challenged acts, whereas another might not. Additionally, individual actions could be dispositive of the interests of the Class even where certain Class members are not parties to such actions.

37. Defendant's conduct is generally applicable to the Class as a whole and Plaintiffs seek, *inter alia*, equitable remedies with respect to the Class as a whole. As such, Defendant's systematic policies and practices make declaratory relief with respect to the Class as a whole appropriate.

#### **CAUSES OF ACTION**

#### **COUNT I**

# Unfair and Deceptive Acts and Practices In Violation of California's Consumers Legal Remedies Act

- 38. Plaintiffs incorporate by reference and realleges herein all paragraphs alleged above.
- 39. This cause of action is brought pursuant to the California Consumer Legal Remedies Act, Cal. Civ. Code § 1750, et seq. (the "CLRA").
- 40. Plaintiffs and members of the Class are "consumers," as the term is defined by Civil Code § 1761(d), because they bought Emergen-C for personal, family, or household purposes.
- 41. Plaintiffs, members of the Class, and Defendant have engaged in "transactions," as that term is defined by Civil Code §1761(e).
- 42. The conduct alleged in this Complaint constitutes unfair methods of competition and unfair and deceptive acts and practices for the purpose of the CLRA, and the conduct was undertaken by Defendant in transactions intended to result in, and which did result in, the sale of goods to consumers.
- 43. As alleged more fully above, Defendant has violated the CLRA by falsely representing to Plaintiffs and the Class that Emergen-C products (a) "boost" a user's immune system; (b) provide "immune system support"; (c) provide "immune defense" and prevent a user from becoming sick; (d) "[a]ctivate the white blood cells that are most important in antibody production and in coordinating immune functions; (e) "fight[] free radicals and help[] maintain healthy white blood cell activity;" (f) "stimulate" and "enhance" the immune system; (g) increase metabolic function; and (g) "boost" a user's energy level.

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- 44. As a result of engaging in such conduct, Defendant has violated Civil Code § 1770(a)(5), (a)(7), and (a)(9).
- 45. Pursuant to Civil Code § 1780(a)(2) and (a)(5), Plaintiffs seek an order of this Court that includes, but is not limited to, an order requiring Defendant to:
  - (a) remove and/or refrain from making representations on the Emergen-C box representing Emergen-C "boosts" or powers up a person's immune system;
  - (b) remove and/or refrain from making representations on the Emergen-C box representing Emergen-C "supports the immune system";
  - (c) remove the language "Immune Defense" from the Emergen-C product box;
  - (d) remove language on the Emergen-C box representing that Emergen-C can
    - i. "[a]ctivate the white blood cells that are most important in antibody production and in coordinating immune functions;"
    - ii. "fight[] free radicals and help[] maintain healthy white blood cell activity;" and
    - iii. "stimulate[]" and "enhance[]" the user's immune system;
  - (e) remove and/or refrain from using representations on the Emergen-C box representing Emergen-C increases metabolic function;
  - (f) remove and/or refrain from using representations on the Emergen-C box representing Emergen-C "ignites" a user's energy level; and
  - (g) comply with all applicable requirements of California's Sherman Law, including, but not limited to, prohibition of:
    - i. misbranding any food or drug, Health and Safety Code §§ 10398 & 111445;
    - ii. manufacturing, selling, delivering, holding, or offering for sale and food or drug that is misbranded, *id.* at §§ 10398 & 111440; and
    - iii. receiving in commerce any food or drug that is misbranded or delivering or proffering it for delivery, *id.* at §§ 110770 & 111450.
- 46. Plaintiffs and Class members may be irreparably harmed and/or denied an effective and complete remedy if such an order is not granted.

47.	The unfair	and	deceptive	acts	and	practices	of	Alacer,	as	described	above,	present	а
serious threat t	to Plaintiffs	and r	nembers o	f the	Clas	S.							

48. CLRA §1782 NOTICE. On February 3, 2012, a CLRA demand letter was sent to Defendant via certified mail that provided notice of Defendant's violation of the CLRA and demanded that within thirty (30) days from that date, Defendant correct, repair, replace or other rectify the unlawful, unfair, false and/or deceptive practices complained of herein. The letters also stated that if Defendant refused to do so, a complaint seeking damages in accordance with the CLRA would be filed. Defendant has failed to comply with the letter. Accordingly, pursuant to California Civil Code §1780(a)(3), Plaintiffs, on behalf of herself and all other members of the Class, seek compensatory damages, punitive damages and restitution of any ill-gotten gains due to Defendant's acts and practices.

#### **COUNT II**

#### Violations of California's False Advertising Law

- 49. Plaintiffs incorporate by reference and realleges herein all paragraphs alleged above.
- 50. As alleged more fully above, Defendant has falsely advertised Emergen-C by falsely claiming that the Product can and does boost users' immune systems, can and does support users' immune system, and can and does provides immune system defense. In addition, Defendant falsely represents that Emergen-C increases metabolic function and "ignites" the user's energy level.
- 51. Plaintiffs and the members of the proposed Class have suffered injury in fact and have lost money or property as a result of Defendant's violations of California's False Advertising Law ("FAL").
- 52. Pursuant to the Business and Professions Code §§ 17203 and 17535, Plaintiffs and the Class seek and order of this Court that includes, but is not limited to, an order requiring Defendant to:
  - (a) remove and/or refrain from making representations on the Emergen-C box representing Emergen-C "boosts" or powers up a person's immune system;
  - (b) remove and/or refrain from using representations on the Emergen-C box representing Emergen-C "supports the immune system;"
  - (c) remove the language "Immune Defense" from the Emergen-C product box;
  - (d) remove language on the Emergen-C box representing Emergen-C can

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- i. "[a]ctivate the white blood cells that are most important in antibody production and in coordinating immune functions;
- ii. "fight[] free radicals and help[] maintain healthy white blood cell activity;" and
- iii. and "stimulate[]" and "enhance[]" the immune system;
- (e) remove and/or refrain from using representations on the Emergen-C box representing Emergen-C increases metabolic function;
- (f) remove and/or refrain from using representations on the Emergen-C box representing Emergen-C "ignites" a user's energy level;
- (g) comply with all applicable requirements of the Sherman Law, including, but not limited to, prohibition of:
  - i. misbranding any food or drug, Health and Safety Code §§ 10398 & 111445;
  - ii. manufacturing, selling, delivering, holding, or offering for sale and food or drug that is misbranded, *id.* at §§ 10398 & 111440; and
  - iii. receiving in commerce any food or drug that is misbranded or delivering or proffering it for delivery, id. at §§ 110770 & 111450;
- (h) provide restitution to Plaintiffs and Class members;
- (i) disgorge all revenues obtained as a result of violations of the FAL; and
- (j) pay Plaintiffs' and the Class's attorney fees and costs.

#### **COUNT III**

#### Violation of California's Unfair Competition Law

- 53. Plaintiffs incorporate by reference and realleges herein all paragraphs alleged above.
- 54. By committing the acts and practices alleged herein, Defendant has violated California's Unfair Competition Law ("UCL"), as to the Class as a whole, by engaging in unlawful, fraudulent, and unfair conduct.
- 55. Defendant has violated the UCL's proscription against engaging in *unlawful* conduct as a result of:

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- (a) its violations of the CLRA, Civ. Code § 1770(a)(5), (a)(7) and (a)(9), as alleged above, and
- (b) its violations of the FAL, Bus. & Prof. Code §§ 17500-17536, as alleged above.
- 56. In addition, Defendant has violated the UCL's proscription against engaging in *unlawful* conduct as a result of its violations of the Sherman Law, Health & Saf. Code § 109875 *et seq.*, which forbids (1) misbranding of any food or drug, *id.* at §§ 10398 & 111445, and (2) manufacturing, selling, delivering, holding, or offering for sale any food or drug that is misbranded, or delivering or proffering it for delivery, *id.* at §§110770 & 111450.
- 57. The Sherman Law provides that a product is misbranded "if its labeling is false or misleading in any particular." *Id.* at § 110660. In determining whether the labeling or advertisement of a food, drug, device, or cosmetic is misleading, all representations made or suggested by statement, word, design, device, sound, or any combination of these shall be taken into account. The extent that the labeling or advertising fails to reveal facts concerning the food, drug, device, or cosmetic or consequences of customary use of the food, drug, device, or cosmetic shall also be considered. *Id.* at § 110290.
- 58. Defendant's acts and practices described above also violate the UCL's proscription against engaging in fraudulent conduct.
- 59. As more fully described above, Defendant's misleading marketing, advertising, packaging, and labeling of Emergen-C is likely to deceive reasonable consumers. Indeed, Plaintiffs and the other members of the Class were unquestionably deceived regarding the health benefits of Emergen-C, as Defendant's marketing, advertising, packaging, and labeling of Emergen-C misrepresent and/or omit the true facts concerning the benefits of Emergen-C. Said acts are fraudulent business practices.
- 60. Defendant's acts and practices described above also violate the UCL's proscription against engaging in *unfair* conduct.
- 61. Plaintiffs and Class members suffered a substantial injury by virtue of buying a Product they would not have purchased absent Defendant's unlawful, fraudulent, and unfair marketing,

advertising, packaging, and labeling or by virtue of paying an excessive premium price for the unlawfully, fraudulently, and unfairly marketed, advertised, packaged, and labeled Product.

- 62. There is no benefit to consumers or competition from deceptively marketing and labeling products like Emergen-C, which purports to be a "dietary supplement." Indeed, the harm to consumers and competition is substantial.
- 63. Plaintiffs and other Class members had no way of reasonably knowing that the Emergen-C they purchased was not as marketed, advertised, packaged, or labeled. Thus, they could not have reasonably avoided the injury each of them suffered.
- 64. The gravity of the consequences of Defendant's conduct as described above outweighs any justification, motive, or reason therefore, particularly considering the available legal alternatives which exist in the marketplace, and such conduct is immoral, unethical, unscrupulous, offends established public policy or is substantially injurious to Plaintiffs and the other members of the Class.
  - 65. Defendant's violations of the UCL continue to this day.
- 66. Pursuant to Business & Professional Code § 17203, Plaintiffs and the Class seek an order of this Court that includes, but is not limited to, an order requiring Defendant to:
  - (a) remove and/or refrain from using representations on the Emergen-C box representing Emergen-C "boosts" or powers up a person's immune system;
  - (b) remove and/or refrain from using representations on the Emergen-C box representing Emergen-C "supports the immune system;"
  - (c) remove the language "Immune Defense" from the Emergen-C product box;
  - (d) remove language on the Emergen-C box representing that Emergen-C can
    - i. "[a]ctivate the white blood cells that are most important in antibody production and in coordinating immune functions;
    - ii. "fight[] free radicals and help[] maintain healthy white blood cell activity;"
    - iii. "stimulate[]" and "enhance[]" the immune system;
  - (e) remove and/or refrain from using representations on the Emergen-C box representing Emergen-C increases metabolic function;

H. Punitive damages in accordance with proof and in an amount consistent with applicable precedent;

1	I. An order awarding Plaintiffs and the	other Class members the reasonable costs and expenses of							
2	suit, including their attorneys' fees; and								
3	J. Any further relief that the Court may deem appropriate.								
4									
5	JURY	TRIAL DEMANDED							
6	Plaintiffs demand a trial by jury for all claims so triable.								
7	DATED: September 27, 2013	REESE RICHMAN LLP							
8		Sichel Productioned Deare							
9		Michael R. Reese (SBN 206773)							
10		875 Avenue of Americas, 18th Floor							
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