## **DEBENEDICTIS & DEBENEDICTIS LLC**

Michael J. Debenedictis 125 Kings Highway West Haddonfield, NJ 08033 (856) 795-2101

Telephone: (856) 795-2101 Facsimile: (856) 795 0893

email: mjd@debenedictislaw.com

### **GUTRIDE SAFIER LLP**

Adam J. Gutride
Seth A. Safier
Todd Kennedy
835 Douglass Street
San Francisco, California 94114

Telephone: (415) 789-6390 Facsimile: (415) 449-6469 email: seth@gutridesafier.com (not yet admitted in New Jersey)

Attorneys for Plaintiff, SCOTT MILLER

# UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

SCOTT MILLER, on behalf of himself and all others similarly situated,

Plaintiff,

v.

SAMSUNG ELECTRONICS AMERICA, INC.,

Defendants.

Civil Action

No.

## **Class Action Complaint**

Plaintiff demands a trial by jury.

Plaintiff Scott Miller, by way of Complaint against Samsung Electronics America, Inc., states:

### STATEMENT OF THE CASE

This case concerns Samsung's conduct with respect to the sale of Samsung "Series 3" Chromebook laptop computers. Samsung specifically marketed, advertised and represented to consumers that its Series 3 Chromebook has a Universal Serial Bus ("USB") 3.0 "SuperSpeed" port.¹ However, the Chromebook does not, in fact, have a USB 3.0 SuperSpeed port. To the contrary, as Plaintiff discovered after purchasing the product, the Chromebook is incapable of achieving data transfer speeds anywhere near the speeds required by the USB 3.0 specification, which sets forth the data transfer requirements that must be met by USB 3.0 "hosts," or ports.

The USB 3.0 specification states that USB 3.0 hosts must be capable of transferring data at a "SuperSpeed" rate of 5 Gbit/s. The Chromebook does not even come close to this requirement; it typically transfers data at a rate of only about 124 Mbit/s—2.5% as fast as advertised. Indeed, the Chromebook's typical data transfer speed is only about 25% as fast as the 480 Mbit/s speed required by the USB <u>2.0</u> specification, which was released over a decade ago.

### **PARTIES**

- 1. Plaintiff Scott Miller ("Miller" or "Plaintiff") is an individual who resides in Auburndale, Florida 33823.
- 2. Defendant Samsung Electronics America, Inc. ("Samsung") is a New York corporation with its principal place of business at 105 Challenger Road, Ridgefield Park, New Jersey 07660. Samsung advertises, markets, sells, or offers for sale a variety of consumer electronics, including laptop computers. On information and belief, Samsung also manages the North American operations of Samsung Telecommunications America, Samsung Electronics Canada, and Samsung Electronics Mexico. Plaintiff is informed and believes that all of the design, advertising, marketing, sale and offer for sale of the Chromebook referred to in this Complaint were made,

2

<sup>&</sup>lt;sup>1</sup> Although there are a number of Samsung Chromebook models, the term "Chromebook," as used in this complaint, currently refers only to the Samsung Series 3 Chromebook.

directed and/or determined by Samsung in Ridgefield Park, New Jersey. On information and belief, Samsung was formed in 1977 as a subsidiary of Samsung Electronics Co., Ltd. ("SEC"), a corporation with its principal offices in South Korea.

## **JURISDICTION AND VENUE**

- 3. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1332(d)(2), because the matter in controversy exceeds \$5,000,000, exclusive of interest and costs, and is a class action in which at least one member of the class is a citizen of a State different from at least one defendant.
- 4. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(1) because Samsung has its corporate headquarters and principal place of business in this District.

#### **FACTS**

5. The market for laptop computers is fiercely competitive. Laptop manufacturers continually attempt to gain market share by introducing the latest cutting-edge features that are attractive to consumers. One such feature is the inclusion of one or more "USB 3.0" ports—data ports (otherwise known as "hosts")—that comply with Revision 3.0 of the USB specification.

### A. The USB Specification and its Data Transfer Rate Requirements

- 6. The USB specification was developed by a number of companies that collectively formed the USB Implementers Forum, Inc. ("Implementers Forum"), a non-profit corporation organized for the purposes of developing and distributing specifications and other documents that augment, enhance, or extend the USB specification.
- 7. The Implementers Forum released the USB 1.0 specification in 1996. The USB 1.0 specification specified two data transmission modes: (i) "Low-Bandwidth" (providing 1.5 Mbit/s); and (ii) "Full-Bandwidth" (providing 12 Mbit/s).<sup>2</sup>

3

<sup>&</sup>lt;sup>2</sup> "Mbit/s" refers to Megabits per second. A Megabit (which is different from a "Megabyte") is equivalent to 125 kilobytes.

- 8. In April 2000, the Implementers Forum released the USB 2.0 specification, which added a third data transmission mode: "Hi-Speed" (providing 480 Mbit/s).
- 9. On November 12, 2008, the Implementers Forum released the USB 3.0 specification, which added a fourth data transmission mode: "SuperSpeed" (providing 5 Gbit/s). The term "SuperSpeed" is expressly defined by the USB 3.0 specification as being "USB operation at 5 Gbps":3

Term/Abbreviation	Definition
SuperSpeed	USB operation at 5 Gbps.

(Ex. A at 2-6 (some rows omitted in order to show column headers).)

## 3.1.4 USB 3.0 Architecture Summary

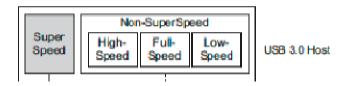
USB 3.0 is a dual-bus architecture that incorporates USB 2.0 and a SuperSpeed bus. Table 3-1 summarizes the key architectural differences between SuperSpeed USB and USB 2.0.

Table 3-1. Comparing SuperSpeed to USB 2.0

Characteristic	SuperSpeed USB	USB 2.0
Data Rate	SuperSpeed (5.0 Gbps)	low speed (1.5 Mbps), full speed (12 Mbps), and high-speed (480 Mbps)

(Ex. A at 3-3-3-4.)

10. The USB 3.0 Specification refers to the USB ports of personal computers such as the Chromebook as "hosts." Like all USB 3.0-compliant devices, hosts must be capable of transferring data at rates corresponding to all four data transfer modes, including SuperSpeed:



(Ex. A at 3-1.)

11. In a May 10, 2012 supplement to the USB 3.0 Specification, the Implementers Forum reiterated that all USB 3.0-compliant hosts of personal computers must support all USB 3.0 defined speeds, including SuperSpeed:

<sup>&</sup>lt;sup>3</sup> The abbreviation "Gbps" is equivalent to "Gbit/s"—both refer to Gigabits per second.

The Universal Serial Bus (USB), originally designed as an interface between PCs and peripherals, has become the most successful general-purpose PC interface in the history of computing. The [USB3.0] specification has added the capability for SuperSpeed communications over USB.

By definition, USB communication occurs between a host and a peripheral. The original intent was to place the heavier workload on the PC (host) and to allow USB peripherals to be fairly simple. Accordingly, the USB specification requires that PCs:

- provide power to peripherals (for [USB2.0] 0.5A at ~5V, for [USB3.0] 0.9A at ~5V)
- support all defined speeds (SuperSpeed, Low Speed, Full Speed and High Speed)
- support all defined data flow types (control, bulk, interrupt and isochronous)

(Ex. B at 13 (box added).)

12. The Implementers Forum owns the trademarks to a number of logos corresponding to USB. One such logo is the "SuperSpeed USB Trident" logo:



(Ex. C at 28.) The USB Logo Usage Guidelines state: "The USB-IF SuperSpeed Trident logo is for use with product that signals at 5Gb/s." (*Id*.) The Guidelines further state that the logo can be used only with a product "based on and compliant with the USB 3.0 specification." (*Id*.)

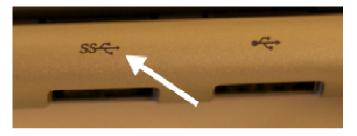
## B. The Chromebook's USB Ports

13. The Chromebook has two USB ports, located at the rear of the laptop. The Chromebook's packaging states that one of these ports is a "Super-speed USB 3.0" port.



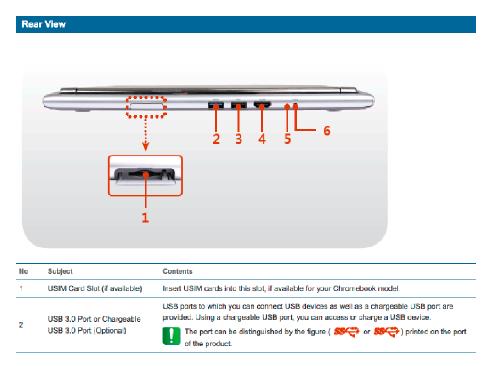
(Ex. D at 1.)

14. Samsung also labeled the Chromebook's purported USB 3.0 port with the SuperSpeed USB Trident logo:



(Ex. D at 2 (arrow added).)

15. In addition, Samsung provides an online Chromebook User Guide, which uses the SuperSpeed USB Trident logo and refers to the port as a "USB 3.0 Port":



(Samsung Chromebook Online User Guide (accessed 6/25/2014 at http://downloadcenter.samsung.com/content/UM/201210/20121008141622607/EN/manual\_eng/index.html))

16. The Chromebook specifications provided on Samsung's website also state that the Chromebook has a USB 3.0 port:



(Ex. G at 5.)

17. Similarly, the Chromebook specification sheet, provided on Samsung's website, states that the Chromebook has a "USB 3.0" port:



(Ex. F at 4 (some rows omitted in order to show column headers).)

- 1. USIM (3G model only)
- 2. USB 3.0
- 3. USB 2.0
- 4. HDMI
- 5. AC Power
- 6. Headphone/MIC combo
- 7. SD Card Slot



(*Id.*)

18. Samsung sells the Chromebook through various retailers, including both brick-and-mortar retailers and online retailers. To promote the sale of the Chromebook, Samsung provides to all Chromebook retailers information relating to the Chromebook. Samsung represents to all its retailers that the Chromebook contains a SuperSpeed USB 3.0 port. In particular, Samsung

provides, from the state of New Jersey, to all Chromebook retailers (i) specifications of the Chromebook stating that the Chromebotok has a USB 3.0 port; (ii) photographs of the Chromebook's USB 3.0 port, including the SuperSpeed USB Trident logo; and (iii) Chromebook packaging stating that the Chromebook includes "Super-speed USB 3.0."

19. At no time did Samsung inform its retailers that the Chromebook does not have a SuperSpeed USB 3.0 port.

### C. Plaintiff's Purchase of the Chromebook and Discovery of its Sluggish USB Speeds

- 20. In the summer of 2013, Plaintiff was shopping for a new laptop. He was specifically looking for a laptop with a USB 3.0 SuperSpeed port.
- 21. One of the laptops that was advertised to meet Plaintiff's criteria was the Samsung "Series 3" Chromebook, model number XE303C12-A01US. In considering whether to purchase the Chromebook, Plaintiff saw the SuperSpeed USB Trident logo next to one of the Chromebook's USB ports. He also saw the representation on the Chromebook's packaging that included the "Super-speed USB 3.0" representation.
- 22. In reliance on Defendant's representations, Plaintiff purchased the Chromebook, on or about August 15, 2013, for \$169.01, from Best Buy store #563 in Lakeland, Florida.
- 23. After purchasing and using the Chromebook, Plaintiff discovered that the Chromebook's purported SuperSpeed port is incapable of achieving the data transfer rates required by the USB 3.0 specification. In fact, he discovered that the purported SuperSpeed port transfers data at only about 124 Mbit/s—far below the 5 Gbps speed required by the USB 3.0 specification, and even far below the "Hi-Speed" mode required by the USB **2.0** specification, which was released in 2000 and requires a transfer rate of 480 Mbit/s.
- 24. Had he known that the Chromebook's USB data transfer rates were so slow, or that they were not in compliance with the USB 3.0 specification, Plaintiff would not have purchased the Chromebook or, at a minimum, he would have paid far less—i.e., he would have purchased a Chromebook with a USB 2.0 or 1.0 specification. As a result, Plaintiff has sustained an out of

pocket loss in (i) the amount that he paid for his Chromebook—i.e., \$169.01 or, at a minimum, (ii) the difference in price between a Chromebook with the USB 3.0 specification and one with a USB 2.0 or 1.0 specification. Plaintiff is informed and believes that the difference in price between a USB 3.0 and USB 2.0 Chromebook is approximately \$100. In other words, the premium associated with the USB 3.0 specification is approximately \$100 per Chromebook.

- 25. Plaintiff intends to purchase Samsung products in the future, and therefore is likely to be deceived again by any misrepresentations with respect to the USB capabilities of such Samsung products. Plaintiff will be unable to determine whether such representations are false without purchasing and testing such Samsung products.
- 26. On information and belief, before it released the Series 3 Chromebook, Samsung tested the speed of its purported USB 3.0 port, and confirmed that the port was incapable of achieving speeds anywhere near the 5 Gbps speed required by the USB 3.0 specification.
- 27. At no time did Samsung inform consumers that the Chromebook does not have a SuperSpeed USB 3.0 port.

## D. Class Allegations

- 28. In addition to his individual claims, Plaintiff brings this action pursuant to Rule 23 of the Federal Rules of Civil Procedure on behalf of a Class consisting of all persons, natural or otherwise, who purchased, in the United States, between October 22, 2012 and the present, a Samsung Series 3 Chromebook.
- 29. Excluded from the Class are Samsung, its affiliates, successors and assigns, officers and directors, and members of their immediate families.
- 30. The proposed Class is so numerous that joinder of all members is impracticable. The precise number of members in the Class is not yet known to Plaintiff, but he estimates that it is well in excess of 1,000 people. However, as stated above, the Chromebook is a best-selling laptop computer.

- 31. There are questions of law and fact that are common to the Class, including, but not limited to, the following:
  - whether the USB port of the Samsung Series 3 Chromebook is capable of the data transfer speeds required by the USB 3.0 specification;
  - whether Samsung misled class members by representing that the Chromebook contained a SuperSpeed USB 3.0 port;
  - whether the Chromebook's USB port is actually a SuperSpeed USB 3.0 port, as defined by the Implementers Forum's USB 3.0 Specification.
  - whether Samsung breached its obligations to the class;
  - whether Samsung violated the New Jersey Consumer Fraud Act or, alternatively, whether Samsung violated the Florida Deceptive and Unfair Trade Practices Act;
  - whether Samsung violated the New Jersey Truth in Consumer Contract, Warranty and Notice Act;
  - whether Samsung's advertising was misleading under Fla. Stat. § 817.41;
  - whether Samsung engaged in the alleged conduct knowingly, recklessly, or negligently
  - the amount of revenues and profits Samsung received and/or the amount of monies or other obligations lost by class members as a result of such wrongdoing;
  - whether class members are entitled to injunctive relief and other equitable relief and, if so, what is the nature of such relief; and
  - whether class members are entitled to payment of actual, incidental, consequential, exemplary, and/or statutory damages plus interest, and if so, what is the nature of such relief.
- 32. Plaintiff's claims against Samsung are typical of the claims of the Class because Plaintiff and all other members of the class purchased a Samsung Series 3 Chromebook. With respect to the class allegations, Plaintiff was subject to the exact same business practices and written representations.
  - 33. Plaintiff will fairly and adequately protect the interests of the Class.

- 34. Plaintiff has demonstrated his commitment to the case, has diligently educated himself as to the issues involved, and to the best of his knowledge does not have any interests adverse to the proposed class.
- 35. The questions of law and fact common to the members of the class predominate over any questions affecting only individual members.
- 36. A class action is superior to other available methods for a fair and efficient adjudication of this controversy as many members of the proposed class have damages arising from Samsung's wrongful course of conduct which would not be susceptible to individualized litigation of this kind, including, but not limited to, the costs of experts and resources that may be required to examine the business practices in question.
- 37. Given the relative size of damages sustained by the individual members of the Class, the diffuse impact of the damages, and homogeneity of the issues, the interests of members of the Class individually controlling the prosecution of separate actions is minimal.
- 38. There is no litigation already commenced, nor is there anticipated to be subsequent litigation commenced by other members of the Class concerning Samsung's alleged conduct. Consequently, concerns with respect to the maintenance of a class action regarding the extent and nature of any litigation already commenced by members of the Class are non-existent.
- 39. Plaintiff is unaware of any difficulties that are likely to be encountered in the management of this Class Action Complaint that would preclude its maintenance as a class action.

### **COUNT ONE**

# (Consumer Fraud; Deceptive and Unfair Trade Practices; Misleading Advertising)

- 40. Plaintiff incorporates by reference all preceding paragraphs of this complaint as if fully set forth herein.
- 41. As set forth above (*inter alia*, *see supra*,  $\P\P$  13–17), Samsung deceptively and unfairly made misrepresentations of material fact to Plaintiff and those similarly situated that its

Chromebooks contained a SuperSpeed USB 3.0 port. Specifically, Samsung (i) represented on the Chromebook's packaging that the Chromebook included "Super-speed USB 3.0"; (ii) represented that the Chromebook had a SuperSpeed USB 3.0 port, by printing the SuperSpeed USB Trident logo next to one of the Chromebook's USB ports; (iii) stating in the Chromebook User Guide and elsewhere on the Samsung website that the Chromebook included a "USB 3.0 Port"; and (iv) including the SuperSpeed USB Trident logo in the Chromebook User Guide next to the description of a Chromebook USB port. Samsung further concealed, suppressed, and omitted material facts that would have revealed that the Chromebook does not, in fact, have a SuperSpeed USB 3.0 port.

- 42. In addition, Samsung deceptively and unfairly misrepresented to all Chromebook retailers, including online retailers and brick-and-mortar retailers (such as Best Buy), that the Chromebook contains a SuperSpeed USB 3.0 port. On information and belief, Samsung made this representation, from the state of New Jersey, by providing to all Chromebook retailers: (i) specifications of the Chromebook, stating that the Chromebook has a USB 3.0 port; (ii) photographs of the Chromebook's USB 3.0 port, including the SuperSpeed USB Trident logo; and (iii) Chromebook packaging stating that the Chromebook includes "Super-speed USB 3.0." Samsung further concealed, suppressed, and omitted material facts that would have revealed that the Chromebook does not, in fact, contain SuperSpeed USB 3.0 port.
- 43. Samsung further concealed, suppressed, and omitted material facts that would have revealed that the Series 3 Chromebook does not, in fact, have a SuperSpeed USB 3.0 port. Among other things, Samsung concealed the fact that the Chromebook's purported USB 3.0 port was incapable of achieving speeds anywhere near the 5 Gbps speed required by the USB 3.0 specification.
- 44. Samsung knew—or through the exercise of reasonable care or investigation could or might have known—of the falsity or misleading nature of each of its statements and omissions. In particular, on information and belief, Samsung tested the speed of its purported USB 3.0 port,

and confirmed that the port was incapable of achieving speeds anywhere near the 5 Gbps speed required by the USB 3.0 specification.

- 45. Samsung's deceptive acts, unfair practices, and misrepresentations caused Plaintiff and those similarly situated to sustain actual damages. Specifically, Samsung's deceptive acts, unfair practices, and misrepresentations misled Plaintiff and those similarly situated by making them believe that the Chromebook had a SuperSpeed USB 3.0 port, when in fact the Chromebook did not have such a port. Samsung's deceptive acts, unfair practices, and misrepresentations further misled Plaintiff and those similarly situated by making them believe that the Chromebook's USB port was capable of transferring data at the "SuperSpeed" rate of 5 Gbit/s, when in fact the Chromebook's USB port is incapable of transferring data at anywhere near that rate. Plaintiff and those similarly situated justifiably relied on each of Samsung's misrepresentations, and thereby suffered damages.
- 46. As demonstrated by Samsung's decision to repeatedly advertise the Chromebook's purported SuperSpeed USB 3.0 port, Samsung intended that its misrepresentations would induce consumers to rely and act upon them.
- 47. Plaintiff and those similarly situated have sustained damages and an ascertainable loss as a result of Samsung's conduct. Specifically, Plaintiff and those similarly situated purchased Chromebooks that they would not have purchased or, at a minimum, paid more for Chromebooks with SuperSpeed USB 3.0 ports than they would have had they known that the Chromebook USB ports were slower than SuperSpeed USB 3.0 ports (and, indeed, slower than USB 2.0 "Hi-Speed" ports). In other words, Plaintiff and those similarly situated paid a premium for SuperSpeed USB 3.0 port Chromebooks that they would not have paid had they known the truth of the matter.
- 48. As a consequence of Samsung's deceptive acts, unfair practices, and misrepresentations, Samsung obtained the monies that Plaintiff and those similarly situated spent to obtain their Series 3 Chromebooks. These monies are equivalent to the actual damages of Plaintiff and those similarly situated.

- 49. Samsung's conduct—including the conduct described in this Count, as well as the conduct more fully described in the Statement of the Case, incorporated by reference herein—is in violation of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8–1 *et seq*. insofar as Samsung, in connection with the sale and advertisement of the Series 3 Chromebook, knowingly misrepresented and/or concealed, suppressed, and omitted material facts, with the intent that Plaintiff and others similarly situated would rely upon such misrepresentation, concealment, suppression and omission.
- 50. In the alternative, in the event the Court finds that Florida law governs this dispute, Plaintiff contends that Samsung's conduct—including the conduct described in this Count, as well as the conduct more fully described in the Statement of the Case, incorporated by reference herein—violates Florida's Deceptive and Unfair Trade Practices Act, Fla. Stat. § 501.201, et seq., as well as Florida's misleading advertising statute, Fla. Stat. § 817.41.

**WHEREFORE,** Plaintiff, on behalf of himself and those similarly situated, demands judgment against Samsung for actual damages, treble damages and/or punitive damages, attorneys' fees and costs associated with this action, interest, and such other relief as may be proper under the circumstances.

### **COUNT TWO**

# (Violation of the New Jersey Truth in Consumer Contract, Warranty and Notice Act, N.J.S.A. 56:12-14 et seq.)

- 51. Plaintiff incorporates by reference all preceding paragraphs of this complaint as if fully set forth herein.
- 52. Samsung displayed notices and signs to Plaintiff and those similarly situated that violated clearly established legal rights of Plaintiff and those similarly situated at the time the notices and signs were displayed. In particular, as set forth above (*inter alia*, *see supra*, ¶¶ 13–17), the notices and signs that Samsung displayed included (i) the notice and sign on the Chromebook's packaging that the Chromebook included "Super-speed USB 3.0"; (ii) the notice

and sign of the SuperSpeed USB Trident logo next to one of the Chromebook's USB ports, which represented that the Chromebook had a SuperSpeed USB 3.0 port; (iii) the notice and sign in the Chromebook User Guide and elsewhere on the Samsung website that the Chromebook included a "USB 3.0 Port"; and (iv) the notice and sign of the SuperSpeed USB Trident logo in the Chromebook User Guide next to the description of a Chromebook USB port.

53. As described in the other Counts in this Complaint, Samsung's display of these notices and signs violated clearly established legal rights of Plaintiff and those similarly situated, including (i) the right to be free from consumer fraud and deceptive and unfair trade practices (*see* N.J.S.A. 56:8–1 *et seq.*; Fla. Stat. § 501.201, *et seq.*); (ii) the right to be free from misleading advertising (*see* Fla. Stat. § 817.41); (iii) the right to be free from fraud; (iv) the right to be free from misrepresentation; and (v) the right to the benefits of the implied warranty of merchantability (*see* N.J.S.A. 12A:2-314; Fla. Stat. § 672.314).

**WHEREFORE,** Plaintiff, on behalf of himself and those similarly situated, demands judgment against Samsung for statutory damages, attorneys' fees and costs associated with this action, interest, and such other relief as may be proper under the circumstances.

### **COUNT THREE**

### (Fraud)

- 54. Plaintiff incorporates by reference all preceding paragraphs of this complaint as if fully set forth herein.
- 55. As set forth above (*inter alia*, *see supra*, ¶¶ 13–16), Samsung represented to Plaintiff and those similarly situated that its Chromebooks contained a SuperSpeed USB 3.0 port. Specifically, Samsung (i) represented on the Chromebook's packaging that the Chromebook included "Super-speed USB 3.0"; (ii) represented that the Chromebook had a SuperSpeed USB 3.0 port, by printing the SuperSpeed USB Trident logo next to one of the Chromebook's USB ports; (iii) stating in the Chromebook User Guide and elsewhere on the Samsung website that the Chromebook included a "USB 3.0 Port"; and (iv) including the SuperSpeed USB Trident logo

in the Chromebook User Guide next to the description of a Chromebook USB port. Samsung further concealed, suppressed, and omitted material facts that would have revealed that the Chromebook does not, in fact, have a SuperSpeed USB 3.0 port.

- 56. In addition, Samsung represented to all Chromebook retailers, including online retailers and brick-and-mortar retailers (such as Best Buy), that the Chromebook contains a SuperSpeed USB 3.0 port. On information and belief, Samsung made this representation by providing to all Chromebook retailers: (i) specifications of the Chromebook, stating that the Chromebook has a USB 3.0 port; (ii) photographs of the Chromebook's USB 3.0 port, including the SuperSpeed USB Trident logo; and (iii) Chromebook packaging stating that the Chromebook includes "Super-speed USB 3.0." Samsung further concealed, suppressed, and omitted material facts that would have revealed that the Chromebook does not, in fact, contain SuperSpeed USB 3.0 port.
- 57. Samsung's representations—both those made directly to consumers, and those made indirectly to consumers through retailers—were false, and Samsung knew that the representations were false when it made them.
- 58. Samsung intended that Plaintiff and those similarly situated would rely on the above-identified representations.
- 59. Plaintiff and those similarly situated reasonably relied on Samsung's representations—both those that Samsung made directly to them, and those that Samsung made indirectly to them through retailers. Specifically, Plaintiff and those similarly situated purchased Series 3 Chromebooks because they believed that the Chromebooks had a USB 3.0 SuperSpeed port.
- 60. Because they reasonably relied on Samsung's false representations, Plaintiff and those similarly situated were harmed in an amount which will be proved at trial.

**WHEREFORE,** Plaintiff, on behalf of himself and those similarly situated, demands judgment against Samsung for treble damages, attorneys' fees, and costs associated with this action, interest, and such other relief as may be proper under the circumstances.

### **COUNT FOUR**

## (Misrepresentation)

- 61. Plaintiff incorporates by reference all preceding paragraphs of this complaint as if fully set forth herein.
- 62. As set forth above (*inter alia*, *see supra*, ¶¶ 13–16), Samsung represented to Plaintiff and those similarly situated that its Chromebooks contained a SuperSpeed USB 3.0 port. Specifically, Samsung (i) represented on the Chromebook's packaging that the Chromebook included "Super-speed USB 3.0"; (ii) represented that the Chromebook had a SuperSpeed USB 3.0 port, by printing the SuperSpeed USB Trident logo next to one of the Chromebook's USB ports; (iii) stating in the Chromebook User Guide and elsewhere on the Samsung website that the Chromebook included a "USB 3.0 Port"; and (iv) including the SuperSpeed USB Trident logo in the Chromebook User Guide next to the description of a Chromebook USB port. Samsung further concealed, suppressed, and omitted material facts that would have revealed that the Chromebook does not, in fact, have a SuperSpeed USB 3.0 port.
- 63. In addition, Samsung represented to all Chromebook retailers, including online retailers and brick-and-mortar retailers (such as Best Buy), that the Chromebook contains a SuperSpeed USB 3.0 port. On information and belief, Samsung made this representation by providing to all Chromebook retailers: (i) specifications of the Chromebook, stating that the Chromebook has a USB 3.0 port; (ii) photographs of the Chromebook's USB 3.0 port, including the SuperSpeed USB Trident logo; and (iii) Chromebook packaging stating that the Chromebook includes "Super-speed USB 3.0." Samsung further concealed, suppressed, and omitted material facts that would have revealed that the Chromebook does not, in fact, contain SuperSpeed USB 3.0 port.
- 64. In turn, Best Buy represented to Plaintiff, and Best Buy and other retailers represented to others similarly situated, that the Chromebooks contain a SuperSpeed USB 3.0 port. For example, Best Buy's website (i) includes a photograph of the Chromebook's purported USB 3.0

port, along with the SuperSpeed USB Trident logo; and (ii) states that the Chromebook as a "USB 3.0" port.

- 65. Samsung's representations—both those made directly to consumers, and those made indirectly to consumers through retailers—were not true, and Samsung had no reasonable grounds for believing that they were true when it made those representations.
- 66. Samsung intended that Plaintiff and those similarly situated would rely on the above-identified representations.
- 67. Plaintiff and those similarly situated reasonably relied on Samsung's representations—both those that Samsung made directly to them, and those that Samsung made indirectly to them through retailers. Specifically, Plaintiff and those similarly situated purchased Series 3 Chromebooks because they believed that the Chromebooks had a USB 3.0 SuperSpeed port.
- 68. Because they reasonably relied on Samsung's false representations, Plaintiff and those similarly situated were harmed in an amount which will be proved at trial.

**WHEREFORE,** Plaintiff, on behalf of himself and those similarly situated, demands judgment against Samsung for treble damages, attorneys' fees, and costs associated with this action, interest, and such other relief as may be proper under the circumstances.

#### **COUNT FIVE**

## (Implied Warranty of Merchantability)

- 69. Plaintiff incorporates by reference all preceding paragraphs of this complaint as if fully set forth herein.
- 70. The Series 3 Chromebooks purchased by Plaintiff and those similarly situated are defective because they are not reasonably fit for the intended use and the reasonably foreseeable use of transferring data over a USB port at the USB 3.0 SuperSpeed rate of 5 Gbps. In fact, the Chromebook's purported SuperSpeed port transfers data at only about 124 Mbit/s—far below the 5 Gbps speed required by the USB 3.0 specification, and even far below the "Hi-Speed"

mode required by the USB 2.0 specification, which was released in 2000 and requires a transfer rate of 480 Mbit/s.

- 71. In addition, The Series 3 Chromebooks purchased by Plaintiff and those similarly situated are defective because they are not reasonably fit for the intended use and the reasonably foreseeable use of using USB 3.0 SuperSpeed devices and USB 2.0 Hi-Speed devices (including, for example, external USB flash drives and external USB hard drives) at their intended speeds with the Series 3 Chromebooks.
- 72. Samsung's conduct marketing a laptop that purportedly contains a USB 3.0 port when it actually does not uniformly violates all consumer protection statutes and specifically violates the statutes applicable to the parties in this case.
- 73. Samsung's conduct—including the conduct described in this Count, as well as the conduct more fully described in the Statement of the Case, incorporated by reference herein—violates N.J.S.A. 12A:2-314.
- 74. Samsung's conduct—including the conduct described in this Count, as well as the conduct more fully described in the Statement of the Case, incorporated by reference herein—violates Fla. Stat. § 672.314.

**WHEREFORE,** Plaintiff, on behalf of himself and those similarly situated, demands judgment against Samsung for actual damages, attorneys' fees, costs associated with this action, interest, and such other relief as may be proper under the circumstances.

#### **COUNT SIX**

### (INJUCTION)

- 75. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein.
- 76. Samsung continues to market and sell the Series 3 Chromebooks as USB 3.0 compliant and/or capable. On information and belief, Samsung provided to all Chromebook retailers: (i) specifications of the Chromebook, stating that the Chromebook has a USB 3.0 port; (ii) photographs of the Chromebook's USB 3.0 port, including the SuperSpeed USB Trident logo; and

- (iii) Chromebook packaging stating that the Chromebook includes "Super-speed USB 3.0." In turn, the Chromebook retailers made this false and/or misleading information available to consumers. For example, Best Buy's website (i) includes a photograph of the Chromebook's purported USB 3.0 port, along with the SuperSpeed USB Trident logo; and (ii) states that the Chromebook as a "USB 3.0" port.
- 77. In fact, the Chromebook's purported SuperSpeed port transfers data at only about 124 Mbit/s—far below the 5 Gbps speed required by the USB 3.0 specification, and even far below the "Hi-Speed" mode required by the USB 2.0 specification, which was released in 2000 and requires a transfer rate of 480 Mbit/s.
- 78. Such sales, marketing and branding is ongoing, misleading, unlawful, and/or factually inaccurate.
- 79. Plaintiff has been injured, and continues to be injured, due to the continued existence, implementation, and/or utilization of such misleading and inaccurate sales and marketing practices.
- **80.** Such sales and marketing practices emanate from, and are centrally controlled, defined, and/or approved in New Jersey.

**WHEREFORE**, Plaintiff demands judgment enjoining Samsung from the continued sale and marketing of non-USB 3.0 compliant Chromebooks as containing a USB 3.0 SuperSpeed port, together with attorneys' fees, costs associated with this action, and such other relief as may be proper under the circumstances.

## **COUNT SEVEN**

## (DECLARATORY JUDGMENT)

- 81. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein.
- 82. A legitimate case and controversy exists between Plaintiff and Samsung regarding the capability of the impacted Chromebooks' designated USB 3.0 port and/or Samsung's continued designation and marketing of the port as USB 3.0 compliant and capable.

83. Such conduct is willful, and ongoing.

84. Plaintiff and the putative class are and have been, and continue to be, injured by

Samsung's willful refusal to correctly characterize the USB 3.0 port's capabilities.

**WHEREFORE**, Plaintiff demands judgment declaring that the purported USB 3.0 port in the

Samsung Chromebooks at issue is not complaint with the USB 3.0 specification, including,

without limitation, the SuperSpeed 5.0 Gbps requirements of the USB 3.0 specification, together

with attorney fees, costs, and interest associated with obtaining such a judgment, plus any

additional relief as may be proper under the circumstances.

**JURY TRIAL DEMANDED** 

Plaintiff hereby demands a trial by jury as to all issues.

CERTIFICATION OF MAILING TO NEW JERSEY ATTORNEY GENERAL

I hereby certify that a copy of this Complaint was sent via First Class U.S. Mail to the

Attorney General of the State of New Jersey.

**DeBenedictis & DeBenedictis LLC** 

Michael J. DeBenedictis, Esq.

DeBenedictis & DeBenedictis LLC

125 Kings Highway West Haddonfield, NJ 08033

T: (856) 795-2101 F: (856) 795-0893

21