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7  
8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**  
10

11 JOHN FLANAGAN, Individually, and  
on Behalf of All Others Similarly  
12 Situated,

13 Plaintiff,

14 v.

15 LUMBER LIQUIDATORS, INC., and  
DOES 1-10, INCLUSIVE

16 Defendants.  
17  
18  
19  
20  
21  
22

Case No. 2:15-CV-01752

CLASS ACTION

**COMPLAINT FOR INJUNCTIVE  
RELIEF AND DAMAGES:**

(1) CALIFORNIA UNFAIR  
COMPETITION LAW (CAL. BUS. &  
PROF. CODE §17200 *ET SEQ.*)  
(2) CALIFORNIA FALSE  
ADVERTISING LAW (CAL. BUS. &  
PROF. CODE § 17500 *ET SEQ.*)  
(3) CALIFORNIA CONSUMERS  
LEGAL REMEDIES ACT (CAL. CIV.  
CODE § 1750 *ET SEQ.*)  
(4) MAGNUSON-MOSS  
WARRANTY ACT (15 U.S.C. § 2301  
*ET SEQ.*)  
(5) BREACH OF EXPRESS  
WARRANTIES  
(6) NEGLIGENT  
MISREPRESENTATION

**REQUEST FOR JURY TRIAL**

23  
24  
25 Plaintiff John Flanagan, individually and on behalf of all others similarly  
26 situated ("Plaintiff"), hereby alleges and complains the following facts and counts  
27 against defendants Lumber Liquidators, Inc. and Does 1 through 10, inclusive, and  
28 requests a trial by jury of all issues and causes of action so triable.

## I. INTRODUCTION

1. This complaint challenges the uniform policies and practices of defendant Lumber Liquidators, Inc. and Does 1 through 10, inclusive (“Defendants”) to falsely, unlawfully, unfairly, and deceptively market, distribute and/or sell to consumers laminate flooring products that emit unsafe and illegal levels of formaldehyde, a known human carcinogen. Defendants’ policies and practices pose serious risks to public health and safety and violate the rights of consumers under state consumer protection statutes and common law. Defendants must be held accountable for their violations of law, and stopped from causing further harm to consumers.

2. Plaintiff brings this complaint on behalf of himself and the Class defined herein, whose rights Defendants violated and continue to violate and whose health and safety Defendants have placed at risk, between March 10, 2011 and the present (the “Class Period”).

## II. PARTIES

3. Plaintiff John Flanagan is, and at all material times, has been, a California citizen residing in the city of Chatsworth, Los Angeles County, California. Plaintiff purchased and/or caused to be purchased laminate flooring products manufactured, marketed, distributed and/or sold by Defendants for his home in Chatsworth, California from Defendants’ North Hills, California store on or about April 19, 2014, including 50 boxes of Defendants’ 12mm Dream Home Kensington Manor Golden Teak Laminate Flooring among other products. Prior to purchase and use of Defendants’ laminate flooring products, Plaintiff was exposed to and saw Defendants’ representations regarding Defendants’ compliance with California law by reading the Defendants’ product labeling. Plaintiff purchased and used these products in reliance on Defendants’ representations regarding compliance with California’s regulations limiting formaldehyde emissions, believing that the Defendants’ flooring products were compliant with California law. Plaintiff has

1 been regularly exposed to unsafe and illegal levels of formaldehyde in his home and  
2 suffered harm and incurred damages as a direct and proximate result of Defendants’  
3 conduct alleged herein.

4       4. Defendant Lumber Liquidators, Inc. is “the largest specialty retailer of  
5 hardwood flooring in North America.” *See www.investors.lumberliquidators.com*.  
6 The February 25, 2015 10-K report issued by parent company Lumber Liquidators  
7 Holdings, Inc. estimates that the company secured 9% of the 2014 market for  
8 hardwood and laminate flooring products sales. *See Id.* Defendant Lumber  
9 Liquidators, Inc. is, at all material times has been, a corporation organized and  
10 existing under the laws of Delaware, with a principal place of business located at  
11 3000 John Deere Road, Toano, Virginia 23168, and stores throughout the country,  
12 with 38 brick-and-mortar stores in California including numerous stores within this  
13 District and Division. Lumber Liquidators, Inc. also directly sells to California  
14 consumers, including consumers within this District and Division, via its website:  
15 *www.lumberliquidators.com*. Lumber Liquidators, Inc. markets, distributes and/or  
16 sells composite laminate wood flooring products within this District and Division.  
17 Lumber Liquidators, Inc. is operating and conducting business under the laws of  
18 California and regularly conducts business throughout this District and Division.

19       5. The Defendants sued by the fictitious names DOES 1 through 10 are  
20 persons or entities whose true names and identities are currently unknown to  
21 Plaintiff. Plaintiff will amend this Complaint to allege the true names and capacities  
22 of these fictitiously named Defendants when they are ascertained. Each of the  
23 fictitiously named Defendants is responsible for the conduct alleged in this  
24 Complaint. Through their conduct, the fictitiously named Defendants actually and  
25 proximately caused the damages of Plaintiff and the Class.

26       6. In this Complaint, Defendant Lumber Liquidators, Inc. and Does 1  
27 through 10, inclusive, are sometimes referred to individually as “Defendant” or by  
28 name, and are sometimes referred to collectively as “Defendants,” or “the

1 Defendants.”

2       7.     At all times mentioned herein, each Defendant was acting as the agent  
3 and/or employee of each of the remaining Defendants and was at all times acting  
4 within the purpose and scope of such agency and employment. In doing the acts  
5 alleged herein, each Defendant, and its officers, directors, members, owners,  
6 principals, or managing agents (where the defendant is a corporation, limited  
7 liability company, or other form of business entity) authorized and/or ratified the  
8 conduct of each other Defendant and/or of his/her/its employees.

9                   **III. JURISDICTION AND VENUE**

10       8.     This Court has original jurisdiction over this action under the Class  
11 Action Fairness Act, 28 U.S.C. § 1332(d), because this is a class action in which (i)  
12 the proposed class consists of more than 100 members; (ii) at least some members of  
13 the proposed class and/or subclass are citizens of a state different from at least one  
14 of the defendants; and (iii) the matter in controversy exceeds \$5,000,000, exclusive  
15 of interest and costs. Jurisdiction also exists pursuant to 15 U.S.C. § 2310(d)(1)(B).

16       9.     Venue is proper in the Central District of California, Western Division,  
17 pursuant to 28 U.S.C. § 1391(a) because a substantial part of the events that give  
18 rise to the claims herein occurred in this District. In particular, Plaintiff’s purchase  
19 and use of Defendants’ laminate flooring products took place within this District and  
20 Division. Venue is also proper because Defendants transact substantial business in  
21 this District and Division.

22       10.    All of the allegations contained in this Complaint are based upon  
23 information and belief, except for those pertaining to Plaintiff and his counsel.  
24 Plaintiff’s information and belief are based upon, among other things, the  
25 investigation that Plaintiff and his counsel have conducted to date. The allegations  
26 in this Complaint are substantiated by evidentiary support or are likely to be  
27 substantiated by evidentiary support upon further investigation and discovery.

#### IV. FACTUAL BACKGROUND

##### A. California's Regulation of Formaldehyde Emissions

11. Formaldehyde is “a colorless gas at room temperature that at elevated concentrations has a strong, pungent odor and can be irritating to the eyes, nose, and lungs.” Cal. Code Regs., tit. 17, § 93120.1(a)(16.) Other adverse effects reported when formaldehyde is present in the air at levels exceeding 0.1 parts per million (“ppm”) over a short term include “watery eyes; burning sensations in the eyes, nose, and throat; coughing; wheezing; nausea; and skin irritation.” See National Cancer Institute at the National Institutes of Health’s fact sheet entitled Formaldehyde and Cancer Risk: <http://www.cancer.gov/cancertopics/causes-prevention/risk-factors/cancer-causing-substances/formaldehyde/formaldehyde-fact-sheet>.

12. Formaldehyde is identified as a hazardous air pollutant pursuant to subsection (b) of Section 112 of the federal Clean Air Act (42 U.S.C. § 7412(b)) that has been designated by the California Air Resources Board (“CARB”) as a toxic air contaminant that “may cause or contribute to an increase in mortality or in serious illness, or which may pose a present or potential hazard to human health” pursuant to California Health and Safety Code section 39655. Cal. Code Regs., tit. 17, §§ 93000 and 93001; Cal. Health & Saf. Code § 39655(a).

13. Indeed, research studies of persons with long-term exposure to formaldehyde have suggested an association between formaldehyde exposure and several cancers, including nasopharyngeal cancer and leukemia. See National Cancer Institute at the National Institutes of Health’s fact sheet, Formaldehyde and Cancer Risk: <http://www.cancer.gov/cancertopics/causes-prevention/risk-factors/cancer-causing-substances/formaldehyde/formaldehyde-fact-sheet>.

14. The Airborne Toxic Control Measure to Reduce Formaldehyde Emissions from Composite Wood Products (“ACTM”) is a CARB regulation contained in Title 17 of the California Code of Regulations, Sections 93120 through

1 93120.12. Cal Code Regs., tit. 17, § 93120(a).

2 15. The ACTM's stated purpose is "to reduce formaldehyde emissions  
3 from composite wood products, and finished goods that contain composite wood  
4 products, that are sold, offered for sale, supplied, used, or manufactured for sale in  
5 California." Cal. Code Regs., tit. 17, § 93120(b).

6 16. Composite wood products, defined as hardwood plywood,  
7 particleboard, and medium density fiberboard, are subject to the ACTM. *Id.*; *see*  
8 *also* Cal. Code Regs., tit. 17, § 93120(a)(8). The ACTM applies to manufacturers,  
9 distributors, importers, fabricators, retailers, and third party certifiers of these  
10 composite wood products. Cal. Code Regs., tit. 17, § 93120(a) and 93120.1(a).

11 17. The ACTM defines a laminate as a "veneer or other material affixed as  
12 a decorative surface to a platform." Cal. Code Regs., tit. 17, § 93120.1(a)(24) and  
13 (25). A laminate product is a finished good or component part of a finished good  
14 made by a fabricator in which a laminate or laminates are affixed to a platform. *Id.*  
15 If the platform consists of a composite wood product, the product must comply with  
16 the applicable emission standards." *Id.*

17 18. As CARB recently explained in plain language, "[a]ny composite wood  
18 products contained in flooring products – generally the underlying platform to  
19 which the laminate or wood veneer is affixed – are required to be certified as  
20 complying with California's formaldehyde emission standards." CARB's Facts  
21 About Flooring Made With Composite Wood Products, revised March 3, 2015:  
22 [http://www.arb.ca.gov/html/fact\\_sheets/composite\\_wood\\_flooring\\_faq.pdf](http://www.arb.ca.gov/html/fact_sheets/composite_wood_flooring_faq.pdf). That's  
23 because formaldehyde is typically used in the resins or glues used to bind the wood  
24 particles together to make the underlying platform. Although the laminate on top of  
25 the platform traps a certain amount of emissions, formaldehyde does "off-gas" into  
26 the air.

27 19. The ACTM, adopted in 2007, established two phases of emissions  
28 standards: an initial, Phase 1 and a more stringent Phase 2 that required all



1 composite wood products, including laminate flooring, to be made using composite  
 2 wood products that comply with CARB's limits on formaldehyde emissions. *Id.*  
 3 Companies that make such products must label their products as having been made  
 4 with certified compliant composite wood products, must maintain records to verify  
 5 they have purchased compliant products, and inform distributors and retailers that  
 6 their flooring is compliant with California's current requirements (currently, CARB  
 7 Phase 2). *Id.* The emission standards are set forth in in a table set forth under Title  
 8 17 of the California Code of Regulations, Section 93120.2(a), which states "no  
 9 person shall sell, supply, offer for sale, or manufacture for sale in California any  
 10 composite wood product which, at the time of sale or manufacture, does not comply  
 11 with the emission standards in Table 1 on or after the effective dates specified in  
 12 Table 1," subject only to the exemptions set forth in Section 93120.2(b).

### 13 **B. Defendants' Violations Of California's Regulations**

14 20. Defendants and their laminate flooring products that are marketed,  
 15 distributed and/or sold in California are subject to the ACTM and CARB's limits on  
 16 formaldehyde emissions. Indeed, Defendants admit on their website that the CARB  
 17 regulation applies to Defendants' products sold in California, and even boasts  
 18 CARB compliance for all of Defendants' products sold throughout the country. *See:*  
 19 [www.lumberliquidators.com/sustainability/health-and-safety/](http://www.lumberliquidators.com/sustainability/health-and-safety/).

20 21. Defendants' website states that, "[a]t Lumber Liquidators, we negotiate  
 21 directly with the mills and eliminate the middleman. And that means big savings on  
 22 flooring for you." *See* [www.lumberliquidators.com/ll/home](http://www.lumberliquidators.com/ll/home). However, these low  
 23 prices may be due in part to Defendants' policies and practices of marketing,  
 24 distributing and/or selling products that do not meet CARB's standards for  
 25 formaldehyde emissions, as set forth in the ACTM.

26 22. At the request of a non-profit organization, Global Community  
 27 Monitor, testing was performed on the following laminate flooring products,  
 28 manufactured by Defendants' suppliers in China and distributed, marketed and/or

1 sold by Defendants in California, by an accredited testing laboratory using test  
2 methods developed by ASTM International, which testing revealed the presence of  
3 formaldehyde in excess of California's "safe harbor" limits under California's  
4 Proposition 65, as well as the presence of formaldehyde in excess of CARB's  
5 current limits (CARB Phase 2):

- 6 a. 8 mm Bristol County Cherry Laminate Flooring;
- 7 b. 8 mm Dream Home Nirvana French Oak Laminate Flooring;
- 8 c. 12 mm Dream Home Kensington Manor Antique Bamboo Laminate  
9 Flooring;
- 10 d. 12 mm Dream Home St. James Oceanside Plank Bamboo Laminate  
11 Flooring;
- 12 e. 12 mm Dream Home Kensington Manor Warm Springs Chestnut  
13 Laminate Flooring;
- 14 f. 15 mm Dream Home St. James Sky Lakes Pine Laminate Flooring;
- 15 g. 12 mm Dream Home Ispiri Chimney Tops Smoked Oak Laminate  
16 Flooring;
- 17 h. 12 mm Dream Home Kensington Manor Imperial Teak Laminate  
18 Flooring;
- 19 i. 12 mm Dream Home St. James Vintner's Reserve Laminate Flooring;
- 20 j. 12 mm Dream Home Kensington Manor Cape Doctor Laminate  
21 Flooring;
- 22 k. 12 mm Dream Home St. James Cumberland Mountain Oak Laminate  
23 Flooring;
- 24 l. 12 mm Dream Home Ispiri Americas Mission Olive Laminate  
25 Flooring;
- 26 m. 12 mm Dream Home Kensington Manor Glacier Peak Poplar  
27 Laminate Flooring;
- 28 n. 12 mm Dream Home Kensington Manor Golden Teak Laminate



1 Flooring;

2 o. 12 mm Dream Home Kensington Manor Handscraped Imperial Teak  
3 Laminate Flooring (SKU 10029601);

4 p. 12 mm Dream Home Kensington Manor Handscraped Summer  
5 Retreat Teak Laminate Flooring;

6 q. 12 mm Dream Home Kensington Manor Sandy Hills Hickory  
7 Laminate Flooring;

8 r. 12 mm Dream Home Kensington Manor Tanzanian Wenge Laminate  
9 Flooring;

10 s. 8 mm Dream Home Nirvana Royal Mahogany Laminate Flooring;

11 t. 12 mm Dream Home St. James Blacksburg Barn Board Laminate  
12 Flooring;

13 u. 12 mm Dream Home St. James Brazilian Koa Laminate Flooring;

14 v. 12 mm Dream Home St. James Golden Acacia Laminate Flooring;

15 w. 12 mm Dream Home Ispiri Poplar Forest Oak Laminate Flooring;

16 x. 12 mm Dream Home Kensington Manor Fumed African Ironwood  
17 Laminate Flooring;

18 y. 12 mm Dream Home St. James African Mahogany Laminate  
19 Flooring;

20 z. 12 mm Dream Home St. James Chimney Rock Charcoal Laminate  
21 Flooring;

22 aa. 12 mm Dream Home St. James Nantucket Beech Laminate  
23 Flooring.

24 See Global Community Monitor's website section dedicated to Lumber Liquidators  
25 Issue: <http://www.gcmonitor.org/issues/lumber-liquidators/> and Press Release:  
26 [http://www.gcmonitor.org/press-release-all-chinese%E2%80%90made-laminates-](http://www.gcmonitor.org/press-release-all-chinese%E2%80%90made-laminates-purchased-for-testing-failed-carb-standards/)  
27 [purchased-for-testing-failed-carb-standards/](http://www.gcmonitor.org/press-release-all-chinese%E2%80%90made-laminates-purchased-for-testing-failed-carb-standards/). The test results were released in or  
28 about July 2014, according to the non-profit's website. *Id.*

1           23. Plaintiff alleges on information and belief that each of the foregoing  
2 laminate flooring products is manufactured by Defendants' supplier mills in China  
3 using uniform manufacturing policies and practices.

4           24. Recent news reports also indicate that some of the Defendants' most  
5 popular flooring tested positive for formaldehyde emission levels above the  
6 standards set forth in the ACTM, despite product labels that represent Defendants'  
7 products to be CARB compliant and additional representations on Defendants'  
8 website that the products meet the highest quality and environmental standards.

9           25. On or about March 1, 2015, the CBS news program, 60 Minutes, aired  
10 a news piece that revealed the results of its own independent testing of Defendants'  
11 laminate flooring products made in China and purchased across the country by two  
12 certified labs: of the 31 boxes of Defendants' products purchased and tested, only  
13 one was compliant with CARB's emission standards, and some were more than 13  
14 times over the California limit. *See [http://www.cbsnews.com/news/lumber-](http://www.cbsnews.com/news/lumber-liquidators-linked-to-health-and-safety-violations/)*  
15 *liquidators-linked-to-health-and-safety-violations/*. Moreover, 60 Minutes  
16 undercover investigators sent to three of Defendants' suppliers in China reported  
17 that "employees at the mills openly admitted that they used core boards with higher  
18 levels of formaldehyde to make Lumber Liquidators laminates, saving the company  
19 10-15 percent on the price. At all three mills they also admitted [to] falsely labeling  
20 the company's laminate flooring as CARB complaint." *Id.*

21           26. Although Defendants claim to supervise their suppliers of Defendants'  
22 products, including suppliers with mills in China who manufacture laminate flooring  
23 products that Defendants then distribute, market and/or sell to California consumers,  
24 to ensure CARB compliance ([www.lumberliquidators.com/sustainability/health-](http://www.lumberliquidators.com/sustainability/health-and-safety/)  
25 *and-safety/*), such claims are hard to reconcile with test results and information  
26 described above.

27 **C. Defendants' Misrepresentations Regarding Compliance and Safety**

28           27. At all relevant times, Defendants have mislead (and continue to

1 mislead) the public concerning the safety of its products.

2 28. As stated herein, Defendants' website leads consumers to believe that  
3 the Company's flooring products comply with the CARB's formaldehyde standards.  
4 The website states, among other things:

5 **Does Lumber Liquidators comply with CARB regulations?**

6 Yes. To comply with the CARB standards, applicable laminate and  
7 engineered flooring and accessories sold by Lumber Liquidators are  
8 purchased from manufacturers whose production methods have been  
9 certified by a Third Party Certifier approved by the State of California  
10 to meet the CARB standards; or from suppliers who source composite  
11 wood raw materials only from certified manufacturers. The scope of the  
12 certification by the Third Party Certifier includes the confirmation that  
13 the manufacturer has implemented the quality systems, process  
14 controls, and testing procedures outlined by CARB and that their  
15 composite wood products conform to the specified emission limits. The  
16 Third Party Certifier also provides ongoing oversight to validate the  
17 manufacturers' compliance and manufacturers must be periodically re-  
18 certified.

19 *See:* <http://www.lumberliquidators.com/sustainability/health-and-safety/>.

20 Defendants' website goes on to represent a "rigorous 9-step compliance program to  
21 help ensure that [Defendants'] products are safe. *Id.*

22 29. Following the airing of CBS's 60 Minutes news piece, Defendants  
23 continue to represent compliance with California's formaldehyde regulations. In a  
24 letter to consumers by Defendants' Chairman, Tom Sullivan, posted to Defendants'  
25 website, Defendants represent:

26 We comply with applicable regulations regarding our products,  
27 including California standards for formaldehyde emissions for  
28 composite wood products – the most stringent rules in the country. We

1 take our commitment to safety even further by employing compliance  
 2 personnel around the world and utilizing the latest in cutting- edge  
 3 technology to provide our customers with top quality and high value  
 4 flooring.

5 *See: <http://www.lumberliquidators.com/sustainability/60-minutes-letter-from-tom/>.*

6 30. Moreover, Defendants' laminate flooring product labeling on each of  
 7 the products identified above represent that Defendants' products are CARB  
 8 compliant with labeling warranting that the products are "CALIFORNIA 93120  
 9 PHASE 2 Compliant for Formaldehyde," regardless of whether Defendants'  
 10 products comply with CARB Phase 2 standards.

11 31. All of the allegations contained in this Complaint are based upon  
 12 information and belief, except for those pertaining to Plaintiff and his counsel.  
 13 Plaintiff's information and belief are based upon, among other things, the  
 14 investigation that Plaintiff and his counsel have conducted to date. The allegations  
 15 in this Complaint are substantiated by evidentiary support, or are likely to be  
 16 substantiated by evidentiary support upon further investigation and discovery.

17 **D. Defendants' Knowledge of Non-Compliance**

18 32. At all relevant times hereto, Defendants knowingly misrepresented the  
 19 compliance of their laminate flooring products as complying with CARB standards  
 20 for formaldehyde emissions. While product labeling and other marketing materials  
 21 represented their products as CARB compliant, Defendants acknowledged to the  
 22 SEC that they cannot control their suppliers:

23 While our suppliers agree to operate in compliance with applicable  
 24 laws and regulations, including those relating to environmental and  
 25 labor practices, we do not control our suppliers. Accordingly, we  
 26 cannot guarantee that they comply with such laws and regulations or  
 27 operate in a legal, ethical and responsible manner.

28 *See, e.g., Defendants' February 19, 2014 10-K report at p. 14:*

1 <http://investors.lumberliquidators.com/index.php?o=25&s=127&year=2014>.

2 33. Defendants were also made aware of their suppliers' non-compliance  
3 with CARB standards following the publication of a letter to CARB dated June 20,  
4 2013 on the website, *Seeking Alpha*, that disclosed testing results of certain of  
5 Defendants' laminate flooring products that were manufactured in China by  
6 Defendants' suppliers and sold to consumers by Defendants. *See*:  
7 [http://seekingalpha.com/article/1513142-illegal-products-could-spell-big-trouble-](http://seekingalpha.com/article/1513142-illegal-products-could-spell-big-trouble-at-lumber-liquidators)  
8 [at-lumber-liquidators](http://seekingalpha.com/article/1513142-illegal-products-could-spell-big-trouble-at-lumber-liquidators).

9 34. Thereafter, in late 2013 and again in 2014, Defendants were named as  
10 defendants in litigations that alleged unsafe and illegal formaldehyde emissions  
11 from Defendants' laminate flooring products. *See e.g., Kiken v. Lumber Liquidators*  
12 *Holdings, Inc., et al.*, Case No. 4:13-cv-00157 (E.D. Va.) and *Global Community*  
13 *Monitor v. Lumber Liquidators, Inc. et al.*, Case No. RG1433979 (Cal. Sup. Ct.,  
14 Alameda Cty).

15 35. Based on the foregoing, as well as consumer complaints posted online  
16 across the internet, Defendants knew or should have known that their laminate  
17 flooring products sourced from Chinese mill suppliers were not compliant with  
18 CARB standards for formaldehyde emissions. Nevertheless, Defendants continued  
19 to sell Defendants' unsafe and illegal products to California consumers while  
20 maintaining that the products were CARB-compliant.

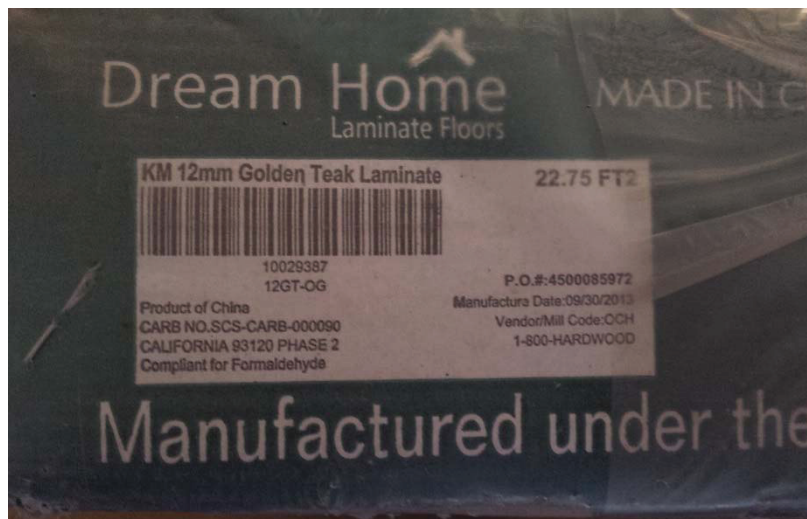
#### 21 **E. Plaintiff's Experience**

22 36. On or about April 19, 2014, Plaintiff purchased and/or caused to be  
23 purchased approximately 50 boxes of Defendants' 12 mm Dream Home Kensington  
24 Manor Golden Teak Laminate Flooring, among other products, for the flooring  
25 throughout his home in Chatsworth, California from Defendants' North Hills,  
26 California store. As set forth on the Defendants' product labels, these products were  
27 manufactured in China by Defendants' Chinese suppliers.

28 37. Prior to purchase and use of Defendants' laminate flooring products,



Plaintiff was exposed to and saw Defendants' representations regarding Defendants' compliance with California law by reading the Defendants' product labeling, including labeling on the boxes of Defendants' 12 mm Dream Home Kensington Manor Golden Teak Laminate Flooring that unambiguously stated that the product was "CALIFORNIA 93120 PHASE 2 Compliant for Formaldehyde." The photos below are of the labeling from one of the boxes of Defendants' laminate flooring products purchased by Plaintiff:



38. Plaintiff purchased and used Defendants' laminate flooring products in reliance on these representations set forth on the Defendants' product labeling, believing that the products were compliant with California law limiting the amount

1 of formaldehyde emissions from the products.

2 39. The flooring was installed in Plaintiff's home approximately one week  
3 later.

4 40. Upon installation of the Defendants' flooring products in his home,  
5 Plaintiff immediately noticed a unique, chemical smell in his home and suffered  
6 persistent allergy-like symptoms such as an irritated throat, persistent cough and  
7 runny nose, which he had not experienced prior to installation of the flooring.  
8 Within approximately two months of installation, Plaintiff developed nausea and  
9 migraine-like headaches experienced on a consistent basis. Plaintiff continues to  
10 suffer from these conditions to this day.

11 41. Approximately two months after the installation of the Defendants'  
12 flooring in his home, Plaintiff called the Defendants' North Hills, California store to  
13 inquire about the chemical smell emanating from the Defendants' flooring products  
14 and was told by one of Defendants' representatives that the smell was "normal," and  
15 would dissipate over time. However, the smell remains to this day.

16 42. On or about March 1, 2015, Plaintiff watched the CBS 60 Minutes  
17 news piece regarding Defendants' laminate flooring products and learned, for the  
18 first time, that the flooring he purchased from Defendants for his home did not  
19 comply with CARB Phase 2 limits on formaldehyde emissions, despite the  
20 Defendants' representations on the product labeling that the products were CARB  
21 Phase 2 compliant.

22 43. Had Plaintiff known that Defendants' laminate flooring products were  
23 not compliant with California's CARB Phase 2 regulations prior to purchase and  
24 use, he would not have purchased or used these products. Not only did Plaintiff not  
25 receive the benefit of the bargain in purchasing CARB-compliant flooring, he has  
26 been exposed to a known human carcinogen in his own home that has resulted in  
27 short term symptoms and that bestows an increased risk of health problems as a  
28 result of long-term exposure.



1           44. Plaintiff suffered harm and incurred damages as a direct and proximate  
2 result of Defendants' conduct alleged herein.

### 3                                   V. CLASS ACTION ALLEGATIONS

4           45. Plaintiff brings this action, on behalf of himself and all others similarly  
5 situated, as a class action pursuant to Federal Rule of Civil Procedure 23. This  
6 action may be brought and properly maintained as a class action because Plaintiff  
7 satisfies the numerosity, adequacy, typicality, and commonality pre-requisites for  
8 suing as a representative party pursuant to Rule 23.

9           46. **Class Definition.** The proposed plaintiff Class that Plaintiff seeks to  
10 represent is preliminarily composed of and defined as follows:

11           All persons within California who purchased Defendants' laminate  
12 flooring products manufactured in China that were labeled "CARB  
13 Phase 2" compliant for personal use between March 10, 2011, through  
14 the present ("Class").

15           47. Excluded from the Class are Defendants named herein; officers and  
16 directors of Defendants; members of the immediate family of any Defendant; any  
17 judges or justices to whom this action is assigned and their immediate families; and  
18 the legal representatives, heirs, successors, or assigns of any such excluded party.

19           48. Plaintiff reserves the right to amend or otherwise alter the Class  
20 definitions presented to the Court at the appropriate time, or propose or eliminate  
21 sub-classes, in response to facts learned through discovery, legal arguments  
22 advanced by Defendants, or otherwise.

23           49. **Numerosity and Ascertainability.** The members of the Class are so  
24 numerous that joinder of all members is impracticable. Although the precise number  
25 of Class members is unknown to Plaintiff at this time, Plaintiff estimates that there  
26 are more than 100 and it is likely that there are thousands of putative Class  
27 members. Moreover, the precise number of Class members and their addresses may  
28 be obtained from a review of Defendants' own records and/or records in the control  
of Defendants. This information may then be used to contact potential Class

1 members.

2       50.    **Typicality**. Plaintiff is a Class member. His claims are typical of the  
3 claims of other members of the Class he seeks to represent. The harm that Plaintiff  
4 and all other Class members suffered arose from, and was caused by, the same  
5 conduct by Defendants. Defendants have acted, or refused to act, on grounds  
6 generally applicable to the Class, thereby making injunctive relief and damages  
7 appropriate with respect to the Class as a whole.

8       51.    **Adequacy of Representation**. Plaintiff will fairly and adequately  
9 represent and protect the interests of the Class members. Plaintiff has retained  
10 counsel that is competent and experienced in consumer class action litigation to  
11 ensure such protection. Plaintiff and his counsel intend to prosecute this action  
12 vigorously for the benefit of the Class. Plaintiff has no interests that are antagonistic  
13 to those of the Class. Plaintiff has no interests that are in conflict with those of the  
14 Class.

15       52.    **Superiority**. A class action is superior to other available methods for  
16 the fair and efficient adjudication of this controversy for several reasons. First, the  
17 damages suffered by each Class member are too small to warrant individual pursuit  
18 and thus a class action is the only viable method to obtain damages and other relief  
19 from Defendants. Second, class treatment would be superior to adjudicating  
20 individual cases due to the much greater expense and burden that individual  
21 litigation would impose upon the courts. Third, if Class members sought relief  
22 through individual actions, inconsistent or varying adjudications in their individual  
23 cases could establish incompatible standards of conduct for the Defendants.

24       53.    **Predominance of Common Questions of Law and Fact**. There exists  
25 a well-defined community of interest in the questions of law and fact involved in  
26 this case against Defendants, and in obtaining appropriate relief for Defendants'  
27 violations of consumer rights under statutes and common law. The following  
28 questions of law and fact common to the Class predominate over any individualized

1 issues and the answers to these questions are apt to drive the resolution of the  
2 litigation:

- 3 a. Whether, during the Class Period, Defendants marketed,  
4 distributed and/or sold laminate flooring that did not comply  
5 with CARB standards for formaldehyde emissions;
- 6 b. Whether Defendants' actions as alleged herein violated  
7 California's Unfair Competition Act;
- 8 c. Whether Defendants' actions as alleged herein violated  
9 California's False Advertising Act;
- 10 d. Whether Defendants' actions as alleged herein violated  
11 California's Consumers Legal Remedies Act;
- 12 e. Whether Defendants' actions as alleged herein violated the  
13 Magnuson-Moss Warranty Act;
- 14 f. Whether Defendants' actions as alleged herein breached express  
15 warranties;
- 16 g. Whether Defendants' actions as alleged herein constitute  
17 negligent misrepresentation under common law;
- 18 h. Whether Defendants' actions caused them to be unjustly  
19 enriched;
- 20 i. Whether Plaintiff and Class members are entitled to recover  
21 damages as a result of Defendants' violations of their rights  
22 under statutory and common laws as alleged herein; and
- 23 j. Whether Plaintiff and Class members are entitled to injunctive  
24 relief to enjoin or restrain the Defendants from committing  
25 further violations of consumer rights under statutory and  
26 common law, including the establishment of a medical  
27 monitoring program for Class members.

28 54. The core factual and legal issues are the same for all Class members:

(1) whether the Class member purchased and/or used one or more of Defendants' laminate flooring products labeled as CARB Phase 2 compliant in California during the Class Period; (2) whether the products Plaintiff and Class members purchased and/or used failed to comply with CARB standards for formaldehyde emissions; (3) the harm Plaintiff and Class members suffered thereby; and (4) the measure of damages and injunctive relief that are deemed appropriate.

55. Plaintiff is unaware of any difficulties that are likely to be encountered in the management of this action that would preclude its maintenance as a class action.

56. The nature of notice to the proposed Class is contemplated to be by direct mail and/or email upon certification of the Class or, if such notice is not practicable, by the best notice practicable under the circumstance including, *inter alia*, publication in major newspapers and/or on the internet.

57. The delayed discovery doctrine applies to toll the claims of Class members. Under the delayed discovery doctrine, the time for bringing these claims does not begin to run until a plaintiff discovers or should have discovered the injury. Thus, the limitations period for claims of Class members does not begin to run until at least March 1, 2015, the date the CBS 60 Minutes program regarding Defendants' laminate flooring products aired on television and ensuing news reports started to circulate. In addition to the tolling afforded the Class by the delayed discovery rule, the time period is also tolled by the filing of this putative class action.

### **COUNT ONE**

#### **VIOLATION OF CALIFORNIA UNFAIR COMPETITION LAW**

##### **(Cal. Bus. & Prof. Code § 17200 et seq.)**

58. Plaintiff realleges and incorporates herein by this reference all of the foregoing paragraphs, above, as though set forth in full herein.

59. Plaintiff brings this claim on behalf of himself and the Class.

60. California Business and Professions Code section 17200 *et seq.*

1 (“UCL”) prohibits any “unlawful, unfair, or fraudulent business act or practices.”

2       61. Defendants have engaged in unlawful, unfair, and fraudulent business  
3 acts and practices in violation of consumer rights under the UCL, as alleged herein.  
4 During the Class Period, Defendants misrepresented in its labeling of the laminate  
5 flooring products to Plaintiff and Class members that the products were CARB  
6 compliant. These representations were false and misleading because the products  
7 were not CARB compliant, and in fact, were emitting unsafe and illegal levels of  
8 formaldehyde.

9       62. Defendants have violated the fraudulent prong of California Business  
10 and Professions Code section 17200 *et seq.* because Defendants’ misrepresentations  
11 and omissions regarding compliance with CARB standards of Defendants’ products  
12 were likely to deceive a reasonable consumer, and the information would be  
13 material to a reasonable consumer.

14       63. Defendants have violated the unfair prong of California Business and  
15 Professions Code section 17200 *et seq.* because Defendants’ policies and practices  
16 as set forth above offend established public policy and because the harm they cause  
17 to consumers greatly outweighs any benefits associated with those practices.  
18 Defendants’ conduct as alleged herein also impaired competition within the flooring  
19 laminate flooring industry. Defendants’ conduct also prevented Plaintiff from  
20 making fully informed decisions about whether to purchase and/or use laminate  
21 flooring products from other manufacturers and distributors, purchase and/or use  
22 less expensive product, or purchase and/or use the products at all.

23       64. Defendants have violated the unlawful prong of California Business  
24 and Professions Code section 17200 *et seq.* because Defendants’ policies and  
25 practices described above violate California laws, including but not limited to: (1)  
26 California’s False Advertising Law; (2) California’s Consumers Legal Remedies  
27 Act; (3) Title 17 of the California Code of Regulations, Sections §§ 93000 and  
28 93001; (3) California’s Health and Safety Code provisions alleged herein; (4)

1 California's Commercial Code provisions alleged herein; and the Magnuson-Moss  
 2 Warranty Act as alleged herein. Plaintiff reserves the right to allege other violations  
 3 of law, which constitute other unlawful business acts or practices. Such conduct is  
 4 ongoing and continues to this date.

5 65. Plaintiff has standing under the UCL because he suffered injury in fact,  
 6 including losing money or property, as a result of Defendants' unfair, unlawful  
 7 and/or deceptive practices.

8 66. All of the wrongful conduct alleged herein occurred, and continues to  
 9 occur, in the conduct of Defendants' business. Defendants' wrongful conduct is part  
 10 of a pattern or generalized conduct that is still perpetuated and repeated in California  
 11 and nationwide.

12 67. Plaintiff requests this Court enter such orders or judgments to enjoin  
 13 Defendants from continuing their unfair, unlawful, and/or deceptive practices and to  
 14 restore to Plaintiff and members of the Class any money Defendants acquired by  
 15 unfair competition, as provided in California Business and Professions Code section  
 16 17203, and for such other relief set forth below.

## 17 **COUNT TWO**

### 18 **VIOLATION OF THE CALIFORNIA FALSE ADVERTISING LAW**

#### 19 **(Cal. Bus. & Prof. Code § 17500 *et seq.*)**

20 68. Plaintiff realleges and incorporates herein by this reference all of the  
 21 foregoing paragraphs, above, as though set forth in full herein.

22 69. Plaintiff brings this count against all Defendants on behalf of himself  
 23 and the Class.

24 70. California Business and Professions Code section 17500 states: "It is  
 25 unlawful for any ... corporation ... with intent directly or indirectly to dispose of real  
 26 or personal property ... to induce the public to enter into any obligation relating  
 27 thereto, to make or disseminate or cause to be made or disseminated ...from this  
 28 state before the public in any state, in any newspaper or other publication, or any

1 advertising device, ... or in any other manner or means whatever, including over the  
2 Internet, any statement ... which is untrue or misleading, and which is known, or  
3 which by the exercise of reasonable care should be known, to be untrue or  
4 misleading.”

5 71. Defendants caused to be made or disseminated through California and  
6 the United States, through product labeling and advertising, statements and  
7 omissions that were untrue or misleading with respect to compliance with health and  
8 safety standards, including the ACTM, and which were known, or which by  
9 exercising reasonable care should have been known, to Defendants to be untrue and  
10 misleading to Plaintiff and Class members.

11 72. Defendants have violated California Business and Professions Code  
12 section 17500 because the misrepresentations and omissions made by Defendants on  
13 product labeling of their laminate flooring products for CARB compliance were  
14 material and likely to deceive a reasonable consumer.

15 73. Plaintiff has standing because, as set forth above, he suffered injury in  
16 fact, including losing money or property, as a result of Defendants’ false  
17 advertising.

18 74. All of the wrongful conduct alleged herein occurred, and continues to  
19 occur, in the conduct of Defendants’ business. Defendants’ wrongful conduct is part  
20 of a pattern or generalized conduct that is still perpetuated and repeated, both in  
21 California and nationwide.

22 75. Plaintiff requests this Court enter such orders or judgments as may be  
23 necessary to enjoin Defendants from continuing their false advertising and to restore  
24 to Plaintiff and members of the Class any monies Defendants acquired by such acts,  
25 and for such other relief set forth below.



**COUNT THREE**

**VIOLATION OF CALIFORNIA CONSUMERS LEGAL REMEDIES ACT**

**(Cal. Civ. Code § 1750 *et seq.*)**

76. Plaintiff realleges and incorporates herein by this reference all of the foregoing paragraphs, above, as though set forth in full herein.

77. Plaintiff brings this count against all Defendants on behalf of himself and the Class.

78. Defendants are “persons” under California Civil Code section 1761(c).

79. Plaintiff and Class members are “consumers,” as defined by California Civil Code section 1761(d), who purchased Defendants’ laminate flooring products that were marketed, distributed and/or sold by Defendants in California, which are considered “goods” within the meaning of the Consumers Legal Remedies Act (“CLRA”), California Civil Code sections 1750 *et seq.*

80. Defendants engaged in both unfair and deceptive acts or practices that violated the CLRA as described in this Complaint.

81. Defendants engaged in deceptive business practices prohibited by the CLRA by: (1) representing their laminate flooring products have characteristics, uses, benefits, and qualities which they do not have; (2) representing these products are of a particular standard, quality, and grade when they are not; and (3) advertising these products through product labeling with the intent not to sell them as advertised.

82. Defendants violated the CLRA by misrepresenting material facts on the product labeling, as described above, when the representations were false and misleading.

83. A reasonable consumer would not have purchased or paid as much as for the products had Defendants disclosed the products were emitting formaldehyde in excess of the limits set forth by the ACTM on the product labeling because such information is material to a reasonable consumer.

1           84. Because of its violations of the CLRA detailed above, Defendants have  
2 caused and continue to cause actual damage to Plaintiff and the Class, and, if not  
3 stopped, Defendants will continue to cause such harm. Had Plaintiff and absent  
4 Class members known of the issues with Defendants' laminate flooring products,  
5 they would not have purchased or used these products and/or paid as much for them.  
6 Indeed, Plaintiff relied on Defendants' misrepresentations and would not have  
7 purchased or used Defendants' products had he known of these issues. As a direct  
8 and proximate result of Defendants' CLRA violations, Plaintiff and Class members  
9 have suffered damages, including losing money or property, as a result of  
10 Defendants' unfair, unlawful and/or deceptive practices.

11           85. On March 10, 2015, Plaintiff's counsel sent a letter to Defendants by  
12 certified mail, return receipt requested, that contained notice of Defendants'  
13 violations of the CLRA and a demand for relief from Defendants. A true and correct  
14 copy of the letter, without enclosure, is attached to this Complaint as Exhibit A, and  
15 incorporated herein by reference. If Defendants fail to rectify or agree to rectify the  
16 problems associated with the actions detailed above and give notice to all affected  
17 consumers within 30 days of the date of written notice pursuant to California Civil  
18 Code section 1782, Plaintiff will amend this Complaint to add claims for actual,  
19 punitive, and statutory damages, as appropriate.

20           86. Plaintiff and Class members also request this Court enter such orders or  
21 judgments as may be necessary to restore to any person any money acquired with  
22 such unfair business practices, and for such other relief, including attorneys' fees  
23 and costs, as provided in Civil Code section 1780 and the Prayer for Relief.

24           87. Plaintiff includes an affidavit with this Complaint that shows venue in  
25 this District is proper, to the extent such an affidavit is required by California Civil  
26 Code section 1780(d).

**COUNT FOUR**

**VIOLATION OF MAGNUSON-MOSS WARRANTY ACT**

**(15 U.S.C. § 2301 et seq.)**

88. Plaintiff realleges and incorporates herein by this reference all of the foregoing paragraphs, above, as though set forth in full herein.

89. Plaintiff brings this count against all Defendants on behalf of himself and the Class defined herein.

90. Plaintiffs and the Class members are “consumers” within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(3). They are persons entitled under applicable state law to enforce against the warrantor the obligations of its express and implied warranties. Each purchased and used Defendants’ laminate flooring products for personal use, not for resale or distribution.

91. Defendants are “supplier(s)” and “warrantor(s)” within the meaning of 15 U.S.C. § 2301(4)-(5). Defendants market, distribute and sell Defendants’ laminate flooring products manufactured by Defendants’ suppliers in China to California consumers for use in their homes.

92. Defendants’ flooring products constitute “flooring product(s)” within the meaning of 15 U.S.C. § 2301(1).

93. Defendants’ express warranties regarding the compliance of Defendants’ laminate flooring products manufactured in China by Defendants’ suppliers, and marketed, distributed and/or sold in California, with CARB’s formaldehyde emission standards, constitute a written warranty within the meaning of 15 U.S.C. 2301(6).

94. Defendants breached their warranties by marketing, distributing and/or selling Defendants’ flooring products that emit unsafe and illegal levels of formaldehyde in violation of CARB’s standards or by affirmatively representing CARB Phase 2 compliance without knowledge of the truth of such representation.

95. Defendants breach of their warranties regarding the CARB compliance

1 of their laminate flooring products to Plaintiff and Class members deprived Plaintiff  
2 and Class members of the benefit of their bargains.

3 96. The amount in controversy of Plaintiff's individual claims exceeds \$25,  
4 and the amount in controversy of Plaintiff's and Class members' claims exceeds  
5 \$50,000 exclusive of interest and costs.

6 97. Defendants were notified of their breaches of written warranties and  
7 have failed to adequately cure those breaches.

8 98. As a direct and proximate result of Defendants' breaches of their  
9 written warranties to Plaintiff and Class members, Plaintiff and Class members  
10 sustained damages in amounts to be determined at the time of trial. In addition,  
11 pursuant to 15 U.S.C. § 2310(d)(2), Plaintiff and Class members are entitled to  
12 recover a sum equal to the aggregate amount of costs and expenses determined by  
13 the Court to have reasonably been incurred by Plaintiffs and Class members in  
14 connection with the commencement and prosecution of this action.

## 15 **COUNT FIVE**

### 16 **BREACH OF EXPRESS WARRANTIES**

17 99. Plaintiff realleges and incorporates herein by this reference all of the  
18 foregoing paragraphs, above, as though set forth in full herein.

19 100. Plaintiff brings this count against all Defendants on behalf of himself  
20 and the Class defined herein.

21 101. The Uniform Commercial Code § 2-313 provides that an affirmation of  
22 fact or promise made by the seller to the buyer that relates to the good and becomes  
23 part of the basis of the bargain creates an express warranty that the goods shall  
24 conform to the promise. California has adopted the provisions of the Uniform  
25 Commercial Code governing the express warranty of merchantability. Cal. Com.  
26 Code § 2313.

27 102. Defendants' representations on their product labels, website and other  
28 marketing materials relating to the compliance of Defendants' laminate flooring

1 products with CARB standards for formaldehyde emissions created express written  
2 warranties that the products would conform to their representations.

3 103. Defendants' representations regarding such compliance with safety  
4 standards became part of the basis of the bargain, creating express written  
5 warranties that the Defendants' laminate flooring products purchased and used by  
6 Plaintiff and Class members would conform to Defendants' descriptions. However,  
7 Defendants' products did not conform to these express representations because the  
8 Defendants' laminate flooring products described above were not compliant with  
9 CARB's formaldehyde emission standards.

10 104. At the time the Defendants marketed, distributed and/or sold their  
11 laminate flooring products to California consumers, Defendants knew the purpose  
12 for which the flooring was intended and expressly warranted that their products  
13 were safe and fit for use. Plaintiff and Class members relied on the Defendants'  
14 representations and their knowledge and judgment to market, distribute, and/or sell  
15 products that were safe and fit for use.

16 105. Defendants breached their express warranties in connection with the  
17 marketing, distribution and/or sale of Defendants' laminate flooring products to  
18 Plaintiff and Class members.

19 106. As a direct and proximate result of these actions, Plaintiff and Class  
20 members have suffered damages because the value of the products purchased were  
21 less than the value warranted by Defendants and because Plaintiff and Class  
22 members were exposed to unsafe and illegal levels of formaldehyde emissions,  
23 thereby increasing the risk of serious health problems and reasonably certain need  
24 for medical monitoring to ensure early detection of any serious health problems  
25 resulting from the Plaintiffs' toxic exposure.

26 **COUNT SIX**

27 **NEGLIGENT MISREPRESENTATION**

28 107. Plaintiff realleges and incorporates herein by this reference all of the

1 foregoing paragraphs, above, as though set forth in full herein.

2 108. Plaintiff brings this count against all Defendants on behalf of himself  
3 and the Class defined herein.

4 109. Defendants made representations to Plaintiff and Class members  
5 concerning Defendants' compliance with California regulations governing the  
6 emission levels of formaldehyde from their laminate flooring products that were not  
7 true.

8 110. Defendants had no reasonable grounds for believing these  
9 representations were true when they made them, yet they intended that Plaintiff and  
10 Class members rely on these representations.

11 111. Plaintiff and Class members reasonably relied on Defendants'  
12 representations, and were harmed as a result.

13 112. These activities by Defendants, as afore-described in this Complaint,  
14 legally caused actual damages to Plaintiff and Class members. As a result of such  
15 injuries, Plaintiff and Class members have suffered economic damages according to  
16 proof at trial.

17 113. Based on the foregoing, Plaintiff and Class members suffered economic  
18 damages as a result of the Defendants' conduct. Plaintiff and Class members are  
19 entitled to, and do herein pray for, their damages, according to proof at trial.

## 20 VI. PRAYER FOR RELIEF

21 WHEREFORE, Plaintiff, individually and on behalf of all others similarly  
22 situated, respectfully requests and prays that the Court determine that this action  
23 may be maintained as a class action and further prays that the Court enter judgment  
24 in his favor and against the Defendants, as follows:

25 1. Certify the Class in a manner consistent with discovery and other  
26 proceedings and developments relating to Class certification;

27 2. Appoint Plaintiff as Class Representative;

28 3. Appoint undersigned counsel as Class Counsel;

1           4.     Award all actual, general, special, incidental, statutory, punitive, and  
2 consequential damages to which Plaintiff and the Class are entitled, in an amount to  
3 be determined at trial or upon judgment;

4           5.     Award pre-judgment and post-judgment interest on such monetary  
5 relief;

6           6.     Award appropriate injunctive and/or declaratory relief, including  
7 requiring Defendants to conduct an appropriate recall of affected products still on  
8 the market and the establishment of a medical monitoring program for Plaintiff and  
9 Class members at Defendants' cost;

10          7.     Order Defendants to pay for the cost of notice and claims  
11 administration;

12          8.     Award reasonable attorneys' fees and costs;

13          9.     Award the class representatives an appropriate incentive award; and

14          10.    Grant such further relief that this Court deems appropriate.  
15

16 DATED: March 10, 2015

Respectfully submitted,

17                   BOUCHER LLP  
18

19  
20 By:           /s/ Raymond P. Boucher          

21                   RAYMOND P. BOUCHER  
22                   SHEHNAZ M. BHUJWALA

23                   *Attorneys for Plaintiff John Flanagan*  
24  
25  
26  
27  
28



**REQUEST FOR JURY TRIAL**

Plaintiff, individually and on behalf of a class of all others similarly situated (“Plaintiff”), by and through his undersigned counsel of record, hereby respectfully requests a jury trial on all issues and counts so triable.

DATED: March 10, 2015                      Respectfully submitted,

BOUCHER LLP

By:           /s/ Raymond P. Boucher          

RAYMOND P. BOUCHER  
SHEHNAZ M. BHUJWALA

*Attorneys for Plaintiff John Flanagan*

# **EXHIBIT A**

# BOUCHER LLP

March 10, 2015

**Via Certified Mail**  
**Return Receipt Requested**

Lumber Liquidators, Inc.  
3000 John Deere Road,  
Toano VA 23168

CSC – Lawyers Incorporating Service  
2710 Gateway Oaks Drive, Suite 150N  
Sacramento, CA 95833

Re: *Flanagan v. Lumber Liquidators, Inc.*

To Whom it May Concern:

To Whom It May Concern:

Please be advised that Boucher LLP represents plaintiff John Flanagan, who has filed a putative class action on behalf of himself and a proposed class of similarly situated individuals against defendant Lumber Liquidators, Inc. (Defendant). Plaintiff's class action complaint was filed on March 10, 2015, in the United States District Court for the Central District of California, Western Division. A copy of the complaint is enclosed herewith.

This correspondence shall serve as notice to Defendant, pursuant to California Civil Code section 1782(a)(2), which is part of the Consumers Legal Remedies Act (Cal. Civ. Code §§ 1750, *et seq.*) ("CLRA"), of the particular methods, acts, or practices by Defendant that allegedly violate the CLRA. Notice is also hereby given pursuant to the Magnuson-Moss Warranty Act (15 U.S.C. § 2301) of the Defendant's breaches of express warranties. Plaintiff demands that Defendant redress the violations of the CLRA and Magnuson-Moss Warranty Act described in the enclosed complaint and detailed below within thirty days of receipt of this letter. If Defendant does not provide to Plaintiff and members of the putative Class defined below the relief requested herein within thirty days, Plaintiff will amend her complaint to include a claim for monetary damages for violations of the CLRA.

Plaintiff has filed a putative class action lawsuit on behalf of a plaintiff class presently defined as: "All persons within California who purchased Defendant's laminate flooring products manufactured in China that were labeled "CARB Phase 2" compliant for personal use between March 10, 2011, through the present ("Class").

As detailed in the complaint, investigations and testing done on Defendant's laminate wood flooring products, manufactured by Defendant's supplier's in China and distributed, marketed and/or sold by Defendant in California, have revealed the presence of formaldehyde emissions

Lumber Liquidators, Inc.  
March 10, 2015  
Page 2

from Defendant's products that exceed the safety limits set forth under Title 17 of the California Code of Regulations, Sections 93120 through 93120.12, the Airborne Toxic Control Measure to Reduce Formaldehyde Emissions from Composite Wood Products ("ACTM") promulgated by the California Air Resources Board ("CARB"). This poses serious risks to public health and safety because consumers who purchase Defendant's laminate flooring products for personal use are being exposed to unsafe and illegal levels of formaldehyde emissions, a known toxin. Moreover, consumers are paying for CARB-compliant laminate flooring products that they do not receive. As a result of this exposure, consumers may suffer short-term symptoms but also are bestowed the increased risk of cancers and other serious health conditions in the long-term.

As alleged in the enclosed complaint, Defendant has had actual knowledge or should reasonably have known that the laminate wood flooring products manufactured by Defendant's Chinese suppliers that Defendant markets, distributes and/or sells to California consumers are not compliant with CARB standards for formaldehyde emissions and are not safe for use, yet have done nothing to remedy the problem.

Defendant has denied any problem and has failed to issue a recall or provide any notice to consumers here in California, or to take other appropriate remedial action to ensure that consumers are not put further at risk as a result of the products that are still out there on the market or are being manufactured for future use.

Plaintiff and Class members are "consumers," as defined by California Civil Code section 1761(d), who purchased Defendant's laminate wood flooring, as further identified by name in Plaintiff's complaint, that was marketed, distributed and/or sold by Defendant here in California. Defendant is a "person" under California Civil Code section 1761(c). The laminate wood flooring products sold by Defendant, as identified in the Complaint, are "goods" under California Civil Code section 1761(a). As a result of the unfair and deceptive acts or practices described herein and in the enclosed complaint, Defendant violated, and continues to violate, the CLRA, specifically, California Civil Code section 1770(a), in the following respects, without being limited thereto: (1) representing their laminate wood flooring products have characteristics, uses, benefits, and qualities which they do not have (Cal. Civ. Code § 1770(a)(5)); (2) representing these products are of a particular standard, quality, and grade when they are not (Cal. Civ. Code § 1770(a)(7)); and (3) advertising these products through product labeling with the intent not to sell them as advertised (Cal. Civ. Code § 1770(a)(9)).

Had Plaintiff and absent Class members known that the Defendant's laminate wood flooring products were not compliant with current CARB standards for formaldehyde emissions, and in fact emitted formaldehyde at unsafe and illegal levels that threatened their health and safety, they would not have purchased or used these products and/or paid as much for them. Moreover, Plaintiff has and/or will incurred actual damages from purchase of Defendant's laminate wood flooring products during the Class Period. Because of its violations of the CLRA detailed above, Defendant caused and continues to cause actual damage to Plaintiff and the Class, and, if not stopped, Defendant will continue to harm them.

Lumber Liquidators, Inc.  
March 10, 2015  
Page 3

Accordingly, pursuant to California Civil Code section 1782(a)(2), Plaintiff demands that Defendant “correct, repair, replace or otherwise rectify” the above violations. Specially, Plaintiff demand that Defendant provide the relief request below pursuant to California Civil Code section 1782(c): (1) Identify, or make a reasonable effort to identify, all consumers who purchased Defendant’s laminate flooring products manufactured by Defendant’s Chinese suppliers during the Class Period; (2) Notify all such consumers that, upon their request, Defendant will make the appropriate correction, repair, replacement, or other remedy, such as provide a full refund of the purchase price of the products and/or restitution or compensation of any other monies paid as a result of purchase and/or use of such products during the Class Period; (3) Perform the correction, repair, replacement, or other remedy as set forth above in a reasonable amount of time; and (4) Cease to engage in the methods, acts or practices outlined at length above and in the enclosed complaint. Of course, Defendant’s compliance with these requests would be subject to proposed Class Counsel’s review of appropriate financial information detailing all relevant sales and remediation efforts. Plaintiff also requests that Defendant agree to cover all claims administration costs and expenses, as well as reasonable attorneys’ fees.

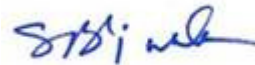
Likewise, as set forth in detail in the enclosed Complaint, Defendant breached express warranties regarding the compliance of Defendant’s laminate flooring products with CARB Phase 2 standards, as represented on product labeling and through other marketing. Pursuant to 15 U.S.C. § 2310(e), Plaintiff demands that Defendant cure its failure to comply with the Magnuson-Moss Warranty Act within 30 days time.

Should the above actions not be taken by Defendant within thirty days from its receipt of this letter, Plaintiff will amend the enclosed complaint to include claims for actual, punitive, and all other monetary damages permitted by the CLRA and proceed forward with all claims alleged in the enclosed Complaint.

Very truly yours,

BOUCHER LLP

By:



---

Shehnaz M. Bhujwala, Esq.

Encl.: Class Action Complaint

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6 *Attorneys for Plaintiff John Flanagan*

7  
8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**  
10

11 JOHN FLANAGAN, Individually and  
on Behalf of All Others Similarly  
12 Situated,

13 Plaintiff,

14 v.

15 LUMBER LIQUIDATORS, INC. and  
DOES 1-10, Inclusive,

16 Defendants.  
17

Case No. 2:15-CV-01752

**PLAINTIFF'S DECLARATION RE:  
CONSUMER LEGAL REMEDIES  
ACT VIOLATIONS**

**[Cal. Code Civ. Proc. Sec. 1780(d)]**

**DECLARATION OF JOHN FLANAGAN**

I, John Flanagan, declare as follows:

1. I am a party in the above-entitled action. I have personal knowledge of the facts set forth herein, except as to those stated on information and belief and, as to those, I am informed and believe them to be true. If called as a witness, I could and would competently testify to the matters stated herein. I make this affidavit as required by California Civil Code section 1780(d).

2. This action challenges the corporate policies and practices of defendants Lumber Liquidators, Inc. and Does 1 through 10, inclusive (“Defendants”), who falsely, unlawfully, unfairly, and deceptively market, distribute, and/or sell to consumers laminate wood flooring products that do not comply with California’s regulations limiting formaldehyde emissions, and instead exceed California’s regulations at unsafe and illegal levels despite labeling that suggests compliance and other misrepresentations by Defendants.

3. I am informed and believe, based upon my personal experience and my counsel’s investigation into this matter that, at all times relevant, Defendants have transacted business throughout the Central District of California and the County of Los Angeles, including the sale of the laminate flooring products that are the subject of this action.

4. I purchased the laminate flooring products that are the subject of this action from Defendants’ North Hills, California store, and used the product for the flooring in my home in Chatsworth, California, within the Central District of California, Western Division, in which this case is filed. I also observed the alleged misrepresentations and omissions relating to the laminate flooring products that are the subject of this action within Defendants’ North Hills, California store in this Judicial District and Division.

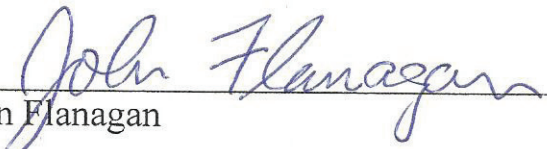
I declare under penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct.



3. I make this declaration in support of Plaintiff's Complaint as required by California Civil Code section 1780(d).

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 10th day of March, 2015, at Chatsworth, California.

  
John Flanagan