

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

ORLANDO MEDEIROS, individually and)
on behalf of a class similarly situated,)
)
)
Plaintiff,)
)
v.)
)
LENOVO (UNITED STATES), Inc.)
)
)
Defendant.)

COMPLAINT

1. Plaintiff Orlando Medeiros (“Plaintiff”) brings this action against defendant Lenovo (United States), Inc. (“Lenovo”) on behalf of himself and all others who were damaged when they purchased a Lenovo Yoga 2 Pro laptop (“Yoga 2 Pro”), based on Lenovo’s false and misleading representations as to the battery life.

2. Battery life is an attribute that is important to consumers when selecting a laptop for purchase. A central component of Lenovo’s advertising for the Yoga 2 Pro laptop was that its battery would last “Up to 9 Hours” upon a full charge. Lenovo made this representation both on its website and through specifications it provided to retailers, which Lenovo knew and intended would be related to purchasers to induce them to purchase the Yoga 2 Pro. Lenovo’s representations concerning the battery life of the Yoga 2 Pro were untrue; the laptop generally provided only four to five, or at most, six hours of battery life on a full charge.

3. Plaintiff and the Class (defined below) have been substantially injured by Lenovo’s false representations concerning the battery life of the Yoga 2 Pro, both by having purchased a product that was less valuable than the product would have been had Lenovo’s

representations concerning battery life been true, and by the reduced value and utility of the product Plaintiff and the Class continue to use.

4. Through the conduct described below, Lenovo has violated the North Carolina Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. § 75-1.1, and Lenovo has breached the express warranties it made to Plaintiff and the Class.

JURISDICTION AND VENUE

5. This Court has jurisdiction over all causes of action asserted herein pursuant to 28 U.S.C. § 1332(d) because the aggregate claims of Plaintiff and members of the Class exceed the sum or value of \$5,000,000, and there is diversity of citizenship between at least one member of the proposed Class and Defendant.

6. Venue is proper in this District under 28 U.S.C. § 1391(a)(1) and (2). Lenovo conducts substantial business in this District.

PARTIES

7. Plaintiff Orlando Medeiros is a resident of Massachusetts. On October 16, 2013, Mr. Medeiros purchased a Yoga 2 Pro laptop through Lenovo's website. Almost immediately after Mr. Medeiros's purchase of the Yoga 2 Pro, he noticed that the battery life upon a full charge did not come close to the advertised nine hours of battery life. He attempted to improve the laptop's battery life by placing the laptop in "Power Saving" battery mode—a software setting on his laptop designed to maximize battery life, but the laptop continued to fall significantly short of the battery life Lenovo represented, typically lasting only four or five, or at most, six hours. The battery life of the laptop has continued to deteriorate since he purchased the laptop at a much faster rate than is typical for laptop batteries.

8. Defendant Lenovo (United States), Inc. is a Delaware corporation with its headquarters and principal place of business in Morrisville, North Carolina. Lenovo is the United States operating subsidiary of Lenovo Group Limited, a Hong Kong corporation with its principal place of business in Beijing, China. Lenovo Group Limited is a multinational computer technology company, which, through its subsidiaries including Lenovo, designs, develops, manufactures, and sells personal computers, tablet computers, smartphones, workstations, servers, electronic storage devices, and smart televisions. Lenovo collected more than \$38.7 billion in revenue for its most recent fiscal year; Lenovo's laptop business, including Lenovo's sales of its Yoga 2 Pro laptop, account for approximately half of Lenovo's overall revenue.

I. FACTUAL ALLEGATIONS

A. *Lenovo's Laptop Business*

9. The Yoga 2 Pro is one of Lenovo's top-selling personal computers.

10. Lenovo and other manufacturers distinguish between "laptop" and "notebook" computers—which generally have permanently attached keyboards, and "tablet" computers—which typically lack a permanently attached keyboard. Lenovo classifies the Yoga 2 Pro as a laptop because it has a permanently attached keyboard, although Lenovo markets the Yoga 2 Pro as a "hybrid" tablet/laptop.

11. Lenovo manufactures a range of laptop models—roughly between 40 and 50 models, as of the time of this complaint.

12. Lenovo's laptop models have varying features targeted towards particular consumers' needs. For example, Lenovo sells discount laptops for as little as \$200 or \$300, which feature the basic components necessary for day-to-day casual operation. Lenovo sells

other higher-end laptops specifically geared towards business professionals and computer gaming enthusiasts, some of which are priced from around \$1,000 up to \$2,000. Lenovo markets the Yoga 2 Pro as a high-end laptop.

13. The features of different laptop models vary based on the technology incorporated into the laptop. For example, some laptops have larger and higher-resolution screens, which are more expensive. Lenovo's laptops also have varying processing power, memory, storage type and space, and battery life, which all affect laptop performance in various ways, and also affect the value of and price charged for the laptop.

B. *The Importance of Battery Life*

14. Battery life is one of the most important attributes of a laptop.

15. Battery life refers to the amount of time, after a full charge of the laptop, that the laptop user can use the laptop unplugged before the battery is depleted and needs to be recharged.

16. Numerous variables affect a laptop's battery life. One such factor is the battery itself. Factors relevant to battery life include the energy storage capacity of the battery, typically measured in milliampere-hours, or "mAh" for short, and engineering of the battery.

17. Another factor relevant to a laptop's battery life is the energy requirements of the laptop. Different configurations on a laptop can result in greater energy usage. For example, laptops with larger and brighter screens will deplete a battery more quickly than laptops with smaller, dimmer screens. Similarly, variations in the energy requirements of a laptop's processor, storage, and other components can significantly affect battery life.

18. Finally, other engineering factors relating to how the laptop is constructed can substantially affect battery life. In particular, some laptops run at higher temperatures, which

can have an adverse effect on laptop battery life. Various engineering factors affect the temperature at which laptops run, and running temperatures can vary significantly among laptop models.

19. Because the factors affecting battery life are numerous and complex, manufacturers make representations concerning a laptop's battery life as part of their advertisements and standardized "specifications" provided to consumers, and consumers generally rely upon manufacturers' representations concerning battery life in making purchasing decisions.

20. Battery life is one of the most important attributes laptop purchasers consider when selecting among laptop models.

C. *Lenovo Misrepresents the Battery Life of the Yoga 2 Pro.*

21. Lenovo introduced the Yoga 2 Pro laptop for sale in the United States in October 2013.

22. From the outset of its marketing of the Yoga 2 Pro, Lenovo prominently advertised the laptop's battery life. Specifically, Lenovo advertised on its website that the battery life for the Yoga 2 Pro was "Up to 9 Hours' Battery Life on a Single Charge," and Lenovo indicated in standardized specifications provided to retailers, which retailers relay to purchasers, that the Yoga 2 Pro's battery life was "Up to 9 Hours."

23. Lenovo's advertisements and specifications for the Yoga 2 Pro created the impression that the typical battery life would be close to nine hours.

24. Lenovo's representations concerning the battery life of the Yoga 2 Pro were false and unsubstantiated when made. The Yoga 2 Pro had a typical battery life of only four to five hours—nowhere near the nine hours advertised.

25. Yoga 2 Pro laptops are also particularly prone to overheating. As noted, when laptops run at a higher temperature, the laptop's battery tends to be depleted more quickly.

26. Online forums in which consumers discuss the Yoga 2 Pro reflect that the problem of battery life for the Yoga 2 Pro is a widespread problem. Lenovo's own forum for the Yoga 2 Pro includes a forum thread with hundreds of posts in which consumers complain that the Yoga 2 Pro's battery life falls substantially short of Lenovo's representations. On Lenovo's website and other websites, typical complaints are as follows:

a. One customer reported as a "Con" for the Yoga 2 Pro: "Battery life is a lie. The ads say 9 hours, but I'm lucky to get 4 hours."

b. Another customer reported: "There are a couple of things you need to know about this laptop before you Buy it, first the battery doesn't last what they advertise, if you get 4 hours consider yourself lucky, in my case a total deal breaker since I use it for work and in case of a brownout I need it to be able to last for the [w]hole shift."

c. Another customer reported: "Battery life is definitely not as advertised. With only 1-2 tabs open in chrome, low to mid screen brightness, basic wifi usage and mostly word editing I was close to maybe 5 hours, but I'd say somewhere in the 4's is more typical."

27. The volume of purchasers complaining about Lenovo's false representations as to the battery life of the Yoga 2 Pro is substantially greater than the volume of comparable complaints for other laptop models, indicating that the problem with the Yoga 2 Pro's battery life is pervasive and not isolated to particular consumers' laptops.

28. In addition to consumer complaints, the press has noted that the Yoga 2 Pro's battery life underperforms compared to Lenovo's representations. For example, "Tested.com," a website that tests technology manufacturers' performance claims, noted that the Yoga 2 Pro's battery life underperformed both compared with Lenovo's representations and prior models of the laptop (i.e., the first generation of the "Yoga Pro"):

Well, the Yoga 2 Pro runs a dual-core Core i5 Haswell processor, and had the opportunity to give users everything that was lacking in the original model. But the Yoga 2 Pro doesn't do that. ***Battery life topped out at 6 hours in my tests, and under 4 hours when I was doing Photoshop and Lightroom photo-editing work. Much shorter than the 9 hours that Lenovo claims.***

Commenters to the Tested.com article agreed with the website's analysis. One commenter who had purchased the Yoga 2 Pro noted: "They lied about the battery life."

II. CLASS ACTION ALLEGATIONS

29. Plaintiff brings this action on behalf of himself and as a class action against Lenovo on his own behalf and on behalf of all other similarly situated persons and entities who purchased the Yoga 2 Pro laptop (the "Class").

30. Members of the Class are so numerous that joinder of all members would be impracticable. Plaintiff estimates based on Lenovo's financial statements and disclosures concerning its laptop sales that there are hundreds of thousands of purchasers of Yoga 2 Pro Laptops.

31. There are questions of law and fact common to all the members of the Class that predominate over any questions affecting only individual members, including:

a. Whether Lenovo represented to the Class through website advertisements and specifications that Yoga 2 Pro laptop users would experience "Up to 9 Hours" of battery life;

b. Whether Lenovo's representations that the Yoga 2 Pro laptop would provide "Up to 9 Hours" of battery life were true and substantiated at the time Lenovo made such representations;

c. Whether Lenovo's false representations that the Yoga 2 Pro laptop would provide "Up to 9 Hours" of battery life constituted a deceptive and/or unfair practice under N.C. Gen. Stat. § 75-1.1;

d. Whether Lenovo's failure to deliver Yoga 2 Pro laptops to purchasers that provided "Up to 9 Hours" of battery life breached Lenovo's express warranties made to purchasers that the Yoga 2 Pro laptop would provide "Up to 9 Hours" of battery life; and

e. Whether, as a result of Lenovo's misconduct, Plaintiff and the other Class members are entitled to damages, restitution, equitable relief, or other relief, and the amount and nature of such relief.

32. The claims of Plaintiff are typical of the claims of the members of the Class. Plaintiff has no interests antagonistic to those of the Class, and Lenovo has no defenses unique to Plaintiff.

33. Plaintiff will fairly and adequately protect the interests of the Class, and Plaintiff has retained attorneys experienced in class and complex litigation.

34. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy. Furthermore, the damage that has been suffered by any particular Class Member is likely not sufficient to make it practicable for all Members of the Classes to seek redress for the wrongs done to them through individual litigation. There will be no difficulty in the management of this action as a class action.

COUNT I

(For Violation of the North Carolina Unfair and Deceptive Trade Practices Act)

35. Plaintiff incorporates all the above allegations by reference.

36. Plaintiff brings this claim under the North Carolina Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. §§ 75-1-1, 75-16.

37. Prior to approximately October 2014, Lenovo's "Terms and Conditions" to which purchasers must agree prior to purchasing a laptop through Lenovo's website indicate as follows:

As the contractual basis of our relationship, all transactions will be governed under the general commercial laws of the State of North Carolina as supplemented or modified by this Agreement, without regard to conflict of law principles.

In any event, the circumstances giving rise to Plaintiff's and Class members' allegations, including the design, development, and sale of the Yoga 2 Pro, occurred in the state of North Carolina. Additionally, Lenovo maintains its corporate headquarters in Morrisville, North Carolina. Accordingly, application of North Carolina law is appropriate.

38. Lenovo's representations affected commerce. Lenovo prominently advertised that the battery life for the Yoga 2 Pro was "Up to 9 Hours" and included the same information in specifications provided to retailers, which information was intended to be and was relied upon by purchasers—the members of the Class.

39. Lenovo's representations that the battery life for Yoga 2 Pro was "Up to 9 Hours" had the capacity to mislead because the Yoga 2 Pro, in reality, had a typical battery life of much fewer than nine hours.

40. Battery life is a material attribute of a laptop's value; therefore, Lenovo's deceptive representations concerning the Yoga 2 Pro's battery life were representations that were material to any reasonable consumer. Given the materiality of battery life to laptop purchasers' purchasing decisions, Lenovo's false representations surrounded and affected the sale of Yoga 2 Pro laptops and are thus actionable under the North Carolina Unfair and Deceptive Trade Practices Act.

41. Lenovo's representations were unfair because Lenovo, as a sophisticated laptop manufacturer, knew or should have known that its representations concerning battery life were not true, and by making false representations concerning the battery life of the Yoga 2 Pro, Lenovo acted immorally, unethically, and unscrupulously toward consumers, causing substantial injury to Plaintiff and the Class.

42. Plaintiff and the Class suffered actual injury as a proximate result of Lenovo's deceptive and unfair conduct. Plaintiff and the Class purchased laptops that were not as valuable as they would have been had Lenovo's representations been true, and Plaintiff and the Class continue to suffer from battery performance that is substantially lower than Lenovo represented.

43. As a result of Lenovo's willful, knowing, and bad faith violation of N.C. Gen. Stat. §§ 75-1-1, 75-16, Lenovo is liable to Plaintiff and the Class for three times the damages that Plaintiff and the Class incurred, together with all related court costs, attorneys' fees, and interest.

COUNT II

(For Breach of Express Warranty)

44. Plaintiff incorporates all the above allegations by reference.

45. Plaintiff brings this claim for breach of express warranty, as codified by N.C. Gen. Stat. § 25-2-313.

46. Lenovo marketed and sold the Yoga 2 Pro into the stream of commerce with the intent that the Yoga 2 Pro would be purchased by Plaintiff and members of the Class.

47. Lenovo expressly warranted, both through its website and in specifications provided to retailers, which Lenovo knew and intended would be related to members of the Class, that the battery life for the Yoga 2 Pro was “Up to 9 Hours.” Lenovo directed such representations to purchasers, such as Plaintiff and the members of the Class, and such representations were designed to induce the purchases of Plaintiff and the Class.

48. Lenovo’s express warranties became part of the basis of the bargain into which Plaintiff and members of the Class entered when they purchased the Yoga 2 Pro.

49. Given the significance of battery life to laptop purchasers, the natural tendency of representations concerning battery life—in particular those at issue here which promised battery life of “Up to 9 Hours”—is to induce the purchase of the Yoga 2 Pro. Therefore, the Class’s reliance on Lenovo’s representations can be inferred on a class-wide basis.

50. Lenovo breached its express warranties to Plaintiff and the Class because the battery life for the Yoga 2 Pro is nowhere near nine hours as Lenovo represented. Rather, the typical battery life for the Yoga 2 Pro was four to five, or at most, six hours.

51. As a result of Lenovo’s breach of its express warranties, Plaintiff and the Class have suffered and continue to suffer actual damages in that they purchased laptops that were not as valuable as they would have been had Lenovo’s representations been true, and Plaintiff and the Class continue to suffer from battery performance that is substantially lower than Lenovo represented.

52. Lenovo is liable to Plaintiff and the Class for damages for Lenovo's breach of its express warranties to Plaintiff and the Class.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff requests of this Court the following relief, on his own behalf and on behalf of all others similarly situated:

- a. An order certifying a nationwide class, appointing Plaintiff as class representative, and appointing the undersigned counsel as Class counsel;
- b. Damages under the law alleged in this Complaint, in amount to be determined at trial;
- c. Treble damages in accordance with N.C. Gen. Stat. §§ 75-1-1, 75-16;
- d. Costs and attorneys' fees;
- e. Prejudgment and postjudgment interest at the maximum rate allowable at law;
- f. The costs and disbursements incurred by Plaintiff and his counsel in connection with this action;
- g. Such other and further relief as the Court deems just and proper.

JURY DEMAND

Plaintiff, on behalf of himself and the members of the Class, hereby demands trial by jury on all issues so triable.

Dated: February 4, 2015

/s/ Thomas G. Shapiro
Thomas G. Shapiro (BBO# 454680)
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Counsel for Plaintiff

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

Orlando Medeiros

(b) County of Residence of First Listed Plaintiff Suffolk (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number) Thomas G. Shapiro, Patrick J. Valley & Shapiri Haber & Urmy LLP Seaport East, Two Seaport Lane, Boston, MA 02210

DEFENDANTS

Lenovo (United States), Inc.

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, PTF DEF, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Table with 5 columns: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes various legal categories like Insurance, Personal Injury, Real Estate, etc.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District, 6 Multidistrict Litigation

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 28 U.S.C. § 1332(d) and 28 U.S.C. § 1391(a)(1) and (2) Brief description of cause: Misrepresentations in connection with sale of laptop computers

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER

DATE 02/04/2015 SIGNATURE OF ATTORNEY OF RECORD /s/ Thomas G. Shapiro

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

1. Title of case (name of first party on each side only) Orlando Medeiros v. Lenovo (United States), Inc.

2. Category in which the case belongs based upon the numbered nature of suit code listed on the civil cover sheet. (See local rule 40.1(a)(1)).

- I. 410, 441, 470, 535, 830*, 891, 893, 894, 895, R.23, REGARDLESS OF NATURE OF SUIT.
- II. 110, 130, 140, 160, 190, 196, 230, 240, 290,320,362, 370, 371, 380, 430, 440, 442-446, 710, 720, 730, 740, 790, 820*, 840*, 850, 870, 871.
- III. 120, 150, 151, 152, 153, 195, 210, 220, 245, 310, 315, 330, 340, 345, 350, 355, 360, 365, 368, 385, 400, 422, 423, 450, 460, 462, 463, 465, 480, 490, 510, 530, 540, 550, 555, 610, 620, 625, 630, 640, 650, 660, 690, 791, 810, 861-865, 875, 890, 892, 900, 950.

*Also complete AO 120 or AO 121. for patent, trademark or copyright cases.

3. Title and number, if any, of related cases. (See local rule 40.1(g)). If more than one prior related case has been filed in this district please indicate the title and number of the first filed case in this court.

4. Has a prior action between the same parties and based on the same claim ever been filed in this court?

YES NO

5. Does the complaint in this case question the constitutionality of an act of congress affecting the public interest? (See 28 USC §2403)

YES NO

If so, is the U.S.A. or an officer, agent or employee of the U.S. a party?

YES NO

6. Is this case required to be heard and determined by a district court of three judges pursuant to title 28 USC §2284?

YES NO

7. Do all of the parties in this action, excluding governmental agencies of the united states and the Commonwealth of Massachusetts ("governmental agencies"), residing in Massachusetts reside in the same division? - (See Local Rule 40.1(d)).

YES NO

A. If yes, in which division do all of the non-governmental parties reside?

Eastern Division Central Division Western Division

B. If no, in which division do the majority of the plaintiffs or the only parties, excluding governmental agencies, residing in Massachusetts reside?

Eastern Division Central Division Western Division

8. If filing a Notice of Removal - are there any motions pending in the state court requiring the attention of this Court? (If yes, submit a separate sheet identifying the motions)

YES NO

(PLEASE TYPE OR PRINT)

ATTORNEY'S NAME Thomas G. Shapiro and Patrick J. Vallely

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