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| 7 | Attorneys for Plaintiff | |
| 8 | | S DISTRICT COURT |
| 9 | | RICT OF CALIFORNIA |
| 10 | SAN FRANC | CISCO DIVISION |
| 11 12 13 | JONATHAN D. RUBIN, individually and on behalf of all those similarly situated, Plaintiffs, v. | Case No: <u>CLASS ACTION COMPLAINT</u> JURY TRIAL DEMANDED |
| 14 | THE HONEST COMPANY, INC, | |
| 15 16 | Defendant. | |
| 17 18 | INTRO | DUCTION |
| 19 | 1. Honest isn't. From at least Sep | tember 20, 2012 through the present (the "Class |
| 20 | Period"), The Honest Company, Inc. ("Defend | lant" or "Honest") deceptively and misleadingly |
| 21 | labeled and marketed its products, including th | ne following five Honest products: Honest Hand |
| 22 | | nest Multi-Surface Cleaner and Honest Sunscreen |
| 23 | (collectively the "Products") as both natural an | _ |
| 24 | Honest Dish Soap, Honest Diapers, and Hones | |
| 25 | 2. Throughout the Class Period. H | ve. Ionest has systematically labeled its Products as |
| 26 | "natural" such that any U.S. consumer purchas | |
| 27 | misrepresentations. | 6 |
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| | | 1 NON COMPLEMENT |
| | CLASS ACT | ION COMPLAINT |

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3. Honest also labels and markets the Products as "natural" on its website, on third party marketplace websites, and in print and television advertisements.

4. Honest deceives and misleads consumers by labeling and marketing its Products as "natural" where many of the Products, including Honest Hand Soap, Honest Dish Soap, Honest Diapers, and Honest Multi-Surface Cleaner, are made with unnatural ingredients.

⁵ 5. Honest makes literally false claims by labeling and marketing Honest Sunscreen
⁶ as "effective" where Honest Sunscreen is ineffective.

6. Honest's conduct harms consumers by inducing them to purchase and consume the Products on the false premise that they are natural and effective, when in fact four of the five Products contain ingredients that are not natural, and one of the five Products is ineffective.

7. Plaintiff Jonathan D. Rubin brings this lawsuit against Honest individually and on behalf of a nationwide class including all other similarly situated purchasers of the Products.

8. Based on Honest's representations that the Products were natural, Plaintiff and the Class paid a premium for the Products over comparable products that did not purport to be natural. Instead of receiving products that were natural, Plaintiff and the Class received the Products, which, contrary to Honest's representations, contained synthetic ingredients.

Plaintiff and the Class paid for Honest Sunscreen based on the belief that it was
 effective. Instead of receiving effective sunscreen, Plaintiff and the Class received Honest
 Sunscreen, which, contrary to Honest's representations, was ineffective in preventing unhealthy
 exposure to harmful UV rays.

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JURISDICTION AND VENUE

10. The Court has subject matter jurisdiction over the individual and class claims asserted herein pursuant to 28 U.S.C. § 1332, as amended in 2005 by the Class Action Fairness Act, as: (A) the amount in controversy in this class action exceeds \$5,000,000, exclusive of interests and costs; and (B) a substantial number of the members of the proposed class are citizens of a state different from that of Defendant. In addition, Plaintiff Jonathan D. Rubin is a citizen of a state different from that of Defendant, a Delaware Corporation.

²⁵ 11. The Court has personal jurisdiction over Defendant. Honest maintains
 ²⁶ headquarters in Santa Monica, California and conducts business throughout the State of
 ²⁷ California.

12. Venue is proper pursuant to 28 U.S.C. § 1391(a) & (b)(2) because a substantial part of the events or omissions giving rise to the claim occurred in this District.

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PARTIES

13. Plaintiff Jonathan D. Rubin is a resident of Los Angeles, California and an individual consumer. During the Class Period, Mr. Rubin purchased and used Honest brand hand soap ("Honest Hand Soap") and Honest brand dish soap ("Honest Dish Soap"), from the supermarket chain Gelson's Markets in Los Angeles, California. As with all members of the Class, Mr. Rubin paid a premium for the Honest Products based upon the representation that the Products are natural, in excess of the price for comparable products not purporting to be natural. Mr. Rubin also purchased and used Honest brand sunscreen ("Honest Sunscreen") from the supermarket chain Gelson's Markets in Los Angeles, California. As with all members of the Class, Mr. Rubin paid for the Honest Sunscreen because he believed the sunscreen would effectively protect him from exposure to harmful ultraviolet ("UV") rays.

12 14. Defendant The Honest Company, Inc. is a Delaware corporation headquartered in Santa Monica, California. The company markets its Products online through the website https://www.honest.com> ("Honest.com") and operates an active storefront on Amazon.com selling the Products. Defendant maintains supply chain control over the manufacture of the Products, operates as an online retailer, and distributes the Products, business-to-business, to major retail outlets throughout the U.S. and Canada.

FACTUAL ALLEGATIONS COMMON TO ALL COUNTS

Plaintiff's Purchase of the Products

Plaintiff Rubin purchased "lemongrass" Honest Hand Soap from Gelson's 15. Markets in Los Angeles, California

16. Mr. Rubin purchased "white grapefruit" Honest Dish Soap from Gelson's Markets in Los Angeles, California

23 17. Mr. Rubin purchased Honest Sunscreen from Gelson's Markets in Los Angeles, 24 California.

Honest's Extensive, Long-Term Marketing Campaign

18. Since at least September 20, 2012 Honest at all times has marketed, and 27 continues to market, itself as a "natural products" company. 28

| 19. | Honest created a national advertising campaign, designed and carried out from |
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| the company | y's headquarters in California. |
| 20. | Honest has engaged in this extensive and long-term marketing campaign to |
| convince po | tential customers, first, that the company's products are natural and effective, and, |
| second, that | the company's marketing representations should be taken literally, because those |
| claims are " | honest." |
| 21. | Mr. Rubin actually witnessed Honest's campaign. |
| 22. | The campaign was sufficiently lengthy in duration, and widespread in |
| lisseminatio | on, that it would be unrealistic to require the plaintiff to plead relying upon each |
| advertised n | nisrepresentation. |
| 23. | Representative samples of the campaign are contained herein. |
| 24. | On information and belief, Honest has spent millions of dollars marketing its own |
| orand and it | s products to carefully cultivate a brand image that its products are natural and |
| effective. | |
| 25. | Honest's marketing campaign has been uniform, widespread, continuous, and |
| contained in | various media. |
| 26. | Honest's marketing campaign has included and includes traditional media and |
| new media, | such as print circulars, television advertisements, television appearances, social |
| nedia prom | otions, sales copy on its own website, and sales copy on third party marketplace |
| vebsites, so | that Honest's "natural" and "effective" representations are available to consumers |
| via numerou | is media platforms, extending to all or substantially all potential and actual |
| customers. | |
| 27. | Honest's marketing campaign has been designed to induce consumers to trust the |
| Honest bran | d and Honest's marketing representations that its products are "natural" and |
| 'effective." | |
| 28. | Honest makes these representations as to each of the Products, and the |
| epresentatio | ons contained within the marketing campaign are similar by category to one another. |
| 29. | As part of the extensive marketing campaign, Honest's company name is |
| esigned to | ensure consumers take its marketing representations literally. |
| 30. | Honest includes its brand name, in lower case, on all of its Products. |
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| | CLASS ACTION COMPLAINT |

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31. As part of Honest's extensive marketing campaign, Honest further amplifies its representations and its own trustworthiness with the "honestly FREE guarantee," displayed at Honest.com, Honest's Amazon storefront, and partner websites, including Target.com.

3 32. The "honestly FREE guarantee" states: "Providing clear, credible, transparent
 4 information. No smoke and mirrors. No confusion."

⁵ 33. As part of Honest's extensive marketing campaign, Honest's Chief Creative
⁶ Officer and celebrity co-founder Jessica Alba serves as the public face of the company.

34. Ms. Alba has crafted public statements about Honest to convince the public that her company is leading a movement to protect consumers from products that contain chemicals.

35. Ms. Alba has coordinated her media appearances with the company's extensive marketing campaign.

Ms. Alba's celebrity status ensures the company's claims are reported by
 numerous media outlets.

37. On June 18, 2015, Ms. Alba and The Honest Company, Inc.'s COO Christopher Gavigan appeared jointly in their capacities as co-founders for The Honest Company, Inc. to petition federal officials to strengthen regulations against consumer products containing toxic chemicals, and Ms. Alba and Mr. Gavigan coordinated this appearance with Honest's extensive marketing campaign, including as follows:

a. Ms. Alba appeared in the hallway of a Congressional office building, before a professional media crew, and stated: "[A]s a business owner, I'm proof of concept that you can do business right—right by humans, right by the planet —and you can be very successful and grow very quickly."

b. Mr. Gavigan tweeted the following statement with a picture of the Washington Monument: "Here in D.C. to convince lawmakers to join @honest to protect citizens. #chemical #reform."

38. On August 18, 2015, Ms. Alba and The Honest Company, Inc.'s CEO Brian Lee
 appeared for a company feature on CNN Money that broadcast representations that the Products
 are natural and effective, as follows:

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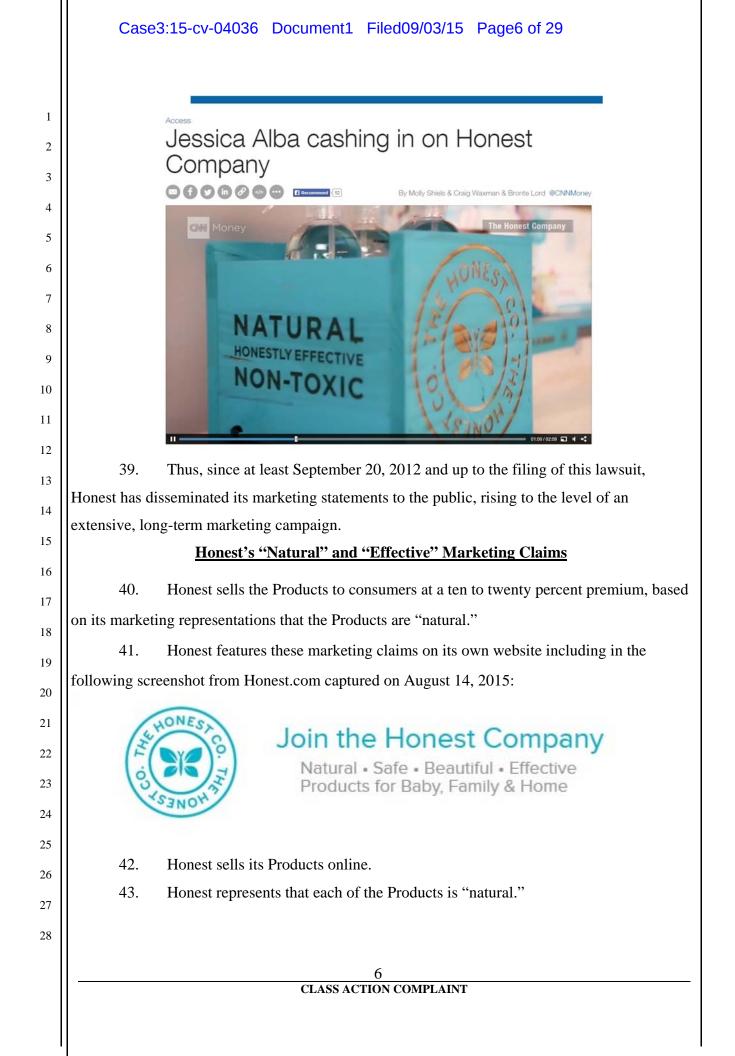
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44. Honest's representations that the Products are "natural" have appeared and continue to appear prominently in some or all of the following: descriptions online, labels affixed to containers, and other advertising materials.

45. Honest amplifies its representations that the Products are "natural" by way of its company name, by way of its "honestly FREE guarantee," and by way of the word "honest" on product labels and in product names.

46. Honest further amplifies its representations that the Products are "natural" with supplemental representations, including that the Products do not contain harsh chemicals, are safe, are non-toxic, and are plant-based.

47. Honest's supplemental representations appeared and continue to appear prominently in descriptions online, labels affixed to containers, and other advertising materials.

Honest Hand Soap

48. Honest Hand Soap product packaging stated and continues to state that the Product is "natural."

49. The following excerpted screenshot appeared on Honest.com on August 14,2015, displaying Honest Hand Soap product packaging:



50. Honest.com described and continues to describe Honest Hand Soap as "nontoxic," and containing "NO harsh chemicals (ever!)," and in so doing, has amplified its representation that Honest Hand Soap is natural.

51. The following excerpted screenshot appeared on Honest.com on August 14,2015, describing Honest Hand Soap as "Natural":

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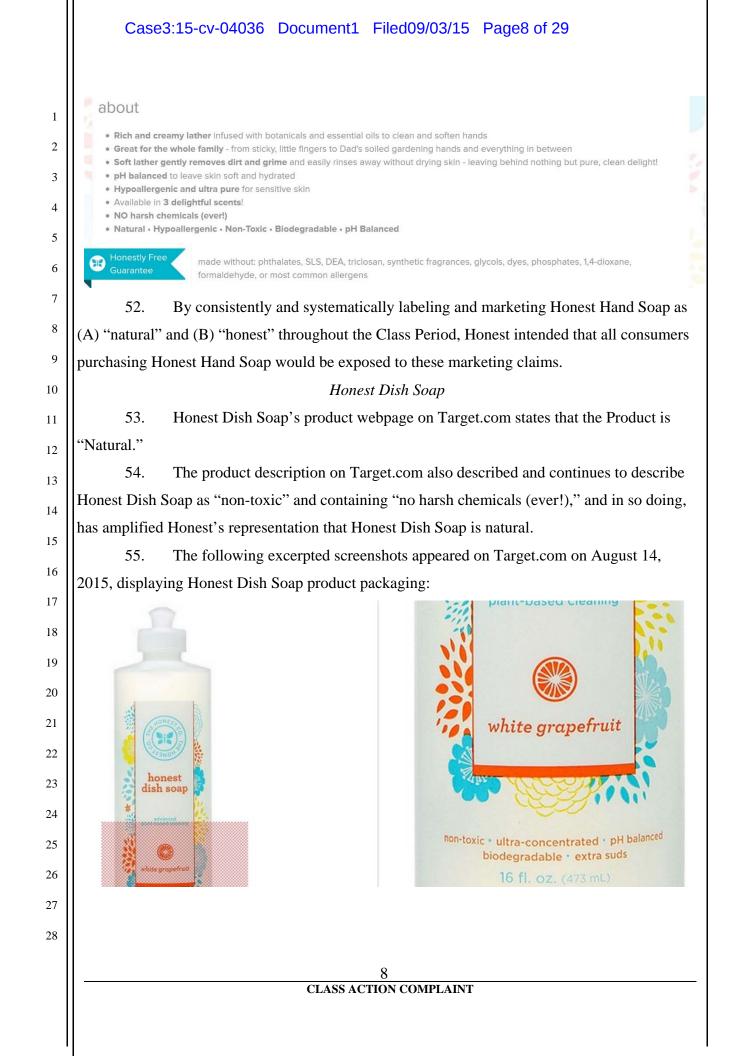
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No harsh chemicals (ever!). Natural, non-toxic, biodegradable, pH balanced, ultra-concentrated, and Honestly Free of SLS, SLES, phthalates, synthetic fragrances, glycols, enzymes, dyes, phosphates, 1,4dioxane, chlorine, DEA, formaldehyde, and caustics.

Product Results: Removes Residue, Removes Grease, Used for Cleaning, Cleaner

56. Target.com includes a disclaimer stating this description "comes from the product manufacturers."

57. Honest Dish Soap product packaging stated and continues to state "plant-based" and "non-toxic," and in so doing, has amplified its claim that Honest Dish Soap is natural.

58. The following excerpted screenshot appeared on Honest.com on August 14,2015, displaying Honest Dish Soap product packaging:



59. Honest Dish Soap's product webpage on Honest.com stated and continues to state that Honest Dish Soap has a "natural" formula; is "non-toxic"; and contains "no harsh chemicals (ever!)"; and in so doing, has further amplified its representation that Honest Dish Soap is natural.

60. The following excerpted screenshot appeared on Honest.com on August 14, 2015, describing Honest Dish Soap:

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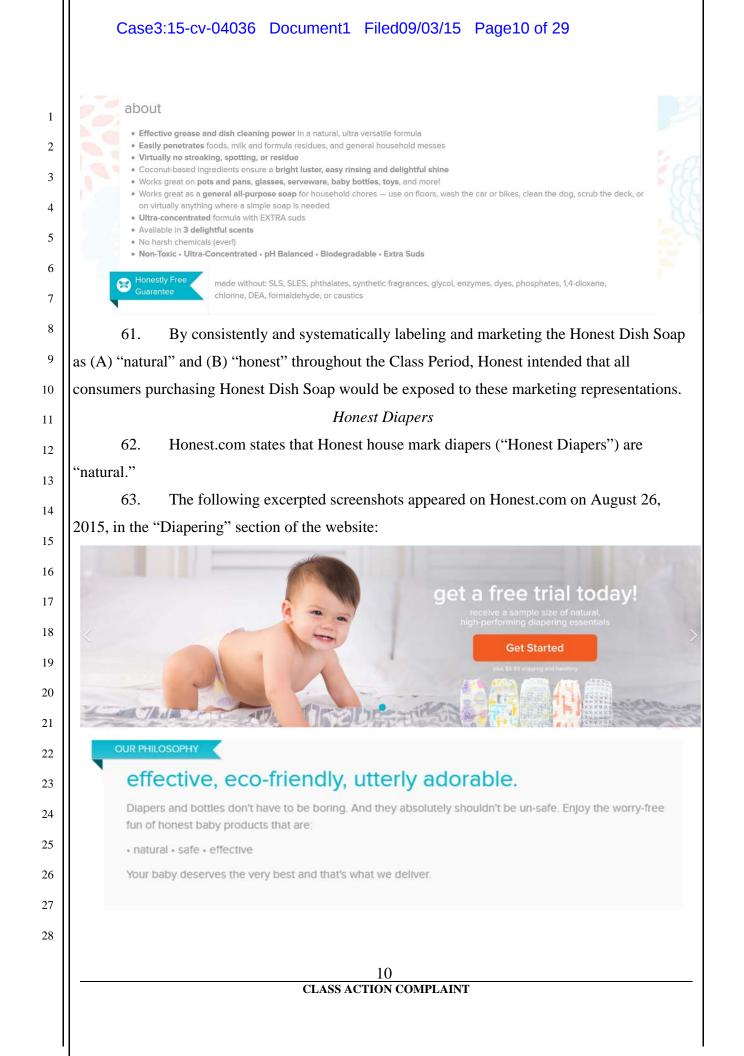
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64. The Honest.com "Diapering" section provides the following website "meta-tag" description to search engine crawlers: "<meta content="Buy safe, natural baby products and eco-friendly disposable diapers. The Honest Company provides bath, skin care and green cleaning products." name="description" />.

65. As a result of this meta-tag, the representation that Honest Diapers are "natural" appears verbatim in Google search results for Honest Diapering.

66. The following excerpted screenshot is a Google search conducted for "Honest Diapering" on August 26, 2015:

| Google | Honest Diape | ing | | | |
|--------|--|---|---|--|--|
| | Web Videos | s Shopping | Images Nev | ws More 🔻 | Search tools |
| | About 1,520,000 | results (0.38 seco | nds) | | |
| | Did you mea | an: Honest Di a | apers | | |
| | Shop for Ho | nest Diaperin | g on Google | | Sponsored 🛈 |
| | | 4 4 4 8 8 | 6 - 4 - | baatt dispers | |
| | Honest Diapers, Guitars, Size N \$13.95 Honest.com | Honest Diapers, Bumble Bees \$13.95 Honest.com | Honest Diapers & Wipes Bundle \$79.95 Honest.com | Infant The Honest Comp \$13.95 Nordstrom | Toddler The Honest Comp \$12.99 Nordstrom |
| | Ad www.hones Your Baby Will L | - Official Hon st.com/Try-Diaper ove Honest Diape | rs ▼ rs. Ultra Absorben | | te! |
| | | ent and eco-friend of our cute design | ly. Sar | / Us Today nple Our Favorite cover all the good | |
| | Honest prod | & Save Up To lucts conveniently ach month. Mix & m | Cer | ganic Baby F tified organic form a feeling dry & con | nula to keep |
| | https://www. hor \$13.95 - In stock Buy natural, prer | ne Honest Cor nest.com/baby/ho nium and eco-frien e, safe, and non-irr | dly disposable bab | | he Honest |
| | | CT A SS A | 11 CTION COMPL | | |
| | | | ("THANN A YANAADI | A I N'T' | |

67. The Honest Diapers' product webpage on Honest.com states that Honest Diapers are "plant-based" and "safe" and contain "NO HARSH CHEMICALS (EVER)," and in so doing, has amplified its representation that Honest Diapers are "natural."

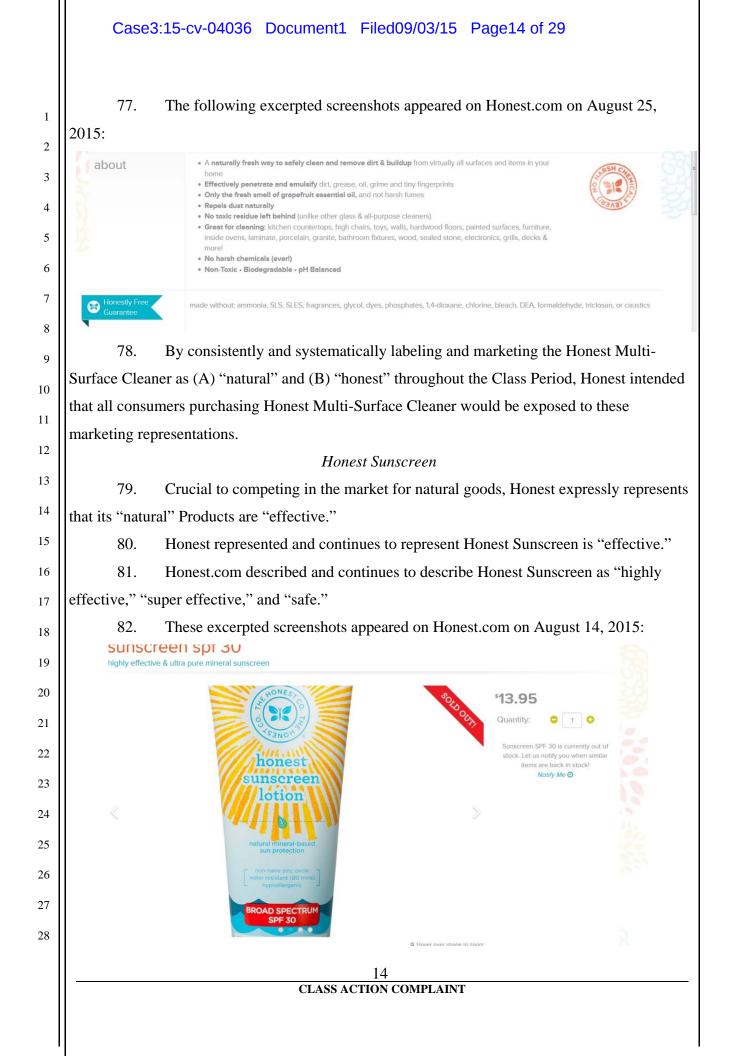
68. The following excerpted screenshot appeared on Honest.com on August 25, 2015, describing Honest Diapers:

| 5 | | ndly* diapers — made with naturally derived, plant-based & sustainable materials* — are extra soft, | |
|-------------------------|---|---|--------|
| 6 | hypoallergenic, free of chlor adorable they are? | ine processing and additives (like fragrances, lotions, and latex). Oh, and did we mention how | |
| 7 8 9 10 11 | about | Plant-based (PLA) inner and outer layers — gentle on your baby's bottom Super absorbent core with fluff pulp harvested from certified sustainably managed forests – NO chlorine processing or harsh chemical bleaches Naturally derived odor inhibitors from citrus and chlorophyll Bio-based, gluten free wheat/corn blend in super absorbent core — less sodium polyacrylate Simply pure — no fragrances, lotions, or latex Yes, diapers can be fun tool Cute, stylish designs for girls and boys — updated seasonally! Never miss out. Comfy-stretch side panels and soft, refastenable tabs for perfect fit and wigglability! Securely fitting moisture barrier cuffs help prevent leakage and blowouts Gentle, safe, and non-irritating for sensitive skin | |
| 12 | size & quantity | *MADE WITH NATURALLY DERIVED, PLANT-BASED & SUSTAINABLE MATERIALS | |
| 13 | chart | superior absorbency | |
| 14 | | C) I (I I I I I I I I I I I I I I I I I | |
| 15 16 | | bio-based sustainably harvested core | |
| 17 | | advanced leak protection ultra soft, plant-based materials | |
| 18 | 69. Th | ne Honest Diapers' product page on Honest.com previously stated that Hor | nest |
| 19 | Diapers were "10 | 00%plant-based," and in so doing, further amplified its representations the | hat |
| 20 | Honest Diapers a | re natural. | |
| 21 | 70. Tł | ne following excerpted screenshot appeared on the Internet Archive's Way | back |
| 22 | Machine on Aug | ust 26, 2015, accessed by inserting the Honest.com Diaper Bundle webpag | ge, |
| 23 | and selecting Jan | uary 21, 2013: | |
| 24 | A new diaper for a new get | neration! | |
| 25 | 100% non-toxic, chlorine-t | free, sustainable, and plant-based materials – ensuring your baby is safe and NOT exposed to any harsh or synthetic chemicals (| ever!) |

- <u>Wipes</u>
 Pattern
 - <u>Patterns</u>
 <u>Details & Ingredients</u>

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| 1 | 71. By consist | tently and systematically labeling and marketing the | Honest Diapers as |
|----------------|----------------------------|--|---------------------|
| | (A) "natural" and (B) "he | onest" throughout the Class Period, Honest intended | that all consumers |
| 2 | purchasing Honest Diape | rs would be exposed to these marketing representation | ons. |
| 3 | | Honest Multi-Surface Cleaner | |
| 4 | 72. Honest.com | m states that Honest house mark surface cleaner ("H | onest Multi- |
| 5 | Surface Cleaner") is "nate | ural." | |
| 6 | 73. The Hones | st Multi-Surface Cleaner's product webpage on Hon | est.com provides |
| 7 | the following website "m | eta-tag" description to search engine crawlers: <met< th=""><th>a content="Shop</th></met<> | a content="Shop |
| 8 | The Honest Company for | natural all-purpose cleaner. With no harsh chemica | ls, our baby-safe, |
| 9 | non-toxic multi-surface c | leaner conquers dirt and grime." name="description" | " />. |
| 10 | 74. As a result | t of this meta-tag, the representation that Honest Mu | lti-Surface Cleaner |
| 11 | is "natural" appears verba | atim in Google search results for Honest Multi-Surfa | ice Cleaner. |
| 12 | 75. The follow | ving excerpted screenshot is a Google search conduc | ted for "Multi- |
| 13 | Surface Cleaner – The Ho | onest Company" on August 26, 2015: | |
| 13 | Google | Multi-Surface Cleaner - The Honest Company | Ŷ |
| 15 | | Web Shopping Images News Videos More - Search tools | |
| | | About 85,600 results (0.34 seconds) | |
| 16 | | The Honest Company - honest.com | |
| 17 18 | | Ad www.honest.com/ ▼ 4.6 ★★★★★ rating for honest.com Your Trusted Source for Healthy & Safe Products. Join for Free! Honestly Free Guarantee · Save up to 40% · Free Shipping over \$50 | |
| 19 | | The Honest Company has 276,496 followers on Google+ Shop All Honest® Products Jessica Alba Try 3 Discovery Kits Gifts that Delight | |
| 20 21 | | Multi Surface Cleaner - Pledge.com www.pledge.com/MultiSurface ▼ 4.5 ★★★★☆ rating for pledge.com Pledge® Antibacterial Disinfects & Cleans Virtually Any Hard Surface. | |
| 22 | | FAQs - Pledge® Multi Surface - Watch The Video - Explore Our Products Multi-Surface Cleaner - The Honest Company | |
| 23 | | https://www.honest.com/cleaning/honest-surface-cleaner * \$5.95 - In stock | |
| 24 | | Shop The Honest Company for natural all-purpose cleaner. With no harsh chemicals, our baby-safe, non-toxic multi-surface cleaner conquers dirt and grime. | |
| 25 | 76. The Hones | st Multi-Surface Cleaner product webpage on Hones | st.com states that |
| | Honest Multi-Surface Cle | eaner is "naturally fresh," and "Non-Toxic," and that | t it contains "NO |
| | HARSH CHEMICALS (2 | EVER)," and "Repels dust naturally." Each of these | e statements has |
| | amplified Honest's repres | sentation that Honest Multi-Surface Cleaner is natur | al. |
| 28 | | | |
| | | 13 | |
| | | CLASS ACTION COMPLAINT | |
| | | | |
| 26 27 28 | HARSH CHEMICALS () | EVER)," and "Repels dust naturally." Each of these sentation that Honest Multi-Surface Cleaner is naturated | e statem |



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Protecting your skin just got easier with our non-toxic, non-nano, non-whitening sunscreen! Super safe and super effective — providing the best broad spectrum protection for your family.

| Naturally derived, | unscented, broad-spectrum (UVA and UVB) SPF mineral sunscreen - everything you need, nothing you don't |
|--------------------|--|
| Easy to apply, no | n-greasy, non-whitening (non-nano!) zinc oxide sunscreen provides safe, effective sun protection for the entire family |
| Zinc oxide is the | ONLY active sunscreen ingredient - NO synthetic chemical sunscreens |
| Water resistant - | tested effective for up to 80 minutes |
| Shake well before | use! |
| Hypoallergenic • | Non-Nano • Mineral-Based • Biodegradable • Reef-Friendly • Water Resistant (80 minutes) • pH Balanced |

83. Honest amplifies its representation that Honest Sunscreen is "effective" and "safe" by way of its company name, by way of its "honestly FREE guarantee," and by way of the word "honest" on the product label and in the product name.

¹⁰ 84. By consistently and systematically labeling and marketing Honest Sunscreen as
 ¹¹ (A) "highly effective," (B) "super effective;" (C) "safe" and/or (D) "honest" throughout the
 ¹² Class Period, Honest intended that all consumers purchasing Honest Sunscreen would be
 ¹³ exposed to these marketing claims.

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Untrue, Misleading, and/or Deceptive Claims

85. Contrary to the company name, Honest's marketing claims are misleading, deceptive, and/or untrue.

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 86. Honest falsely represented and continues to represent, expressly and by
 implication, that the Products are natural.

87. "Natural" in the context of Honest Products means each product contains no artificial ingredients.

²⁰ 88. The representation that a product is natural is material to a reasonable consumer.
 ²¹ This is evidenced by Honest labeling its products as "natural" in product packaging and online
 ²² webpage descriptions on Honest.com, Target.com, and in other marketing materials.

²³ 89. Honest falsely represented and continues to represent, expressly and by necessary
²⁴ implication, that Honest Sunscreen is effective.

90. "Effective" in the context of Honest Sunscreen means the sunscreen should
 protect the user from unhealthy exposure to harmful UV rays.

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91. The representation that a product is effective is material to a reasonable

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| 1 | consumer. T | his is ev | videnced by Honest labeling its products as effective in online webpage |
|----|-----------------------|-----------|--|
| | descriptions of | on Hone | est.com, and in other marketing materials. |
| 2 | | | Synthetic Ingredients Are Not Natural |
| 3 | 92. | Hones | st Products labelled and/or marketed as "natural" contain non-natural |
| 4 | ingredients. | | |
| 5 | 93. | Contr | ary to Honest's product packaging claims, and product descriptions on |
| 6 | Honest.com a | and Targ | get.com, the Products contain unnatural ingredients as follows: |
| 7 | | a. | Honest Dish Soap |
| 8 | | | <i>i. Methylisothiazolinone-</i> a synthetic preservative. |
| 9 | | | <i>ii.</i> Cocamidopropyl Betaine- a synthetic surfactant. |
| 10 | | | <i>iii. Phenoxyethanol-</i> a synthetic preservative. |
| 11 | | b. | Honest Hand Soap |
| 12 | | | <i>i. Phenoxyethanol-</i> see above. |
| 12 | | c. | Honest Multi-Surface Cleaner |
| | | | <i>i. Methylisothiazolinone-</i> see above. |
| 14 | | d. | Honest Diapers |
| 15 | | | <i>i.</i> Sodium Polycrylate- a petrochemical-based additive. |
| 16 | 94. | Synth | etic ingredients are artificial, not natural. |
| 17 | 95. | The E | nvironmental Working Group rates each of these ingredients as exceeding |
| 18 | the organizat | ion's "le | ow hazard" threshold, according to the following ratings on the |
| 19 | organization' | 's inforn | national website: |
| 20 | | (a) | Methylisothiazolinone - EWG Rating: 7 out of 9 – "High Hazard." |
| 21 | | (b) | Cocamidopropyl Betaine - EWG Rating: 4 out of 9 – "Moderate |
| 22 | | | Hazard." |
| 23 | | (c) | Phenoxyethanol - EWG Rating: 4 out of 9 – "Moderate Hazard." |
| 24 | | (d) | Sodium Polycrylate - EWG Rating: 3 out of 9 – "Moderate Hazard." |
| 25 | 96. | | st's own statements on the "honestly blog" concede that these ingredients |
| 26 | are not natura 97. | | at has avaragely ariticized its compatitors for using "procorrectives (and |
| 27 | | | st has expressly criticized its competitors for using "preservatives (and thetic fragrances," including "Methylisothiazolinone." |
| | ingreatents) v | witti syn | thetic magrances, including methylisotilazoffione. |
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| | <u> </u> | | 16 CLASS ACTION COMPLAINT |
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| 98. | Honest stated on the "honestly blog" that Cocamidopropyl Betaine "isn't found |
|----------------|---|
| in nature," ad | ding the statement "but that's the beauty and power of chemistry!" |
| 99. | Honest stated on the "honestly blog" that the ingredient Phenoxyethanol is |
| 'synthetically | produced in a laboratory." |
| 100. | Honest indicated on the "honestly blog" that the ingredient Sodium Polycrylate i |
| 'petroleum-b | ased." This statement also contradicts Honest's prior marketing representation that |
| Honest Diape | ers are 100% plant-based. |
| 101. | As indicated by the statements above, Honest knows the Products contain |
| ynthetic ing | redients. |
| 102. | By claiming Products that contain synthetic ingredients are natural, Honest |
| knowingly de | eceives and misleads reasonable consumers. |
| | Honest Sunscreen Is Not Effective |
| 103. | Honest stated and continues to state that Honest Sunscreen is "effective" for |
| sunblock pro | tection. |
| 104. | This representation is literally false. |
| 105. | Honest's Amazon marketplace webpage contains documented customer reviews |
| hat detail evi | dence of sunburn and blisters resulting from exposure to the sun, after applying |
| Honest Sunsc | creen. |
| 106. | Honest's Twitter account received numerous messages published by users who |
| locumented s | sunburn injuries resulting from exposure to the sun, after applying Honest |
| Sunscreen. | |
| 107. | On August 3, 2015, Ms. Alba and Mr. Gavigan published a statement about |
| negative cons | sumer experiences with Honest Sunscreen. Consumer comments on the blog post |
| contain nume | rous complaints about sunburn and after-effects resulting from exposure to the sur |
| after applying | g Honest Sunscreen. |
| | Honest's Nationwide Distribution |
| 108. | California has significant contacts to the claims asserted by the class. |
| 109. | On information and belief, Honest has designed, controlled, and overseen a |
| national prod | uction and distribution network from the company's headquarters in California. |
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| | CLASS ACTION COMPLAINT |

110. According to the company's public statements, Honest contracts with third-party manufacturing and supplier facilities to produce and distribute the Products. On information and belief, Honest controls its entire supply chain from its company headquarters in California.

111. Honest sells the Products online via Honest.com, a direct-to-consumer ecommerce website for consumers to purchase the Honest brand Products. On information and belief, Honest controls its entire e-commerce operation from its company headquarters in California.

112. Honest actively generates traffic to its website through promotions on Facebook.com and Twitter.com, on information and belief, operated from the company's headquarters in California.

113. Honest uploads Product videos on its YouTube account, on information and belief, operated from the company's headquarters in California.

114. Honest also sells the Products through a popular online storefront in the Amazon.com marketplace. On information and belief, Honest controls its Amazon storefront from its company headquarters in California.

¹⁴ 115. Honest distributes the Products, business-to-business, for purchase in big box
 ¹⁵ chain retail locations nationwide, including Target, Costco Wholesale Corporation, Whole
 ¹⁶ Foods Market, Inc., Gelson's Markets, and Buy Buy Baby, Inc., across the United States. On
 ¹⁷ information and belief, Honest controls national distribution of the Products from its company
 ¹⁸ headquarters in California.

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CLASS ACTION ALLEGATIONS

²⁰ 116. Plaintiff brings this action on behalf of himself and, pursuant to Rule 23 of the
 ²¹ Federal Rules of Civil Procedure, on behalf of a nationwide class he seeks to represent, defined
 ²² as:

All U.S. residents who have purchased Honest Dish Soap, Honest Hand Soap, Honest
 Diapers, Honest Multi-Surface Cleaner, or Honest Sunscreen (the "Product(s)") from
 September 20, 2012 through the final disposition of this and any and all related actions
 (collectively, the "Class") for personal use and not for resale.

²⁷ 117. As used herein, the term "Class Members" shall mean and refer to the members
 ²⁸ of the Class described above.

1 118. Plaintiff reserves the right to amend the Class definition, and to add subclasses,
 2 as warranted by facts discovered.

119. Excluded from the Class are Honest; all persons who make a timely election to be
excluded from the Class; governmental entities; and the judge(s) to whom this case is assigned
and any immediate family members thereof.

120. Class-wide treatment is appropriate because Plaintiff can prove the elements of
his claims on a class-wide basis using the same evidence as would be used to prove those
elements in individual actions alleging the same claims.

9 121. Numerosity—Federal Rule of Civil Procedure 23(a)(1). The members of the
Class are so numerous that joinder is impracticable. Upon information and belief, there are
millions of individual purchasers of the Products. The precise number of class members is
unknown to Plaintiff, but may be ascertained, including by objective criteria. Class members
may be notified of the pendency of this action by recognized, Court-approved notice
dissemination methods.

15 122. Commonality and Predominance—Federal Rules of Civil Procedure 23(a)(2)
 16 & 23(b)(3). This action involves common questions of law or fact, which predominate over any
 17 questions affecting individual members of the Class. Common questions include:

(a) Whether Honest represented and continues to represent that certain Honest
 Products are natural;

(b) Whether Honest represented and continues to represent that certain Honest
 Sunscreen is effective;

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(c) Whether Honest's marketing representations are false, deceptive, and misleading;

(d) Whether Honest's representations are likely to deceive a reasonable consumer;

(e) Whether Honest had knowledge that its representations were false, deceptive, and
 misleading;

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(f) Whether Honest continues to disseminate its representations despite knowledge that the representations are false, deceptive, and misleading;

19 CLASS ACTION COMPLAINT (g) Whether a representation that a product is natural is material to a reasonable
 consumer of natural products;

³ (h) Whether a representation that a product is effective is material to a reasonable
⁴ consumer of products;

(i) Whether Honest violated California Business and Professions Code § 17200, *et seq.*;

- 7
 8 *seq.*; (j) Whether Honest violated California Business and Professions Code § 17500, *et*
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(k) Whether Honest violated California Civil Code § 1750 et seq.;

(1) (1) Whether Honest breached a contractual obligation to Plaintiff and members of
 the Class; and

(m) Whether Plaintiff and members of the Class are entitled to declaratory and injunctive relief.

123. Honest engaged in a common course of conduct giving rise to the legal rights
sought to be enforced by Plaintiff individually and on behalf of the other members of the Class.
Identical statutory violations and business practices and harms are involved. Individual
questions, if any, are not prevalent in comparison to the numerous common questions that
dominate this action.

124. Typicality—Federal Rule of Civil Procedure 23(a)(3). Plaintiff's claims are
 typical of the claims of the other members of the Class because, among other things, all
 members of the Class were comparably injured through the uniform misconduct described above
 and were subject to Honest's false, deceptive, misleading, and unfair labeling and marketing
 practices, including the false claims that the Products are natural and/or effective. Further, there
 are no defenses available to Honest unique to individual Class Members.

125. Adequacy of Representation—Federal Rule of Civil Procedure 23(a)(4).
 Plaintiff is an adequate representative of the members of the Class because his interests do not
 conflict with the interests of the other members of the Class he seeks to represent; he has

retained competent counsel with experience in complex class action litigation; and Plaintiff will prosecute this action vigorously. Class Members' interests will be fairly and adequately protected by Plaintiff and his counsel.

4 126. Declaratory and Injunctive Relief—Federal Rule of Civil Procedure
5 23(b)(2). Honest has acted or refused to act on grounds generally applicable to Plaintiff and
6 other members of the Class, thereby making appropriate final injunctive relief and declaratory
7 relief, as described below, with respect to the members of the Class as a whole.

127. **Superiority—Federal Rule of Civil Procedure 23(b)(3).** A class action is 8 superior to any other available means for the fair and efficient adjudication of this controversy, 9 and no unusual difficulties are likely to be encountered in the management of this class action. 10 The damages or other financial detriment suffered by Plaintiff and the other members of the 11 Class are relatively small compared to the burden and expense that would be required to 12 individually litigate their claims against Honest, so it would be impracticable for members of the 13 Class to seek redress for Honest's wrongful conduct on an individual basis. Individualized 14 litigation would also pose the threat of significant administrative burden to the court system. 15 Individual cases would create the potential for inconsistent or contradictory judgments, and 16 would increase delay and expense to all parties and the court system. By contrast the class 17 action device presents far fewer management difficulties and provides the streamlined benefits 18 of singular adjudication and comprehensive supervision by one court. Given the similar nature 19 of the class members' claims, the Class will be easily managed by the Court and the parties and 20 will be managed more efficiently in this integrated class action than through multiple separate 21 actions in the various states. 22

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| 1 | CLAIMS FOR RELIEF |
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| 2 | FIRST CLAIM FOR RELIEF |
| 3 | Breach of Contract: |
| 4 | Plaintiff and Class Members Who Purchased Honest Hand Soap, Honest Dish Soap, |
| 5 | Honest Diapers, or Honest Multi-Surface Cleaner |
| 6 | 128. Plaintiff hereby incorporates by reference the allegations contained in this |
| 7 | Complaint. |
| 8 | 129. During the Class Period, Honest offered the Products to Plaintiff and Class |
| 9 | Members. |
| 10 | 130. In exchange for Honest's promise of natural goods, Plaintiff and Class Members |
| 11 | purchased and paid a premium for the Products. |
| 12 | 131. Honest breached its promise of providing natural goods by providing Products |
| 13 | that include synthetic, non-natural ingredients. |
| 14 | 132. Honest directly benefitted from, and is being unjustly enriched by, its breach of |
| 15 | its promise to provide natural goods. |
| 16 | 133. As a result of Honest's breach of its promise to provide natural goods, Plaintiff |
| 17 | and the Class Members have been harmed and have suffered damages in an amount to be |
| 18 | determined by this Court but at least \$5,000,000, plus interest on all liquidated sums. |
| 19 | SECOND CLAIM FOR RELIEF |
| 20 | Breach of Contract: |
| 21 | Plaintiff and Class Members Who Purchased Honest Sunscreen |
| 22 | 134. Plaintiff hereby incorporates by reference the allegations contained in this |
| 23 | Complaint. |
| 24 | 135. During the Class Period, Honest offered Honest Sunscreen to Plaintiff and Class |
| 25 | Members. |
| 26 | 136. In exchange for Honest's promise of natural goods that were also effective, |
| 27 | Plaintiff and Class Members paid a premium for Honest Sunscreen. |
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| | CLASS ACTION COMPLAINT |

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| 137. Honest breached its promise of providing effective goods by providing Honest |
| Sunscreen, which did not effectively protect consumers from unhealthy exposure to harmful UV |
| rays. |
| 138. As a result of Honest's breach of its promise to provide effective goods, Plaintiff |
| and the Class Members have been harmed and have suffered damages in an amount to be |
| determined by this Court but at least \$5,000,000, plus interest on all liquidated sums. |
| THIRD CLAIM FOR RELIEF |
| Violation of California's Consumer Legal Remedies Act |
| California Civil Code §§ 1750 et seq. |
| 139. Plaintiff hereby incorporates by reference the allegations contained in this |
| Complaint. |
| 140. Plaintiff brings this claim for relief pursuant to the California Consumers Legal |
| Remedies Act ("CLRA"). |
| 141. Honest's conduct violated the CLRA, Civil Code § 1770(a)(5), which prohibits |
| "Representing that goods or services have characteristics, ingredients, uses, benefits, or |
| quantities which they do not have." |
| 142. Honest's conduct violated the CLRA, Civil Code § 1770(a)(7), which prohibits |
| "Representing that goods or services are of a particular standard, quality or grade if they are |
| of another." 143. Honest's conduct violated the CLRA, Civil Code § 1770(a)(9), which prohibits |
| "Advertising goods with intent not to sell them as advertised." |
| 144. Honest's conduct violated the CLRA, Civil Code § 1770(a)(16), which prohibits |
| "Representing that the subject of a transaction has been supplied in accordance with a previous |
| representation when it has not." |
| 145. The Products are "goods" within the meaning of Civil Code § 1761(a) and § |
| 1770. |
| 146. Honest is a "person," as defined by Civil Code § 1761(c). |
| 147. Plaintiff and the Class Members are "consumers" within the meaning of Civil |
| Code § 1761(d) and § 1770. |
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| CLASS ACTION COMPLAINT |
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| 148. | Plaintiff and the Class Members purchased the Products for personal, family, and |
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| nousehold pu | rposes as meant by Civil Code § 1761(d). |
| 149. | Each purchase of the Products by Plaintiff and each Class Member constitutes a |
| 'transaction" | within the meaning of Civil Code §§ 1761(e) and 1770. |
| 150. | In fact, Plaintiff and the Class Members relied upon the marketing statements and |
| nisrepresenta | ations to their detriment and paid a higher price for Honest Products than they |
| would have p | aid for products that are not natural. |
| 151. | In fact, Plaintiff and the Class Members relied upon the marketing statements and |
| nisrepresenta 152. | ations to their detriment and paid for ineffective products. Honest's conduct is ongoing and, unless restrained, likely to recur. |
| 153. | Plaintiff, on behalf of himself and Class Members, seeks injunctive relief |
| rohibiting H | onest from engaging in the misconduct described herein. |
| 154. | Plaintiff seeks attorneys' fees and costs as allowed by law. |
| 155. | On September 3, 2015, Plaintiff sent a CLRA notice letter to Honest, a copy of |
| which is attac | ched hereto as Exhibit A. If Honest fails to provide appropriate relief for its |
| iolations of | CLRA §§ 1770(a)(5), (7), (9) and (16) within 30 days of receipt of Plaintiff's |
| otification, i | in accordance with Civ. Code § 1782(b), Plaintiff and the Class are entitled, under |
| CLRA § 1780 | 0, and Plaintiff will amend the Compliant accordingly, to recover or obtain any of |
| he following | relief for Honest's violations of CLRA §§ 1770(a)(5),(7), (9) and (16): |
| | (a) actual damages under CLRA § 1780(a)(1); |
| | (b) restitution of property under CLRA § 1780(a)(2); |
| | (c) punitive damages under CLRA § 1780(a)(4) and because Honest has |
| | engaged in fraud, malice or oppression; |
| | (d) attorneys' fees and costs under CLRA § 1780(d); and |
| 156. | (e) any other relief the Court deems proper under CLRA § 1780(a)(5). Plaintiff has prepared and attached a declaration as Exhibit B stating facts |
| howing this | action has been commenced in a court described as a proper place for the trial of |
| he action. | |
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| | CLASS ACTION COMPLAINT |

FOURTH CLAIM FOR RELIEF

For Violation of California's False Advertising Law,

California Business & Professions Code §§ 17500 et seq.

157. Plaintiff hereby incorporates by reference the allegations contained in this Complaint.

158. California's False Advertising Law, Business & Professions Code §§ 17500 *et seq.* ("FAL"), prohibits various deceptive practices in connection with the dissemination in any manner of representations which are likely to deceive members of the public to purchase products such as the Products.

9 159. Honest's acts and practices as described herein have deceived and/or are likely to
 10 deceive Plaintiff and the Class Members. Honest uses Honest.com, Amazon.com, along with
 11 other social media, including Facebook and Twitter, television advertisements and public
 12 appearances, to extensively market the Products with misleading and untrue marketing
 13 representations to consumers.

160. By its actions, Honest has been and is disseminating uniform marketing statements concerning the Products, which by their nature are unfair, deceptive, untrue or misleading within the meaning of California Business & Professions Code §§ 17500 *et seq*. The statements are likely to deceive and continue to deceive the consuming public for the reasons detailed above.

¹⁸ 161. Honest intended, and continues to intend, Plaintiff and the Class Members to rely
 ¹⁹ upon the marketing statements and numerous material misrepresentations as set forth more fully
 ²⁰ elsewhere in this Complaint. In fact, Plaintiff and the Class Members relied upon the marketing
 ²¹ statements and misrepresentations to their detriment.

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162. The above described false, misleading and deceptive marketing representations Honest disseminated continue to have a likelihood to deceive Plaintiff and Class Members.

As a result of Honest's wrongful conduct, Plaintiff and the Class Members have
 been aggrieved by Honest's practices in that they purchased the Products based on Honest's
 misrepresentations, and Plaintiff on behalf of all Class Members seeks equitable relief requiring
 Defendants to refund and restore to Plaintiff and all Class members all monies they paid for the
 Honest Products in an amount to be determined by this Court but at least \$5,000,000, and
 injunctive relief prohibiting Defendants from engaging in the misconduct described herein.

25 CLASS ACTION COMPLAINT

| | FIFTH CLAIM FOR RELIEF |
|---|---|
| | For Violation of California Business & Professions Code §§ 17200 et seq. |
| | 164. Plaintiff hereby incorporates by reference the allegations contained in this |
| | Complaint. |
| | 165. Plaintiff asserts this claim on behalf of himself and the Class Members as against |
| | Honest. |
| | 166. Honest's misconduct is unlawful under the the Unfair Competition Law, |
| | Business and Professions Code §§ 17200 et seq. ("UCL"). |
| | 167. Honest has violated the FAL, California Business & Professions Code §§ 17500 |
| | et seq., as set forth more fully above, supra. |
| | 168. Honest's conduct violated the CLRA, California Civil Code §§ 1750 et seq., as |
| | set forth more fully above, <i>supra</i> . |
| | 169. Honest's conduct is unfair under the UCL because it offends established public |
| | policy and is unethical, and/or substantially injurious to Plaintiff and the Class Members. |
| | Defendant's conduct undermines and violates the policies codified in the FAL and the CLRA. |
| | There is no legitimate utility of Honest's misconduct, let alone any that would outweigh the |
| | harm to Plaintiff and the Class Members. |
| | 170. Plaintiff and the Class Members could not have reasonably avoided the injury |
| | each of them suffered, as reasonable consumers had no way of reasonably ascertaining the |
| | Products are misbranded and are not properly labeled or marketed and are dissuaded from doing |
| | so by Honest's extensive marketing campaign. |
| | 171. Honest's conduct is also fraudulent under the UCL because claims that the |
| | Products are natural and/or effective are likely to deceive reasonable consumers. |
| | 172. In fact, Plaintiff and the Class Members relied upon the marketing statements and |
| | misrepresentations to their detriment and paid a higher price for Honest Products than they |
| | would have paid for products that are not natural. |
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| ĺ | 26 CLASS ACTION COMPLAINT |

| 1 | 173. In fac | et, Plaintiff and the Class Members relied upon the marketing statements and | | | |
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| 2 | misrepresentations to their detriment and paid for ineffective products. | | | | |
| 3 | 174. Hone | st's conduct is ongoing and unless restrained, likely to recur. | | | |
| 4 | 175. As a : | result of the foregoing, Plaintiff and each Class Member has been injured in | | | |
| 5 | fact, and has lost money or property, and each is entitled to restitution in an amount to be | | | | |
| 6 | determined by this Court but at least \$5,000,000 in the aggregate, and injunctive relief. | | | | |
| 7 | SIXTH CLAIM FOR RELIEF | | | | |
| 8 | Unjust Enrichment | | | | |
| 9 | 176. Plain | tiff hereby incorporates by reference the allegations contained in this | | | |
| 10 | Complaint. | | | | |
| 11 | 177. Plain | tiff and the Class Members bring this claim in the alternative to their Breach | | | |
| 12 | of Contract claims. | | | | |
| 13 | 178. Hone | st unjustly retained a benefit at the expense of Plaintiff and the Class | | | |
| 14 | Members in the form of substantial revenues and payments from Plaintiff and the Class | | | | |
| 15 | Members for the Products and from Honest's conduct in misrepresenting that the Products were | | | | |
| 16 | natural or effective. | | | | |
| 17 | 179. It wo | uld be unjust and inequitable for Honest to retain the benefits Honest | | | |
| 18 | received and continues to receive from Plaintiff and the Class Members, absent repayment to | | | | |
| 19 | Plaintiff and the Class Members for the premium they paid in exchange for Products falsely | | | | |
| 20 | represented as "natural." | | | | |
| 21 | 180. It wo | uld be unjust and inequitable for Honest to retain the benefits Honest | | | |
| 22 | received and continues to receive from Plaintiff and the Class Members, absent full repayment | | | | |
| 23 | to Plaintiff and the C | Class Members who purchased Honest Sunscreen. | | | |
| 24 | 181. Plain | tiff and the Class Members have no adequate remedy at law. | | | |
| 25 | 182. Plain | tiff seeks restitution, disgorgement, and/or constructive trust on all of the | | | |
| 26 | inequitable payments and profits Honest retained from Plaintiff and the Class Members in an | | | | |
| 27 | amount to be determined by this Court but at least \$5,000,000. | | | | |
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| | 27 CLASS ACTION COMPLAINT | | | | |
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| 1 | PRAYER FOR RELIEF | | | | | |
|----------|--|--|---|--|--|--|
| 2 | WHEREFORE, Plaintiff, on behalf of himself and the Class, prays for: | | | | | |
| 3 | А. | A. An order certifying the Class and appointing Plaintiff as the representative of the | | | | |
| 4 | Class, and ap | Class, and appointing counsel of record for Plaintiff as counsel for the Class; | | | | |
| 5 | В. | Declaratory and injunctive re | elief as permitted by law or equity, including | | | |
| 6 | enjoining Ho | enjoining Honest from continuing the unlawful practices described herein, and directing Honest | | | | |
| 7 | to identify, with Court supervision, victims of the misconduct and pay them restitution and | | | | | |
| 8 | disgorgement of all profits and unjust enrichment Honest acquired by means of any business | | | | | |
| 9 | practice decla | ared by this Court to be unlawf | ul, unfair, and fraudulent; | | | |
| 10 | C. | An Order for Honest to enga | ge in a corrective advertising campaign; | | | |
| 11 12 | D. | Damages in an amount to be | determined by this Court but at least \$5,000,000; | | | |
| 12 | E. | E. Restitution, disgorgement, and/or constructive trust on all of the inequitable | | | | |
| 13 | payments and profits Honest retained from Plaintiff and the Class Members in an amount to be | | | | | |
| 15 | determined by this Court but at least \$5,000,000; | | | | | |
| 16 | F. | Attorneys' fees, per Cal. Civ | il Code 1780(d) and California Code of Civil | | | |
| 17 | Procedure § 1 | 1201.5; | | | | |
| 18 | G. | G. Expenses and costs of this action; | | | | |
| 19 | H. | Pre-judgment and post-judgment interest; and | | | | |
| 20 | I. Such other and further relief as the C | | as the Court may deem just and proper. | | | |
| 21 | | 1 2 2015 | Du /a/ Nicholas A. Carlin | | | |
| 22 | Dated: Septer | mber 3, 2015 | By/s/ Nicholas A. Carlin Nicholas A. Carlin Conor H. Kannady | | | |
| 23 | | | Conor H. Kennedy PHILLIPS, ERLEWINE, GIVEN & CARLIN LLP 39 Mesa Street, Suite 201 | | | |
| 24 | | | The Presidio San Francisco, CA 94129 | | | |
| 25 | | | Tel: 415-398-0900 Fax: 415-398-0911 | | | |
| 26 | | | 1 a., +15-570-0711 | | | |
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| | | CLASS A | 28 CTION COMPLAINT | | | |
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| 1 | JURY DEMAND | | | | | | |
| 2 | Plaintiff hereby demands a jury trial of | on all issues so tri | able. | | | | |
| 3 | | | | | | | |
| 4 | Dated: September 3, 2015 | <i>By</i> <u>/s/ Nicholas</u> Nicholas A. Carl | s A. Carlin | | | | |
| 5 | | Conor H. Kenned PHILLIPS, ERL | iy EWINE, GIVEN & CARLIN LLP | | | | |
| 6 | | 39 Mesa Street, S The Presidio | Suite 201 | | | | |
| 7 | | San Francisco, C Tel: 415-398-090 | A 94129 00 | | | | |
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| | CLASS AC | 29 TION COMPLAINT | | | | | |
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EXHIBIT A



39 Mesa Street Suite 201 The Presidio San Francisco California 94129

Tel: 415.398.0900 Fax: 415.398.0911 www.phillaw.com

Phillips, Erlewine, Given & Carlin LLP

September 3, 2015

Brian Lee, Chief Executive Officer The Honest Company, Inc. 2700 Pennsylvan a Ave., Ste. 1200 Santa Mon.ca, CA 90404

Crag Gatarz, Registered Agent for Service of Process The Honest Company, Inc. 2700 Pennsylvana Ave., Ste. 1200 Santa Monca, CA 90404

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Re: Notice Per California Consumer Legal Remedies Act

Dear Mr. Lee:

We represent Jonathan D. Rubin. Pursuant to the California Consumer Legal Remedies Act ("CLRA"), California Civil Code § 1750, *et seq.* (specifically, §§ 1782(a)(5), (7), (9) and (16), Mr. Rubin, on behalf of himself and all other similarly situated consumers in the United States, (collectively, the "Class"), through his undersigned counsel, hereby notifies you that The Honest Company, Inc.'s ("Honest's") practice of advertising and marketing Honest products as natural and effective violates the CLRA as set forth in more detail below. We demand that Honest rectify the violations of the CLRA within 30 days of receipt of this letter.

Honest states that many of its products are "natural" and "naturally derived." Honest uses these terms to describe its Dish Soap, its Hand Soap, its Multi-Surface Cleaner, and its Diapers. Honest puts "natural" on the label for Honest Hand Soap. Honest includes "natural" in the product description for Honest Dish Soap on Target.com. Honest promotes the Diapering section on Honest.com with claims its diapers are "natural." Honest promotes its Multi-Surface Cleaner using the same claims. In conjunction with Honest's marketing statements, the word "honest" encourages consumers to take Honest's marketing statements literally. After all, reasonable consumers expect they can take an "honest" company at its word.

Mr. Rubin purchased Honest hand soap, dish soap and sunscreen from Gelson's Markets in Los Angeles, reasonably believing that they were both natural and effective.

Despite Honest's marketing statements, Honest Hand Soap, Honest Dish Soap, Honest Diapers, and Honest Multi-Surface Cleaner contain synthetic ingredients. Honest B. Lee, CEO, The Honest Company, Inc. September 3, 2015 Page 2 of 3

admits this in blog posts, which contradict Honest product labels and marketing statements. Honest Dish Soap and Honest Multi-Surface Cleaner contain Methylisothizaolinone. Honest has expressly criticized its competitors for using Methylisothiazolinone, referring to the ingredient as synthetic. Honest Dish Soap contains Cocamidopropyl Betaine, which "isn't found in nature," according to the Honest blog. Both Honest Dish Soap and Honest Hand Soap contain Phenoxyethanol, which the Honest blog described as "synthetically produced in a laboratory." Honest Diapers contain the additive Sodium Polycrylate ("SAP"). SAP is "petroleum-based," as Honest concedes on the honestly blog. This not only contradicts Honest's statement that its diapers are natural, but Honest has previously identified on Honest.com that its diapers are "100% plant-based."

Honest also misstates the effectiveness of its "natural" products. It almost goes without saying that reasonable consumers of natural goods expect natural goods that are also effective, so these marketing statements are material. Honest expressly stated Honest Sunscreen is effective—"super effective" and "highly effective," in fact. Both of these statements appeared on Honest.com, and both statements remain on the Honest Sunscreen product page.

As Honest has no doubt noticed, many consumers have experienced harm from using Honest Sunscreen. Some consumers are documenting the harm they experienced, and publicly sending you photographs that constitute evidence that Honest Sunscreen does not protect consumers from harmful UV rays. This documentation serves as evidence that Honest Sunscreen is ineffective. Despite this evidence, Honest has yet to redact and rectify its marketing claims. To avoid doubt, we demand retraction, not merely surreptitious deletion. In select cases, we have reviewed evidence that your company has deleted marketing claims from Honest.com without providing an honest account of contradictions between marketing claims and product ingredients.

Honest's material misrepresentations and failures to disclose violate the CLRA, as follows:

- 1. Honest has misrepresented Honest Hand Soap, Honest Dish Soap, Honest Diapers, Honest Multi-Surface Cleaner, and Honest Sunscreen as having characteristics, ingredients, uses, and benefits that they do not have (Cal. Civ. Code §1770(a)(5));
- 2. Honest has misrepresented Honest Hand Soap, Honest Dish Soap, Honest Diapers, Honest Multi-Surface Cleaner, and Honest Sunscreen are of a particular standard, quality, or grade, when they are of another (Cal. Civ. Code §1770(a)(7));
- Honest advertised Honest Hand Soap, Honest Dish Soap, Honest Diapers, Honest Multi-Surface Cleaner, and Honest Sunscreen with the intent not to sell them as advertised (Cal. Civ. Code §1770(a)(9)); and
- 4. Honest represented the Honest Hand Soap, Honest Dish Soap, Honest Diapers, Honest Multi-Surface Cleaner, and Honest Sunscreen were supplied in commercial transactions in accordance with previous representations, when in fact these products did not accord with Honest's representations. (Cal. Civ. Code §1770(a)(16)).

B. Lee, CEO, The Honest Company, Inc. September 3, 2015 Page 3 of 3

We demand that within 30 days of receiving this letter, Honest agrees to immediately and permanently discontinue its marketing practices described above and return the monetary premium paid by Honest consumers who purchased "natural" products that contained synthetic ingredients as well as the entire price paid by Honest consumers who purchased Honest Sunscreen. If Honest refuses to provide the demanded relief within 30-days, we will seek compensatory and punitive damages and any other appropriate equitable relief.

Finally, please allow this letter to serve as an initial litigation hold, and be advised that spoliation sanctions may be assessed against your company if, *inter alia*, it modifies or deletes any web copy without first creating an exact, comprehensive copy of the visual appearance at the time of modification or deletion, AND a copy of the corresponding HTML/CSS/Javascript code, placed into reliable data storage, including all relevant metadata, including for any webpages or webcopy Honest decides to change or amend as a result of the claims identified in this letter.

Very truly yours,

Nicholas A. Carlin

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EXHIBIT B

| | Case3:15-cv-04036 Document1- | 2 Filed09/03/15 Page2 of 3 |
|---------------------------------|---|---|
| 1 2 3 4 5 6 7 | Nicholas A. Carlin (SBN 112532) Conor H. Kennedy (SBN 281793) Phillips, Erlewine, Given & Carlin LLP 39 Mesa Street, Suite 201 The Presidio San Francisco, CA 94129 Tel: 415-398-0900 Fax: 415-398-0911 Email: nac@phillaw.com chk@phillaw.com | |
| 8 | UNITED STAT | ES DISTRICT COURT |
| 9 | NORTHERN DIST | TRICT OF CALIFORNIA |
| 10 | SAN FRAN | CISCO DIVISION |
| 11 | | |
| 12 | JONATHAN D. RUBIN, individually and or behalf of all those similarly situated, | |
| 13 | Plaintiffs, | <u>DECLARATION OF JONATHAN D.</u> <u>RUBIN</u> |
| 14 | V. | |
| 15 | THE HONEST COMPANY, INC., | |
| 16 | Defendant. | |
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| | DECLARATION O | 1 DF JONATHAN D. RUBIN |
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DECLARATION OF JONATHAN D. RUBIN

I, Jonathan D. Rubin, hereby declare and state as follows:

I am over the age of 18, and the named Plaintiff in this class-action lawsuit.
 Unless otherwise stated, the facts contain in this declaration are based on my personal knowledge, and if called upon to do so, I can testify as to the facts contained herein.

2. The complaint in this action, filed concurrently with this declaration, is filed in the proper place for trial under California Civil Code §1780(d), because it is a county in which the Defendant The Honest Company, Inc. does business, and where a substantial portion of the marketing claims have occurred.

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.

Jonathan D. Rubi

Executed this 2nd day of September, 2015 in Los Angeles, California.

DECLARATION OF JONATHAN D. RUBIN

JS 44 (Rev. 12/12) cand rev (1/15/13) Case3:15-cv-04036 Document1-3 of Page1 of 2

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 | | | DEFENDANTS | | |
|--|--|--|--|--|--|
| , , | f First Listed Plaintiff XCEPT IN U.S. PLAINTIFF CA Address, and Telephone Numbe | | 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) | | |
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| II. BASIS OF JURISDI | CTION (Place an "X" in O | ne Box Only) | II. CITIZENSHIP OF | PRINCIPAL PARTIES | (Place an "X" in One Box for Plaintif |
| □ 1 U.S. Government Plaintiff | □ 3 Federal Question (U.S. Government) | Not a Party) | |) PTF DEF □ 1 □ 1 Incorporated <i>or</i> Pr of Business In 1 | |
| 2 U.S. Government Defendant | ☐ 4 Diversity (Indicate Citizensh) | ip of Parties in Item III) | Citizen of Another State | □ 2 □ 2 Incorporated and of Business In | |
| | | | Citizen or Subject of a Foreign Country | 3 3 Foreign Nation | |
| IV. NATURE OF SUIT | | | EODEEITUDE/DENIALTS | | OTHED STATUTES |
| CONTRACT ☐ 110 Insurance ☐ 120 Marine ☐ 130 Miller Act ☐ 140 Negotiable Instrument ☐ 150 Recovery of Overpayment & Enforcement of Judgment ☐ 151 Medicare Act ☐ 152 Recovery of Defaulted Student Loans | t = 1320 Assault, Libel & Slander Act = 1320 Assault, Libel & Slander Act = 1320 Assault, Libel & Liability = 1320 Assault, Libel & Slander Act = 1320 Federal Employers' Liability = 1320 Assault, Libel & Slander Act = 1320 Federal Employers' = 1320 Fed | 365 Personal Injury - | FORFEITURE/PENALTY ☐ 625 Drug Related Seizure of Property 21 USC 881 ☐ 690 Other | □ 422 Appeal 28 USC 158 | OTHER STATUTES 375 False Claims Act 400 State Reapportionment 410 Antitrust 430 Banks and Banking 450 Commerce 460 Deportation 470 Racketeer Influenced and Corrupt Organizations 480 Consumer Credit |
| Student Loans (Excludes Veterans) 153 Recovery of Overpayment of Veteran's Benefits 160 Stockholders' Suits 190 Other Contract 195 Contract Product Liability 196 Franchise | 346 Marine Product Liability 350 Motor Vehicle 355 Motor Vehicle Product Liability 360 Other Personal Injury 362 Personal Injury - Medical Malpractice | Injury Product Liability PERSONAL PROPERT 370 Other Fraud 371 Truth in Lending 380 Other Personal Property Damage 385 Property Damage Product Liability | LABOR Y 710 Fair Labor Standards Act 720 Labor/Management Relations 740 Railway Labor Act 751 Family and Medical Leave Act 790 Other Labor Litigation | SOCIAL SECURITY 861 HIA (1395ff) 862 Black Lung (923) 863 DIWC/DIWW (405(g)) 864 SSID Title XVI 865 RSI (405(g)) | 490 Cable/Sat TV 850 Securities/Commodities/ Exchange 890 Other Statutory Actions 891 Agricultural Acts 893 Environmental Matters 895 Freedom of Information Act 896 Arbitration |
| REAL PROPERTY □ 210 Land Condemnation □ 220 Foreclosure □ 230 Rent Lease & Ejectment □ 240 Torts to Land □ 245 Tort Product Liability | CIVIL RIGHTS CIVIL RIGHTS 440 Other Civil Rights 441 Voting 442 Employment 443 Housing/ Accommodations | PRISONER PETITIONS Habeas Corpus: 463 Alien Detainee 510 Motions to Vacate Sentence 530 General | Income Security Act | FEDERAL TAX SUITS □ 870 Taxes (U.S. Plaintiff or Defendant) □ 871 IRS—Third Party 26 USC 7609 | \$99 Administrative Procedure Act/Review or Appeal of Agency Decision 950 Constitutionality of State Statutes |
| 290 All Other Real Property | 445 Amer. w/Disabilities - Employment 446 Amer. w/Disabilities - Other 448 Education | 535 Death Penalty Other: 540 Mandamus & Other 550 Civil Rights 555 Prison Condition 560 Civil Detainee - Conditions of Confinement | IMMIGRATION ☐ 462 Naturalization Applicati ☐ 465 Other Immigration Actions | on | |
| V. ORIGIN (Place an "X" is | n One Box Only) | | | | • |
| | moved from \Box 3 te Court | Remanded from Appellate Court | | sferred from D 6 Multidist her District Litigation | |
| VI. CAUSE OF ACTION | | - | filing (Do not cite jurisdictional s | tatutes unless diversity): | |
| VII. REQUESTED IN COMPLAINT: | CHECK IF THIS UNDER RULE 2 | IS A CLASS ACTION 3, F.R.Cv.P. | DEMAND \$ | CHECK YES only JURY DEMAND | r if demanded in complaint: : □ Yes □ No |
| VIII. RELATED CASI IF ANY | E(S) (See instructions): | JUDGE | | DOCKET NUMBER | |
| DATE | | SIGNATURE OF ATTO | DRNEY OF RECORD | | |
| KO'F KX HQP CN'CULH PO GP (Place an "X" in One Box Only) | |) SAN FRANCISCO/OAKI | LAND () SAN JOSE () | EUREKA | |

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading 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. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- **I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

II. Jurisdiction. The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below. United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here. United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box. Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the United States of the United States of the United States are included by the state of the United States.

to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked. Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)

- **III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- **IV.** Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin. Place an "X" in one of the six boxes.

Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date. Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

- VI. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. Do not cite jurisdictional statutes unless diversity. Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P. Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction. Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases. This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.