1 2 3 4	CARLSON LYNCH SWEET KILPELA Todd D. Carpenter (CA 234464) 402 West Broadway, 29th Floor San Diego, California 92101 Telephone: 619.756.6994 Facsimile: 619.756.6991 tcarpenter@carlsonlynch.com	& CARPENTER, LLP					
5 6 7 8 9 10	Edwin J. Kilpela Gary F. Lynch 1133 Penn Avenue, 5th Floor Pittsburgh, Pennsylvania 15222 Telephone: (412) 322-9243 Facsimile: (412) 231-0246 ekilpela@carlsonlynch.com glynch@carlsonlynch.com Attorneys for Plaintiff and Proposed Class Counsel						
11 12	IN THE UNITED STATES DISTRICT COURT						
13	FOR THE SOUTHERN DISTRICT OF CALIFORNIA						
14							
15	MONICA DAEL on boholf of harvalf	Case No. '16CV0347 JLS BGS					
16	MONICA RAEL, on behalf of herself and all others similarly situated,	CLASS ACTION					
17	Plaintiff,	COMPLAINT					
18 19 20	vs. COACH, INC., a MARYLAND corporation, and DOES 1- 50, inclusive,	1. Violation of California's Unfair Competition Laws ("UCL"); California Business & Professions Code Sections 17200, et seq.					
21	Defendant.	2. Violation of California's False Advertising Laws ("FAL");					
22		Advertising Laws ("FAL"); California Business & Professions Code Sections 17500, et seq.					
23		, 1					
24 25		3. Violations of California Consumer Legal Remedies Act ("CLRA"); Civ. Code § 1750, et seq.					
26							
27 28		IDEMAND FOR JURY TRIALI					
20							

4 5

6 7

9 10

8

11 12

13 14

15

16 17

18

19 20

21 22

23 24

25 26

27 28

Plaintiff MONICA RAEL brings this action on behalf of herself and all others similarly situated against Defendant COACH, INC. ("Defendant"), and states:

NATURE OF ACTION

- This is a class action regarding Defendant's false and misleading advertisement of "market" prices, and corresponding phantom "savings" on handbags, fashion accessories, shoes and clothing sold in its retail "Outlet" or "Factory" stores. During the Class Period (defined below), Defendant advertised false price discounts for merchandise sold throughout its retail outlet stores.
- During the Class Period, Defendant continually mislead consumers by advertising handbags, fashion accessories, shoes and clothing at discounted, "savings" prices. Defendant would compare the "sale" prices to false "market" prices, which were misrepresented as the "market" retail prices from which the "savings" was discounted. The advertised discounts were nothing more than mere phantom markdowns because the represented market prices were artificially inflated and were never the original prices for handbags, fashion accessories, shoes and clothing sold at Defendant's retail outlet stores. In addition, the represented "market" prices were not the prevailing marketing retail prices within three months next immediately preceding the publication of the advertised former prices, as required by California law.
- Defendant conveys its deceptive pricing scheme to consumers through 3. promotional materials, in-store displays, and print advertisements. For example, in Defendant's retail outlets, the pricing scheme is prominently displayed, advertising deep discounts on various items throughout the store.
- The "market price" never existed and/or did not constitute the prevailing market retail prices for such products within the three months next immediately preceding the publication of the sales tag. Defendant sells its own, exclusive, branded products. There is no other "market price" for the products being sold other than the price set at Defendant's retail outlet stores. The difference between the "sale" and "regular" prices is a false savings percentage used to lure consumers into purchasing products they believe

7 8

6

10

11

9

12 13

15

14

16 17

18

19

20

21

22

23

24

25

27

26

28

are significantly discounted.

- Through its false and misleading marketing, advertising and pricing scheme, 5. Defendant violated, and continues to violate California law prohibiting advertising goods for sale as discounted from former prices which are false, and prohibiting misleading statements about the existence and amount of price reductions. Specifically, Defendant violated, and continues to violate, California's Business & Professions Code §§ 17200, et seq (the "UCL"), California's Business & Professions Code §§ 17500, et seq (the "FAL"), the California Consumers' Legal Remedies Act, California Civil Code §§ 1750, et seq (the "CLRA"), and the Federal Trade Commission Act ("FTCA"), which prohibits "unfair or deceptive acts or practices in or affecting commerce" (15 U.S.C. § 45(a)(1)) and false advertisements. 15 U.S.C. § 52(a).
- 6. Plaintiff brings this action on behalf of herself and other similarly situated consumers who have purchased one or more handbags, fashion accessories, shoes and clothing at Defendant's retail outlet stores that were deceptively represented as discounted from false former prices in order to halt the dissemination of this false, misleading, and deceptive price scheme, correct the false and misleading perception it has created in the minds of consumers, and obtain redress for those who have purchased this product. Plaintiff seeks restitution and other equitable remedies, including an injunction under the UCL and FAL; and restitution, damages and an injunction under the CLRA.

II. **JURISDICTION AND VENUE**

- This Court has original jurisdiction of this Action pursuant to the Class 7. Action Fairness Act, 28 U.S.C §1332(d)(2). The matter in controversy, exclusive of interest and costs, exceeds the sum or value of \$5,000,000 and at least some members of the proposed Class have a different citizenship from Defendant.
- 8. The Southern District of California has personal jurisdiction over the Defendant named in this action because Defendant is a corporation or other business that conducts business in the State of California. Defendant has sufficient minimum contacts in California, and/or otherwise intentionally avails itself of the California market through

the ownership and operation of numerous retail stores within the State of California.

9. Venue is proper under 28 U.S.C. § 1391(b) because Defendant transacts substantial business in this District and a substantial part of the events or omissions giving rise to Plaintiff's claims arose here.

III. PARTIES

Plaintiff

10. MONICAL RAEL resides in San Diego, California. Plaintiff, in reliance on Defendant's false and deceptive advertising, marketing and "discount" pricing schemes, purchased a handbag for herself for approximately \$128.74 on or around December 2, 2015 at a Coach retail outlet store, located in Carlsbad, California. The handbag was advertised as having an original price of approximately "\$395.00". That price was discounted and represented to Plaintiff as approximately "60% off" according to the price tag and related signage. However, this product was never offered for sale at approximately \$395.00 at Defendant's retail store, nor was it offered at that price within the 90 day time period immediately preceding Plaintiff's purchase. Therefore, Ms. Rael was damaged by her purchase of the product.

Defendant

- 11. Plaintiff is informed and believes, and upon such information and belief alleges, Defendant Coach, Inc. is a Maryland Corporation with its principal executive offices in New York, New York. Defendant operates Coach outlet stores as well as the coach.com website, and advertises, markets, distributes, and/or sells handbags, fashion accessories, shoes and clothing accessories in California and throughout the United States.
- 12. Plaintiff does not know the true names or capacities of the persons or entities sued herein as DOES 1-50, inclusive, and therefore sues such Defendants by such fictitious names. Plaintiff is informed and believes, and upon such information and belief alleges, that each of the DOE Defendants is in some manner legally responsible for the damages suffered by Plaintiff and the Class members as alleged herein. Plaintiff will amend this Complaint to set forth the true names and capacities of these Defendants when

4 5

6 7

8 9

11

12

10

- 13
- 14
- 15
- 16
- 17
- 18 19
- 20
- 21

22

- 23 24
- 25
- 26 27

28

they have been ascertained, along with appropriate charging allegations, as may be necessary.

IV. FACTUAL BACKGROUND

- On or around December 2, 2015, Plaintiff went shopping at an outlet mall to 13. purchase a handbag and fashion accessories for herself and her family. Upon examining a women's handbag at a Coach outlet store, she observed that it was advertised at over a 60% discount. Plaintiff observed signage within the store and the price tag on the handbag which represented that the handbag was over 60% off the market price. Believing that she was receiving a significant value by purchasing a handbag for \$149.00 that was originally priced at approximately \$395.00, she decided to purchase the handbag and proceeded to the cash register where she did in fact purchase the handbag.
- 14. Specifically, relying upon Defendant's misrepresentations and false and deceptive advertising, Plaintiff purchased the handbag for \$128.74. The price tag indicated the "Original" or "Market" price of the handbag was, "\$395.00," and that it was being offered at a discount, described as over "60% off." These purported "market" prices and corresponding price "discounts" and savings were false and misleading, as the prevailing retail price for the handbag during the three months immediately prior to Plaintiff's purchase was not the \$395.00 "market" price advertised by Defendant.
- **Plaintiff** would the 15. not have purchased handbag without the misrepresentations made by Defendant. As a result, Plaintiff has been personally victimized by and suffered economic injury as a direct result of Defendant's unlawful, unfair and fraudulent conduct.
- Defendant knows that its comparative price advertising is false, deceptive, 16. misleading and unlawful under California law.
- 17. Defendant fraudulently concealed from and intentionally failed to disclose to Plaintiff and other members of the proposed class the truth about its advertised price and former prices.
 - 18. At all relevant times, Defendant has been under a duty to Plaintiff and the

proposed class to disclose the truth about its false discounts.

- 19. Plaintiff relied upon Defendant's artificially inflated "market" price and false discounts when purchasing her handbag at Defendant's retail store. Plaintiff would not have made such purchases but for Defendant's representations of fabricated original "market" prices and false discounts.
- 20. Plaintiff and the Class reasonably and justifiably acted and relied on the substantial price differences that Defendant advertised, and made purchases believing that they were receiving a substantial discount on an item of greater value than it actually was. Plaintiff, like other class members, was lured in, relied on, and damaged by these pricing schemes that Defendant carried out.
- 21. Defendant intentionally concealed and failed to disclose material facts regarding the truth about false former price advertising in order to provoke Plaintiff and the proposed class to purchase Coach branded products in its retail outlet store and/or on its Internet website.

V. CLASS ALLEGATIONS

22. Plaintiff brings this action on behalf of herself and all other similarly situated Class members pursuant to Rule 23(a), (b)(2) and (b)(3) of the Federal Rules of Civil Procedure and seeks certification of the following Class against Defendant for violations of California state laws:

All persons who, within the applicable statute of limitations preceding the filing of this action, purchased one or more items offered at a purported discount from an "original" or "regular" or "manufacturer's suggested" price at one of Defendant's retail outlet stores.

Excluded from the Class are Defendant, as well as its officers, employees, agents or affiliates, and any judge who presides over this action, as well as all past and present employees, officers and directors of Defendant. Plaintiff reserves the right to expand, limit, modify, or amend this class definition, including the addition of one or more subclasses, in connection with her motion for class certification, or at any other time,

based upon, *inter alia*, changing circumstances and/or new facts obtained during discovery.

- 23. *Numerosity*: The class members are so numerous that joinder of all members is impracticable. Plaintiff is informed and believes that the proposed Class contains hundreds of thousands of individuals who have been damaged by Defendant's conduct as alleged herein. The precise number of Class members is unknown to Plaintiff.
- 24. Existence and Predominance of Common Questions of Law and Fact: This action involves common questions of law and fact, which predominate over any questions affecting individual Class members. These common legal and factual questions include, but are not limited to, the following:
 - **a.** Whether, during the Class Period, Defendant used false "market" or "original" price labels and falsely advertised price discounts on its Coach branded products it sold in its retail outlet stores;
 - **b.** Whether, during the Class Period, the "original" or "market" prices advertised by Defendant were the prevailing market prices for the respective Coach branded products during the three months period preceding the dissemination and/or publication of the advertised former prices;
 - **c.** Whether Defendant's alleged conduct constitutes violations of the laws asserted;
 - **d.** Whether Defendant engaged in unfair, unlawful and/or fraudulent business practices under the laws asserted;
 - **e.** Whether Defendant engaged in false or misleading advertising;
 - **f.** Whether Plaintiff and Class members are entitled to damages and/or restitution and the proper measure of that loss; and
 - **g.** Whether an injunction is necessary to prevent Defendant from continuing to use false, misleading or illegal price comparison.
 - 25. *Typicality*: Plaintiff's claims are typical of the claims of the members of the

Class because, *inter alia*, all Class members have been deceived (or were likely to be deceived) by Defendant's false and deceptive price advertising scheme, as alleged herein. Plaintiff is advancing the same claims and legal theories on behalf of herself and all members of the class.

- 26. *Adequacy*: Plaintiff will fairly and adequately protect the interests of the members of the Class. Plaintiff has retained counsel experienced in complex consumer class action litigation, and Plaintiff intends to prosecute this action vigorously. Plaintiff has no antagonistic or adverse interest to those of the Class.
- 27. Superiority: The nature of this action and the nature of laws available to Plaintiff and the Class make the use of the class action format a particularly efficient and appropriate procedure to afford relief to her and the class for the wrongs alleged. The damages or other financial detriment suffered by individual Class members is relatively modest compared to the burden and expense that would be entailed by individual litigation of their claims against Defendant. It would thus be virtually impossible for Plaintiff and Class members, on an individual basis, to obtain effective redress for the wrongs done to them. Absent the class action, Class members and the general public would not likely recover, or would not likely have the chance to recover, damages or restitution, and Defendant will be permitted to retain the proceeds of its fraudulent and deceptive misdeeds.
- 28. All Class members, including Plaintiff, were exposed to one or more of Defendant's misrepresentations or omissions of material fact claiming that former "original" advertised prices were in existence. Due to the scope and extent of Defendant's consistent false "discount" price advertising scheme, disseminated in a years-long campaign to California consumers via a number of different platforms in-store displays, print advertisements, etc. it can be reasonably inferred that such misrepresentations or omissions of material fact were uniformly made to all members of the Class. In addition, it can be reasonably presumed that all Class members, including, Plaintiff affirmatively acted in response to the representations contained in Defendant's false advertising scheme

when purchasing Coach branded merchandise at Defendant's retail outlet stores.

29. Defendant keeps extensive computerized records of its customers through, *inter alia*, customer loyalty programs, co-branded credit cards and general marketing programs. Defendant has one or more databases through which a significant majority of Class members may be identified and ascertained, and it maintains contact information, including email and home addresses, through which notice of this action could be disseminated in accordance with due process requirements.

VI. CAUSES OF ACTION

FIRST CAUSE OF ACTION Violation Unfair Competition Law Business and Professions Code § 17200 et seq.

- 30. Plaintiff repeats and re-alleges the allegations contained in every preceding paragraph as if fully set forth herein.
- 31. The UCL defines unfair business competition to include any "unlawful, unfair or fraudulent" act or practice, as well as any "unfair, deceptive, untrue or misleading" advertising. Cal. Bus. Prof. Code § 17200.
- 32. The UCL imposes strict liability. Plaintiff need not prove that Defendant intentionally or negligently engaged in unlawful, unfair, or fraudulent business practices but only that such practices occurred.
- 33. A business act or practice is "unfair" under the UCL if it offends an established public policy or is immoral, unethical, oppressive, unscrupulous or substantially injurious to consumers, and that unfairness is determined by weighing the reasons, justifications and motives of the practice against the gravity of the harm to the alleged victims.
- 34. Defendant's actions constitute "unfair" business acts or practices because, as alleged above, Defendant engaged in misleading and deceptive price comparison advertising that represented false "regular" prices and "discount" prices that were nothing more than fabricated "regular" prices leading to phantom markdowns. Defendant's acts and practices offended an established public policy, and engaged in immoral, unethical,

oppressive, and unscrupulous activities that are substantially injurious to consumers.

- 35. The harm to Plaintiff and Class members outweighs the utility of Defendant's practices. There were reasonably available alternatives to further Defendant's legitimate business interests, other than the misleading and deceptive conduct described herein.
- 36. A business act or practice is "fraudulent" under the UCL if it is likely to deceive members of the consuming public.
- 37. A business act or practice is "unlawful" under the UCL if it violates any other law or regulation.
- 38. Defendant's acts and practices alleged above have deceived Plaintiff and are highly likely to deceive members of the consuming public. Plaintiff relied on Defendant's fraudulent and deceptive representations regarding its "market" prices, the corresponding discounts for the Coach branded products which Defendant sells at its retail outlet stores and on its website. These misrepresentations played a substantial role in Plaintiff's decision and that of the proposed class to purchase the products at steep discounts, and Plaintiff would not have purchased her handbag without Defendant's misrepresentations.
- 39. The FTCA prohibits "unfair or deceptive acts or practices in or affecting commerce" (15 U.S.C. § 45(a)(1)) and prohibits the dissemination of any false advertisements. 15 U.S.C. § 52(a). Under the FTC false former pricing schemes, similar to the ones implemented by Defendant, are described as deceptive practices that would violate the FTCA:
 - (a) One of the most commonly used forms of bargain advertising is to offer a reduction from the advertiser's own former price for an article. If the former price is the actual, bona fide price at which the article was offered to the public on a regular basis for a reasonably substantial period of time, it provides a legitimate basis for the advertising of a price comparison. Where the former price is genuine, the bargain being advertised is a true one. If, on the other hand, the former price being advertised is not bona fide but

fictitious – for example, where an article price, inflated price was established for the purpose of enabling the subsequent offer of a large reduction – the "bargain" being advertised is a false one; the purchaser is not receiving the unusual value he expects.

- (b) A former price is not necessarily fictitious merely because no sales at the advertised price were made. The advertiser should be especially careful, however, in such a case, that the price is one at which the product was openly and actively offered for sale, for a reasonably substantial period of time, in the recent, regular course of her business, honestly and in good faith and, of course, not for the purpose of establishing a fictitious higher price on which a deceptive comparison might be based.
- 40. California law also expressly prohibits false former pricing schemes. Cal. Bus. & Prof. Code §17501, entitled "Value determinations; Former price advertisement," States:

For the purpose of this article the worth or value of any thing advertised is the prevailing market price, wholesale if the offer is at wholesale, retail if the offer is at retail, at the time of publication of such advertisement in the locality wherein the advertisement is published.

No price shall be advertised as a former price of any advertised thing, unless the alleged former price was the prevailing market price as above defined within three months next immediately preceding the publication of the advertisement or unless the date when the alleged former price did prevail is clearly, exactly and conspicuously stated in the advertisement. [Emphasis added.]

41. As detailed in Plaintiff's Third Cause of Action below, Cal. Civ. Code § 1770(a)(9), prohibits a business from "[a]dvertising goods or services with intent not to sell them as advertised," and subsection (a)(13) prohibits a business from "[m]aking false or misleading statements of fact concerning reasons for, existence of, or amounts of price

reductions."

- 42. Defendant's practices, as set forth above, have mislead Plaintiff, the proposed class, and the general public in the past and will continue to misled in the future. Consequently, Defendant's practices constitute an unlawful an unfair business practice within the meaning of the UCL.
- 43. Defendant's violation of the UCL through its unlawful, unfair and fraudulent business practices are ongoing and present a continuing threat that members of the public will be deceived into purchasing products based on price comparisons of arbitrary and inflated "regular" prices to "sale" prices that created merely phantom markdowns and lead to financial damage for consumers, like Plaintiff and the proposed Class
- 44. Pursuant to the UCL, Plaintiff is entitled to preliminary and permanent injunctive relief ordering Defendant to cease this unfair competition, as well as disgorgement and restitution to Plaintiff and the Class of all of Defendant's revenues associated with its unfair competition, or such portion of those revenues as the Court may find equitable.

SECOND CAUSE OF ACTION Violation of the California False Advertising Law, California Business & Professions Code § 17500, et seq.

- 45. Plaintiff repeats and re-alleges the allegations contained in every preceding paragraph as if fully set forth herein.
- 46. Cal. Bus. & Prof. Code § 17500 provides that "[i]t is unlawful for any...corporation...with intent...to dispose of...personal property...to induce the public to enter into any obligation relating thereto, to make or disseminate or cause to be made or disseminated...from this state before the public in any state, in any newspaper or other publication, or any advertising device, or by public outcry or proclamation, or in any other manner or means whatever, including over the Internet, any statement...which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading..." [Emphasis added].
 - 47. The "intent" required by Cal. Bus. & Prof. Code § 17500 is the intent to

dispose of property, and not the intent to mislead the public in the disposition of such property.

- 48. Similarly, this section provides, "no price shall be advertised as a former price of any advertised thing, unless the alleged former prices was the prevailing market price...within three months next immediately preceding the publication of the advertisement or unless the date when the alleged former price did prevail is clearly, exactly, and conspicuously stated in the advertisement." Cal Bus. & Prof. Code § 17501.
- 49. Defendant's routine of advertising discounted prices from false "market" prices associated with its Coach branded outlet store products which were never the true prevailing "market" prices of those products and were materially greater than the true prevailing prices was an unfair, untrue and misleading practice. This deceptive marketing practice gave consumers the false impression that the products were regularly sold on the market for a substantially higher price than they actually were. Therefore, leading to the false impression that the Coach branded products were worth more than they actually were.
- 50. Defendant misled consumers by making untrue and misleading statements and failing to disclose what is required as stated in the Code, as alleged above.
- 51. As a direct and proximate result of Defendant's misleading and false advertisements Plaintiff and Class members have suffered injury in fact and have lost money. As such, Plaintiff requests that this Court order Defendant to restore this money to Plaintiff and all Class members, and to enjoin Defendant from continuing these unfair practices in violation of the California law in the future. Otherwise, Plaintiff, Class members and the broader general public will be irreparably harmed and/or denied an effective and complete remedy.

THIRD CAUSE OF ACTION Violation of the Consumers Legal Remedies Act ("CLRA"), California Civil Code § 1750, et seq.

52. Plaintiff repeats and re-alleges the allegations contained in every preceding paragraph as if fully set forth herein.

- Act (CLRA), California Civil Code § 1750, et seq. and similar laws in other states. Plaintiff and each member of the proposed class are "consumers" as defined by California Civil Code § 1761(d). Defendant's sale of the Coach branded products at its factory outlet store and online to Plaintiff and the Class were "transactions" within the meaning of California Civil Code § 1761(e). The products purchased by Plaintiff and the Class are "goods" within the meaning of California Civil Code § 1761(a).
- 54. Defendant violated and continues to violate the CLRA by engaging in the following practices proscribed by California Civil Code § 1770(a) in transactions with Plaintiff and the Class which were intended to result in, and did result in, the sale of Coach branded products:
 - **a.** Advertising goods or services with intent not to sell them as advertised;
 - **b.** Making false or misleading statements of fact concerning reasons for, existence of, or amounts of price reductions.
- 55. Pursuant to § 1782(a) of the CLRA, on February 10, 2016, Plaintiff's counsel notified Defendant in writing by certified mail of the particular violations of § 1770 of the CLRA and demanded that it rectify the problems associated with the actions detailed above and give notice to all affected consumers of Defendant's intent to act. If Defendant fails to respond to Plaintiff's letter or agree to rectify the problems associated with the actions detailed above and give notice to all affected consumers within 30 days of the date of written notice, as proscribed by § 1782, Plaintiff will move to amend her Complaint to pursue claims for actual, punitive and statutory damages, as appropriate against Defendant. As to this cause of action, at this time, Plaintiff seeks only injunctive relief.

VII. PRAYER FOR RELIEF

- 56. Wherefore, Plaintiff, on behalf of herself and on behalf of the other members of the Class, requests that this Court award relief against Defendant as follows:
 - a. An order certifying the class and designating MONICA RAEL as the

Class Representative and her counsel as Class Counsel;

- **b.** Awarding Plaintiff and the proposed Class members damages;
- c. Awarding restitution and disgorgement of all profits and unjust enrichment that Defendant obtained from Plaintiff and the Class members as a result of its unlawful, unfair and fraudulent business practices described herein;
- d. Awarding declaratory and injunctive relief as permitted by law or equity, including: enjoining Defendant from continuing the unlawful practices as set forth herein, and directing Defendant to identify, with Court supervisions, victims of its misconduct and pay them all money they are required to pay;
- e. Order Defendant to engage in a corrective advertising campaign;
- f. Awarding attorneys' fees and costs; and
- **g.** For such other and further relief as the Court may deem necessary or appropriate.

VIII. DEMAND FOR JURY TRIAL

57. Plaintiff hereby demands a jury trial for all of the claims so triable.

Dated: February 10, 2016 **CARLSON LYNCH SWEET** KILPELA & CARPENTER, LLP /s/ Todd D. Carpenter Todd D. Carpenter (CA 234464) 402 West Broadway, 29th Floor San Diego, California 92101 Telephone: (619) 347-3517 Facsimile: (619) 756-6990 tcarpenter@carlsonlynch.com Edwin J. Kilpela Gary F. Lynch 1133 Penn Avenue, 5th Floor Pittsburgh, Pennsylvania 15222 Telephone: (412) 322-9243 Facsimile: (412) 231-0246 ekilpela@carlsonlynch.com glynch@carlsonlynch.com Attorneys for Plaintiff

Case 3:16-cv-00347-JLS-BGS Document 1-12-Filed 02/10/16 Page 1 of 2

I. (a) PLAINTIFFS Monica Rael, on behalf o	f herself and all others	s similarly situated		DEFENDANTS Coach, Inc., a Maryland corporation, and DOES 1 - 50, inclusive		
(b) County of Residence of First Listed Plaintiff San Diego (EXCEPT IN U.S. PLAINTIFF CASES)				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.		
(c) Attorneys (Firm Name, Address, and Telephone Number) Todd D. Carpenter (CA SBN 234464) 402 West Broadway 29th Floor, San Diego, California 92101 619-756-6994				Attorneys (If Known)	<u>'16CV0</u>	0347 JLS BGS
II. BASIS OF JURISDICTION (Place an "X" in One Box Only)			III. CI	TIZENSHIP OF P	RINCIPAL PARTIES	(Place an "X" in One Box for Plaint
☐ 1 U.S. Government Plaintiff	(U.S. Government Not a Party)		(For Diversity Cases Only) PTF DEF Citizen of This State X 1 □ 1 Incorporated or Principal Place of Business In This State Citizen of Another State □ 2 □ 2 Incorporated and Principal Place of Business In Another State			
☐ 2 U.S. Government Defendant						
				en or Subject of a reign Country	3	□ 6 □ 6
IV. NATURE OF SUIT			F/	ODERITADE/DENIAL /TV	D A NIZDVIDTON	OTHER CTATUTES
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 ☐ (Excludes Veterans) ☐ 153 Recovery of Overpayment ☐ of Veteran's Benefits ☐ 160 Stockholders' Suits ☐ 190 Other Contract ☐ 195 Contract Product Liability ☐ 196 Franchise ☐ REAL PROPERTY ☐ 210 Land Condemnation ☐ 220 Foreclosure ☐ 230 Rent Lease & Ejectment ☐ 240 Torts to Land ☐ 245 Tort Product Liability ☐ 290 All Other Real Property	PERSONAL INJURY □ 310 Airplane □ 315 Airplane Product Liability □ 320 Assault, Libel &	PERSONAL INJURY 365 Personal Injury - Product Liability Pharmaceutical Personal Injury Pharmaceutical Personal Injury Product Liability 368 Asbestos Personal Injury Product Liability PERSONAL PROPER 370 Other Fraud 371 Truth in Lending 380 Other Personal Property Damage Product Liability PRISONER PETITION Habeas Corpus: 463 Alien Detainee 510 Motions to Vacate Sentence 530 General 535 Death Penalty Other: 540 Mandamus & Othe 550 Civil Rights 555 Prison Condition Conditions of Confinement	TY	DRFEITURE/PENALTY 55 Drug Related Seizure of Property 21 USC 881 60 Other LABOR 0 Fair Labor Standards Act 0 Labor/Management Relations 0 Railway Labor Act 11 Family and Medical Leave Act 10 Other Labor Litigation 11 Employee Retirement Income Security Act IMMIGRATION 22 Naturalization Application 15 Other Immigration Actions	BANKRUPTCY □ 422 Appeal 28 USC 158 □ 423 Withdrawal 28 USC 157 PROPERTY RIGHTS □ 820 Copyrights □ 830 Patent □ 840 Trademark SOCIAL SECURITY □ 861 HIA (1395ff) □ 862 Black Lung (923) □ 863 DIWC/DIWW (405(g)) □ 864 SSID Title XVI □ 865 RSI (405(g)) FEDERAL TAX SUITS □ 870 Taxes (U.S. Plaintiff or Defendant) □ 871 IRS—Third Party 26 USC 7609	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 □ 490 Cable/Sat TV □ 850 Securities/Commodities/Exchange ■ 898 Other Statutory Actions □ 891 Agricultural Acts □ 893 Environmental Matters □ 895 Freedom of Information Act □ 896 Arbitration □ 899 Administrative Procedure Act/Review or Appeal of Agency Decision □ 950 Constitutionality of State Statutes
X 1 Original □ 2 Re	Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 28 U.S.C. Sec 1332(d)(2), 15 U.S.C. Sec 45 (a)(1) and 15 U.S.C Sec 52(a) Brief description of cause: False and Misleading Advertising UESTED IN CHECK IF THIS IS A CLASS ACTION DEMAND \$ CHECK YES only if demanded in complaint: UNDER RULE 23, F.R.Cv.P. 5,000,000.00 JURY DEMAND: X Yes IN No					if demanded in complaint:
IF ANY	(See instructions): JUDGE			DOCKET NUMBER		
DATE 02/10/2016	SIGNATURE OF ATTORNEY OF RECORD S/ TODD D. CARPENTER					
FOR OFFICE USE ONLY RECEIPT # AM	MOUNT	APPI YING IFP		ILIDGE	MAG IIII	

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 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 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 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.

CARLSON LYNCH SWEET KILPELA & CARPENTER 1 Todd D. Carpenter (CA 234464) 402 West Broadway, 29th Floor San Diego, California 92101 Telephone: (619) 347-3517 Facsimile: (619) 756-6991 2 3 tcarpenter@carlsonlvnch.com 4 5 Attorney for Plaintiff UNITED STATES DISTRICT COURT 6 SOUTHERN DISTRICT OF CALIFORNIA 7 Case No.: '16CV0347 JLS BGS 8 MONICA RAEL on behalf of herself and all others similarly situated, 9 **DECLARATION OF TODD D. CARPENTER RE: JURISDICTION** Plaintiff, 10 11 v. 12 COACH, INC., a MARYLAND corporation, and DOES 1-50, inclusive, 13 14 Defendant. 15 16 17 I, Todd D. Carpenter, declare as follows: I am an attorney duly licensed to practice before all of the courts of 18 1. 19 the State of California. I am a Partner and part-owner of Carlson Lynch Sweet 20 Kilpela & Carpenter, LLP, and the counsel of record for Plaintiff in the aboveentitled action. 21 22 2. Coach, Inc., has done and is doing business in the Southern District of 23 Such business includes the marketing, distributing, and sale of California. 24 handbags, fashion accessories, shoes and clothing. 3. 25 Furthermore, Plaintiff Monica Rael purchased a handbag from Defendant in the Southern District of California. 26 27 I declare under penalty of perjury under the laws of the State of California 28

that

the foregoing is true and correct. Executed this Wednesday, February 10, 2016 in San Diego, California. **CARLSON LYNCH SWEET** Dated: February 10, 2016 KILPELA & CARPENTER, LLP /s/ Todd D. Carpenter Todd D. Carpenter (CA 234464) 402 West Broadway, 29th Floor San Diego, California 92101 Telephone: (619) 347-3517 Facsimile: (619) 756-6990 tcarpentar@carlsonlynch.com Attorney for Plaintiff