	Case 3:16-cv-01725-L-WVG Documer	nt 1 Filed 07/01/16 Page 1 of 22						
1 2 3 4 5 6 7 8 9	BLOOD HURST & O'REARDON, LI TIMOTHY G. BLOOD (149343) THOMAS J. O'REARDON II (247952 701 B Street, Suite 1700 San Diego, CA 92101 Tel: 619/338-1100 619/338-1101 (fax) tblood@bholaw.com toreardon@bholaw.com KOHN, SWIFT & GRAF, P.C. JONATHAN N. SHUB (CSB 237708) One South Broad Street, Suite 2100 Philadelphia, PA 19107 Tel: 215/238-1700 jshub@kohnswift.com	BARBAT, MANSOUR & SUCIU PLLC						
10	Attorneys for Plaintiff and the Class							
11	UNITED STATES DISTRICT COURT							
12	SOUTHERN DIST	RICT OF CALIFORNIA						
13	ROMIO GORGIS individually and on behalf of all others similarly	Case No. '16CV1725 L WVG						
14	situated,	<u>CLASS ACTION</u> CLASS ACTION COMPLAINT FOR:						
15	Plaintiff,							
16	V.	1. VIOLATION OF CAL. CIV. CODE						
17	HYPER NETWORK SOLUTIONS OF FLORIDA, LLC,	§§1750, <i>et seq.</i> ; 2. VIOLATION OF CAL. BUS. &						
18	Defendant.	PROF. CODE §§17200, <i>et seq.</i> ; and 3. BREACH OF EXPRESS WARRANTY						
19		WARRANTT						
20								
21		DEMAND FOR JURY TRIAL						
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l	CLASS ACTION COMPLAINT							

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Plaintiff Romio Gorgis ("Plaintiff") brings this class action complaint
against defendant Hyper Network Solutions of Florida, LLC ("Hyper Network"
or "Defendant"), individually and on behalf of all others similarly situated,
through the undersigned attorneys, and complaints and alleges upon personal
knowledge as to his own acts and experiences, and upon information and belief
based upon the investigation of counsel as to the remaining allegations, alleges as
follows:

NATURE OF THE ACTION

1. This is a consumer protection class action arising out of Defendant's false advertising its Healthy Natural Systems Garcinia Cambogia Extract product (the "Product"). *See* Product photos *infra*. Throughout its marketing and advertising, including on the Product's packaging and labeling, Defendant claims the Product provides significant diet and weight loss benefits. Defendant asserts that the ingredient Garcinia Cambogia extract provides these significant health benefits. In truth, the Product is ineffective, and Defendant's advertising claims are false, misleading, and reasonably likely to deceive the public.

17 2. Defendant manufactures, advertises, markets, sells, and distributes18 the Product throughout the country.

3. Plaintiff brings this action on behalf of himself and other similarly
situated individuals who purchased the Product to halt the dissemination of this
false, misleading and deceptive advertising message, correct the false and
misleading perception it has created in the minds of consumers, and obtain
redress for those who have purchased the Products. Based on violations of state
unfair competition and warranty laws Plaintiff seeks injunctive and monetary
relief for those who have purchased the Products.

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JURISDICTION AND VENUE

4. This Court has subject matter jurisdiction over Plaintiff's claims pursuant to 28 U.S.C. §1331 and 28 U.S.C. §1332(d). The matter in controversy, exclusive of interest and costs, exceeds the sum or value of \$5,000,000 and is a class action in which there are in excess of 100 class members and many members of the Class are citizens of a state different from Defendant.

5. This Court has personal jurisdiction over Defendant because it regularly conducts business in this District. Defendant has marketed, promoted, distributed, and sold the Product in California and Defendant has sufficient minimum contacts with this State and/or sufficiently avails itself of the markets in this State through its promotion, sales, distribution and marketing within this State to render the exercise of jurisdiction by this Court permissible.

6. Venue is proper in this District pursuant to: (1) 28 U.S.C.
\$1391(b)(2) in that a substantial part of the events or omissions giving rise to
Plaintiff's claims occurred in this District; and (2) 28 U.S.C. \$1391(b)(3) in that
Defendant is subject to personal jurisdiction in this District.

PARTIES

Plaintiff Romio Gorgis is a resident of El Cajon, California. He 7. 18 19 purchased the Product for his own use during the four years preceding the filing of this Complaint. Most recently, Plaintiff Gorgis purchased a 60-count bottle of 20 21 the Product at GNC on April 20, 2016 for \$19.99. Prior to purchasing the Product, 22 Mr. Gorgis was exposed to and saw Defendant's representations by reading the 23 label of the Product. In reliance on the diet and weight loss health benefit 24 representations on the Product's label, Plaintiff Gorgis purchased the Product. By 25 purchasing the falsely advertised Product, Plaintiff Gorgis suffered injury-in-fact 26 and lost money. Plaintiff Gorgis is not claiming physical harm or seeking the 27 recovery of personal injury damages.

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Hyper Network Solutions of Florida, LLC ("Hyper Network" or 1 8. 2 Defendant") is a limited liability company licensed in the State of Florida, with a 3 principle place of business at 11780 US Highway One, Suite 400, N. Palm Beach 4 Gardens, Florida 33408. Hyper Network markets, distributes and sells the 5 Product throughout the United States. Hyper Network, which merged with Hyper Network Solutions, LLC on or about May 6, 2014, was formerly known as 6 7 Healthy Natural Systems, LLC. Kainos Capital LP, a private equity firm, owns 8 Hyper Network.

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FACTUAL ALLEGATIONS

9. Defendant markets, distributes and sells the Product throughout the United States.

12 10. The Product is available in (1) bottles containing tablets, which
13 retail for approximately \$19.99 for a 60-count bottle, and (2) packets containing
14 soft chews, which retail for approximately \$29.99 for a 30-count packet.

15 11. According to Defendant, and as stated on the Product's packaging,
16 the Product contains 500 mg Garcinia Cambogia extract (50% hydroxycitric acid
17 (250 mg)) per serving.

18 12. Garcinia Cambogia, also known as malabar tamarind, is a tropical19 tree fruit that contains hydroxycitric acid or HCA.

20 13. Defendant, throughout its advertisements, including on the
21 Product's packaging and labeling, has consistently conveyed the message to
22 consumers throughout the United States that the Product, with its Garcinia
23 Cambogia main active ingredient, provides significant fat burning, weight loss,
24 and appetite suppression health benefits.

25 14. Despite Defendant's representations, Garcinia Cambogia is not
26 effective in providing the represented weight loss benefits.

27 15. Under information and belief, Defendant had access, but knowingly
28 and/or recklessly ignored all competent and reliable scientific evidence regarding

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the Product's main active ingredient Garcinia Cambogia.

Defendant's False and Misleading Labeling and Marketing Claims Regarding the Product

16. Defendant, through its advertisements including on the Product's packaging and labeling, has consistently conveyed the message to consumers throughout the United States that the Product provides weight loss, metabolism, and appetite suppression health benefits, simply by consuming the Product.

17. Defendant states on the Product's labeling and marketing that the Product "SUPPORTS APPETITE CONTROL", "METABOLIZES FAT", and "Promotes Weight Loss".

18. The Product's labeling appears as follows:

Product's Tablet Labeling



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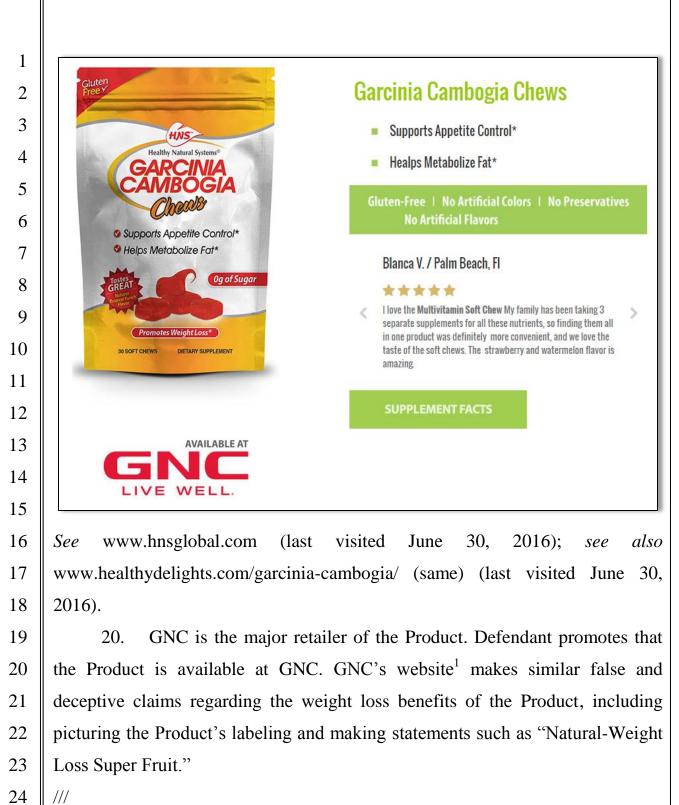


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available to the general public and Defendant's labeling for the Product promotes
 the InbyInch.com website. On its websites, Defendant makes the following
 similar claims:

4 5 6 SUPPORTS APPETITE CONTROL 7 Even in the worst environments! 8 9 10 11 12 13 14 15 Garcenia Cambogia 16 Garcinia Cambogia also known as Malabar Tamarind, contains Supports Appetite Control* 17 Hydroxycitric Acid (HCA), which can help support healthy weight Metabolizes Fat* loss". Garcinia is a plant native to India, Southeast Asia and 18 Enhances the energy level in the Polynesia. Its fruits have been eaten by local populations for body* 19 centuries. It has also been used to give flavor to culinary dishes. Each tablet delivers 500 mg of Garcinia Cambogia. Helps control cholesterol level* 20 Helps to boost Immune system and It helps to boosts the level of serotonin inside the brain which 21 helps to avoid infections like in case helps to control carbohydrate cravings in the body. Garcinia 22 of cold and flu* Cambogia works by stopping the conversion of Sugar and starch into Fats. Garcinia Cambogia stops the increase in cholesterol 23 level and helps to reduce the triglycerides in the body. It further helps to increase Thermo genesis process which is burning of extra fat from the body. 24 25 See www.inchbyinch.com/garcenia-combogia/ (last visited June 22, 2016). 26 27 /// 28 /// CLASS ACTION COMPLAINT

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 ¹ http://www.gnc.com/Healthy-Natural-Systems-Garcinia-Cambogia-Extract/product.jsp?productId=19152796 (last visited June 29, 2016).

Why Defendant's Labeling and Marketing Claims are False and Misleading

21. Despite Defendant's representations, Garcinia Cambogia (which contains hydroxycitric acid) is *not* effective in providing the represented appetite, metabolism and weight loss health benefits.

22. Defendant's labeling and marketing claims regarding the Product are predicated on the purported ability of hydroxycitric acid, the active ingredient in the herbal compound Garcinia Cambogia, to induce satiety (a feeling of fullness) by impacting an enzyme playing a role in fatty acid oxidation.

23. Since hydroxycitric acid reportedly promotes weight loss, in part, through suppression of hunger, a double-blind, placebo-controlled study was conducted on men and women to determine the effects of hydroxycitric acid on appetitive variables. The group consuming hydroxycitric acid did not exhibit better dietary compliance or significant correlations between appetitive variables and energy intake or weight change. According to the study authors, the results were "unequivocal":

The present data on appetitive indices are unequivocal. No significant treatment effects were observed on mean, peak or nadir hunger ratings, mean ratings of desire to eat, prospective consumption, [or] fullness...

Thus, this 2000 study demonstrates the lack of a satiety (appetite control) or
weight change effect of hydroxycitric acid.²

22 24. A 2001 double-blind, placebo-controlled, randomized study was 23 published examining consumption of 500 mg hydroxycitric acid or placebo in 24 normal to moderately obese males. The 2001 study concluded that 25 supplementation with 500 mg hydroxycitric acid does not result in increased 26 satiety, or impact other appetite parameters or body weight loss compared to

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² Mattes R, Bormann L. Effects of (-)-hydroxycitric acid on appetitive variables. *Physiol Behav* 2000, 71:87-94.

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25. A similar study was performed in order to assess the effects of two weeks supplementation with hydroxycitric acid alone or combined with medium-4 chain triglycerides on satiety and energy intake. Two weeks of supplementation with hydroxycitric acid alone or combined with medium chain triglycerides did not result in increased satiety or decreased energy intake compared to placebo in 6 subjects losing bodyweight.⁴

26. In 1998, results were published from a randomized controlled trial conducted to evaluate the efficacy of Garcinia Cambogia for body weight and fat mass loss in overweight men and women. The 1998 study concluded Garcinia Cambogia is no more effective than a placebo pill for producing weight loss and fat mass loss.⁵

13 27. A 1999 double-blind, placebo-controlled and randomized study was performed with the objective of determining the effect of hydroxycitric acid on 14 15 marker substrates of altered metabolism, as well as on respiratory quotient (RQ) 16 and energy expenditure (EE) in humans, following an overnight fast and during a 17 bout of exercise. The hypothesis was that supplementation with hydroxycitric acid would affect metabolism and induce body weight loss primarily through an 18 19 increase in fat oxidation or "accelerated fat burning," as reflected by an increase 20 in energy expenditure ("EE") and/or a decrease in respiratory quotient ("RQ"). In

³ Kovacs E, Westerterp-Plantenga M, Saris W. The effects of 2-week 22 ingestion of (--)-hydroxycitrate and (--)-hydroxycitrate combined with mediumchain triglycerides on satiety, fat oxidation, energy expenditure and body weight. 23 Int J Obes Relat Metab Disord 2001a, 25:1087-94.

²⁴ Kovacs E, Westerterp-Plantenga M, de Vries M, Brouns F, Saris W. Effects of 2-week ingestion of (-)-hydroxycitrate and (-)-hydroxycitrate 25 combined with medium-chain triglycerides on satiety and food intake. Physiol 26 Behav 2001b, 74:543-9.

²⁷ Heymsfield S, Allison D, Basselli J, Pietrobelli A, Greenfield D, Nunez C. Garcinia Cambogia (Hydroxycitric Acid) as a potential antiobestiy agent. J Am 28 Med Assoc. 1998, 280: 1596-1600.

a fasted state and following three days of hydroxycitric acid treatment, RQ was not significantly lowered during rest nor during exercise compared with the placebo treatment. Consumption of hydroxycitric acid also did not affect EE, either during rest or during moderately intense exercise. Furthermore, blood substrates associated with fat oxidation and metabolism were not significantly different between those consuming hydroxycitric acid versus placebo under the fasting conditions of this study. The results demonstrate that hydroxycitric acid does not alter metabolism or otherwise promote weight loss.⁶

9 28. A study was conducted to assess the effects of hydroxycitric acid 10 consumption on metabolism at rest and during exercise in humans. The results, published in 2000, demonstrate that hydroxycitric acid, even when provided in large quantities, does not increase total fat oxidation.⁷ 12

29. Similarly, Kim et al. 2011, a randomized, double-blind placebocontrolled study, concluded that Garcinia Cambogia consumption failed to promote any clinically significant weight-loss or provide any relevant change in body fat percentage.⁸

17 30. Defendant's deceptive statements also violate the Food, Drug, and Cosmetic Act ("FDCA"), 21 U.S.C. §343(a)(1), which deems food (including 18 19 nutritional supplements) misbranded when the label contains a statement that is 20 "false or misleading in any particular."

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²² Kriketos A, Thompson H, Greene H, Hill J. (-)-Hydroxycitric acid does not affect energy expenditure and substrate oxidation in adult males in a post-23 absorptive state. Int J Obes Relat Metab Disord 1999, 23:867-73.

²⁴ van Loon L, van Rooijen J, Niesen B, Verhagen H, Saris W, 25 Wagenmakers A. Effects of acute (-)-hydroxycitrate supplementation on substrate metabolism at rest and during exercise in humans. Am J Clin Nutr 26 2000, 72:1445-50.

²⁷ Kim, JE, et. al. Does Glycine max leaves or Garcinia Cambogia promote weight-loss or lower plasma cholesterol in overweight individuals: a randomized 28 control trial. Nutr J. 2011 Sep 21;10:94.

The Sherman Law explicitly incorporates by reference "[a]ll food 1 31. 2 labeling regulations and any amendments to those regulations adopted pursuant to the FDCA," as the food labeling regulations of California Cal. Health & Saf. 3 4 Code, §110100, subd. (a).

32. Defendant's claims are misleading to consumers in violation of 21 U.S.C. §343, which states, "A food shall be deemed to be misbranded – False or misleading label [i]f its labeling is false or misleading in any particular."

8 33. The introduction of misbranded food into interstate commerce is 9 prohibited under the FDCA and California's Sherman Law cited in this 10 Complaint.

34. Plaintiff and the other Class Members have been and will continue 12 to be deceived or misled by Defendant's false and deceptive weight loss benefit 13 representations. Plaintiff purchased the Product during the Class period and in 14 doing so, read and considered the Product's label and based his decision to 15 purchase the Product on the weight loss health benefit representations on the 16 Product packaging. Defendant's weight loss health benefit representations and 17 omissions were a material factor in influencing Plaintiff's decision to purchase 18 the Product.

19 35. The only purpose for purchasing the Product is to obtain the 20 represented weight loss health benefits. Plaintiff and Class Members would not 21 have purchased the Product had they known the truth about Defendant's misrepresentations and omissions at the time they purchased the Product. 22

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CLASS ACTION ALLEGATIONS

24 36. Plaintiff brings this action as a class action pursuant to Federal Rule 25 of Civil Procedure 23 on behalf the following Class:

All persons who, within four (4) years of the filing of this Complaint, purchased the Product.

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CLASS ACTION COMPLAINT

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Excluded from the Class is the Defendant, its parents, subsidiaries, affiliates,
 officers, and directors; those who purchased the Product for the purpose of
 resale; all persons who make a timely election to be excluded from the Class; the
 judge to whom this case is assigned and any immediate family members thereof;
 and those who assert claims for personal injury.

37. While the exact number of Class members is unknown to Plaintiff at this time, and will be ascertained through appropriate discovery, Plaintiff is informed and believes that there are tens of thousands of members in the proposed Class. The number of individuals who comprise the Class is so numerous that joinder of all such persons is impracticable and the disposition of their claims in a class action, rather than in individual actions, will benefit both the parties and the courts.

38. Plaintiff's claims are typical of the claims of the other members of the Class. All members of the Class have been and/or continue to be similarly affected by Defendant's wrongful conduct as complained of herein, in violation of federal and state law. Plaintiff is unaware of any interests that conflict with or are antagonistic to the interests of the Class.

18 39. Plaintiff will fairly and adequately protect the Class members'
19 interests and have retained counsel competent and experienced in consumer class
20 action lawsuits and complex litigation. Plaintiff and his counsel have the
21 necessary financial resources to adequately and vigorously litigate this class
22 action, and Plaintiff is aware of their duties and responsibilities to the Class.

40. Defendant has acted with respect to the Class in a manner generally
applicable to each Class member. Common questions of law and fact exist as to
all Class members and predominate over any questions wholly affecting
individual Class members. There is a well-defined community of interest in the
questions of law and fact involved in the action, which affects all Class members.
Among the questions of law and fact common to the Class are:

CLASS ACTION COMPLAINT

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1 2	a) Whether the representations discussed herein that Defendant made about its Product are false, deceptive, or misleading;						
2	b) Whether Defendant's conduct violates public policy;						
4	c) Whether Defendant engaged in false or misleading advertising;						
5 6	d) Whether Defendant's conduct constitutes violations of the laws asserted herein;						
7 8	e) Whether Plaintiff and the other Class Members have been injured and the proper measure of their losses as a result of those injuries; and						
9 10	f) Whether Plaintiff and the other Class Members are entitled to injunctive, declaratory or other equitable relief.						
11	41. A class action is superior to all other available methods for the fair						
12	and efficient adjudication of this controversy since joinder of all members is						
13	impracticable. Furthermore, as the damages suffered by individual Class						
14	members may be relatively small, the expense and burden of individual litigation						
15	make it virtually impossible for Class members to individually redress the						
16	wrongs done to them. There will be no difficulty in managing this action as a						
17	class action.						
18	42. Defendant has acted on grounds generally applicable to the entire						
19	Class with respect to the matters complained of herein, thereby making						
20	appropriate the relief sought herein with respect to the Class as a whole.						
21	CAUSES OF ACTION						
22	FIRST COUNT						
23	Violation of California's Consumers Legal Remedies Act						
24	Cal. Civil Code §§1750, et seq.						
25	43. Plaintiff hereby incorporates by reference the allegations contained						
26	in the preceding paragraphs of this Complaint.						
27	44. Defendant's Product is a "good" as defined by California Civil Code						
28	§1761(a).						
	13						
	CLASS ACTION COMPLAINT						

Defendant is a "person" as defined by California Civil Code 1 45. 2 §1761(c).

Plaintiff and the Class members are "consumers" within the 3 46. meaning of California Civil Code §1761(d) because they purchased Defendant's 4 5 Product for personal, family or household use.

47. The sale of Defendant's Product to Plaintiff and Class members is "transaction" as defined by California Civil Code §1761(e).

8 48. Defendant violated and continues to violate the Act by engaging in the following practices proscribed by California Civil Code §1770(a) in 9 10 transactions with Plaintiff and the Class which were intended to result in, and did 11 result in, the sale of its Product:

> Representing that [the Product has] . . . approval, characteristics, . . . (5) uses [and] benefits . . . which [it does] not have

(7)Representing that [the Product is] of a particular standard, quality or grade . . . if [it is] of another.

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* *

(9) Advertising goods . . . with intent not to sell them as advertised. *

Representing that [the Product has] been supplied in (16) accordance with a previous representation when [it has] not.

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22 49. Defendant violated the CLRA by representing and failing to 23 disclose material facts on its Product's labeling and associated advertising, as 24 described above, when it knew, or should have known, that the representations 25 were false and misleading and that the omissions were of material facts they 26 were obligated to disclose.

27 50. As a result of Defendant's conduct, Plaintiff and Class members 28 were harmed and suffered actual damages as a result of Defendant's unfair

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competition and deceptive acts and practices. Had Defendant disclosed the true 1 2 nature or not falsely represented its Product, Plaintiff and the Class members 3 would not have purchased Defendant's Product.

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51. Additionally, misbranded food products cannot legally be manufactured, held, advertised, distributed or sold. Thus, misbranded dietary supplements have no economic value and are worthless as a matter of law, and purchasers of misbranded dietary supplements are entitled to a refund of the purchase price of the misbranded dietary supplements.

9 Pursuant to California Civil Code §1782(d), Plaintiff, individually 52. 10 and on behalf of the other members of the Class, seeks a Court order enjoining the above-described wrongful acts and practices of Defendant and for restitution 12 and disgorgement.

53. Pursuant to §1782 of the Act, Plaintiff notified Defendant in writing by certified mail of the particular violations of §1770 of the Act and demanded 14 that Defendant rectify the problems associated with the actions detailed above 15 and give notice to all affected consumers of Defendant's intent to so act. A copy of the letter is attached hereto as Exhibit A.

If Defendant fails to rectify or agree to rectify the problems 18 54. 19 associated with the actions detailed above and give notice to all affected 20 consumers within 30 days of the date of written notice pursuant to §1782 of the 21 CLRA, Plaintiff will amend this complaint to add claims for actual, punitive and 22 statutory damages, as appropriate.

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55. Defendant's conduct is fraudulent, wanton, and malicious.

24 56. Pursuant to §1780(d) of the CLRA, attached hereto as Exhibit B is 25 the affidavit showing that this action has been commenced in the proper forum. 26 ///

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SECOND COUNT

Violation of California's Unfair Competition Law Cal. Bus. & Prof. Code §§17200, *et seq*.

57. Plaintiff hereby incorporates by reference the allegations contained in the preceding paragraphs of this Complaint.

58. As alleged herein, Plaintiff has suffered injury in fact and lost money or property as a result of Defendant's conduct because he purchased Defendant's falsely advertised Product in reliance on the false advertisements.

59. The Unfair Competition Law, Business & Professions Code §17200, *et seq.* ("UCL"), and similar laws in other states, prohibits any "unlawful," "fraudulent" or "unfair" business act or practice and any false or misleading advertising.

60. In the course of conducting business, Defendant committed unlawful business practices by, among other things, making the representations (which also constitutes advertising within the meaning of §17200) and omissions of material facts, as set forth more fully herein, and violating Civil Code §§1572, 1573, 1709, 1711, 1770(a)(5), (7), (9) and (16), Business & Professions Code §§17200, *et seq.*, 17500, *et seq.*, Health & Safety Code §110660, and the common law.

20 61. Plaintiff, individually and on behalf of the other Class members,
21 reserves the right to allege other violations of law, which constitute other
22 unlawful business acts or practices. Such conduct is ongoing and continues to
23 this date.

62. In the course of conducting business, Defendant committed "unfair"
business practices by, among other things, making the representations (which
also constitute advertising within the meaning of §17200) and omissions of
material facts regarding the Product in its advertising campaign, including on the
Product's labeling, as set forth more fully herein. There is no societal benefit

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from false advertising – only harm. Plaintiff and the other Class members paid 2 for a valueless product that does not confer the benefits it promises. While 3 Plaintiff and the other Class members were harmed, Defendant was unjustly enriched by its false misrepresentations and omissions. As a result, Defendant's 4 5 conduct is "unfair," as it offended an established public policy. Further, Defendant engaged in immoral, unethical, oppressive, and unscrupulous 6 7 activities that are substantially injurious to consumers.

63. Further, as set forth in this Complaint, Plaintiff alleges violations of consumer protection, unfair competition, and truth in advertising laws in California and other states, resulting in harm to consumers. Defendant's acts and omissions also violate and offend the public policy against engaging in false and misleading advertising, unfair competition, and deceptive conduct towards consumers. This conduct constitutes violations of the unfair prong of Business & 14 Professions Code §17200, et seq.

There were reasonably available alternatives to further Defendant's 15 64. legitimate business interests, other than the conduct described herein. Business & 16 17 Professions Code §17200, et seq., also prohibits any "fraudulent business act or practice." In the course of conducting business, Defendant committed 18 "fraudulent business act or practices" by, among other things, making the 19 20 representations (which also constitute advertising within the meaning of §17200) 21 and omissions of material facts regarding the Product in its advertising 22 campaign, including on the Product's labeling, as set forth more fully herein. 23 Defendant made the misrepresentations and omissions regarding the efficacy of 24 its Product, among other ways, by misrepresenting on the labeling for each and 25 every Product that the Product is effective when taken as directed, when, in fact, 26 the representations are false and deceptive, and the Product does not confer the 27 promised health benefits.

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1 65. Defendant's actions, claims, omissions, and misleading statements,
 2 as more fully set forth above, were also false, misleading and/or likely to deceive
 3 the consuming public within the meaning of Business & Professions Code
 §17200, *et seq*.

66. Plaintiff and the other members of the Class have in fact been deceived as a result of their reliance on Defendant's material representations and omissions, which are described above. This reliance has caused harm to Plaintiff and the other members of the Class, each of whom purchased Defendant's Product. Plaintiff and the other Class members have suffered injury in fact and lost money as a result of purchasing the Product and Defendant's unlawful, unfair, and fraudulent practices.

67. Defendant knew, or should have known, that its material representations and omissions would be likely to deceive the consuming public and result in consumers purchasing the Product and, indeed, intended to deceive consumers.

16 68. As a result of its deception, Defendant has been able to reap unjust
17 revenue and profit.

18 69. Unless restrained and enjoined, Defendant will continue to engage19 in the above-described conduct. Accordingly, injunctive relief is appropriate.

70. Plaintiff, on behalf of himself, all others similarly situated, and the
general public, seeks restitution from Defendant of all money obtained from
Plaintiff and the other members of the Class collected as a result of unfair
competition, an injunction prohibiting Defendant from continuing such practices,
corrective advertising, and all other relief this Court deems appropriate,
consistent with Business & Professions Code §17203.

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18 CLASS ACTION COMPLAINT

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THIRD COUNT

Breach of Express Warranty

71. Plaintiff hereby incorporates by reference the allegations contained in the preceding paragraphs of this Complaint.

72. Plaintiff and each member of the Class formed a contract with Defendant at the time Plaintiff and the other members of the Class purchased the Product. The terms of that contract include the promises and affirmations of fact made by Defendant on the packaging of the Product concerning its alleged efficacy.

73. The Product's packaging constitute express warranties, became part of the basis of the bargain, and are part of a standardized contract between Plaintiff and the members of the Class on the one hand, and Defendant on the other.

14 74. All conditions precedent to Defendant's liability under this contract15 have been performed by Plaintiff and the Class.

16 75. Defendant breached the terms of this contract, including the express
17 warranties, with Plaintiff and the Class by not providing the Product that could
18 provide the promised benefits described above and which was the only reason
19 Plaintiff and Class members purchased the Product, *i.e.*, that the Product controls
20 appetite, metabolizes fat, and promotes weight loss.

21 76. As a result of Defendant's breach of its contract, Plaintiff and the
22 Class have been damaged in the amount of the purchase price of the Product.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff and the Class pray for a judgment:

A. Certifying the Class as requested herein, and appointing Plaintiff as
representative for the Class, and appointing Plaintiff's counsel as Class counsel;

B. Directing that Defendant bear the costs of any notice sent to theClass;

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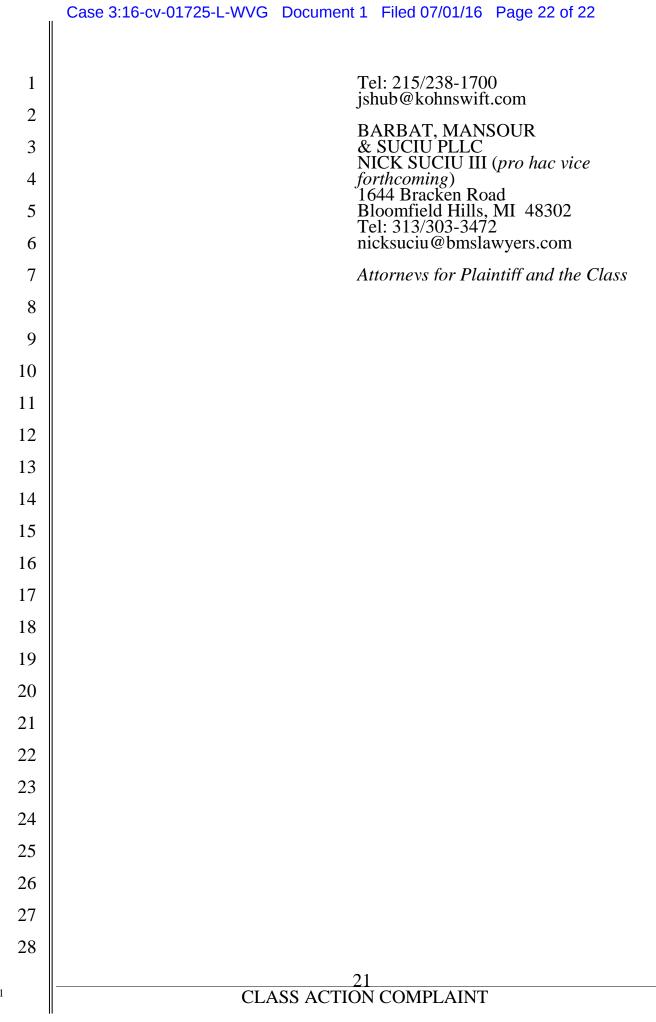
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Awarding Plaintiff and the members of the Class damages;

2	D.	Awarding restitution and	d disgorgement of Defendants' revenues to				
3	Plaintiff and the proposed Class members;						
4	E.	Awarding declaratory an	nd injunctive relief as permitted by law or				
5	equity, including enjoining Defendants from continuing the unlawful practices as						
6	set forth herein, and directing Defendants to identify, with court supervision,						
7	victims of their conduct and pay them restitution and disgorgement of all monies						
8	acquired by Defendants by means of any act or practice declared by this Court to						
9	be wrongful;						
10	F. Awarding Plaintiffs and the members of the Class pre- and post-						
11	judgment interest;						
12	G. Ordering Defendant to engage in a corrective advertising campaign;						
13	G.	G. Awarding attorneys' fees and costs of suit; and					
14	H. Such other and further relief as this Court may deem just and						
15	proper.						
16		JURY TR	IAL DEMAND				
17	Plair	ntiff demands a trial by jury	y on all issues so triable.				
18							
19	Dated: July	/ 1, 2016	BLOOD HURST & O'REARDON, LLP TIMOTHY G. BLOOD (149343) THOMAS J. O'REARDON II (247952)				
20			THOMAS J. O'REARDON II (247952)				
21			By: s/ Timothy G. Blood				
22			TIMOTHY G. BLOOD				
23			701 B Street, Suite 1700 San Diego, CA, 92101				
24			San Diego, CA 92101 Tel: 619/338-1100 619/338-1101 (fax)				
25			619/338-1101 (fax) tblood@bholaw.com toreardon@bholaw.com				
26							
27			KOHN, SWIFT & GRAF, P.C. JONATHAN N. SHUB (CSB 237708) One South Broad Street, Suite 2100 Philadelphia, PA 19107				
28			Philadelphia. PA 19107				
	20 CLASS ACTION COMPLAINT						

C.

1



BLOOD HURST & O'REARDON, LLP

Case 3:16-cv-01725-L-WYCL Document 11 Elled 07/01/16 Page 1 of 3 JS 44 (Rev. 12/12) 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 ROMIO GORGIS individually and on behalf of all others similarly situated **DEFENDANTS** HYPER NETWORK SOLUTIONS OF FLORIDA, LLC

(b) County of Residence of First Listed Plaintiff San Diego County (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)Timothy G. Blood / Thomas J. O'Reardon IIBlood Hurst & O'Reardon, LLP701 B Street, Suite 1700, San Diego, CA 92101Tel: (619) 338							5L W	VG	
II. BASIS OF JURISDI	CTION (Place an "X" in C	Dne Box Only)	III. CI	TIZENSHIP OF P	RINCIPA	L PARTIES	(Place an "X" i	in One Box fe	or Plaintiff
□ 1 U.S. Government □ 3 Federal Question Plaintiff (U.S. Government Not a Party)		(For Diversity Cases Only) and One Box for Defendant) PTF DEF PTF DEF Citizen of This State X 1 1 Incorporated or Principal Place 4 4 of Business In This State						DEF	
2 U.S. Government Defendant X 4 Diversity (Indicate Citize)		ip of Parties in Item III)		en of Another State		Incorporated and F of Business In A			2 X 5
	,			en or Subject of a reign Country	3 🛛 3	Foreign Nation		06	1 6
IV. NATURE OF SUIT	,	nly) DRTS was been also desure else co	ante las RC	DRFEITURE/PENALTY	BAN	KRUPTCY	OTHE	RSTATUT	FS
 CONTRACT Ito 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 PERSONAL INJURY 315 Airplane Product Liability 320 Assault, Libel & Slander 330 Federal Employers' Liability 340 Marine 345 Marine Product Liability 350 Motor Vehicle 355 Motor Vehicle 9350 Motor Vehicle 9360 Other Personal Injury 9362 Personal Injury - Medical Malpractice CIVIL RIGHTS 440 Other Civil Rights 441 Voting 442 Employment 443 Housing/ Accommodations 444 Amer. w/Disabilities - Employment 446 Amer. w/Disabilities - Other 448 Education	 PERSONAL INJUR 365 Personal Injury - Product Liability 367 Health Care/ Pharmaceutical Personal Injury 368 Asbestos Personal Injury Product Liability 368 Asbestos Personal Injury Product Liability PERSONAL PROPEI 370 Other Fraud 371 Truth in Lending 380 Other Personal Property Damage 385 Property Damage Product Liability PRISONER PETITIO Habeas Corpus: 463 Alien Detainee 510 Motions to Vacate Sentence 535 Death Penalty Other: 	Y □ 62 □ 69 1 0 1 71 □ 72 □ 74 □ 75 NS □ □ 79 □ 46	5 Drug Related Seizure of Property 21 USC 881 0 Other LABOR	□ 422 Appe □ 423 With 28 U □ 820 Copy □ 830 Paten □ 840 Trade ■ 861 HIA □ 861 HIA □ 863 DIW □ 864 SSID □ 865 RSI (■ 865 RSI (■ 870 Taxe or D ■ 871 IRS-	al 28 USC 158 drawal SC 157 XTY RIGHTS rrights tt emark (1395ff) < Lung (923) C/DIWW (405(g)) Title XVI (405(g)) AL TAX SUITS s (U.S. Plaintiff efendant)	 375 False 400 State 410 Antita 430 Banks 450 Comm 460 Depoi 470 Racka Corru 480 Consu 490 Cable 850 Secur 890 Aba 891 Agric 893 Envir 895 Freed Act/R Agenu 950 Const 	Claims Act Reapportion: rust s and Bankin nerce rtation eteer Influence pt Organizat umer Credit /Sat TV rities/Commo ange Statutory A- vultural Acts onmental Ma lom of Inform ration inistrative Pre review or Ap cy Decision	ment ng ced and cions odities/ ctions atters nation ocedure opeal of
		Remanded from Appellate Court	⊐ 4 Rein Reor		r District	□ 6 Multidista Litigation			
VI. CAUSE OF ACTION	28 USC 1332(d)	(Diversity)	re filing (1	Do not cite jurisdictional stat		versity):			
	Violation of Civ. 0	Code sec. 1750 (CL	.RA); B8	P Code sec. 17200	<u>, , , , , , , , , , , , , , , , , , , </u>				
VII. REQUESTED IN COMPLAINT:	UNDER RULE 2	IS A CLASS ACTION 3, F.R.Cv.P.		EMAND \$ 5,000,000.00		HECK YES only URY DEMAND		-	nt:
VIII. RELATED CASI IF ANY	E(S) (See instructions):	JUDGE			DOCKE	T NUMBER			
DATE SIGNATURE OF ATTOM 07/01/2016 S/ Timothy G. Blo									
FOR OFFICE USE ONLY				<u> </u>					
RECEIPT # AN	10UNT	APPLYING IFP		JUDGE		MAG. JU	DGE		

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 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.

Romio Gorgis v. Hyper Network Solutions of Florida, LLC United States District Court, Southern District of California

ATTACHMENT TO CIVIL COVER SHEET (JS 44)

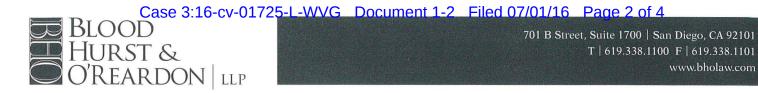
Attorneys for Plaintiff Romio Gorgis

BLOOD HURST & O'REARDON LLP Timothy G. Blood (149343) Thomas J. O'Reardon II (247952) 701 B Street, Suite 1700 San Diego, CA 92101 Tel: 619/338-1100 619/338-1101 (fax) tblood@bholaw.com toreardon@bholaw.com

BARBAT, MANSOUR & SUCIU PLLC Nick Suciu III (*pro hac vice forthcoming*) 1644 Bracken Road Bloomfield Hills, MI 48302 Tel: 313/303-3472 nicksuciu@bmslowyers.com

KOHN, SWIFT & GRAF, P.C. Jonathan N. Shub (CSB 237708) One South Broad Street, Suite 2100 Philadelphia, PA 19107 Tel: 215/238-1700 jshub@kohnswift.com Case 3:16-cv-01725-L-WVG Document 1-2 Filed 07/01/16 Page 1 of 4

Exhibit A



Timothy G. Blood tblood@bholaw.com

July 1, 2016

VIA CERTIFIED MAIL (RETURN RECEIPT) (RECEIPT NO. 7014 0150 0000 6250 7239)

Hyper Network Solutions of Florida, LLC Attn: Chief Executive Officer, Other Corporate Officer or Managing Agent 11780 US Highway One, Suite 400 N. Palm Beach Gardens, FL 33408

Re: Violation of the California Consumer Legal Remedies Act (Cal. Civ. Code §1750, *et seq.*)

Dear Chief Executive Officer, Other Corporate Officer or Managing Agent:

We represent Romio Gorgis ("Plaintiff" or "Mr. Gorgis") and all other consumers similarly situated in an action against Hyper Network Solutions of Florida, LLC ("Defendant"). You are hereby notified that you have violated and continue to violate provisions of the California Consumer Legal Remedies Act, California Civil Code sections 1750, *et seq.* (the "CLRA"), with respect to your misrepresentations in the marketing, advertising, distribution and sale of your product called Healthy Natural Systems Garcinia Cambogia (the "Product"). As such, Plaintiff demands that Defendant redress the violations of the Consumer Legal Remedies Act ("CLRA"), California Civil Code §§1750, *et seq.*, within thirty (30) days after receipt of this letter.

This action arises out of, *inter alia*, misrepresentations you made in the marketing, advertising, distribution and sale of your Product. This includes your promotions and advertisements that the Product actually burns fat, controls the user's weight and suppresses appetite, which claims are false, deceptive and misleading, including because properly conducted studies demonstrate that the Product and its ingredient Garcinia Cambogia extract is ineffective. The full claims, including the facts and circumstances surrounding these claims are detailed in the Class Action Complaint, a copy of which is attached and incorporated by this reference.

These practices constitute violations of the Consumers Legal Remedies Act, California Civil Code §1750, *et seq.* Specifically, Defendant's practices violate California Civil Code §1770(a) under, *inter alia*, the following subdivisions:

(5) Representing that goods or services have . . . approval, characteristics, . . . uses [or] benefits . . . which they do not have

* * *

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Chief Executive Officer Hyper Network Solutions of Florida, LLC July 1, 2016 Page 2

(7) Representing that goods or services are of a particular standard, quality or grade . . . if they are of another.

* * *

(9) Advertising goods or services with intent not to sell them as advertised.

* * *

(16) Representing that the subject of a transaction has been supplied in accordance with a previous representation when it has not.

As detailed in the attached Complaint, Defendant's practices also violate California Business and Professions Code §17200, *et seq.*, and constitute a breach of warranty.

Section 1782 of the California Civil Code provides that the party receiving notice under this section is required to "correct, repair, replace or otherwise rectify" the goods alleged to be in violation within thirty (30) days after receipt of this letter, and must ensure that *appropriate notice of this remedial action is delivered to all consumers who purchased the Hyper Network Solutions of Florida, LLC Product.* Accordingly, we demand that Defendant immediately cease and desist from engaging in the violations of the CLRA enumerated in this letter.

Moreover, as representative of a proposed Class of similarly situated purchasers of the Hyper Network Solutions of Florida, LLC Product, please be advised that Mr. Gorgis cannot and will not accept a refund for the purchased Product, *unless* the relief offered to him is also offered to every other member of the Class in accordance with the CLRA. Of course, this would be subject to our review, as class counsel, of appropriate financial information detailing all sales made to consumers during the Class Period.

While the Complaint constitutes sufficient notice of the claims asserted, pursuant to California Civil Code §1782 and California Commercial Code §2607, we hereby demand on behalf of our client and all others similarly situated that Defendant immediately correct and rectify these violations by ceasing the misleading marketing campaign, ceasing dissemination of false and misleading information as described in the enclosed Complaint, and initiating a corrective advertising campaign to re-educate consumers regarding the truth of the Product at issue. In addition, Defendant must offer to refund the purchase price to all consumer purchasers of the Product, plus provide reimbursement for interest, costs, and fees.

Case 3:16-cv-01725-L-WVG Document 1-2 Filed 07/01/16 Page 4 of 4



Chief Executive Officer Hyper Network Solutions of Florida, LLC July 1, 2016 Page 3

If Defendant fails to correct these problems within thirty (30) days of receipt of this letter, our client will amend his class action complaint and seek actual and punitive damages against Defendant for violations of the CLRA on behalf of himself and the Class seeking monetary damages and equitable relief. Our client's complaint will state a claim against Hyper Network Solutions of Florida, LLC for damages under the CLRA and will be filed on behalf of our client and all other similarly situated consumers who purchased the Product from Defendant.

We await your response.

Sincerely TIMOTHY G. BI OD

TGB:jk

Enclosure

Case 3:16-cv-01725-L-WVG Document 1-3 Filed 07/01/16 Page 1 of 3

Exhibit B

I, TIMOTHY G. BLOOD, declare as follows: 1. I am an attorney duly licensed to practice before all of the courts of the State of California. I am the managing partner of the law firm of Blood Hurst & O'Reardon LLP, one of the counsel of record for Plaintiff in the above-entitled action.

Plaintiff Romio Gorgis is a resident of San Diego County. Further, 2. Defendant Hyper Network Solutions of Florida, LLC has done and is doing business in San Diego County. Such business includes the marketing and distribution of its Healthy Natural Systems Garcinia Cambogia product.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on July 1, 2016, at San Diego, California.

> <u>s/ Timothy G. Blood</u> TIMOTHY G. BLOOD