## Michael Fuller, OSB No. 09357

Lead Trial Attorney for Plaintiff Olsen Daines PC US Bancorp Tower 111 SW 5th Ave., Suite 3150 Portland, Oregon 97204 michael@underdoglawyer.com Direct 503-201-4570

# Mark Geragos, Pro Hac Pending

Of Trial Attorneys for Plaintiff Geragos & Geragos Historic Engine Co. No. 28 644 South Figueroa Street Los Angeles, California 90017 geragos@geragos.com Phone 213-625-3900

(additional counsel on signature page)

### UNITED STATES DISTRICT COURT

## DISTRICT OF OREGON

## PORTLAND DIVISION

VICKY SILVA, a consumer residing in Oregon, individually and on behalf of all others similarly situated,

Case No. 3:17-cv-391

CLASS ACTION ALLEGATION COMPLAINT

Plaintiff,

Unlawful Trade Practices

v.

28 U.S.C. § 1332

UNIQUE BEVERAGE COMPANY, LLC, a foreign corporation, Demand for Jury Trial

Defendant.

CLASS ACTION ALLEGATION COMPLAINT – Page 1 of 13



# ABOUT THIS CASE

We now live in a world of alternative facts, where left is right and up is down. Apparently buoyed by an entitlement to lie, advertisers increasingly cross the Rubicon of puffery to deceit and trickery – "alternative advertising."

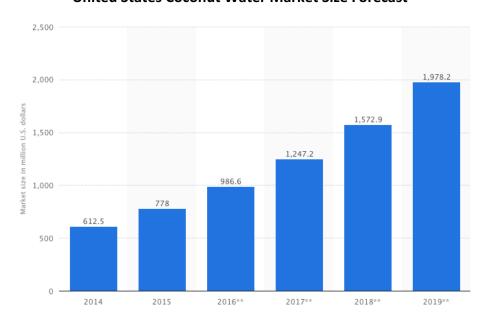
This federal class action case represents an alarming trend – a product masquerading as so-called coconut water, when in fact there is no coconut. When confronted with its deceit, instead of offering refunds, defendant responded that its beverage captured the "essence" of a coconut. This class action is filed on behalf of consumers nationwide who have been tricked into buying defendant's so-called coconut water product.

3.

Coconut water is a billion-dollar industry in the United States.

People seek out coconut water products for their special health
qualities, including kidney stone prevention, dehydration prevention,
and detoxification.

### **United States Coconut Water Market Size Forecast**



**CLASS ACTION ALLEGATION COMPLAINT** – Page 3 of 13

## THE PARTIES IN THIS CASE

Unique Beverage Company, LLC ("defendant") is incorporated in the State of Washington. Defendant is responsible for labeling its so-called coconut water product. Defendant labels its so-called coconut water product to be advertised and sold to people across the State of Oregon. Despite the large colorful coconuts and the word "Coconut" that defendant puts on the front of its label, defendant's product actually contains no coconut water, no coconut juice, no coconut pulp, no coconut jelly, and has no coconut health qualities.

5.

Vicky Silva is an individual consumer residing in Oregon. She purchased defendant's bottle of so-called coconut water shown below on February 27, 2017 at a grocery store in Gresham, Oregon.



Vicky Silva felt tricked when she drank defendant's so-called coconut water product because it tasted nothing like coconut. She later complained but defendant refused to do anything about it.

From: "Vicky Silva" < vicky.silva57@gmail.com > Date: Feb 27, 2017 6:25 PM

Subject: Re: Contact Form Submission

To: "Cascade Ice" < cascadeicewaterpr@gmail.com >

I just wanted to point out for example coconut sparkling water shows no coconut in it whatsoever it's very deceptive. the public trust you to produce what you're showing a picture of. if you show a picture of coconuts on a bottle of sparkling water and you write the word coconut on it that means coconut water, to read the ingredients and see there is no coconut, instead pear juice, is deceiving.

Vicky Silva

Hi Vicky.

I'm sorry if my response didn't satisfy you before. We are doing everything we can to keep our customers happy, and I wish that I had a more satisfactory answer for you. The pear juice is a natural sweetener which is why it is added to many of our products. If you would like to discuss more, you can call me at 972-380-9595. I hope you have a great day.

Thanks!

From: "Cascade Ice" < cascadeicewaterpr@gmail.com >

Date: Feb 27, 2017 2:50 PM

Subject: Re: Contact Form Submission

To: <vicky.silva57@gmail.com>

Cc:

Hi Vicky,

Thank you for reaching out. We're sorry to hear about your dissatisfaction with our product, but we hope you continue to try more flavors. Our sparkling waters are flavored with flavored with all natural fruit essences. The fruit essence comes from extracting natural essential oils from the fruit themselves. We hope this is helpful.

On Sat, Feb 25, 2017 at 6:35 PM, <a href="mailto:cascadeice@cascadeicewater.com">cascadeice@cascadeicewater.com</a>> wrote:

## New Form Submission

Name: \*: vicky

Email: \*: vicky.silva57@gmail.com

Phone: 5039954567 City & Gresham Oregon

State: \*:

Subject: \*: false advertising

Permission To Use For No Promotion:

Message: I noticed your Cascade coconut sparkling water says coconut on the front label. I bought some and I thought it tasted a little funny. Upon reading the ingredients found there was nothing about coconut in it at all! Then you really have to read all the labels because finally up by the nutrition facts, buried in between, it says contains no coconut but it doesn't say it contains no coconut milk or water. So in my mind when I see something that says coconut on the front and that it's sparkling water that's what I think it is.

Form submitted from website: <a href="www.cascadeicewater.com">www.cascadeicewater.com</a> Visitor IP address: 66.87.113.154

#### JURISDICTION AND VENUE

This Court has jurisdiction under 28 U.S.C. § 1332 because the parties are citizens of different states and the amount in controversy including actual, statutory, and punitive damages exceeds \$75,000. In the regular course of defendant's business, defendant labeled thousands of units of its so-called coconut water product for sale throughout Oregon last year. Venue is proper under 28 U.S.C. § 1391 because the bulk of sales of defendant's so-called coconut water product in Oregon took place in Multnomah County. This complaint's allegations are based on personal knowledge as to Vicky Silva's conduct and made on information and belief as to the acts of others.

8.

# CLASS ALLEGATIONS

The class consists of all Oregonians who, within one year before the date of the filing of this complaint, bought defendant's so-called coconut water product in Oregon. The quantity of defendant's so-called coconut water product sales in Oregon can be determined based on defendant's sales records, and based on the sales records and other customer data of defendant's Oregon distributors and retailers, and based on claims forms and receipts from Oregon consumers. Excluded from the class are all attorneys for the class, officers and directors of

defendant, including officers and directors of any entity with an ownership interest in defendant, any judge who sits on the case, and all jurors and alternate jurors who sit on the case.

9.

Defendant sells its so-called coconut water product in hopes of cashing in on the billion-dollar coconut water market. But using actual coconut, coconut water, coconut juice, coconut pulp, or coconut jelly in its product would cost defendant more money. So defendant intentionally puts large colorful coconuts and the word "Coconut" on the front of its product labels, in hopes Oregonians like Vicky Silva will buy the product, only to later find out that it does not taste like coconut and has no coconut health qualities. Every Oregonian who purchased defendant's so-called coconut water product suffered an actual ascertainable loss of the difference between the value of the product they received with no coconut health qualities and the increased value that a product with coconut health properties would have had.

10.

Defendant's labels violate the Oregon Unlawful Trade Practices Act ("UTPA") ORS 646.608(1)(b) because they cause the likelihood of confusion and misunderstanding as to the source of defendant's so-called coconut water product. Defendant's labels violate ORS 646.608(1)(e) because they falsely represent that defendant's so-called

coconut water product has coconut. Defendant's labels violate ORS 646.608(1)(g) because they falsely represent that defendant's so-called coconut water product contains the special health qualities that people seek out in coconut products. These UTPA claims are common to the class.

11.

The class is so numerous that joinder is impracticable. The size of the Oregon class is in the thousands, and will be determined based on sales records and other customer data from defendant and its Oregon distributors and retailers, and from claims forms and receipts from Oregon consumers.

12.

Common questions of fact and law predominate over any questions affecting only individual class members. Common questions include whether defendant may lawfully advertise its so-called coconut water product with large colorful coconuts and the word "Coconut" on the front of its product labels, whether under these facts, Vicky Silva and the class must prove reliance on defendant's label, if so, whether reliance may be proved on a class-wide basis, whether plaintiff and class members are entitled to equitable and injunctive relief, whether an injunction to prevent future harm is appropriate, whether defendant acted willfully, recklessly, or intentionally, whether Vicky Silva and

# CLASS ACTION ALLEGATION COMPLAINT – Page 8 of 13

class members are entitled to recover actual damages or \$200 statutory damages or punitive damages from defendant, and whether Vicky Silva and the class are entitled to recover fees and costs for defendant's UTPA violation.

13.

Vicky Silva's claim is typical of the claims of the class because each received a so-called coconut water product that was worth less than a product with coconut health qualities would have been worth, the injuries suffered by Vicky Silva and the class members differ only in the number of transactions per class member, and Vicky Silva's claim for relief is based upon the same legal theory as are the claims of the class members. Vicky Silva will fairly and adequately protect and represent the interests of the class because her claims are typical of the claims of the class, she is represented by nationally known and locally respected attorneys who have experience handling class action litigation and consumer protection cases who are qualified and competent, and who will vigorously prosecute this litigation, and their interests are not antagonistic or in conflict with the interests of the class.

14.

A class action is superior to other available methods for fair and efficient adjudication of this case because commons questions of law

and fact predominate over other factors affecting only individual members, as far as Vicky Silva knows, no class action that purports to include Oregon consumers suffering the same injury has been commenced, individual class members have little interest in controlling the litigation, due to the high cost of individual actions, the relatively small amounts of damages suffered, and because Vicky Silva and her attorneys will vigorously pursue the claims. The forum is desirable because the bulk of sales of defendant's so-called coconut water product in Oregon took place in Multnomah County. A class action will be an efficient method of adjudicating the claims of the class members who have suffered relatively small monetary damages, as a result of the same conduct by defendant. In the aggregate, class members have claims for relief that are significant in scope relative to the expense of litigation. Injunctive relief will prevent further ongoing harm to Oregon consumers, and the availability of defendant's (and its Oregon distributors and retailers) sales records and customer data will facilitate proof of class claims, processing class claims, and distributions of any recoveries. To the extent Oregonians who purchased defendant's so-called coconut water product cannot be located, their monies may be distributed through a cypres process.

## CLAIM FOR RELIEF - VIOLATION OF ORS 646.608

Defendant willfully, recklessly, and/or intentionally violated ORS 646.608(1) (b), (e), and (g) as alleged above, causing Vicky Silva and the class ascertainable losses. Defendant effectively ignored Vicky Silva's attempts to resolve this mislabeling issue outside of court, and defendant continues to mislabel its so-called coconut water product for sale throughout Oregon to this very day. Vicky Silva seeks an injunction to stop defendant's ongoing unlawful trade practices.

16.

Vicky Silva and the class are also entitled to equitable relief in the form of an accounting, restitution, and unless agreed upon by defendant, an order to preserve sales records and customer data that relate to this claim. Vicky Silva and the class are entitled to recover interest and fees and costs under ORS 646.638. Defendant's violation of the UTPA as alleged above was in pursuit of profit, and constituted a wanton, outrageous and oppressive violation of the right of Oregonians to be free from unlawful trade practices. Vicky Silva and the class are entitled to recover punitive damages under ORS 646.638.

17.

Demand for jury trial.

#### PRAYER FOR RELIEF

Vicky Silva seeks relief for herself and the proposed class as follows:

- **A.** An injunction requiring defendant to re-label its so-called coconut water product to comply with Oregon law,
- **B.** An order directing defendant to preserve all sales records and other customer data pertaining to this case,
- C. An order certifying this matter as a class action,
- **D.** Judgment against defendant for actual, statutory, and punitive damages, interest, and reimbursement of fees and costs; and
- **E.** Other relief the court deems necessary.

March 9, 2017

## RESPECTFULLY FILED,

s/ Michael Fuller

Michael Fuller, OSB No. 09357 Lead Trial Attorney for Plaintiff Olsen Daines PC US Bancorp Tower 111 SW 5th Ave., Suite 3150 Portland, Oregon 97204 michael@underdoglawyer.com Direct 503-201-4570

(additional counsel on next page)

## Rex Daines, OSB No. 952442

Of Attorneys for Plaintiff Olsen Daines PC US Bancorp Tower 111 SW 5th Ave., Suite 3150 Portland, Oregon 97204 rdaines@olsendaines.com Phone 503-362-9393

# Robert Le, OSB No. 094167 Of Attorneys for Plaintiff

rl@robertlelaw.com

# Ben Meiselas, Pro Hac Pending

Of Attorneys for Plaintiff Geragos & Geragos Historic Engine Co. No. 28 644 South Figueroa Street Los Angeles, California 90017 meiselas@geragos.com Phone 213-625-3900

# Kelly Jones, OSB No. 074217

Of Attorneys for Plaintiff kellydonovanjones@gmail.com

#### PROOF OF MAILING

Under ORS 646.638(2), I declare and certify that on the date below I caused a copy of this complaint to be mailed to the Oregon Attorney General at the following address:

Ellen Rosenblum Oregon Attorney General Oregon Department of Justice 1162 Court Street NE Salem, Oregon 97301-4096

March 9, 2017

/s/ Michael Fuller

Michael Fuller, OSB No. 09357 Lead Trial Attorney for Plaintiff Olsen Daines PC US Bancorp Tower 111 SW 5th Ave., Suite 3150 Portland, Oregon 97204 michael@underdoglawyer.com Direct 503-201-4570

# 

JS 44 (Rev. 09/11)

# **CIVIL COVER SHEET**

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

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I. (a) PLAINTIFFS				DEFENDANTS			
(b) County of Residence of First Listed Plaintiff  (EXCEPT IN U.S. PLAINTIFF CASES)  (c) Attorneys (Firm Name, Address, and Telephone Number)				County of Residence of First Listed Defendant  (IN U.S. PLAINTIFF CASES ONLY)  NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.  Attorneys (If Known)			
II. BASIS OF JURISDI	ICTION (Place an "X"	in One Box Only)	III. CI	 TIZENSHIP OF P	PRINCIP	AL PARTIES	(Place an "X" in One Box for Plaintiff)
□ 1 U.S. Government Plaintiff	☐ 3 Federal Question (U.S. Government Not a Party)			(For Diversity Cases Only)	TF DEF	Incorporated or Pri	and One Box for Defendant)  PTF DEF incipal Place
<ul><li>2 U.S. Government Defendant</li></ul>	☐ 4 Diversity (Indicate Citizenship of Parties in Item III)		Citize	en of Another State	12 🗖 2	Incorporated and F of Business In A	
				en or Subject of a reign Country	3 🗆 3	Foreign Nation	□ 6 □ 6
IV. NATURE OF SUIT	*	* *					
□ 110 Insurance □ 120 Marine □ 130 Miller Act □ 140 Negotiable Instrument □ 150 Recovery of Overpayment	PERSONAL INJURY  □ 310 Airplane □ 315 Airplane Product Liability □ 320 Assault, Libel &	PERSONAL INJUR    365 Personal Injury - Product Liability   367 Health Care/ Pharmaceutical Personal Injury - Product Liability   368 Asbestos Persona Injury Product Liability   368 Asbestos Persona Injury Product Liability   PERSONAL PROPES   370 Other Fraud   371 Truth in Lending   380 Other Personal Property Damage   385 Property Damage   385 Property Damage Product Liability   PRISONER PETITIO   510 Motions to Vacat Sentence Habeas Corpus:   530 General   535 Death Penalty   540 Mandamus & Otl   550 Civil Rights   555 Prison Condition   560 Civil Detainee -	ATY	DRFEITURE/PENALTY  5 Drug Related Seizure of Property 21 USC 881 0 Other  LABOR 0 Fair Labor Standards Act 0 Labor/Mgmt. Relations 0 Railway Labor Act 1 Family and Medical Leave Act 0 Other Labor Litigation 1 Empl. Ret. Inc. Security Act  IMMIGRATION 2 Naturalization Application 3 Habeas Corpus - Alien Detainee (Prisoner Petition)	422 Apr   423 Wit 28	ERTY RIGHTS  byrights ent demark  L SECURITY  \(\lambda\) (1395ff)  \(\lambda\) (1395ff)  \(\lambda\) (Lung (923)  WC/DIWW (405(g))  D Title XVI	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 □ 890 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
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VI. CAUSE OF ACTION	į		re filing (	Do not cite jurisdictional sto	atutes unless	diversity):	
VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23		N D	DEMAND \$ CHECK YES only if demanded in complaint:  JURY DEMAND: □ Yes □ No				
VIII. RELATED CASI IF ANY	SE(S) (See instructions): JUDGE			DOCKET NUMBER			
DATE		SIGNATURE OF AT	TORNEY	OF RECORD			·
FOR OFFICE USE ONLY							
RECEIPT # AM	MOUNT	APPLYING IFP		JUDGE		MAG. JUI	DGE

JS 44 Reverse (Rev. 09/11)

#### 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.C.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; 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 clerks 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 seven 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.

Appeal to District Judge from Magistrate Judgment. (7) Check this box for an appeal from a magistrate judge's decision.

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 dollar amount (in thousands of dollars) 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.

Date:

UNITED STATE	ES DISTRICT COURT					
District οf Ωregon						
Vicky Silva  Plaintiff  V.  Unique Beverage Company, LLC  Defendant	) ) Civil Action No. 3:17-cv-391 ) )					
SUMMONS	IN A CIVIL ACTION					
To: (Defendant's name and address) Unique Beverage Comp c/o registered agent Mik 7620 Hardeson Rd. Everett, Washington 982	ce Broadwell					
A lawsuit has been filed against you.						
are the United States or a United States agency, or an or P. 12 (a)(2) or (3) — you must serve on the plaintiff an	3150					
If you fail to respond, judgment by default will You also must file your answer or motion with the cour	be entered against you for the relief demanded in the complaint. t.					
	CLERK OF COURT					

Signature of Clerk or Deputy Clerk