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18	UNITED STATES DISTRICT COURT	
19	CENTRAL DISTRIC'	I OF CALIFORNIA
20	MATIN SHALIKAR and ALEXANDER	Case No.: 2:17-cv-02713 JAK (JPRx)
21	PANVINI, individually and on behalf of all others similarly situated,	FIRST AMENDED CLASS
22	an omers similarly situates,	ACTION COMPLAINT
23	Plaintiffs,	1. Violation of California Civil Code §1750, et seq.
24	V.	2. Violation of California
25	ASAHI BEER U.S.A., INC.,	Business and Professions Code § 17200, et seq.
26		3. Violation of California
27	Defendant.	Business and Professions Code § 17500, et seq.
28		
	FIRST AMENDED CLASS ACTION COMPLAINT	

Plaintiffs Matin Shalikar and Alexander Panvini ("Plaintiffs") by and through their counsel, bring this Class Action Complaint against Asahi Beer U.S.A, Inc. ("Defendant"), on behalf of themselves and all others similarly situated, and allege upon personal knowledge as to their own actions, and upon information and belief as to counsel's investigations and all other matters, as follows:

NATURE OF THE ACTION

- 1. Plaintiffs bring this consumer protection and false advertising class action lawsuit against Defendant, based on Defendant's misleading business practices with respect to the sale of Asahi Super Dry beer brewed by Molson Coors Brewing Company ("Molson") in Canada (the "Product").
- 2. At all relevant times, Defendant has marketed and sold the Product with labeling, packaging, and advertising that makes references to Japan, Japanese words, and Japanese characters. The Product's labeling, packaging, and marketing led Plaintiffs and other consumers to reasonably believe that they were purchasing beer that is brewed in Japan.
- 3. In reality, the Product is not brewed in Japan, but instead is brewed in Canada by Molson.¹
- 4. Plaintiffs and other consumers have reasonably relied on Defendant's deceptive advertising in purchasing the Product, believing that the Product was brewed in Japan. Had Plaintiffs and other consumers known that the Product was not brewed in Japan, they would not have purchased the Product or would have paid significantly less for the Product. Therefore, Plaintiffs and other consumers have suffered injury in fact as a result of Defendant's deceptive practices.

¹ "We also have an agreement with Asahi to brew and package Asahi Super Dry and Asahi Select to the U.S. market..." Molson Coors Brewing Company, Form 10-K, p. 10 (February 14, 2017) (hereinafter "Molson Coors 2016 Form 10-K"); see also, Asahi Breweries, Ltd., Worldwide, http://www.asahibeer.com/worldwide/ (last visited April 10, 2017).

- 5. Plaintiffs bring this class action lawsuit on behalf of themselves and all others similarly situated. Plaintiffs seek to represent a Nationwide Class, a California Subclass, and a California Consumer Subclass (defined *infra* in paragraphs 36-38) (collectively, referred to as "Classes").
- 6. Plaintiffs, on behalf of themselves and the Classes, are seeking damages, restitution, declaratory and injunctive relief, and all other remedies this Court deems appropriate.

JURISDICTION AND VENUE

- 7. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(d)(2)(A) because this case is a class action where the aggregate claims of all members of the proposed Classes are in excess of \$5,000,000, exclusive of interests and costs, and Plaintiffs, as well as most members of the proposed Classes, which total thousands of class members, are citizens of states different from the states of Defendant.
- 8. This Court has personal jurisdiction over Defendant because Defendant has its principle place business in California, and has sufficient minimum contacts in California or otherwise intentionally did avail itself of the markets within California, through its sale of the Product to California consumers.
- 9. Venue is proper in this District pursuant to 28 U.S.C. 1391(a)(1) because Defendant has its principal place of business within this District, regularly conducts business throughout this District, and a substantial part of the events and/or omissions giving rise to this action occurred in this District.

PARTIES

10. Plaintiff Matin Shalikar is a citizen of California, residing in Los Angeles. In 2016, Mr. Shalikar purchased the Product from Bristol Farms in Los Angeles, California. In purchasing the Product, Mr. Shalikar saw and relied on the Product name "Asahi," as well as the Japanese words and characters on the bottle and

- 11. Plaintiff Alexander Panvini has resided in Seattle, Washington during the relevant time period. During the relevant time period, Plaintiff purchased Asahi Dry at multiple locations in California during or around June through August of 2015. He purchased Asahi Dry from retail stores in Concord, Lafayette and Walnut Creek, California. Plaintiff purchased Asahi Dry bottles in six packs. Plaintiff purchased Asahi Dry in reliance on Defendant's representations contained on the packaging that the beer was imported from Japan. Plaintiff has since learned that Asahi Dry is not imported from Japan, but rather made in North America. Plaintiff would not have purchased Asahi Dry had he known the Defendant's representations were false. Because of Defendant's misrepresentations and deceptive conduct, Plaintiff purchased beer that had less value than what Plaintiff paid, and Plaintiff has accordingly suffered legally cognizable damages proximately caused by Defendant's misconduct. After learning the truth about Defendant's mislabeling of Asahi Dry, Plaintiff decided to stop purchasing it. If Asahi Dry were accurately labeled, Plaintiff would continue purchasing them.
- 12. Defendant Asahi Beer U.S.A., Inc. is a Delaware corporation with its principal place of business at 3625 Del Amo Blvd., 9250, Torrance, CA 90503. Defendant is a wholly owned subsidiary of Asahi Breweries, Ltd., which in turn is a

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wholly owned subsidiary of Asahi Group Holdings, Ltd. Defendant is responsible for the marketing, distribution, and sale of the Product in the United States, including in this District.

FACTUAL ALLEGATIONS

A. Background

- 13. In March 1987, Asahi Breweries, Ltd. launched Asahi Super Dry beer in Japan.²
- 14. In April 1998, Asahi Beer U.S.A, Inc. was established to market, distribute, and sell the Product in the United States.³
- 15. Since as early as 2004, Asahi Breweries, Ltd. contracted with Molson, whereby the two companies agreed that Molson would brew the Product in Canada for Asahi Breweries, Ltd., for distribution and sale in the United States by Defendant.⁴
- 16. At all relevant times, the Product was brewed by Molson in Canada, and then marketed, distributed, and sold in the United States by Defendant.⁵
- 17. Further, Molson is currently finalizing negotiations with Asahi Breweries, Ltd. for an extension of this contract through early 2020.6
- 18. At all relevant times, the Product was sold across California and the United States at grocery chains, convenience stores, liquor stores, and other retailers including, but not limited to, Bristol Farms, BevMo!, and Total Wine & More.
 - 19. The Product is manufactured in a variety of sizes as depicted below:

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^{25 2} http://www.asahigroup-holdings.com/en/ir/pdf/2016_yend_factbook.pdf#zoom=100 (last visited on April 10, 2017).

^{26 || 3} *I*

²⁷ Molson Coors Brewing Company, Form 10-K, p. 85 (March 10, 2006).

⁵ Molson Coors 2016 Form 10-K at 6, 9, 10.

⁶ Id. at 10.





- 20. The Product is sold at a price premium above other domestically brewed beers. For example, a 6-pack of the Product is currently sold at Bristol Farms for \$9.99 while a 6-pack of Budweiser beer is currently sold at Bristol Farms for \$6.99. The Product also garners a price premium over Canadian brewed beer. For example, a 6-pack of Labatt Blue, a Canadian brewed beer, is currently sold at Bristol Farms for \$6.99.
- 21. Water makes up more than 90 percent of beer, and the type of water used greatly influences the taste and quality of the beer, just as climate and terroir greatly influence the taste and quality of wine.⁷
- 22. The Asahi beer distributed and sold in Japan contains water from the site of the brewery in which it is produced. For example, Asahi Breweries, Ltd.'s original brewery, the Suita Brewery, uses water from the water springs in Suita city in the Osaka Prefecture of Japan.⁸ The Osaka Prefecture is known for its good quality spring water, which is influential in the taste and quality of the beer.⁹
- 23. Defendant, through its agreement with Molson, does not use water from Japan in the Product. Rather, the water Molson uses to brew the Product comes from local sources near Molson's breweries in Canada. According to the Molson Coors 2016 Form 10-K, "[w]ater used in the brewing process is from local sources in the communities where our breweries operate." 10

B. The Product's Labeling, Packaging, and Marketing are Misleading to Reasonable Consumers

24. The Product's labeling, packaging, and marketing are misleading to reasonable consumers, including Plaintiffs and other Class members, and only serves

⁷ https://beerandbrewing.com/VUKd4igAABcrKdWe/article/brewing-water (last visited on April 10, 2017).

⁸ http://www.pref.osaka.lg.jp/en/attraction/culture/aquapolis/aquapolis4.html (last visited on April 10, 2017).

 $^{^{10}}$ Molson Coors 2016 Form 10-K at 9.

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27 28 the profit maximizing interests of Defendant.

- 25. Defendant deceptively labeled and packaged the Product to target consumers who are interested in purchasing Japanese-made products.
- The overall brand image of Asahi beer, including its name¹¹, is centered 26. around Japan. Defendant uses references to Japan, Japanese words, and Japanese characters/script on the Product label and its packaging, creating the impression that the Product is brewed in Japan.
- The following create a misleading perception that the Product is brewed 27. in Japan:
 - a. The "Asahi" product name spelled in English;
 - アサヒビール Japanese Katakana script which means "Asahi beer;"
 - スーパードライ- Japanese Katakana script which means "Super Dry"
 - d. 辛口- Japanese Kanji characters which mean "Karakuchi", the Japanese word for dry taste.
- 28. Defendant knows, knew or should have known that Plaintiffs and other consumers did and would rely on the labeling, packaging, and advertising of the Product in purchasing the Product, and would reasonably believe that the Product was brewed in Japan.
- 29. In reasonable reliance on the representations listed in Paragraph 26, and reasonably believing that the Product was brewed in Japan, Plaintiffs and other members of the Classes purchased the Product.
- 30. Consumer research has demonstrated that representations regarding geographic origin of a product have a direct effect on product evaluations by consumers, especially regarding the quality of the product.
- Plaintiffs and members of the Classes did not know, and had no reason 31. to know, that the Product is not brewed in Japan because of how the Product is

¹¹ "Asahi" means morning sun in Japanese.

deceptively labeled, packaged, and advertised to create the impression that it is brewed in Japan.

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32. Because the Product is not brewed in Japan as reasonably expected by Plaintiffs and other consumers, Defendant's marketing of the Product was and continues to be misleading and deceptive.

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33. Each consumer has been exposed to the same or substantially similar deceptive practices because: 1) each Product contains identical or substantially similar representations centered around Japan; and 2) each Product is not brewed in Japan.

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> 34. Plaintiffs and other consumers have paid an unlawful premium for the Product. Plaintiffs and other consumers would have paid significantly less for the Product had they known that the Product was not brewed in Japan. In the alternative, Plaintiffs and other consumers would not have purchased the Product at all had they known that the Product was not brewed in Japan. Therefore, Plaintiffs and other consumers purchasing the Product suffered injury in fact and lost money as a result of Defendant's false, unfair, and fraudulent practices, as described herein.

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As a result of its misleading business practices, and the harm caused to 35. Plaintiffs and other consumers, Defendant should be enjoined from deceptively representing that the Product is brewed in Japan. Furthermore, Defendant should be

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required to pay for all damages caused to misled consumers, including Plaintiffs.

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36. Despite being misled by Defendant, Plaintiff Shalikar would likely purchase the Product in the future if the Product was in fact brewed in Japan.

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CLASS ACTION ALLEGATIONS

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37. Plaintiffs bring this case as a class action that may be properly maintained under Federal Rule of Civil Procedure 23 on behalf of themselves and all persons in the United States who purchased the Product within the relevant statute of limitations periods ("Nationwide Class").

- 38. Plaintiffs also seek to represent a subclass defined as all persons, who are California residents who purchased the Product, or who purchased the Product within the State of California, during the relevant statute of limitations periods ("California Subclass").
- 39. Plaintiffs also seek to represent a subclass defined as all persons, who are California residents who purchased the Product, or who purchased the Product within the State of California, for personal, family, or household purposes during the relevant statute of limitations periods ("California Consumer Subclass").
- 40. Excluded from the Classes are Defendant, the officers and directors of Defendant at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendant has or had a controlling interest. Any judge and/or magistrate judge to whom this action is assigned and any members of such judges' staffs and immediate families are also excluded from the Classes. Also excluded from the Classes are persons or entities that purchased the Product for sole purposes of resale.
- 41. Plaintiffs hereby reserve the right to amend or modify the class definitions with greater specificity or division after having had an opportunity to conduct discovery.
 - 42. Plaintiffs are members of all Classes.
- 43. <u>Numerosity</u>: Defendant has sold thousands of units of the Product. The Product is sold at grocery chains, convenience stores, liquor stores, and other retailers including, but not limited to, Bristol Farms, BevMo!, and Total Wine & More. Accordingly, members of the Classes are so numerous that their individual joinder herein is impractical. While the precise number of Class members and their identities are unknown to Plaintiffs at this time, the number may be determined through discovery.
 - 44. <u>Common Questions Predominate</u>: Common questions of law and fact

- exist as to all members of the Classes and predominate over questions affecting only individual Class members. Common legal and factual questions include, but are not limited to, the following: whether the Product's labeling, packaging, and marketing is misleading to a reasonable consumer, and therefore violates various consumer protection statutes and common laws.
- 45. <u>Typicality</u>: Plaintiffs' claims are typical of the claims of the Classes they seek to represent in that Plaintiffs and members of the Classes were exposed to Defendant's misleading labeling, packaging, and marketing, and purchased the Product reasonably relying on the misleading labeling, packaging, and marketing, and suffered losses as a result of such purchases.
- 46. Adequacy: Plaintiffs are adequate representatives of the Classes because their interests do not conflict with the interests of the members of the Classes they seek to represent, they have retained competent counsel experienced in prosecuting class actions, and they intend to prosecute this action vigorously. The interests of the members of the Classes will be fairly and adequately protected by Plaintiffs and their counsel.
- 47. <u>Superiority</u>: A class action is superior to other available means for the fair and efficient adjudication of the claims of the members of the Classes. The size of each claim is too small to pursue individually and each individual Class member will lack the resources to undergo the burden and expense of individual prosecution of the complex and extensive litigation necessary to establish Defendant's liability. Individualized litigation increases the delay and expense to all parties and multiplies the burden on the judicial system presented by the complex legal and factual issues of this case. Individualized litigation also presents a potential for inconsistent or contradictory judgments. The class action mechanism is designed to remedy harms like this one that are too small in value, although not insignificant, to file individual lawsuits for.

- 48. This lawsuit is maintainable as a class action under Federal Rule of Civil Procedure 23(b)(2) because Defendant has acted or refused to act on grounds that are generally applicable to the Class members, thereby making final injunctive relief appropriate with respect to all Classes.
- 49. This lawsuit is maintainable as a class action under Federal Rule of Civil Procedure 23(b)(3) because the questions of law and fact common to the members of the Classes predominate over any questions that affect only individual members, and because the class action mechanism is superior to other available methods for the fair and efficient adjudication of the controversy.

FIRST CLAIM FOR RELIEF Violation of California's Consumers Legal Remedies Act ("CLRA"), California Civil Code §§ 1750, et seq. (for the California Consumer Subclass)

- 50. Plaintiffs repeat the allegations contained in paragraphs 1-49 above as if fully set forth herein.
- 51. Plaintiffs bring this claim individually and on behalf of the members of the proposed California Consumer Subclass against Defendant.
- 52. The Product is a "good" within the meaning of Cal. Civ. Code § 1761(a), and the purchases of such products by Plaintiff and members of the California Consumer Subclass constitute "transactions" within the meaning of Cal. Civ. Code § 1761(e).
- 53. Cal. Civ. Code § 1770(a)(2) prohibits "misrepresenting the source, sponsorship, approval, or certification of goods or services." By marketing the Product with its current labels, packaging, and advertisements, Defendant has represented and continues to represent that the source of the Product is Japan, when it is not. Therefore, Defendant has violated section 1770(a)(2) of the CLRA.
- 54. Cal. Civ. Code § 1770(a)(4) prohibits "using deceptive representations or designations of geographical origin in connection with goods or services." By

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27 28 marketing the Product with its current labels, packaging, and advertisements, Defendant has used deceptive representations and designations of the Product's geographical origin (Japan). Therefore, Defendant has violated section 1770(a)(4) of the CLRA.

- Cal. Civ. Code § 1770(a)(5) prohibits "[r]epresenting that goods or 55. services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have " By marketing the Product with its current labels, packaging, and advertisements, Defendant has represented and continues to represent that the Product has characteristics (that it is brewed in Japan) when it does not have such characteristics. Therefore, Defendant has violated section 1770(a)(5) of the CLRA.
- Cal. Civ. Code § 1770(a)(7) prohibits "[r]espresenting that goods or 56. services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another." By marketing the Product with its current labels, packaging, and advertisements, Defendant has represented and continues to represent that the Product is of a particular style (that it is brewed in Japan) when it is of another (brewed in Canada). Therefore, Defendant has violated section 1770(a)(7) of the CLRA.
- Cal. Civ. Code § 1770(a)(9) prohibits "[a]dvertising goods or services 57. with intent not to sell them as advertised." By labeling, packaging, and marketing the Product with references to Japan, Japanese words, and Japanese characters so that a reasonable consumer would believe that the Product was brewed in Japan, and then intentionally not selling the Product as brewed in Japan, Defendant has violated section 1770(a)(9) of the CLRA.
- 58. At all relevant times, Defendant has known or reasonably should have known that the Product was not brewed in Japan, and that Plaintiffs and other members of the California Consumer Subclass would reasonably and justifiably rely on the labeling, packaging, and other advertisements in purchasing the Product.
 - Plaintiffs and members of the California Consumer Subclass have 59.

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- reasonably and justifiably relied on Defendant's misleading, and fraudulent conduct Moreover, based on the very materiality of when purchasing the Product. Defendant's fraudulent and misleading conduct, reliance on such conduct as a material reason for the decision to purchase the Product may be presumed or inferred for Plaintiffs and members of California Consumer Subclass.
- 60. Plaintiffs and members of the California Consumer Subclass have suffered and continue to suffer injuries caused by Defendant because they would not have purchased the Product or would have paid significantly less for the Product had they known that Defendant's conduct was misleading and fraudulent.
- 61. Under Cal. Civ. Code § 1780(a), Plaintiffs and members of the California Consumer Subclass are seeking injunctive relief pursuant to the CLRA, preventing Defendant from further wrongful acts and unfair and unlawful business practices, as well as restitution, disgorgement of profits, and any other relief this Court deems proper.
- 62. Pursuant to Cal. Civ. Code § 1782, on March 6, 2017, counsel for Plaintiff Matin Shalikar mailed a notice and demand letter by certified mail, with return receipt requested, to Defendant. Defendant received the notice and demand letter on March 9, 2017.12
- Pursuant to Cal. Civ. Code § 1782, on November 29, 2016, Plaintiff Alexander Panvini, through counsel, delivered a CLRA demand letter to Defendant that provided notice of Defendant's violation of the CLRA and demanded Defendant correct, repair, replace, or otherwise rectify the unlawful, unfair, false, and deceptive practices complained of herein. The letter also stated that if Defendant refused to do so, Plaintiff would file a complaint seeking damages in accordance with the CLRA. Defendant failed to comply with the letter.
 - 64. Because Defendant has failed to fully rectify or remedy the damages

¹² See Exhibit 1.

caused after waiting more than the statutorily required 30 days after it received both the notice and demand letters, Plaintiffs timely filed their complaints against Defendant.

SECOND CLAIM FOR RELIEF

Violation of California's Unfair Competition Law ("UCL"),
California Business & Professions Code §§ 17200, et seq.
(for the California Subclass and California Consumer Subclass)

- 65. Plaintiffs repeat the allegations contained in paragraphs 1-49 above as if fully set forth herein.
- 66. Plaintiffs bring this claim individually and on behalf of the members of the proposed California Subclass and California Consumer Subclass against Defendant.
- 67. UCL §17200 provides, in pertinent part, that "unfair competition shall mean and include unlawful, unfair or fraudulent business practices and unfair, deceptive, untrue or misleading advertising"
- 68. Under the UCL, a business act or practice is "unlawful" if it violates any established state or federal law.
- 69. Defendant's false and misleading advertising of the Product therefore was and continues to be "unlawful" because it violates the CLRA, California's False Advertising Law ("FAL"), and other applicable laws as described herein.
- 70. As a result of Defendant's unlawful business acts and practices, Defendant has unlawfully obtained money from Plaintiffs, and members of both the California Subclass and California Consumer Subclass.
- 71. Under the UCL, a business act or practice is "unfair" if the defendant's conduct is substantially injurious to consumers, offends public policy, and is immoral, unethical, oppressive, and unscrupulous, as the benefits for committing such acts or practices are outweighed by the gravity of the harm to the alleged victims.
 - 72. Defendant's conduct was and continues to be of no benefit to purchasers

of the Product, as it is misleading, unfair, unlawful, and is injurious to consumers who rely on the Product's labeling, packaging, and marketing. Creating consumer confusion as to the actual location of brewing is of no benefit to consumers. Therefore, Defendant's conduct was and continues to be "unfair."

5 | 73. As a result of Defendant's unfair business acts and practices, Defendant 6 has and continues to unfairly obtain money from Plaintiffs, and members of both the

California Subclass and California Consumer Subclass.

- 74. Under the UCL, a business act or practice is "fraudulent" if it actually deceives or is likely to deceive members of the consuming public.
- 75. Defendant's conduct here was and continues to be fraudulent because it has the effect of deceiving consumers into believing that the Product is brewed in Japan, when it is not. Because Defendant misled Plaintiffs and members of both the California Subclass and California Consumer Subclass, Defendant's conduct was "fraudulent."
- 76. As a result of Defendant's fraudulent business acts and practices, Defendant has and continues to fraudulently obtain money from Plaintiffs, and members of both the California Subclass and California Consumer Subclass.
- 77. Plaintiffs request that this Court cause Defendant to restore this unlawfully, unfairly, and fraudulently obtained money to Plaintiffs, and members of both the California Subclass and California Consumer Subclass, to disgorge the profits Defendant made on these transactions, and to enjoin Defendant from violating the UCL or violating it in the same fashion in the future as discussed herein. Otherwise, Plaintiffs, and members of both the California Subclass and California Consumer Subclass, may be irreparably harmed and/or denied an effective and complete remedy if such an order is not granted.

THIRD CLAIM FOR RELIEF

Violation of California's False Advertising Law ("FAL"), California Business & Professions Code §§ 17500, et seq (for the California Subclass and California Consumer Subclass)

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Plaintiffs repeat the allegations contained in paragraphs 1-49 above as if 78. fully set forth herein.

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79. Plaintiffs bring this claim individually and on behalf of the members of the proposed California Subclass and California Consumer Subclass against Defendant.

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80. California's FAL makes it "unlawful for any person to make or disseminate or cause to be made or disseminated before the public . . . in any advertising device . . . or in any other manner or means whatever, including over the Internet, any statement, concerning . . . personal property or services professional or otherwise, or performance or disposition thereof, which is untrue or misleading and which is known, or which by the exercise of reasonable care should be known, to be

including Plaintiffs and members of both the California Subclass and California

Consumer Subclass, through Defendant's deceptive labeling, packaging, and

marketing, that the Product is brewed in Japan. Defendant's representations are

misleading because the Product is not brewed in Japan. Because Defendant has

disseminated misleading information regarding the Product, and Defendant knows,

knew, or should have known through the exercise of reasonable care that the

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untrue or misleading." 15 81. Defendant has represented and continues to represent to the public,

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- representations were and continue to be misleading, Defendant violates the FAL. 82. Furthermore, Defendant knows, knew or should have known through the exercise of reasonable care that such representations were and continue to be untrue or misleading.
- As a result of Defendant's false advertising, Defendant has and 83. continues to fraudulently obtain money from Plaintiffs and members of both the

California Subclass and California Consumer Subclass.

84. Plaintiffs request that this Court cause Defendant to restore this fraudulently obtained money to Plaintiffs and members of both the California Subclass and California Consumer Subclass, to disgorge the profits Defendant made on these transactions, and to enjoin Defendant from violating the FAL or violating it in the same fashion in the future as discussed herein. Otherwise, Plaintiffs and members of both the California Subclass and California Consumer Subclass may be irreparably harmed and/or denied an effective and complete remedy if such an order is not granted.

FOURTH CLAIM FOR RELIEF

Breach of Implied Warranty
California Commercial Code § 2314

(for the California Subclass and California Consumer Subclass)

- 85. Plaintiffs repeat the allegations contained in paragraphs 1-49 above as if fully set forth herein.
- 86. Plaintiffs bring this claim individually and on behalf of the members of the proposed California Subclass and California Consumer Subclass against Defendant.
- 87. California Commercial Code § 2314(1) provides that "a warranty that the goods shall be merchantable is implied in a contract for their sale if the seller is a merchant with respect to goods of that kind." Cal. Com. Code § 2314(1).
- 88. California Commercial Code § 2314(2) provides that "[g]oods to be merchantable must be at least such as... (f) conform to the promises or affirmations of fact made on the container or label if any." Cal. Com. Code § 2314(2)(f).
- 89. Defendant is a merchant with respect to the sale of beer products, including the Product here. Therefore, a warranty of merchantability is implied in every contract for sale of the Product to Plaintiffs and California consumers.
 - 90. By advertising the Product with its current labeling and packaging,

Defendant made an promise that the Product was brewed in Japan. By not brewing the Product in Japan, the Product has not "conform[ed] to the promises…made on the container or label" of the Product. Plaintiffs and California consumers did not receive the goods as impliedly warranted by Defendant to be merchantable.

- 91. Therefore, the Product is not merchantable under California law and Defendant has breached its implied warranty of merchantability in regard to the Product.
- 92. If Plaintiffs and members of both the California Subclass and California Consumer Subclass had known that the Product was not brewed in Japan, they would not have purchased the Product or would not have been willing to pay the premium price associated with the Product. Therefore, as a direct and/or indirect result of Defendant's breach, Plaintiffs and members of both the California Subclass and California Consumer Subclass have suffered injury and deserve to recover all damages afforded under the law.

FIFTH CLAIM FOR RELIEF Common Law Fraud (for the Classes)

- 93. Plaintiffs repeat the allegations contained in paragraphs 1-49 above as if fully set forth herein.
- 94. Plaintiffs bring this claim individually and on behalf of the members of the Classes against Defendant.
- 95. Defendant has willfully, falsely, or knowingly labeled, packaged, and marketed the Product in a manner indicating that the Product is brewed in Japan. However, the Product is not brewed in Japan. Therefore, Defendant has made misrepresentations regarding the Product.
- 96. Defendant's misrepresentations are and were material (i.e., the type of misrepresentations to which a reasonable person would attach importance and would be induced to act thereon in making purchase decisions), because they relate to where

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not brewed in Japan. 98.

Defendant intends that Plaintiffs and other consumers rely on these representations, as evidenced by Defendant's intentionally using labeling and packaging that references Japan, and uses Japanese words and characters.

Defendant knew or recklessly disregarded the fact that the Product was

99. Plaintiffs and members of the Classes have reasonably and justifiably relied on Defendant's misrepresentations when purchasing the Product and had the correct facts been known, would not have purchased the Product or would not have purchased them at the prices at which they were offered.

100. Therefore, as a direct and proximate result of Defendant's fraud, Plaintiffs and members of the Classes have suffered economic losses and other general and specific damages, including but not limited to the amounts paid for the Product, and any interest that would have accrued on those monies, all in an amount to be proven at trial.

- 101. Plaintiffs repeat the allegations contained in paragraphs 1-49 above as if fully set forth herein.
- 102. Plaintiffs bring this claim individually and on behalf of the members of the Classes against Defendant.
- 103. Defendant labeled, packaged, and marketed the Product in a manner indicating that the Product is brewed in Japan. However, the Product is not brewed in Japan. Therefore, Defendant has made misrepresentations as to the Product.
- 104. Defendant's misrepresentations regarding the Product are material to a reasonable consumer because they relate to the location of the brewing of the Product received by consumers. A reasonable consumer would attach importance to such

representations and would be induced to act thereon in making purchase decisions.

- 105. At all relevant times when such representations were made, Defendant knew that the representations were misleading, or has acted recklessly in making the representations and without regard to the truth.
- 106. Defendant intends that Plaintiffs and other consumers rely on these representations, as evidenced by Defendant intentionally using labeling and packaging that references Japan, and uses Japanese words and characters.
- 107. Plaintiffs and members of the Classes have reasonably and justifiably relied on Defendant's intentional misrepresentations when purchasing the Product, and had the correct facts been known, would not have purchased the Product or would not have purchased them at the prices at which they were offered.
- 108. Therefore, as a direct and proximate result of Defendant's intentional misrepresentations, Plaintiffs and members of the Classes have suffered economic losses and other general and specific damages, including but not limited to the amounts paid for the Product, and any interest that would have accrued on those monies, all in an amount to be proven at trial.

<u>Negligent Misrepresentation</u> (for the Classes)

- 109. Plaintiffs repeat the allegations contained in paragraphs 1-49 above as if fully set forth herein.
- 110. Plaintiffs bring this claim individually and on behalf of the members of the Classes against Defendant.
- 111. Defendant labeled, packaged, and marketed the Product in a manner indicating that the Product is brewed in Japan. However, the Product is not brewed in Japan. Therefore, Defendant has made misrepresentations as to the Product.
 - 112. Defendant's misrepresentations regarding the Product are material to a

reasonable consumer because they relate to the location of the brewing of the Product received by the consumer. A reasonable consumer would attach importance to such representations and would be induced to act thereon in making purchase decisions.

- 113. At all relevant times when such misrepresentations were made, Defendant knew or had been negligent in not knowing that that the Product was not brewed in Japan. Defendant had no reasonable grounds for believing its representations were not false and misleading.
- 114. Defendant intends that Plaintiffs and other consumers rely on these representations, as evidenced by Defendant's intentionally using labeling and packaging that references Japan, and uses Japanese words and characters.
- 115. Plaintiffs and members of the Classes have reasonably and justifiably relied on Defendant's negligent misrepresentations when purchasing the Product, and had the correct facts been known, would not have purchased the Product or would not have purchased them at the prices at which they were offered.
- 116. Therefore, as a direct and proximate result of Defendant's negligent misrepresentations, Plaintiffs and members of the Classes have suffered economic losses and other general and specific damages, including but not limited to the amounts paid for the Product, and any interest that would have accrued on those monies, all in an amount to be proven at trial.

EIGHTH CLAIM FOR RELIEF Breach of Contract (for the Classes)

- 117. Plaintiffs repeat the allegations contained in paragraphs 1-49 above as if fully set forth herein.
- 118. Plaintiffs bring this claim individually and on behalf of the members of the Classes against Defendant.
 - 119. In purchasing the Product, Plaintiffs and members of the Classes have

formed valid contracts that are supported by sufficient consideration, pursuant to which Defendant was obligated to provide a product that was brewed in Japan, as deceptively represented by Defendant's packaging and labeling.

- 120. Defendant has materially breached its contracts with Plaintiffs and members of the Classes by selling a product that is not brewed in Japan.
- 121. As a direct and proximate result of Defendant's breaches, Plaintiffs and members of the Classes were damaged in that they received products with less value than the amounts paid. Moreover, Plaintiffs and members of the Classes have suffered economic losses and other general and specific damages, including but not limited to the amounts paid for the Product, and any interest that would have accrued on those monies, all in an amount to be proven at trial.

NINTH CLAIM FOR RELIEF Quasi Contract/Unjust Enrichment/Restitution (for the Classes)

- 122. Plaintiffs repeat the allegations contained in paragraphs 1-49 above as if fully set forth herein.
- 123. Plaintiffs bring this claim individually and on behalf of the members of the Classes against Defendant.
- 124. As alleged herein, Defendant has intentionally and recklessly made misleading representations to Plaintiffs and members of the Classes to induce them to purchase the Product. Plaintiffs and members of the Classes have reasonably relied on the misleading representations and have not received all of the benefits promised by Defendant. Plaintiffs and members of the Classes therefore have been induced by Defendant's misleading and false representations about the Product, and paid for them when they would and/or should not have or paid more money to Defendant for the Product than they otherwise would and/or should have paid.
 - 125. Plaintiffs and members of the Classes have conferred a benefit upon

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Defendant as Defendant has retained monies paid to them by Plaintiffs and members of the Classes.

- 126. The monies received were obtained under circumstances that were at the expense of Plaintiffs and members of the Classes – i.e., Plaintiffs and members of the Classes did not receive the full value of the benefit conferred upon Defendant.
- 127. Therefore, it is inequitable and unjust for Defendant to retain the profit, benefit, or compensation conferred upon it without paying Plaintiffs and the members of the Classes back for the difference of the full value of the benefits compared to the value actually received.
- 128. As a direct and proximate result of Defendant's unjust enrichment, Plaintiffs and members of the Classes are entitled to restitution, disgorgement, and/or the imposition of a constructive trust upon all profits, benefits, and other compensation obtained by Defendant from its deceptive, misleading, and unlawful conduct as alleged herein.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, seek judgment against Defendant, as follows:

- For an order certifying the Nationwide Class, the California Subclass, a) and the California Consumer Subclass, under Rule 23 of the Federal Rules of Civil Procedure; naming Plaintiffs as representatives of all Classes; and naming Plaintiffs' attorneys as Co-Lead Class Counsel to represent all Classes.
- For an order declaring that Defendant's conduct violates the statutes b) and laws referenced herein;
- For an order finding in favor of Plaintiffs, and all Classes, on all claims asserted herein;
 - For an order awarding damages on behalf of the California Consumer d)

Subclass, in amounts to be determined by the Court and/or jury; 1 2 For prejudgment interest on all amounts awarded; e) For interest on the amount of any and all economic losses, at the 3 f) prevailing legal rate; 4 5 For an order of restitution and all other forms of equitable monetary g) 6 relief; For injunctive relief as pleaded or as the Court may deem proper; 7 h) 8 For an order awarding Plaintiffs and all Classes their reasonable i) attorneys' fees, expenses and costs of suit, including as provided by statute such as 10 under California Code of Civil Procedure section 1021.5; and 11 **i**) For any other such relief as the Court deems just and proper. 12 **DEMAND FOR TRIAL BY JURY** 13 14 Plaintiffs demand a trial by jury on all issues so triable. 15 Dated: May 3, 2017 FARUOI & FARUOI, LLP 16 17 By: /s/ Barbara A. Rohr Barbara A. Rohr, Bar No. 273353 18 Benjamin Heikali, Bar No. 307466 10866 Wilshire Blvd., Suite 1470 19 Los Angeles, CA 90024 Telephone: 424.256.2884 20 Fax: 424.256.2885 E-mail: brohr@faruqilaw.com bheikali@faruqilaw.com 21 22 Michael R. Reese (SBN 206773) George V. Granadè 23 REESE LLP 100 West 93rd Street, 16th Floor New York, NY 10001 24 Telephone: (212) 646-0500 Facsimile: (212) 253-4272 25 E-mail: mreese@reesellp.com 26 ggranade@reesellp.com 27 Melissa W. Wolchansky Amy E. Boyle 28 24

CLRA Venue Declaration Pursuant to California Civil Code Section 1780(d)

- I, Matin Shalikar, declare as follows:
- 1. I am the Plaintiff in this action and a citizen of the State of California. To extent the allegations in the complaint are based on my personal knowledge, they are true and, if called as a witness, I could testify competently thereto.
- 2. This Class Action Complaint is filed in the proper place for trial because I purchased the Product in this District, and Defendant conducts a substantial amount of business in this District.
- 3. In 2016, I purchased the Product from Bristol Farms located in this District. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, executed on April 10, 2017 at Los Angeles, California.

Matin Shalikar

EXHIBIT A

NEW YORK

CALIFORNIA

DELAWARE

PENNSYLVANIA

BARBARA A. ROHR brohr@faruqilaw.com

March 6, 2017

Via Certified U.S. Mail Return Receipt Requested

Asahi Beer U.S.A., Inc. 3625 Del Amo Blvd., #250 Torrance, CA 90503

Re:

Class Action Notification and Pre-Lawsuit Demand Pursuant to California Civil Code Section 1782 and All Other Applicable Laws Requiring Pre-Suit Notice Concerning Asahi Beer

To Whom It May Concern:

Please be advised that Faruqi & Faruqi, LLP represents Matin Shalikar ("Client"), purchaser of Asahi Super Dry beer. Our Client seeks to represent a nationwide class of consumers ("Class") who, within the relevant time period, purchased any Asahi beer brewed by Molson Canada ("Products"). This letter provides Asahi Beer U.S.A., Inc. ("Defendant") with notice and demand for corrective action. All further communications intended for our Client must be directed through this office. Furthermore, this demand and notice letter is meant to comply with the requirements of *California Civil Code* §1782, and all other laws requiring a pre-suit demand and notice prior to litigation, on behalf of our Client and all others similarly situated should this matter proceed to litigation.

During the relevant time period, Defendant and/or its agents have impliedly represented that the Products are brewed in Japan. The Products, however, are brewed in Canada.

Mr. Shalikar, a consumer residing in California, purchased Asahi Super Dry beer in Los Angeles, California. Based on Defendant's representations, Mr. Shalikar reasonably believed that the beer he purchased was brewed in Japan. The beer, however, is brewed in Canada.

These business practices violate several California consumer protection statutes and laws. Pursuant to California Civil Code §1782(a)(1), our Client and the Class further provide notice that they believe Defendant has violated, and continues to violate the California Consumers Legal Remedies Act ("CLRA"), and specifically California Civil Code §1770, in at least the following manner:

¹ From four years prior to the date of a prospective complaint filed by our Client.



Asahi Beer U.S.A., Inc. Page 2 March 6, 2017

- 1. Misrepresenting the source, sponsorship, approval, or certification of goods or services (Section 1770(a)(2));
- 2. Using deceptive representations or designations of geographic origin in connection with goods or services (Section 1770(a)(4));
- 3. Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have or that a person has a sponsorship, approval, status, affiliation, or connection which he or she does not have (Section 1770(a)(5));
- 4. Representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another (Section 1770(a)(7)); and
- 5. Advertising goods or services with intent not to sell them as advertised (Section 1770(a)(9)).

It is our opinion that Defendant has also violated and continues to violate California Business and Professions Code Sections 17200 and 17500, as well as other statutory and common law.

This letter not only serves as notification of Defendant's alleged violations of *California Civil Code* §1770 as outlined above, but also as our Client's demand, and all others similarly situated, that Defendant immediately corrects, repairs, refunds and otherwise rectifies the violations of § 1770 and the other statutes and causes of action referenced above, on a class-wide basis.

To cure the harmful conduct noted herein, we demand that Defendant: (1) cease and desist from advertising and selling of the Products in a false and misleading manner; (2) issue an immediate recall of the Products; and (3) make full restitution to the Class of all money obtained from the sales thereof.

We further demand that Defendant preserve all documents, emails, other electronically stored information and other evidence which refer or relate to any of the above-described practices, including, but not limited to:

- 1. All documents concerning the development and/or testing of the Products;
- 2. All documents concerning the brewing, manufacturing, packaging, labeling, advertisement, promotion, marketing and sale of the Products;
- 3. All documents concerning communications with any individual involved in the brewing, development, testing, packaging, labeling, advertisement, promotion, marketing and sale of the Products;



Asahi Beer U.S.A., Inc. Page 3 March 6, 2017

- 4. All documents concerning communications with purchasers of the Products;
- 5. All documents concerning the sales volume of the Products (in units and/or dollars), and the revenues derived therefrom; and
- 6. All documents concerning the identities and location of potential class members who purchased the Products.

Further, this letter serves as a thirty (30) day notice and demand requirement under §1782 for damages. Accordingly, should Defendant fail to rectify the unfair and deceptive scheme within thirty (30) days of receipt of this letter, our Client will file a class action complaint for actual damages, punitive damages, and all other damages permitted under the CLRA and the other statutes and causes of action available to him, along with interest, attorneys' fees and costs for Defendant's violations.

We are willing to discuss an appropriate way to remedy the demands asserted in this letter. If Defendant wishes to enter into such a discussion, please contact our firm immediately. If we do not hear from Defendant promptly, we will conclude that Defendant is not interested in resolving this dispute short of litigation in the form of a class action lawsuit. If Defendant contends that any statement in this letter is inaccurate in any respect, please provide our firm with Defendant's contentions and supporting documents promptly.

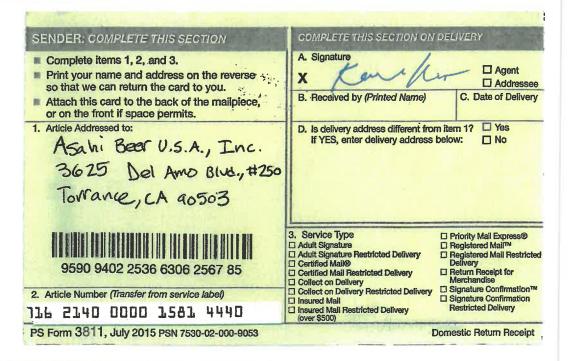
Please contact the undersigned if there are any questions or concerns.

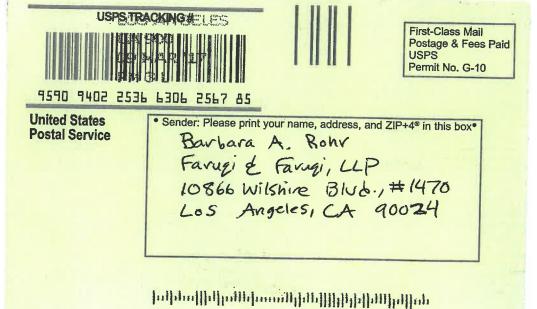
Sincerely,

Barbara A. Rohr

cc: Timothy J. Peter Ben Heikali







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Tracking Number: 70162140000015814440

Product & Tracking Information

Postal Product: Features: Certified Mail[™]

DATE & TIME

STATUS OF ITEM

Delivered, Left with Individual

TORRANCE, CA 90503

LOCATION

Your item was delivered to an individual at the address at 11:53 am on March 9, 2017 in TORRANCE,

March 8, 2017, 2:54 pm

March 9, 2017, 11:53 am

In Transit to Destination

March 7, 2017, 2:54 pm

March 6, 2017, 9:26 pm Arrived at USPS Facility

Departed USPS Facility

LOS ANGELES, CA 90052

LOS ANGELES, CA 90052

Available Actions

Text Updates

Email Updates

Track Another Package

Tracking (or receipt) number

Track It

Manage Incoming Packages

Track all your packages from a dashboard. No tracking numbers necessary.

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CERTIFICATE OF SERVICE

I hereby certify that on May 3, 2017, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the e-mail addresses denoted on the Electronic Mail Notice List, and I hereby certify that I have mailed the foregoing document to the non-CM/ECF participants indicated on the Manual Notice List.

Dated: May 3, 2017 /s/ Barbara A. Rohr
Barbara A. Rohr

APPENDIX A

1	Barbara A. Rohr (SBN 273353) Renjamin Heikali (SBN 307466)				
2	Benjamin Heikali (SBN 307466) FARUQI & FARUQI, LLP				
3	10866 Wilshire Boulevard, Suite 1470 Los Angeles, CA 90024				
4	Telephone: (424) 256-2884 Facsimile: (424) 256-2885				
5	E-mail: brohr@faruqilaw.com bheikali@faruqilaw.com				
6	Michael R. Reese (SBN 206773)				
7	George V. Granade REESE LLP				
8	100 West 93 rd Street, 16th Floor New York, NY 10001				
9	Telephone: (212) 646-0500 Facsimile: (212) 253-4272 E-mail: mreese@reesellp.com ggranade@reesellp.com				
10					
11	Melissa W. Wolchansky Amy E. Boyle Halunen Law 1650 IDS Center 80 South Eighth Street Minneapolis, MN 55402 Telephone: (612) 605-4098				
12					
13					
14					
15	Facsimile: (612) 605-4099 E-mail: wolchansky@halunenlaw.com				
16	boyle@halulnenlaw.com				
17	Attorneys for Plaintiffs Matin Shalikar and Alexander Panvini				
18	UNITED STATES DISTRICT COURT				
19	CENTRAL DISTRICT OF CALIFORNIA				
20	MATIN SHALIKAR and ALEXANDER	Case No.: 2:17-cv-02713 JAK (JPRx)			
21	PANVINI, individually and on behalf of all others similarly situated,	FIRST AMENDED CLASS			
22	an omers similarly situated,	ACTION COMPLAINT			
23	Plaintiff,	1. Violation of California Civil Code §1750, et seq.			
24	v.	2. Violation of California			
25		Business and Professions Code § 17200, et seq.			
26	ASAHI BEER U.S.A., INC.,	3. Violation of California			
27	Defendant.	Business and Professions Code § 17500, et seq.			
28					
	FIRST AMENDED CLASS ACTION COMPLAINT				

Plaintiffs Matin Shalikar and Alexander Panvini ("Plaintiffs") by and through his their counsel, brings this Class Action Complaint against Asahi Beer U.S.A, Inc. ("Defendant"), on behalf of himself themselves and all others similarly situated, and alleges upon personal knowledge as to his their own actions, and upon information and belief as to counsel's investigations and all other matters, as follows:

NATURE OF THE ACTION

- 1. Plaintiffs brings this consumer protection and false advertising class action lawsuit against Defendant, based on Defendant's misleading business practices with respect to the sale of Asahi Super Dry beer brewed by Molson Coors Brewing Company ("Molson") in Canada (the "Product").
- 2. At all relevant times, Defendant has marketed and sold the Product with labeling, packaging, and advertising that makes references to Japan, Japanese words, and Japanese characters. The Product's labeling, packaging, and marketing led Plaintiffs and other consumers to reasonably believe that they were purchasing beer that is brewed in Japan.
- 3. In reality, the Product is not brewed in Japan, but instead is brewed in Canada by Molson.¹
- 4. Plaintiffs and other consumers have reasonably relied on Defendant's deceptive advertising in purchasing the Product, believing that the Product was brewed in Japan. Had Plaintiffs and other consumers known that the Product was not brewed in Japan, they would not have purchased the Product or would have paid significantly less for the Product. Therefore, Plaintiffs and other consumers have suffered injury in fact as a result of Defendant's deceptive practices.

¹ "We also have an agreement with Asahi to brew and package Asahi Super Dry and Asahi Select to the U.S. market..." Molson Coors Brewing Company, Form 10-K, p. 10 (February 14, 2017) (hereinafter "Molson Coors 2016 Form 10-K"); see also, Asahi Breweries, Ltd., Worldwide, http://www.asahibeer.com/worldwide/ (last visited April 10, 2017).

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- 5. Plaintiffs brings this class action lawsuit on behalf of themselves himself and all others similarly situated. Plaintiffs seeks to represent a Nationwide Class, a California Subclass, and a California Consumer Subclass (defined infra in paragraphs 36-38) (collectively, referred to as "Classes").
- Plaintiffs, on behalf of themselveshimself and the Classes, areis seeking 6. damages, restitution, declaratory and injunctive relief, and all other remedies this Ceourt deems appropriate.

JURISDICTION AND VENUE

- 7. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(d)(2)(A) because this case is a class action where the aggregate claims of all members of the proposed Classes are in excess of \$5,000,000, exclusive of interests and costs, and Plaintiffs, as well as most members of the proposed Classes, which total thousands of class members, and are citizens of states different from the states of Defendant.
- 8. This Court has personal jurisdiction over Defendant because Defendant has its principle place business in California, and has sufficient minimum contacts in California or otherwise intentionally did avail itself of the markets within California, through its sale of the Product to California consumers.
- 9. Venue is proper in this District pursuant to 28 U.S.C. 1391(a)(1) because Defendant has its principal place of business within this District, regularly conducts business throughout this District, and a substantial part of the events and/or omissions giving rise to this action occurred in this District.

PARTIES

10. Plaintiff Matin Shalikar is a citizen of California, residing in Los Angeles. In 2016, Mr. Shalikar purchased the Product from Bristol Farms in Los Angeles, California. In purchasing the Product, Mr. Shalikar saw and relied on the Product name "Asahi," as well as the Japanese words and characters on the bottle and

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- packaging of the Product. Based on these representations, Mr. Shalikar believed he was purchasing a beer brewed in Japan. However, unbeknownst to Mr. Shalikar, the Product he purchased was not brewed in Japan, but was instead brewed in Canada. Mr. Shalikar would not have purchased the Product or would have paid significantly less for the Product had he known that the Product was not brewed in Japan. Mr. Shalikar therefore suffered injury in fact and lost money as a result of Defendant's misleading, false, unfair, and fraudulent practices, as described herein. Despite being misled, Mr. Shalikar would likely purchase the Product in the future if the Product was in fact brewed in Japan.
 - 11. Plaintiff Alexander Panvini has resided in Seattle, Washington during the relevant time period. During the relevant time period, Plaintiff purchased Asahi Dry at multiple locations in California during or around June through August of 2015. He purchased Asahi Dry from retail stores in Concord, Lafayette and Walnut Creek, California. Plaintiff purchased Asahi Dry bottles in six packs. Plaintiff purchased Asahi Dry in reliance on Defendant's representations contained on the packaging that the beer was imported from Japan. Plaintiff has since learned that Asahi Dry is not imported from Japan, but rather made in North America. Plaintiff would not have purchased Asahi Dry had he known the Defendant's representations were false. Because of Defendant's misrepresentations and deceptive conduct, Plaintiff purchased beer that had less value than what Plaintiff paid, and Plaintiff has accordingly suffered legally cognizable damages proximately caused by Defendant's misconduct. After learning the truth about Defendant's mislabeling of Asahi Dry, Plaintiff decided to stop purchasing it. If Asahi Dry were accurately labeled, Plaintiff would continue purchasing them.
 - 12. Defendant Asahi Beer U.S.A., Inc. is a Delaware corporation with its principal place of business at 3625 Del Amo Blvd., 9250, Torrance, CA 90503. Defendant is a wholly owned subsidiary of Asahi Breweries, Ltd., which in turn is a

wholly owned subsidiary of Asahi Group Holdings, Ltd. Defendant is responsible for the marketing, distribution, and sale of the Product in the United States, including in this District.

FACTUAL ALLEGATIONS

A. Background

- 13. In March 1987, Asahi Breweries, Ltd. launched Asahi Super Dry beer in Japan.²
- 14. In April 1998, Asahi Beer U.S.A, Inc. was established to market, distribute, and sell the Product in the United States.³
- 15. Since as early as 2004, Asahi Breweries, Ltd. contracted with Molson, whereby the two companies agreed that Molson would brew the Product in Canada for Asahi Breweries, Ltd., for distribution and sale in the United States by Defendant.⁴
- 16. At all relevant times, the Product was brewed by Molson in Canada, and then marketed, distributed, and sold in the United States by Defendant.⁵
- 17. Further, Molson is currently finalizing negotiations with Asahi Breweries, Ltd. for an extension of this contract through early 2020.6
- 18. At all relevant times, the Product was sold across California and the United States at grocery chains, convenience stores, liquor stores, and other retailers including, but not limited to, Bristol Farms, BevMo!, and Total Wine & More.
 - 19. The Product is manufactured in a variety of sizes as depicted below:

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^{25 25} http://www.asahigroup-holdings.com/en/ir/pdf/2016_yend_factbook.pdf#zoom=100 (last visited on April 10, 2017).

^{26 || 3} *Id*

²⁷ Molson Coors Brewing Company, Form 10-K, p. 85 (March 10, 2006).

⁵ Molson Coors 2016 Form 10-K at 6, 9, 10.

⁶ Id. at 10.





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- 20. The Product is sold at a price premium above other domestically brewed beers. For example, a 6-pack of the Product is currently sold at Bristol Farms for \$9.99 while a 6-pack of Budweiser beer is currently sold at Bristol Farms for \$6.99. The Product also garners a price premium over Canadian brewed beer. For example, a 6-pack of Labatt Blue, a Canadian brewed beer, is currently sold at Bristol Farms for \$6.99.
- 21. Water makes up more than 90 percent of beer, and the type of water used greatly influences the taste and quality of the beer, just as climate and terroir greatly influence the taste and quality of wine.⁷
- 22. The Asahi beer distributed and sold in Japan contains water from the site of the brewery in which it is produced. For example, Asahi Breweries, Ltd.'s original brewery, the Suita Brewery, uses water from the water springs in Suita city in the Osaka Prefecture of Japan.⁸ The Osaka Prefecture is known for its good quality spring water, which is influential in the taste and quality of the beer.9
- 23. Defendant, through its agreement with Molson, does not use water from Japan in the Product. Rather, the water Molson uses to brew the Product comes from local sources near Molson's breweries in Canada. According to the Molson Coors 2016 Form 10-K, "[w]ater used in the brewing process is from local sources in the communities where our breweries operate."10

B. The Product's Labeling, Packaging, and Marketing are Misleading to Reasonable Consumers

24. The Product's labeling, packaging, and marketing are misleading to reasonable consumers, including Plaintiffs and other Class members, and only serves

⁷ https://beerandbrewing.com/VUKd4igAABcrKdWe/article/brewing-water (last visited on April 10, 2017).

⁸ http://www.pref.osaka.lg.jp/en/attraction/culture/aquapolis/aquapolis4.html (last visited on April 10, 2017). ⁹ *Id*.

¹⁰ Molson Coors 2016 Form 10-K at 9.

- 25. Defendant deceptively labeled and packaged the Product to target consumers who are interested in purchasing Japanese-made products.
- 26. The overall brand image of Asahi beer, including its name¹¹, is centered around Japan. Defendant uses references to Japan, Japanese words, and Japanese characters/script on the Product label and its packaging, creating the impression that the Product is brewed in Japan.
- 27. The following create a misleading perception that the Product is brewed in Japan:
 - a. The "Asahi" product name spelled in English;
 - b. アサヒビール- Japanese Katakana script which means "Asahi beer;"
 - c. スーパードライ- Japanese Katakana script which means "Super Dry"
 - d. 辛口- Japanese Kanji characters which mean "Karakuchi", the Japanese word for dry taste.
- 28. Defendant knows, knew or should have known that Plaintiffs and other consumers did and would rely on the labeling, packaging, and advertising of the Product in purchasing the Product, and would reasonably believe that the Product was brewed in Japan.
- 29. In reasonable reliance on the representations listed in Paragraph 26, and reasonably believing that the Product was brewed in Japan, Plaintiffs and other members of the Classes purchased the Product.
- 30. Consumer research has demonstrated that representations regarding geographic origin of a product have a direct effect on product evaluations by consumers, especially regarding the quality of the product.
- 31. Plaintiffs and members of the Classes did not know, and had no reason to know, that the Product is not brewed in Japan because of how the Product is

¹¹ "Asahi" means morning sun in Japanese.

- 32. Because the Product is not brewed in Japan as reasonably expected by Plaintiffs and other consumers, Defendant's marketing of the Product was and continues to be misleading and deceptive.
- 33. Each consumer has been exposed to the same or substantially similar deceptive practices because: 1) each Product contains identical or substantially similar representations centered around Japan; and 2) each Product is not brewed in Japan.
- 34. Plaintiffs and other consumers have paid an unlawful premium for the Product. Plaintiffs and other consumers would have paid significantly less for the Product had they known that the Product was not brewed in Japan. In the alternative, Plaintiffs and other consumers would not have purchased the Product at all had they known that the Product was not brewed in Japan. Therefore, Plaintiffs and other consumers purchasing the Product suffered injury in fact and lost money as a result of Defendant's false, unfair, and fraudulent practices, as described herein.
- 35. As a result of its misleading business practices, and the harm caused to Plaintiffs and other consumers, Defendant should be enjoined from deceptively representing that the Product is brewed in Japan. Furthermore, Defendant should be required to pay for all damages caused to misled consumers, including Plaintiffs.
- 36. Despite being misled by Defendant, Plaintiff <u>Shalikar</u> would likely purchase the Product in the future if the Product was in fact brewed in Japan.

CLASS ACTION ALLEGATIONS

37. Plaintiffs brings this case as a class action that may be properly maintained under Federal Rule of Civil Procedure 23 on behalf of themselves himself and all persons in the United States who purchased the Product within the relevant statute of limitations periods ("Nationwide Class").

- 39. Plaintiffs also seeks to represent a subclass defined as all persons, who are California residents who purchased the Product, or who purchased the Product within the State of California, for personal, family, or household purposes during the relevant statute of limitations periods ("California Consumer Subclass").
- 40. Excluded from the Classes are Defendant, the officers and directors of Defendant at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendant has or had a controlling interest. Any judge and/or magistrate judge to whom this action is assigned and any members of such judges' staffs and immediate families are also excluded from the Classes. Also excluded from the Classes are persons or entities that purchased the Product for sole purposes of resale.
- 41. Plaintiffs hereby reserves the right to amend or modify the class definitions with greater specificity or division after having had an opportunity to conduct discovery.
 - 42. Plaintiffs-is area members of all Classes.
- 43. <u>Numerosity</u>: Defendant has sold thousands of units of the Product. The Product is sold at grocery chains, convenience stores, liquor stores, and other retailers including, but not limited to, Bristol Farms, BevMo!, and Total Wine & More. Accordingly, members of the Classes are so numerous that their individual joinder herein is impractical. While the precise number of Class members and their identities are unknown to Plaintiffs at this time, the number may be determined through discovery.
 - 44. <u>Common Questions Predominate</u>: Common questions of law and fact

- 45. <u>Typicality</u>: Plaintiffs's claims are typical of the claims of the Classes they seeks to represent in that Plaintiffs and members of the Classes were exposed to Defendant's misleading labeling, packaging, and marketing, and purchased the Product reasonably relying on the misleading labeling, packaging, and marketing, and suffered losses as a result of such purchases.
- 46. Adequacy: Plaintiffs are is an adequate representatives of the Classes because theiris interests do not conflict with the interests of the members of the Classes they seeks to represent, they haves retained competent counsel experienced in prosecuting class actions, and they intends to prosecute this action vigorously. The interests of the members of the Classes will be fairly and adequately protected by the Plaintiffs and theirhis counsel.
- 47. <u>Superiority</u>: A class action is superior to other available means for the fair and efficient adjudication of the claims of the members of the Classes. The size of each claim is too small to pursue individually and each individual Class member will lack the resources to undergo the burden and expense of individual prosecution of the complex and extensive litigation necessary to establish Defendant's liability. Individualized litigation increases the delay and expense to all parties and multiplies the burden on the judicial system presented by the complex legal and factual issues of this case. Individualized litigation also presents a potential for inconsistent or contradictory judgments. The class action mechanism is designed to remedy harms like this one that are too small in value, although not insignificant, to file individual lawsuits for.

48. This lawsuit is maintainable as a class action under Federal Rule of Civil Procedure 23(b)(2) because Defendant has acted or refused to act on grounds that are generally applicable to the Class members, thereby making final injunctive relief appropriate with respect to all Classes.

49. This lawsuit is maintainable as a class action under Federal Rule of Civil Procedure 23(b)(3) because the questions of law and fact common to the members of the Classes predominate over any questions that affect only individual members, and because the class action mechanism is superior to other available methods for the fair and efficient adjudication of the controversy.

FIRST CLAIM FOR RELIEF Violation of California's Consumers Legal Remedies Act ("CLRA"), California Civil Code §§ 1750, et seq. (for the California Consumer Subclass)

- 50. Plaintiffs repeats the allegations contained in paragraphs 1-498 above as if fully set forth herein.
- 51. Plaintiffs brings this claim individually and on behalf of the members of the proposed California Consumer Subclass against Defendant.
- 52. The Product is a "good" within the meaning of Cal. Civ. Code § 1761(a), and the purchases of such products by Plaintiff and members of the California Consumer Subclass constitute "transactions" within the meaning of Cal. Civ. Code § 1761(e).
- 53. Cal. Civ. Code § 1770(a)(2) prohibits "misrepresenting the source, sponsorship, approval, or certification of goods or services." By marketing the Product with its current labels, packaging, and advertisements, Defendant has represented and continues to represent that the source of the Product is Japan, when it is not. Therefore, Defendant has violated section 1770(a)(2) of the CLRA.
- 54. Cal. Civ. Code § 1770(a)(4) prohibits "using deceptive representations or designations of geographical origin in connection with goods or services." By

- 55. Cal. Civ. Code § 1770(a)(5) prohibits "[r]epresenting that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have" By marketing the Product with its current labels, packaging, and advertisements, Defendant has represented and continues to represent that the Product has characteristics (that it is brewed in Japan) when it does not have such characteristics. Therefore, Defendant has violated section 1770(a)(5) of the CLRA.
- 56. Cal. Civ. Code § 1770(a)(7) prohibits "[r]espresenting that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another." By marketing the Product with its current labels, packaging, and advertisements, Defendant has represented and continues to represent that the Product is of a particular style (that it is brewed in Japan) when it is of another (brewed in Canada). Therefore, Defendant has violated section 1770(a)(7) of the CLRA.
- 57. Cal. Civ. Code § 1770(a)(9) prohibits "[a]dvertising goods or services with intent not to sell them as advertised." By labeling, packaging, and marketing the Product with references to Japan, Japanese words, and Japanese characters so that a reasonable consumer would believe that the Product was brewed in Japan, and then intentionally not selling the Product as brewed in Japan, Defendant has violated section 1770(a)(9) of the CLRA.
- 58. At all relevant times, Defendant has known or reasonably should have known that the Product was not brewed in Japan, and that Plaintiffs and other members of the California Consumer Subclass would reasonably and justifiably rely on the labeling, packaging, and other advertisements in purchasing the Product.
 - 59. Plaintiffs and members of the California Consumer Subclass have

- 60. Plaintiffs and members of the California Consumer Subclass have suffered and continue to suffer injuries caused by Defendant because they would not have purchased the Product or would have paid significantly less for the Product had they known that Defendant's conduct was misleading and fraudulent.
- 61. Under Cal. Civ. Code § 1780(a), Plaintiffs and members of the California Consumer Subclass are seeking injunctive relief pursuant to the CLRA, preventing Defendant from further wrongful acts and unfair and unlawful business practices, as well as restitution, disgorgement of profits, and any other relief this Court deems proper.
- 62. Pursuant to Cal. Civ. Code § 1782, on March 6, 2017, counsel for Plaintiff Matin Shalikar mailed a notice and demand letter by certified mail, with return receipt requested, to Defendant. Defendant received the notice and demand letter on March 9, 2017.¹²
- 63. Pursuant to Cal. Civ. Code § 1782, On November 29, 2016, Plaintiff Alexander Panvini, through counsel, delivered a CLRA demand letter to Defendant that provided notice of Defendant's violation of the CLRA and demanded Defendant correct, repair, replace, or otherwise rectify the unlawful, unfair, false, and deceptive practices complained of herein. The letter also stated that if Defendant refused to do so, Plaintiff would file a complaint seeking damages in accordance with the CLRA. Defendant failed to comply with the letter.
 - 63.64. Because Defendant has failed to fully rectify or remedy the damages

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¹² See Exhibit 1.

caused after waiting more than the statutorily required 30 days after it received <u>both</u> the notice and demand letters, Plaintiffs is timely fileding their complaints against Defendant Class Action Complaint.

SECOND CLAIM FOR RELIEF

Violation of California's Unfair Competition Law ("UCL"), California Business & Professions Code §§ 17200, et seq. (for the California Subclass and California Consumer Subclass)

64.65. Plaintiffs repeats the allegations contained in paragraphs 1-498 above as if fully set forth herein.

65.66. Plaintiffs brings this claim individually and on behalf of the members of the proposed California Subclass and California Consumer Subclass against Defendant.

66.67. UCL §17200 provides, in pertinent part, that "unfair competition shall mean and include unlawful, unfair or fraudulent business practices and unfair, deceptive, untrue or misleading advertising"

67.68. Under the UCL, a business act or practice is "unlawful" if it violates any established state or federal law.

68.69. Defendant's false and misleading advertising of the Product therefore was and continues to be "unlawful" because it violates the CLRA, California's False Advertising Law ("FAL"), and other applicable laws as described herein.

69.70. As a result of Defendant's unlawful business acts and practices, Defendant has unlawfully obtained money from Plaintiffs, and members of both the California Subclass and California Consumer Subclass.

70.71. Under the UCL, a business act or practice is "unfair" if the defendant's conduct is substantially injurious to consumers, offends public policy, and is immoral, unethical, oppressive, and unscrupulous, as the benefits for committing such acts or practices are outweighed by the gravity of the harm to the alleged victims.

71.72. Defendant's conduct was and continues to be of no benefit to purchasers

of the Product, as it is misleading, unfair, unlawful, and is injurious to consumers who rely on the Product's labeling, packaging, and marketing. Creating consumer confusion as to the actual location of brewing is of no benefit to consumers. Therefore, Defendant's conduct was and continues to be "unfair." 72.73. As a result of Defendant's unfair business acts and practices, Defendant has and continues to unfairly obtain money from Plaintiffs, and members of both the California Subclass and California Consumer Subclass.

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73.74. Under the UCL, a business act or practice is "fraudulent" if it actually deceives or is likely to deceive members of the consuming public.

74.75. Defendant's conduct here was and continues to be fraudulent because it has the effect of deceiving consumers into believing that the Product is brewed in Japan, when it is not. Because Defendant misled Plaintiffs and members of both the California Subclass and California Consumer Subclass, Defendant's conduct was "fraudulent."

75.76. As a result of Defendant's fraudulent business acts and practices, Defendant has and continues to fraudulently obtain money from Plaintiffs, and members of both the California Subclass and California Consumer Subclass.

Plaintiffs requests that this Court cause Defendant to restore this unlawfully, unfairly, and fraudulently obtained money to Plaintiffs, and members of both the California Subclass and California Consumer Subclass, to disgorge the profits Defendant made on these transactions, and to enjoin Defendant from violating the UCL or violating it in the same fashion in the future as discussed herein. Otherwise, Plaintiffs, and members of both the California Subclass and California Consumer Subclass, may be irreparably harmed and/or denied an effective and complete remedy if such an order is not granted.

THIRD CLAIM FOR RELIEF

Violation of California's False Advertising Law ("FAL"), California Business & Professions Code §§ 17500, et seq (for the California Subclass and California Consumer Subclass)

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77.78. Plaintiffs repeats the allegations contained in paragraphs 1-498 above as if fully set forth herein.

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78.79. Plaintiffs brings this claim individually and on behalf of the members of the proposed California Subclass and California Consumer Subclass against Defendant.

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79.80. California's FAL makes it "unlawful for any person to make or disseminate or cause to be made or disseminated before the public . . . in any advertising device . . . or in any other manner or means whatever, including over the Internet, any statement, concerning . . . personal property or services professional or otherwise, or performance or disposition thereof, which is untrue or misleading and which is known, or which by the exercise of reasonable care should be known, to be

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untrue or misleading." 80.81. Defendant has represented and continues to represent to the public,

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16 including Plaintiffs and members of both the California Subclass and California Consumer Subclass, through Defendant's deceptive labeling, packaging, and marketing, that the Product is brewed in Japan. Defendant's representations are misleading because the Product is not brewed in Japan. Because Defendant has disseminated misleading information regarding the Product, and Defendant knows, knew, or should have known through the exercise of reasonable care that the representations were and continue to be misleading, Defendant violates the FAL.

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81.82. Furthermore, Defendant knows, knew or should have known through the exercise of reasonable care that such representations were and continue to be untrue or misleading.

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82.83. As a result of Defendant's false advertising, Defendant has and continues to fraudulently obtain money from Plaintiffs and members of both the

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California Subclass and California Consumer Subclass.

83.84. Plaintiffs requests that this Court cause Defendant to restore this fraudulently obtained money to Plaintiffs and members of both the California Subclass and California Consumer Subclass, to disgorge the profits Defendant made on these transactions, and to enjoin Defendant from violating the FAL or violating it in the same fashion in the future as discussed herein. Otherwise, Plaintiffs and members of both the California Subclass and California Consumer Subclass may be irreparably harmed and/or denied an effective and complete remedy if such an order is not granted.

FOURTH CLAIM FOR RELIEF

Breach of Implied Warranty California Commercial Code § 2314

(for the California Subclass and California Consumer Subclass)

84.85. Plaintiffs repeats the allegations contained in paragraphs 1-498 above as if fully set forth herein.

85.86. Plaintiffs brings this claim individually and on behalf of the members of the proposed California Subclass and California Consumer Subclass against Defendant.

86.87. California Commercial Code § 2314(1) provides that "a warranty that the goods shall be merchantable is implied in a contract for their sale if the seller is a merchant with respect to goods of that kind." Cal. Com. Code § 2314(1).

87.88. California Commercial Code § 2314(2) provides that "[g]oods to be merchantable must be at least such as... (f) conform to the promises or affirmations of fact made on the container or label if any." Cal. Com. Code § 2314(2)(f).

88.89. Defendant is a merchant with respect to the sale of beer products, including the Product here. Therefore, a warranty of merchantability is implied in every contract for sale of the Product to Plaintiffs and California consumers.

89.90. By advertising the Product with its current labeling and packaging,

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Defendant made an promise that the Product was brewed in Japan. By not brewing the Product in Japan, the Product has not "conform[ed] to the promises…made on the container or label" of the Product. Plaintiffs and California consumers did not receive the goods as impliedly warranted by Defendant to be merchantable.

90.91. Therefore, the Product is not merchantable under California law and Defendant has breached its implied warranty of merchantability in regard to the Product.

91.92. If Plaintiffs and members of both the California Subclass and California Consumer Subclass had known that the Product was not brewed in Japan, they would not have purchased the Product or would not have been willing to pay the premium price associated with the Product. Therefore, as a direct and/or indirect result of Defendant's breach, Plaintiffs and members of both the California Subclass and California Consumer Subclass have suffered injury and deserve to recover all damages afforded under the law.

FIFTH CLAIM FOR RELIEF Common Law Fraud (for the Classes)

92.93. Plaintiffs repeats the allegations contained in paragraphs 1-498 above as if fully set forth herein.

93.94. Plaintiffs brings this claim individually and on behalf of the members of the Classes against Defendant.

94.95. Defendant has willfully, falsely, or knowingly labeled, packaged, and marketed the Product in a manner indicating that the Product is brewed in Japan. However, the Product is not brewed in Japan. Therefore, Defendant has made misrepresentations regarding the Product.

95.96. Defendant's misrepresentations are and were material (i.e., the type of misrepresentations to which a reasonable person would attach importance and would be induced to act thereon in making purchase decisions), because they relate to where

the brewing of the Product occurred. 1 2 96.97. Defendant knew or recklessly disregarded the fact that the Product was 3 not brewed in Japan. 4 97.98. Defendant intends that Plaintiffs and other consumers rely on these representations, as evidenced by Defendant's intentionally using labeling and 5 packaging that references Japan, and uses Japanese words and characters. 6 7 98.99. Plaintiffs and members of the Classes have reasonably and justifiably relied on Defendant's misrepresentations when purchasing the Product and had the 8 correct facts been known, would not have purchased the Product or would not have 10 purchased them at the prices at which they were offered. Therefore, as a direct and proximate result of Defendant's fraud, 11 99.100. Plaintiffs and members of the Classes have suffered economic losses and other 13 general and specific damages, including but not limited to the amounts paid for the 14 Product, and any interest that would have accrued on those monies, all in an amount 15 to be proven at trial. 16 **Intentional Misrepresentation** 17 Plaintiffs repeats the allegations contained in paragraphs 1-498 100.101. 18 above as if fully set forth herein. 19 101.102. Plaintiffs brings this claim individually and on behalf of the 20 members of the Classes against Defendant. 21 102.103. Defendant labeled, packaged, and marketed the Product in a 22 manner indicating that the Product is brewed in Japan. However, the Product is not 24 brewed in Japan. Therefore, Defendant has made misrepresentations as to the Product. 25 Defendant's misrepresentations regarding the Product are material 103.104. 26 27 to a reasonable consumer because they relate to the location of the brewing of the 28

1	Product received by consumers. A reasonable consumer would attach importance to		
2	such representations and would be induced to act thereon in making purchase		
3	decisions.		
4	104.105. At all relevant times when such representations were made,		
5	Defendant knew that the representations were misleading, or has acted recklessly in		
6	making the representations and without regard to the truth.		
7	105.106. Defendant intends that Plaintiffs and other consumers rely on		
8	these representations, as evidenced by Defendant intentionally using labeling and		
9	packaging that references Japan, and uses Japanese words and characters.		
10	106.107. Plaintiffs and members of the Classes have reasonably and		
11	justifiably relied on Defendant's intentional misrepresentations when purchasing the		
12	Product, and had the correct facts been known, would not have purchased the Product		
13	or would not have purchased them at the prices at which they were offered.		
14	107.108. Therefore, as a direct and proximate result of Defendant's		
15	intentional misrepresentations, Plaintiffs and members of the Classes have suffered		
16	economic losses and other general and specific damages, including but not limited to		
17	the amounts paid for the Product, and any interest that would have accrued on those		
18	monies, all in an amount to be proven at trial.		
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20	SEVENTH CLAIM FOR RELIEF Negligent Misrepresentation (for the Classes)		
21	(for the Classes)		
22	108.109. Plaintiffs repeats the allegations contained in paragraphs 1-498		
23	above as if fully set forth herein.		
24	109.110. Plaintiffs brings this claim individually and on behalf of the		
25	members of the Classes against Defendant.		
26	110.111. Defendant labeled, packaged, and marketed the Product in a		
27	manner indicating that the Product is brewed in Japan. However, the Product is not		

brewed in Japan. Therefore, Defendant has made misrepresentations as to the 2 Product. 3 <u>111.112.</u> Defendant's misrepresentations regarding the Product are material to a reasonable consumer because they relate to the location of the brewing of the Product received by the consumer. A reasonable consumer would attach importance 5 to such representations and would be induced to act thereon in making purchase 6 7 decisions. 412.113. At all relevant times when such misrepresentations were made, 8 Defendant knew or had been negligent in not knowing that that the Product was not 10 brewed in Japan. Defendant had no reasonable grounds for believing its 11 representations were not false and misleading. 113.114. Defendant intends that Plaintiffs and others consumers rely on 12 these representations, as evidenced by Defendant's intentionally using labeling and 13 14 packaging that references Japan, and uses Japanese words and characters. 15 114.115. Plaintiffs and members of the Classes have reasonably and justifiably relied on Defendant's negligent misrepresentations when purchasing the 17 Product, and had the correct facts been known, would not have purchased the Product or would not have purchased them at the prices at which they were offered. 18 19 115.116. Therefore, as a direct and proximate result of Defendant's 20 negligent misrepresentations, Plaintiffs and members of the Classes have suffered 21 economic losses and other general and specific damages, including but not limited to 22 the amounts paid for the Product, and any interest that would have accrued on those 23 monies, all in an amount to be proven at trial. 24 25 26 27

EIGHTH CLAIM FOR RELIEF (for the Classes) 116.117. Plaintiffs repeats the allegations contained in paragraphs 1-498 3 above as if fully set forth herein. 5 117.118. Plaintiffs brings this claim individually and on behalf of the 6 members of the Classes against Defendant. 7 118.119. In purchasing the Product, Plaintiffs and members of the Classes have formed valid contracts that are supported by sufficient consideration, pursuant to which Defendant was obligated to provide a product that was brewed in Japan, as 10 deceptively represented by Defendant's packaging and labeling. 119.120. Defendant has materially breached its contracts with Plaintiffs and 11 12 members of the Classes by selling a product that is not brewed in Japan. 13 120.121. As a direct and proximate result of Defendant's breaches, Plaintiffs and members of the Classes were damaged in that they received products with less value than the amounts paid. Moreover, Plaintiffs and members of the Classes have suffered economic losses and other general and specific damages, 16 including but not limited to the amounts paid for the Product, and any interest that 17 18 would have accrued on those monies, all in an amount to be proven at trial. 19 NINTH CLAIM FOR RELIEF 20 **Quasi Contract/Unjust Enrichment/Restitution** (for the Classes) 21 22 121.122. Plaintiffs repeats the allegations contained in paragraphs 1-498 23 above as if fully set forth herein. 24 122.123. Plaintiffs brings this claim individually and on behalf of the 25 members of the Classes against Defendant. 26 423.124. As alleged herein, Defendant has intentionally and recklessly 27 made misleading representations to Plaintiffs and members of the Classes to induce 28

them to purchase the Product. Plaintiffs and members of the Classes have reasonably relied on the misleading representations and have not received all of the benefits promised by Defendant. Plaintiffs and members of the Classes therefore have been 3 induced by Defendant's misleading and false representations about the Product, and paid for them when they would and/or should not have or paid more money to Defendant for the Product than they otherwise would and/or should have paid. 7 Plaintiffs and members of the Classes have conferred a benefit 124.125. upon Defendant as Defendant has retained monies paid to them by Plaintiffs and members of the Classes. 10 The monies received were obtained under circumstances that were at the expense of Plaintiffs and members of the Classes – i.e., Plaintiffs and members of the Classes did not receive the full value of the benefit conferred upon Defendant. 13 126.127. Therefore, it is inequitable and unjust for Defendant to retain the

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profit, benefit, or compensation conferred upon it without paying Plaintiffs and the members of the Classes back for the difference of the full value of the benefits compared to the value actually received.

427.128. As a direct and proximate result of Defendant's unjust enrichment, Plaintiffs and members of the Classes are entitled to restitution, disgorgement, and/or the imposition of a constructive trust upon all profits, benefits, and other compensation obtained by Defendant from its deceptive, misleading, and unlawful conduct as alleged herein.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, seeks judgment against Defendant, as follows:

For an order certifying the Nationwide Class, the California Subclass, a) and the California Consumer Subclass, under Rule 23 of the Federal Rules of Civil

1	Procedure;	naming Plaintiffs a	s representatives of all Classes; and naming	
2	Plaintiffs's attorneys as Co-Lead Class Counsel to represent all Classes.			
3	b)	For an order declaring that Defendant's conduct violates the statutes		
4	and laws referenced herein;			
5	c)	For an order finding	g in favor of Plaintiffs, and all Classes, on all	
6	c <u>laimount</u> s asserted herein;			
7	d)	For an order awarding damages on behalf of the California Consumer		
8	Subclass, in amounts to be determined by the Court and/or jury;			
9	e)	For prejudgment interest on all amounts awarded;		
10	f)	For interest on the amount of any and all economic losses, at the		
11	prevailing legal rate;			
12	g)	For an order of resti	itution and all other forms of equitable monetary	
13	relief;			
14	h)	For injunctive relief	as pleaded or as the Court may deem proper;	
15	i)	For an order award	ding Plaintiffs and all Classes their reasonable	
16	attorneys' fees, expenses and costs of suit, including as provided by statute such as			
17	under California Code of Civil Procedure section 1021.5; and			
18	j)	For any other such re	elief as the Court deems just and proper.	
19		DEMAN	ID FOR TRIAL RV HIRV	
20	<u>DEMAND FOR TRIAL BY JURY</u>			
21	Plaintiffs demands a trial by jury on all issues so triable.			
22	D . 1 A .	11 2010 2017		
23	Dated: Apri	il <u>2</u> 8 10 , 2017	FARUQI & FARUQI, LLP	
24			By: /s/ Barbara A. Rohr Barbara A. Rohr, Bar No. 273353	
25			Benjamin Heikaii, Bar No. 30/400	
26			10866 Wilshire Blvd., Suite 1470 Los Angeles, CA 90024	
27			Telephone: 424.256.2884 Fax: 424.256.2885	
28			E-mail: brohr@faruqilaw.com	

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CLRA Venue Declaration Pursuant to California Civil Code Section 1780(d)

- I, Matin Shalikar, declare as follows:
- 1. I am the Plaintiff in this action and a citizen of the State of California. To extent the allegations in the complaint are based on my personal knowledge, they are true and, if called as a witness, I could testify competently thereto.
- 2. This Class Action Complaint is filed in the proper place for trial because I purchased the Product in this District, and Defendant conducts a substantial amount of business in this District.
- 3. In 2016, I purchased the Product from Bristol Farms located in this District. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, executed on April 10, 2017 at Los Angeles, California.

Matin Shalikar

EXHIBIT 1

NEW YORK

CALIFORNIA

DELAWARE

PENNSYLVANIA

BARBARA A. ROHR brohr@faruqilaw.com

March 6, 2017

Via Certified U.S. Mail Return Receipt Requested

Asahi Beer U.S.A., Inc. 3625 Del Amo Blvd., #250 Torrance, CA 90503

Re:

Class Action Notification and Pre-Lawsuit Demand Pursuant to California Civil Code Section 1782 and All Other Applicable Laws Requiring Pre-Suit Notice Concerning Asahi Beer

To Whom It May Concern:

Please be advised that Faruqi & Faruqi, LLP represents Matin Shalikar ("Client"), purchaser of Asahi Super Dry beer. Our Client seeks to represent a nationwide class of consumers ("Class") who, within the relevant time period, purchased any Asahi beer brewed by Molson Canada ("Products"). This letter provides Asahi Beer U.S.A., Inc. ("Defendant") with notice and demand for corrective action. All further communications intended for our Client must be directed through this office. Furthermore, this demand and notice letter is meant to comply with the requirements of *California Civil Code* §1782, and all other laws requiring a pre-suit demand and notice prior to litigation, on behalf of our Client and all others similarly situated should this matter proceed to litigation.

During the relevant time period, Defendant and/or its agents have impliedly represented that the Products are brewed in Japan. The Products, however, are brewed in Canada.

Mr. Shalikar, a consumer residing in California, purchased Asahi Super Dry beer in Los Angeles, California. Based on Defendant's representations, Mr. Shalikar reasonably believed that the beer he purchased was brewed in Japan. The beer, however, is brewed in Canada.

These business practices violate several California consumer protection statutes and laws. Pursuant to California Civil Code §1782(a)(1), our Client and the Class further provide notice that they believe Defendant has violated, and continues to violate the California Consumers Legal Remedies Act ("CLRA"), and specifically California Civil Code §1770, in at least the following manner:

¹ From four years prior to the date of a prospective complaint filed by our Client.



Asahi Beer U.S.A., Inc. Page 2 March 6, 2017

- 1. Misrepresenting the source, sponsorship, approval, or certification of goods or services (Section 1770(a)(2));
- 2. Using deceptive representations or designations of geographic origin in connection with goods or services (Section 1770(a)(4));
- 3. Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have or that a person has a sponsorship, approval, status, affiliation, or connection which he or she does not have (Section 1770(a)(5));
- 4. Representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another (Section 1770(a)(7)); and
- 5. Advertising goods or services with intent not to sell them as advertised (Section 1770(a)(9)).

It is our opinion that Defendant has also violated and continues to violate California Business and Professions Code Sections 17200 and 17500, as well as other statutory and common law.

This letter not only serves as notification of Defendant's alleged violations of *California Civil Code* §1770 as outlined above, but also as our Client's demand, and all others similarly situated, that Defendant immediately corrects, repairs, refunds and otherwise rectifies the violations of § 1770 and the other statutes and causes of action referenced above, on a class-wide basis.

To cure the harmful conduct noted herein, we demand that Defendant: (1) cease and desist from advertising and selling of the Products in a false and misleading manner; (2) issue an immediate recall of the Products; and (3) make full restitution to the Class of all money obtained from the sales thereof.

We further demand that Defendant preserve all documents, emails, other electronically stored information and other evidence which refer or relate to any of the above-described practices, including, but not limited to:

- 1. All documents concerning the development and/or testing of the Products;
- 2. All documents concerning the brewing, manufacturing, packaging, labeling, advertisement, promotion, marketing and sale of the Products;
- 3. All documents concerning communications with any individual involved in the brewing, development, testing, packaging, labeling, advertisement, promotion, marketing and sale of the Products;

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Asahi Beer U.S.A., Inc. Page 3 March 6, 2017

- 4. All documents concerning communications with purchasers of the Products;
- 5. All documents concerning the sales volume of the Products (in units and/or dollars), and the revenues derived therefrom; and
- 6. All documents concerning the identities and location of potential class members who purchased the Products.

Further, this letter serves as a thirty (30) day notice and demand requirement under §1782 for damages. Accordingly, should Defendant fail to rectify the unfair and deceptive scheme within thirty (30) days of receipt of this letter, our Client will file a class action complaint for actual damages, punitive damages, and all other damages permitted under the CLRA and the other statutes and causes of action available to him, along with interest, attorneys' fees and costs for Defendant's violations.

We are willing to discuss an appropriate way to remedy the demands asserted in this letter. If Defendant wishes to enter into such a discussion, please contact our firm immediately. If we do not hear from Defendant promptly, we will conclude that Defendant is not interested in resolving this dispute short of litigation in the form of a class action lawsuit. If Defendant contends that any statement in this letter is inaccurate in any respect, please provide our firm with Defendant's contentions and supporting documents promptly.

Please contact the undersigned if there are any questions or concerns.

Sincerely,

Barbara A. Rohr

cc: Timothy J. Peter Ben Heikali

CERTIFIED MAIL® RECEIPT 0444 Domestic Mail Only 1.581 Certified Mail Fee vices & Fees (cr itum Recelpt (hardcopy) 0000 Return Receipt (electronic) Postmark Ti Cartified Mali Restricted Delivery Here Adult Signature Required Adult Signature Restricted Délivery 3 27.40 0. 7016 Asahi Beer U.S.A., Inc. 3625 Bel Amo Blud, #250 Torrance, CA a0503 SENDER, COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY A. Signature Complete items 1, 2, and 3. □ Agent Print your name and address on the reverse ☐ Addressee so that we can return the card to you. C. Date of Delivery B. Received by (Printed Name) Attach this card to the back of the mailpiece. or on the front if space permits. 1. Article Addressed to: ☐ Yes D. Is delivery address different from item 1? If YES, enter delivery address below: Asahi Beer U.S.A., Inc. 3625 Del Amo Blue, #250 Towane, CA 90503 ☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation™☐ Signature Confirmation™☐ Signature Confirmation™☐ Signature Confirmation™☐ Service Type ☐ Adult Signature
☐ Adult Signature Restricted Delivery 9590 9402 2536 6306 2567 85 ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery Collect on Delivery Restricted Delivery 2. Article Number (Transfer from service label) ☐ Signature Confirmation ☐ Insured Mail
☐ Insured Mail Restricted Delivery (over \$500) Restricted Delivery 716 2140 0000 1581 4440 PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt USPS TRACKING# First-Class Mail Postage & Fees Paid USPS Permit No. G-10 9590 9402 2536 6306 2567 85 **United States**

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Barbara A. Rohv

Farugi & Farugi, LLP

10866 Wilshire Blub., #1470

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Tracking Number: 70162140000015814440

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Postal Product: Features:
Certified Mail™

DATE & TIME

STATUS OF ITEM

Delivered, Left with Individual

TORRANCE, CA 90503

LOCATION

Your item was delivered to an individual at the address at 11:53 am on March 9, 2017 in TORRANCE, CA 90503.

March 8, 2017, 2:54 pm

March 9, 2017, 11:53 am

In Transit to Destination

March 7, 2017, 2:54 pm

Departed USPS Facility

March 6, 2017, 9:26 pm Arrived at USPS Facility

LOS ANGELES, CA 90052

LOS ANGELES, CA 90052

Available Actions

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