ERIC L. WEBB (California Bar No. 192532) ewebb@elwlaw.com BRIAN G. BEECHER (California Bar No. 239486) bbeecher@wblaw.us WEBB & BEECHER 3 6253 Hollywood Boulevard, Suite 203 Los Angeles, California 90028 R. Alessandro Telephone: (323) 462-3736 5 Facsimile: (323) 462-3732 Attorneys for Plaintiff KATRINA ALLISON and the Proposed Class 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 FOR THE COUNTY OF RIVERSIDE 9 RIC 10 1405812 Case No. KATRINA ALLISON, individually and on behalf 11 NATIONWIDE CLASS ACTION of herself and all others similarly situated; **COMPLAINT FOR:** 12 Plaintiffs, **(1)** UNFAIR BUSINESS 13 PRACTICES (Business and v. Professions Code § 17200 et 14 seq.); LSI PRODUCTS, INC. dba Pro Armor, a California 15 **(2)** FALSE ADVERTISING corporation; and DOES 1-20; (Business and Professions 16 Code § 17200 et seq.); Defendants. 17 VIOLATIONS OF THE **(3)** CONSUMERS LEGAL 18 REMEDIES ACT; 19 BREACH OF THE IMPLIED **(4)** WARRANTY OF 20 MERCHANTABILITY (Cal. Comm. Code § 2314); 21 **(5)** FRAUDULENT 22 CONCEALMENT; AND 23 DEMAND FOR JURY TRIAL 24 25 By Fax 26 27 28

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Plaintiff, based on personal knowledge as to herself and on information and belief as to all others, through his undersigned attorneys, complains and alleges as follows:

PARTIES AND OVERVIEW

- 1. Plaintiff KATRINA ALLISON ("Allison") is an individual consumer residing and domiciled in the State of California, who, during the proposed class period, purchased a RZR-4 door (the "RZR-4 door") that was designed, manufactured, advertised and sold by Defendant LSI PRODUCTS, INC. dba Pro Armor ("LSI" or "Defendant").
- 2. LSI is a California corporation with its principal place of business in Riverside County, in the State of California, and at which location, LSI manufactures, such as the RZR-4 door, to be purchased and used by consumers for the after-market installation upon a utility vehicle (a "UTV").
- 3. Plaintiff is unaware of the true names and capacities, whether individual, corporate or otherwise, of the Defendants sued herein as DOES 1 through 20, and therefore sues these Defendants by such fictitious names. Plaintiff will amend this Complaint to state the true names and capacities of such fictitiously named Defendants when ascertained. Plaintiff alleges that each of such fictitiously named Defendants are in some manner connected with the matters alleged herein and are liable to Plaintiff and the proposed class therefore.
- 4. Defendants are a leader in the UTV industry for after-market doors, as most UTV's are sold without doors.

[CONTINUED ON NEXT PAGE]



6. Of note, and as discussed herein below, the proposed class in this action includes purchasers of the following of Defendants' doors for after-market installation upon UTV's:

- RZR doors;
- (2) RZR-4 doors;
- (3) Teryx doors (sometimes referred to herein as the "T-Rex door");
- (4) RZR-S doors;
- (5) RZR XP 1000 doors;
- (6) RZR XP 4 1000 doors;
- (7) RZR XP900 doors; and
- (8) RZR XP900 4 doors. (All of the above doors shall be referred to collectively as the "Doors".) Plaintiff also reserves the right to expand the proposed class should discovery unearth facts that warrant the inclusion of consumers of un-named versions and/or categories of Defendants' doors.

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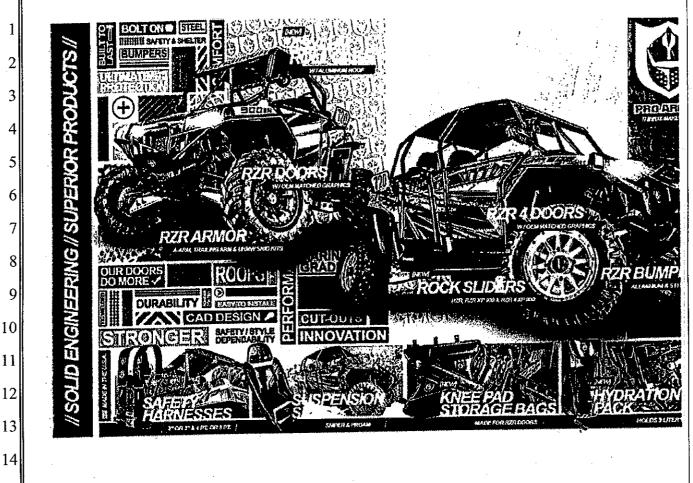
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2	1	So in early 2010 when you, for the first time in your life, started designing
3		UTV doors, you designed three doors, the T-Rex, the RZR door and the RZR 4 door; correct?
4		Correct.
5	-	So, to your knowledge, it's possible that when you and Paul Brinegar were
6	i	designing doors for LSI in early 2010, that this was possibly the first time that either you or Paul Brinegar had ever attempted designing an
7	A.	<u>aftermarket UTV door.</u> <u>Correct</u> .
8	See January 22 2014	deposition transcript of Alex Danze ("Danze depo."), pp. 17: 16-20; 22: 9-
9	•	8; 105: 15-20 (emphasis added).
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11	16.	Alex Danze and Paul Brinegar are not engineers.
12	17.	Alex Danze testified that Defendants did not even think about including an
13	engineer on the design team for the RZR, RZR-4, and T-Rex doors:	
14	7	Did you think about including an engineer on your design team in early
15		2010? No.
16	See id., p. 103: 13-15.	
17	see <i>u</i> ., p. 103. 13-13.	
18	18.	LSI has admitted that no engineer has ever been involved in its design of
19	the RZR and RZR-4 doors.	
20	19.	Alex Danze has also testified that at no time have the RZR doors and/or
21	RZR-4 doors been redesigned by Defendants and/or any engineer:	
22	Q.	So at no point has LSI come back to the design table, had a design team get
23	A.	together and redesign the doors; correct? Correct.
24		
25	Q.	So to clarify, there's actually never been a change in the design of the doors since you and Paul Brinegar designed the doors in early 2010;
26	A.	<u>correct?</u> Let me think for a second. <u>Correct</u> .
27	 Q.	As you sit here right now, you've already told me that the RZR 4 door – the
28	5 1	design of this RZR 4 door and this door has not ever been looked at by a
		6

- Q. Okay. So it sounds like the only thing that you market or instruct your sales team to let their customers know, "Hey, this is a good door you should buy" is just style purposes?
- A. Yes.
- O. That's it? The doors don't provide safety?
- A. Correct.
- Q. So, the only reason anyone should ever buy this door, as far as you're concerned and LSI is concerned is style purposes?
- A. \underline{Yes} .

See Fred Brayton August 1, 2013 deposition transcript, pp. 43: 8-10, 20-24; 44: 1-5; 45: 3-5; 47: 24-25; 48: 1-5, 20-23 (emphasis added).

- C. LSI Begins (Falsely) Marketing And Advertising The RZR, RZR-4, And T-Rex Doors To Consumers As Having Superior Engineering And Adding Safety Features Upon Installation To A UTV.
- 24. Despite the facts that: (1) no engineer has ever been involved in designing and/or manufacturing the doors; and (2) the doors were designed by Defendants to add nothing more than a "style" benefit to a UTV, Defendants began falsely advertising and marketing the RZR doors, RZR-4 doors, and T-Rex doors to consumers as being designed by engineers and providing safety benefits to a consumer's UTV.
- 25. For example, one of Defendants' print advertisements for the RZR doors, RZR-4 doors, and T-Rex doors has falsely represented to consumers that these doors: (1) possess "solid engineering"; (2) provide consumers with "ultimate protection,"; (3) are "stronger," (4) provide consumers with "safety & shelter,"; (5) provide consumers with "safety/style"; (6) that "[Defendants'] doors do more,"; and (7) Defendants' doors add "performance" to UTV's. A true and correct copy of this print advertisement is set forth herein below:

[ADVERTISEMENT IS SET FORTH ON THE FOLLOWING PAGE]



26. Defendants understood that their advertising and marketing of the doors was misleading to consumers.

27. Defendants understood that ordinary consumers would believe that the RZR doors, RZR-4 doors, and T-Rex doors were being held out as adding safety once installed upon a UTV:

- Q. But some ordinary consumers might look at the door and think, "Oh, this RZR 4 door is for style purposes as well as safety purposes, its"--
- A. They might think that, yes.
- Q. Yeah, they might think that it's going to keep them and their passengers safely inside their UTVs; right?
- A. Correct.

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- Q. And LSI does absolutely nothing in its You send out no written notice of any sort to alert consumers or your clients that these RZR 4 doors are only for style purposes; correct?
- A. I would have to read the instructions again, but I don't believe they say that.
- Q. So you don't believe that ordinary consumers had any expectation with regard to whether or not the door would keep them safely inside the vehicle?

Q. So that means that in mid to late 2010 when LSI began its sale to consumers of the RZR 4 doors for the first time, that LSI had performed no testing upon the RZR 4 doors regarding tip or rollover situations of the UTVs; correct?

A. <u>Correct</u>.

See Danze depo., pp. 243: 4-12; 253: 16-21 (emphasis added).

- 35. Defendants have therefore admitted that their aforementioned representations to the public regarding the RZR doors, RZR-4 doors, and T-Rex doors have been knowingly false and/or misleading.
- 36. Defendants' aforementioned representations to the public regarding the RZR doors, RZR-4 doors, and T-Rex Defendants have also been made by Defendants without any reasonable belief that these representations are true, and instead were made by Defendants in order to fraudulently induce the general public and Plaintiffs into purchasing Defendants' products.
- 37. On information and belief, Plaintiffs allege that Defendants have made the same or similar false and/or misleading representations in print as well as by public outcry to the general public and Plaintiffs regarding Defendants' RZR-S doors, RZR XP 1000 doors, RZR XP 4 1000 doors, RZR XP900 doors, and RZR XP900 4 doors.

DEFENDANTS' DESIGN DEFECT

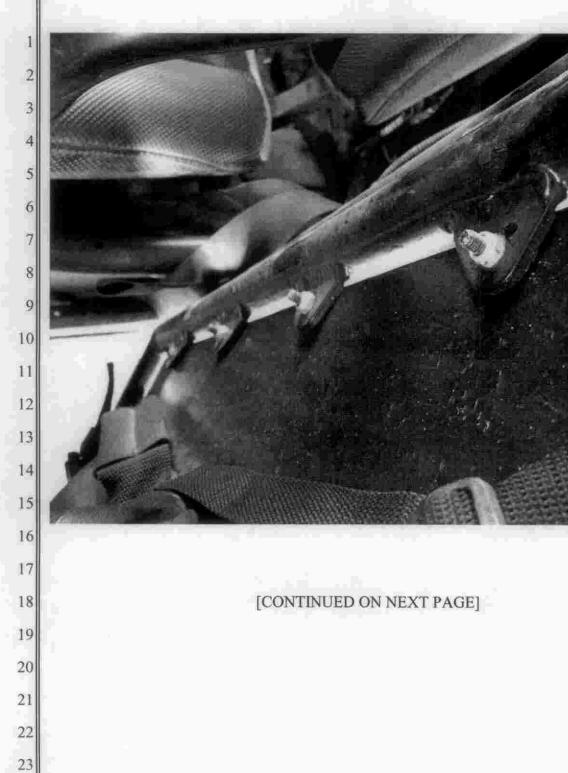
38. This Nationwide Class Action also seeks to adjudicate a design defect in the Doors. The design defect arises from certain interior bolts (the "Bolts") of the Doors improperly and dangerously protruding from the Doors so that the interior of an UTV becomes essentially lined with spikes capable of impaling and carving off human flesh and/or limbs. True and correct pictures of the Bolts on Defendants' RZR-4 Doors are set forth below:

[IMAGES OF THE BOLTS ARE SET FORTH ON THE FOLLOWING PAGE]



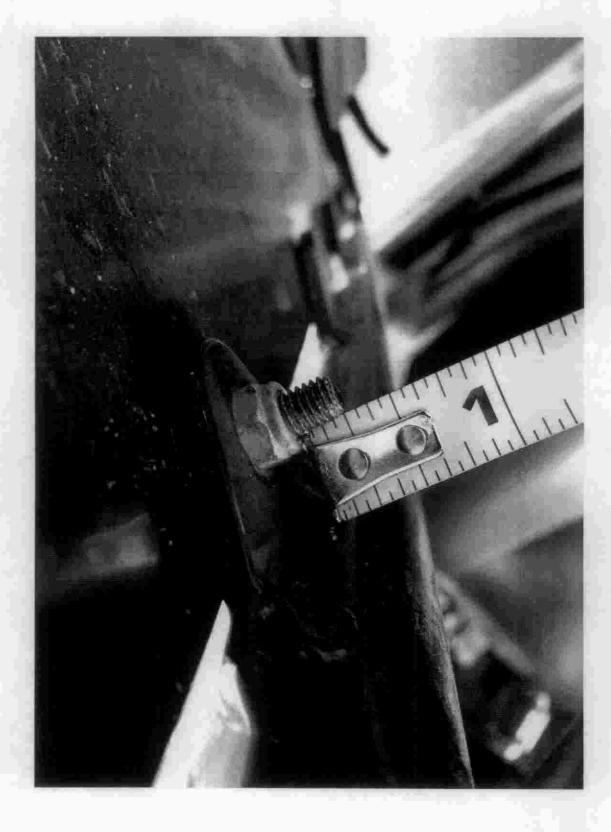


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CLASS ACTION ALLEGATIONS

- 43. Plaintiff Allison brings this Nationwide Class Action pursuant to the California Code of Civil Procedure § 382 and the California Civil Code § 1782, on behalf of herself and all other persons similarly situated.
 - 44. The Class that Plaintiff Allison seeks to represent is defined as follows: All persons or entities who purchased Defendants' Doors—specifically, Defendants' RZR doors, RZR-4 doors, Teryx doors (sometimes referred to herein as the "T-Rex door"), RZR-S doors, RZR XP 1000 doors, RZR XP 4 1000 doors, RZR XP900 doors, and RZR XP900 4 doors—while residing in the United States for purposes other than resale or distribution during the Class period, which is defined as the four years preceding the filing of this action.
- 45. *In the alternative*, Plaintiff Allison seeks to represent a Class and/or Sub-Class of only California purchasers of the Doors, defined as follows:

All persons or entities who purchased Defendants' Doors—specifically,

Defendants' RZR doors, RZR-4 doors, Teryx doors (sometimes referred to herein
as the "T-Rex door"), RZR-S doors, RZR XP 1000 doors, RZR XP 4 1000 doors,
RZR XP900 doors, and RZR XP900 4 doors—while residing in California for
purposes other than resale or distribution during the Class period, which is defined
as the four years preceding the filing of this action.

- 46. The foregoing Class shall exclude all federal, state, governmental and national entities, and Defendants, their co-conspirators, and their respective predecessors, subsidiaries, affiliates, family members, and business partners.
- 47. Also excluded are class counsel and their employees, the judicial officers and associated court staff assigned to this case as well as any individuals claiming damages from personal injuries or wrongful death arising from the defective design of the Doors.

- 48. The Class expressly disclaims any recovery for physical injury from the defective design of the Doors. Nevertheless, the increased risk of injury from the failure of Defendants to safely design the Doors (so that the Bolts will not cause injury to passengers of a UTV) is an obvious consequence of the defective design of the Doors, and serves as an independent justification for the relief sought by Plaintiffs.
- 49. The Class can be readily identified using sales records, production records, and other information kept by Defendants or third parties in the usual course of business and presently within their possession, custody, or control.
- 50. The Class is so numerous that joinder of all members is impracticable.

 Defendants sold, marketed and distributed the product through retail and online outlets in both the United States and foreign territories. The identity and exact number of Class members is unknown, but Plaintiffs anticipates the total membership of the Class members in the tens of thousands.
- 51. Plaintiff Allison's claims are typical of those of other Class members, all of whom have suffered harm due to Defendants' uniform course of conduct. Plaintiff Allison is a member of the Class and the Doors share the same if not identical, design, relevant parts, materials, workmanship, manufacture, advertising, and marketing. Therefore, Plaintiff Allison's claims will be typical of the entire Class.
- 52. Common questions of law and fact affect each and every Class member.

 These common questions of law and fact predominate over any questions affecting on individual members of the Class. Common questions include:
 - a. Whether Defendants' provided the public with false and/or misleading advertising in violation of California Business & Professions Code § 17500 et. seq.;
 - Whether Defendants' made statements constituting false and/or misleading advertising in violation of California Business & Professions Code § 17500 et. seq.;

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- 56. Class treatment will also permit the adjudication of relatively small claims by many members who otherwise could not afford to litigate the claims as asserted in this Complaint.
- 57. This class action presents no difficulties in management that would preclude maintenance of a class action. Plaintiffs anticipate providing appropriate notice to be approved by the Court after discovery into the size and nature of the Class.

FIRST CAUSE OF ACTION

VIOLATIONS OF UNFAIR BUSINESS PRACTICE ACT-CALIFORNIA BUSINESS AND

<u>PROFESSIONS CODE §§ 17200 *ET SEQ*.</u>

- 58. Plaintiffs re-allege and incorporate herein by reference each and every allegation contained in paragraphs 1 through 57, inclusive, hereinabove.
- 59. California Business & Professions Code §§ 17200 et seq., also known as the California Unfair Competition Law (the "UCL"), prohibits acts of "unfair competition," including but not limited to any unlawful, unfair, fraudulent, or deceptive business act or practice as well as "unfair, deceptive, untrue or misleading advertising."
- 60. By the engaging in the unfair, deceptive, untrue or misleading advertising, marketing and/or conduct as set forth above, Defendants have engaged in unlawful business acts and practices in violation of the UCL by violating state and federal laws including but not limited to Business and Professions code §§ 17500 *et seq.*, which makes false and deceptive advertising unlawful.
- 61. In addition to being unlawful, Defendants' acts, conduct and practices alleged above are unfair. Defendants, through deceptive and misleading advertising, marketing, and representations, induced Allison and the Class to purchase the Doors believing that the Doors added "safety" to a UTV, were designed, in part, by a licensed engineer, and added more benefits to a UTV than simply a "style" benefit. These representations by Defendants were material to Plaintiffs' decision to purchase the Doors. This injury is not outweighed by any countervailing benefits to consumers or competition.

- 62. In addition to being unlawful and unfair, Defendants' acts, conduct and business practices as alleged above are fraudulent and/or deceptive. Defendants' packaging, labeling, advertising, and marketing characterized the Doors as being designed by engineers and providing safety benefits—when the Doors were not ever designed by engineers and provide no benefits other than a style benefit—and therefore Defendants' packaging, labeling, advertising, and marketing have a capacity, tendency, and/or likelihood to deceive and/or confuse reasonable consumers, and have deceived and confused reasonable consumers.
- 63. As a direct and proximate result of Defendants' unlawful, unfair and fraudulent business practices, Plaintiffs have been injured in fact. Plaintiffs purchased the Doors in reliance upon Defendants' false and misleading packaging, labeling, advertising, and marketing to the general public regarding the Doors being designed by engineers and providing safety benefits—again, neither of which is true—and Plaintiffs would not have purchased the Doors (or paid the same purchase price) had Plaintiffs known the Doors provide no safety benefit to UTV's whatsoever and were designed and manufactured without any input from engineers.
- 64. Defendants' unlawful, unfair and fraudulent business practices as alleged above present a continuing threat to Plaintiffs because Defendants persist and continue to engage in such practices, and will not cease doing so unless enjoined or restrained by this Court.
- 65. Under California Business & Profession Code § 17203, Plaintiffs seeks an Order of this Court:
 - a. Enjoining Defendants from continuing to engage, use, or employ any unlawful, unfair and/or deceptive business act or practice and unfair, deceptive, untrue, or misleading packaging, labeling, advertising, marketing, and any act prohibited by California Business Code §§ 17200 et seq.; and
 - b. Restoring all monies that may have been acquired by Defendants as a result of such unlawful, unfair, and/or deceptive acts and/or practices.

SECOND CAUSE OF ACTION

<u>VIOLATIONS OF CALIFORNIA FALSE ADVERTISING LAW-CALIFORNIA</u> BUSINESS AND PROFESSIONS CODE §§ 17500 ET SEO.

(By Plaintiffs Against All Defendants)

- 66. Plaintiffs re-allege and incorporate herein by reference each and every allegation contained in paragraphs 1 through 65, inclusive, hereinabove.
- California Business & Professions Code §§ 172500 et seq., also known as California False Advertising Law, makes it "unlawful for any person, . . . corporation or association, or any employee thereof with intent directly or indirectly to dispose of . . . personal property . . . or anything of any nature whatsoever . . . to make or disseminate or cause to be made or disseminated from this state before the public in any state, in any newspaper or other publication, or any advertising device, or by public outcry or proclamation, or in any other manner or means whatsoever, including over the Internet, any statement, concerning that . . . personal property . . . or concerning any circumstance or matter of fact connected with the proposed 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 untrue or misleading . . ."
- 68. As alleged above, Defendants disseminated or caused to be disseminated deceptive advertising of the Doors to the general public through various media. Such advertising, including but not limited to, the packaging, labeling, advertising, and marketing of Doors as being designed by engineers and providing safety benefits—when the Doors were not ever designed by engineers and provide no benefits other than a style benefit—were false and misleading. Indeed, as set forth above, Defendants have admitted that the Doors do not provide any safety benefit of any sort and were not designed by a single engineer.
- 69. Nevertheless, Defendants continue to disseminate or cause to be disseminated such deceptive statements as alleged herein.

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THIRD CAUSE OF ACTION

VIOLATIONS OF THE CONSUMERS LEGAL REMEDIES ACT-CALIFORNIA CIVIL

CODE §§ 1750 ET SEO.

- 75. Plaintiffs re-allege and incorporate herein by reference each and every allegation contained in paragraphs 1 through 74, inclusive, hereinabove.
- 76. This cause of action is brought pursuant to the California Consumers Legal Remedies Act, California Civil Code Section §§ 1750, et seq. (the "CLRA").
- 77. Plaintiffs are consumers as defined by the CLRA and Defendants are either suppliers or sellers as defined by the CLRA.
- 78. Defendants' conduct described herein involves consumer transactions as defined by the CLRA.
- 79. In violation of the CLRA, California Civil Code § 1770(a)(5), Defendants represented that the Doors had characteristics, uses, and benefits that they did not have. Those represented benefits included that the Doors added a safety benefit to a UTV upon installation and that an engineer had been involved in the design process of the Doors, which Defendants have admitted to be false and misleading representations.
- 80. Plaintiffs have therefore suffered actual harm by the acts and/or omissions of Defendants as set forth herein, in that Plaintiffs have unknowingly purchased the Doors for a price greater than the actual fair market value of the Doors with proper disclosure of the facts that the Doors do not provide any safety benefit and were not designed by engineers in any way.
- 81. For those Plaintiffs who elect to affirm the sale, these damages can be calculated by the difference between the actual value of that which Plaintiffs paid and the actual value of that which they received, together with additional damages arising from the sales transaction, amounts expended in reliance upon the fraud, and compensation for loss of use and enjoyment of the property.

- 82. Under California Civil Code § 1780, Plaintiff Allison, on behalf of herself and the Class members, and members of the general public, seeks an order of this Court enjoining Defendants from continuing to engage, use, or employ any act prohibited by California Code § 1780 et seq. Plaintiff further intends to amend the Complaint pursuant to Civil Code § 1782(d) should Defendants not timely comply with the impending preliminary notice to be served in compliance with Civil Code § 1782.
- 83. Plaintiff Allison has included an affidavit with this Complaint that shows venue in the Riverside Superior Court is proper, to the extent such an affidavit is required by California Civil Code § 1780(d).

FOURTH CAUSE OF ACTION

BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY

- 84. Plaintiffs re-allege and incorporate herein by reference each and every allegation contained in paragraphs 1 through 83, inclusive, hereinabove.
- 85. Defendants were at all times relevant a merchant with respect to aftermarket doors for UTV's under California Commercial Code § 2104.
- 86. A warranty that the Doors were in merchantable condition was implied by law, pursuant to California Commercial Code § 2314.
- 87. The Doors, however, when sold and thereafter, were not in merchantable condition and were not fit for the ordinary purpose for which after-market doors are used, in that the Bolts on the Doors—even when capped—protrude dangerously and unnecessarily into the cabin of a UTV and pose a danger to any passenger during use of the UTV, and certain during a tip or rollover of the UTV. Because of these defects, the Doors are not safe for use on UTV's and therefore not fit for ordinary purposes.
- 88. Defendants breached the warranty of merchantability implied by law for the Doors.
- 89. Notice of breach is not required because Defendants are aware from their own testing that the Doors are not in merchantable condition.

- 90. Plaintiffs are the intended beneficiaries of the implied warranties governing Defendants' Doors as set forth herein.
- 91. As a direct and proximate result of Defendants' breach of the implied warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial, but in excess of \$25,000.00.

FIFTH CAUSE OF ACTION

FRAUDULENT CONCEALMENT

- 92. Plaintiffs re-allege and incorporate herein by reference each and every allegation contained in paragraphs 1 through 91, inclusive, hereinabove.
- 93. As set forth above, Defendants concealed and/or suppressed material facts concerning the defective and dangerous Bolts in the Doors.
- 94. Defendants had a duty to disclose the defective and dangerous Bolts in the Doors—and/or that Defendants had made changes for safety purposes to the Bolts in the Doors—because Defendants marketed the Doors as being safe and claimed that Defendants were committed to "solid engineering" and "superior products." Once Defendants made these safety representations to the public, Defendants were under a duty to disclose omitted facts regarding the Doors, because where one does speak, one must speak the whole truth and not conceal any facts which materially qualify those facts stated. One who volunteers information must be truthful and the telling of a half-truth calculated to deceive is fraud.
- 95. In addition, Defendants had a duty to disclose these omitted material facts because they were known and/or accessible only to Defendants who have superior knowledge and access to the facts, and Defendants knew they were not known to or reasonably discoverable by Plaintiffs. There omitted facts were material because they directly impact the engineering and safety of the Doors, which is a material concern.
- 96. Defendants actively concealed and/or suppressed these material facts, in whole or in part, with the intent to induce Plaintiffs to purchase the Doors and/or purchase the Doors at a higher price than their true market value.

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PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully pray this Court to order judgment in their favor and against Defendants and DOES 1-20 as follows:

- (A) For an Order certifying the class and/or sub-class, as well as certifying this action as a class action and directing that reasonable notice of this action be given to members of the Class, or alternatively certify all issues and claims that are appropriately certified, and designated and appoint Plaintiff as the Class Representative and his counsel as Class Counsel;
- (B) For an Order finding and declaring Defendants' acts and practices as challenged herein unlawful, unfair, deceptive and/or fraudulent;
- (C) For an Order preliminarily and permanently enjoining Defendants from engaging in the practices complained and alleged herein;
- (D) For an Order requiring Defendants to make restitution of all revenues, earnings, compensation and benefits obtained as a result of Defendants' wrongful conduct;
 - (E) For compensatory damages, as proven at trial, but in excess of \$25,000.00;
- (F) For general and special damages, as proven at trial, but in excess of \$25,000.00;
- (G) For disgorgement pursuant to Business and Professions Code §§ 17203, and 17535;
 - (H) For punitive damages;
 - (I) For prejudgment and post-judgment interest to the extent permitted by law;
- (J) For an award of attorneys' fees, costs, and expenses incurred in the investigation, filing, and prosecution of this action to the extent permitted by law; and
 - (K) For such other and further relief as the Court deems just and proper.

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DEMAND FOR JURY TRIAL

Plaintiffs hereby demand a trial by jury on all issues so triable.

Dated: June 11, 2014

WEBB & BEECHER

By:

Eric L. Webb Brian G. Beecher

Attorneys for Plaintiff KATRINA ALLISON

and the Proposed Class