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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

MIGUEL RODRIGUEZ, on behalf of  
himself and all others similarly situated,

Plaintiff,

v.

JUST BRANDS USA, INC., JUST  
BRANDS FL, LLC, JUST BRANDS,  
INC., JUST CBD, LLC, and SSGI  
FINANCIAL SERVICES, INC.,

Defendants.

Case No. 2:20-cv-4829

**CLASS ACTION COMPLAINT**

**JURY TRIAL DEMANDED**

1 Plaintiff Miguel Rodriguez brings this action on behalf of himself and all  
 2 others similarly situated against Defendants Just Brands USA, Inc. (“Just Brands  
 3 USA”), Just Brands FL, LLC (“Just Brands FL”), Just Brands, Inc. (“Just Brands”),  
 4 Just CBD, LLC (“Just CBD”), and SSGI Financial Services, Inc. (“SSGI”)  
 5 (collectively, “Defendants”), each of whom collectively does business as “JustCBD.”  
 6 Plaintiff makes the following allegations pursuant to the investigation of his counsel  
 7 and based upon information and belief, except as to the allegations specifically  
 8 pertaining to himself, which are based on personal knowledge.

### 9 **NATURE OF THE ACTION**

10 1. This is a putative class action lawsuit on behalf of purchasers of  
 11 JustCBD-branded products against Defendants for manufacturing, distributing, and  
 12 selling underfilled cannabidiol (“CBD”) products (collectively, the “CBD Products”  
 13 or “Products,” as enumerated below). CBD is commonly used to treat anxiety,  
 14 insomnia, depression, diabetes, PTSD, and chronic pain. CBD is sold in a variety of  
 15 forms, including compounds, tinctures, and edibles. CBD can be administered by  
 16 inhalation of smoke or vapor. Alternatively, food and beverage items can be infused  
 17 with CBD as an alternative means of ingesting the substance.

18 2. Defendants’ labeling and packaging repeatedly overstate the quantity of  
 19 CBD contained in their Products. As discussed below, the labeling and packaging of  
 20 the CBD Products are replete with representations and warranties, namely that the  
 21 Products purportedly contain specific amounts of CBD (the “CBD Claims”).<sup>1</sup>  
 22 However, the CBD Products contain only a fraction of the CBD advertised on  
 23 Defendants’ website and on the Products’ labeling and packaging. In fact, some of  
 24 Defendants’ Products contain no CBD whatsoever. For example, pursuant to  
 25

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26 <sup>1</sup> Specifically, the CBD Claims include the following: “25mg CBD,” “50mg CBD,”  
 27 “65mg CBD,” “100mg CBD,” “200mg CBD,” “250mg CBD,” “360mg CBD,”  
 28 “500mg CBD,” “550mg CBD,” “750mg CBD,” “1000mg CBD,” “1500mg CBD,”  
 and “3000mg CBD.”

1 independent lab testing commissioned by Plaintiff's counsel, the "JustCBD Honey  
 2 Liquid Tincture," which purports to contain "100mg CBD" in the bottle, actually  
 3 contains just 48.92mg CBD per bottle. This represents an underfill of approximately  
 4 51%. As another example, the "JustCBD Apple Rings Gummies," which  
 5 purportedly contains "250mg CBD," in fact contains a non-detectable quantity of  
 6 CBD.<sup>2</sup> This represents an underfill of 100%. By misrepresenting the true quantity  
 7 of CBD in their CBD Products, Defendants are able to charge a substantial price  
 8 premium on account of these fictitious CBD quantity claims.

9 3. Defendants' multiple and prominent systematic mislabeling of the  
 10 Products form a pattern of unlawful and unfair business practices that harms the public.

11 4. For all the reasons set forth herein, including but not limited to  
 12 Defendants' misrepresentations regarding the quantity of CBD in its products,  
 13 Plaintiff seeks relief in this action individually, and as a class action on behalf of  
 14 similarly situated purchasers of Defendants' products, for: (i) breach of express  
 15 warranty; (ii) unjust enrichment; (iii) fraud; (iv) violation of California's Consumers  
 16 Legal Remedies Act, Cal. Civ. Code §§ 1750 *et seq.* ("CLRA"); (v) violation of  
 17 California's Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200 *et seq.*  
 18 ("UCL"); (vi) violation of California's False Advertising Law, Cal. Bus. & Prof.  
 19 Code §§ 17500 *et seq.* ("FAL"); and (vii) violation of the Florida Deceptive and  
 20 Unfair Trade Practices Act, Fla. Stat. §§ 501.201, *et seq.* ("FDUTPA").

### 21 THE PARTIES

22 5. Plaintiff Miguel Rodriguez is a citizen of California who resides in Van  
 23 Nuys, California. On October 2, 2018, Plaintiff Rodriguez purchased "JustCBD  
 24 Signature CBD Cartridges" in the Pineapple Express and Northern Lights flavors.  
 25 On March 17, 2019, Plaintiff Rodriguez purchased "JustCBD CBD Gummies  
 26 1000mg" and "JustPets Dog Treats."

27  
 28 <sup>2</sup> AL screens CBD at a limit of detection of 0.4mg/g.

1           6. On both occasions, Plaintiff Rodriguez purchased his JustCBD products  
2 from Defendants' website justcbdstore.com. Before purchasing his JustCBD-  
3 branded products, Plaintiff Rodriguez reviewed product information and images,  
4 including the CBD Claim featured on the product packaging, which promised  
5 specific quantities of CBD. When purchasing his CBD Products, Plaintiff Rodriguez  
6 also reviewed the accompanying labels, disclosures, warranties, and marketing  
7 materials, and understood them as representations and warranties by Defendants that  
8 the Products contained the quantities of CBD advertised. Plaintiff Rodriguez relied  
9 on these representations and warranties in deciding to purchase Defendants' CBD  
10 Products over comparable products. Accordingly, these representations and  
11 warranties were part of the basis of the bargain, in that he would not have purchased  
12 the CBD Products on the same terms had he known these representations were not  
13 true. However, Plaintiff Rodriguez may purchase the CBD products in the future  
14 under the reasonable belief that the CBD Claims have been corrected. In making his  
15 purchases, Plaintiff Rodriguez paid a substantial price premium due to the false and  
16 misleading CBD Claims. However, Plaintiff Rodriguez did not receive the benefit of  
17 his bargain, because Defendants' CBD Products do not contain anywhere near the  
18 quantities of CBD advertised. Plaintiff Rodriguez also understood that in making the  
19 sale, his retailer was acting with the knowledge and approval of Defendants and/or as  
20 the agent of Defendants. Plaintiff Rodriguez further understood that each purchase  
21 involved a direct transaction between himself and Defendants, because the CBD  
22 Products came with packaging and other materials prepared by Defendants,  
23 including representations and warranties regarding the CBD Claims.

24           7. Defendant Just Brands USA, Inc. ("Just Brands USA"), is a Florida  
25 corporation with its principal place of business in Coral Springs, Florida. Just  
26 Brands USA manufactures, sells, and/or globally distributes JustCBD-branded  
27 products, and is responsible for the advertising, marketing, and packaging of CBD-  
28 infused edibles, oils, tinctures, creams, and vapes, including the CBD Products. Just

1 Brands USA manufactured, marketed, and/or sold the CBD Products during the  
2 relevant class period. The planning and execution of the advertising, marketing,  
3 labeling, packaging, testing, and/or corporate operations concerning the CBD  
4 Products and the CBD Claims was primarily carried out at Just Brands USA's  
5 headquarters and facilities within Florida, as is most, or all, of the CBD Products'  
6 manufacturing and assembly.

7 8. Defendant Just Brands FL, LLC ("Just Brands FL"), is a Florida  
8 corporation with its principal place of business in Coral Springs, Florida. Just  
9 Brands FL manufactures, sells, and/or globally distributes JustCBD-branded  
10 products, and is responsible for the advertising, marketing, and packaging of CBD-  
11 infused edibles, oils, tinctures, creams, and vapes, including the CBD Products. Just  
12 Brands FL manufactured, marketed, and/or sold the CBD Products during the  
13 relevant class period. The planning and execution of the advertising, marketing,  
14 labeling, packaging, testing, and/or corporate operations concerning the CBD  
15 Products and the CBD Claims was primarily carried out at Just Brands FL's  
16 headquarters and facilities within Florida, as is most, or all, of the CBD Products'  
17 manufacturing and assembly.

18 9. Defendant Just Brands, Inc. ("Just Brands"), is a Florida corporation  
19 with its principal place of business in Hollywood, Florida. Just Brands  
20 manufactures, sells, wholesales, and/or globally distributes JustCBD-branded  
21 products, and is responsible for the advertising, marketing, and packaging of CBD-  
22 infused edibles, oils, tinctures, creams, and vapes, including the CBD Products. Just  
23 Brands manufactured, marketed, and/or sold the CBD Products during the relevant  
24 class period. The planning and execution of the advertising, marketing, labeling,  
25 packaging, testing, and/or corporate operations concerning the CBD Products and the  
26 CBD Claims was primarily carried out at Just Brands headquarters and facilities  
27 within Florida, as is most, or all, of the CBD Products' manufacturing and assembly.  
28

1           10. Defendant Just CBD, LLC (“Just CBD”), is a Florida corporation with  
2 its principal place of business in Hollywood, Florida. Just CBD manufactures, sells,  
3 wholesales, and/or globally distributes JustCBD-branded products, and is responsible  
4 for the advertising, marketing, and packaging of CBD-infused edibles, oils, tinctures,  
5 creams, and vapes, including the CBD Products. Just CBD manufactured, marketed,  
6 and/or sold the CBD Products during the relevant class period. The planning and  
7 execution of the advertising, marketing, labeling, packaging, testing, and/or  
8 corporate operations concerning the CBD Products and the CBD Claims was  
9 primarily carried out at Just CBD headquarters and facilities within Florida, as is  
10 most, or all, of the CBD Products’ manufacturing and assembly.

11           11. Defendant SSGI Financial Services, Inc., is a Florida corporation with  
12 its principal place of business in Coral Springs, Florida. SSGI manufactures, sells,  
13 and/or globally distributes JustCBD-branded products, and is responsible for the  
14 advertising, marketing, and packaging of CBD-infused edibles, oils, tinctures,  
15 creams, and vapes, including the CBD Products. SSGI manufactured, marketed, and  
16 sold the CBD Products during the relevant class period. The planning and execution  
17 of the advertising, marketing, labeling, packaging, testing, and/or corporate  
18 operations concerning the CBD Products and the CBD Claims was primarily carried  
19 out at SSGI’s headquarters and facilities within Florida, as is most, or all, of the  
20 CBD Products’ manufacturing and assembly.

21           12. Based on information and belief, SSGI dominates and controls all  
22 aspects of Defendants’ operations. For example, the online retail site operated by  
23 Defendants, [www.justcbdstore.com](http://www.justcbdstore.com), references “SSGI Financial Services” and JUST  
24 CBD “DBA Just Brands USA.” Additionally, SSGI’s principal address is registered  
25 with the Florida Secretary of State in Coral Springs, Florida, which is the same town  
26 as both Just Brands USA and Just Brands FL. SSGI and Just Brands FL both list  
27 Stephen Iacona under “Officer/Director,” and Just Brands USA lists “SSGI Financial  
28 Services” under “Officer/Director.” Since each Defendant acted jointly to perpetrate

1 the acts described herein, they are thus subject to joint and several liability. At all  
2 times relevant to the allegations in this matter, each Defendant acted in concert with,  
3 with the knowledge and approval of, and/or as the agent of the other Defendants  
4 within the course and scope of the agency, regarding the acts and omissions alleged.

5 13. Plaintiff reserves the right to amend this Complaint to add different or  
6 additional defendants, including without limitation any officer, director, employee,  
7 supplier, or distributor of Defendants who has knowingly and willfully aided,  
8 abetted, or conspired in the false and deceptive conduct alleged herein.

### 9 **JURISDICTION AND VENUE**

10 14. This Court has jurisdiction over this action pursuant to 28 U.S.C. §  
11 1332(d) because there are more than 100 class members and the aggregate amount in  
12 controversy exceeds \$5,000,000.00, exclusive of interest, fees, and costs, and at least  
13 one class member is a citizen of a state different from Defendants.

14 15. Pursuant to 28 U.S.C. § 1391, this Court is the proper venue for this  
15 action because a substantial part of the events, omissions, and acts giving rise to the  
16 claims herein occurred in this District. Plaintiff Rodriguez is a citizen of California,  
17 resides in this District, and purchased JustCBD-branded products from Defendants in  
18 this District. Moreover, Defendants distributed, advertised, and sold JustCBD-  
19 branded products, which are the subject of the present complaint, in this District

### 20 **FACTS COMMON TO ALL CLAIMS**

#### 21 **A. General Explanation Of CBD Products**

22 16. CBD is a highly sought-after additive with purported medicinal  
23 properties. CBD is used to treat anxiety, insomnia, depression, diabetes, PTSD, and  
24 chronic pain. CBD can be taken into the body in multiple ways, including by  
25 inhalation of smoke or vapor, as an aerosol spray into the cheek, and by mouth.  
26 Food and beverage items can be infused with CBD as an alternative means of  
27 ingesting the substance.  
28



1           17. CBD, which stands for cannabidiol, is a naturally occurring  
 2 phytocannabinoid found in certain strains of hemp. Food and beverage products  
 3 containing CBD were introduced in the United States in 2017. Hemp seed  
 4 ingredients that contain trace amounts of THC during harvesting (less than 0.3%)  
 5 have been declared by the United States Food and Drug Administration (“FDA”) to  
 6 be generally recognized as safe (“GRAS”).

7           18. The production, sale, and distribution of CBD is a booming industry  
 8 that is “gaining in popularity among consumers with the legal CBD market projected  
 9 to surpass \$23 billion in annual U.S. sales by 2023,” according to Forbes.<sup>3</sup> With  
 10 large retailers like CVS, Walgreens, and Kroger having entered the market, the CBD  
 11 industry is undergoing rapid growth. Yet, given that the “industry has little to no  
 12 regulation with no one watching what’s going into the product[,]” this rapid  
 13 expansion has produced negative consequences for consumers.<sup>4</sup> For instance, after  
 14 commissioning lab testing for “35 CBD products from seven different companies[,]”  
 15 NBC investigators discovered that “20 of [the 35 samples tested] had less than half  
 16 of the amount of CBD advertised on the label” and “[s]ome samples had no CBD at  
 17 all.”

#### 18           **B. Defendants’ CBD Products Prominently Feature The CBD Claims**

19           19. The CBD Products at issue include the following products from  
 20 Defendants, all of which prominently feature the amount of CBD (e.g. 250mg) on  
 21 the front label:

22           A. All “CBD Gummies” labeled with CBD Claims, including all  
 23 flavors and sizes of: “JustCBD Gummies,”<sup>5</sup> “JustCBD Sugar

24 <sup>3</sup> [https://www.forbes.com/sites/brucejapsen/2019/07/11/cvs-walgreens-to-lead-23-](https://www.forbes.com/sites/brucejapsen/2019/07/11/cvs-walgreens-to-lead-23-billion-cbd-market-by-2023/#47aa4d2252ca)  
 25 [billion-cbd-market-by-2023/#47aa4d2252ca](https://www.forbes.com/sites/brucejapsen/2019/07/11/cvs-walgreens-to-lead-23-billion-cbd-market-by-2023/#47aa4d2252ca) (accessed 05/18/20).

26 <sup>4</sup> <https://www.nbcmiami.com/investigations/505335101.html> (accessed 05/18/20).

27 <sup>5</sup> “JustCBD Gummies” come in a range of flavors, including “Sour Bear,” “Apple  
 28 Ring,” “Happy Face,” “Worms,” “Rainbow Ribbons,” “Sour Worms,” “Peach  
 Ring,” “Gummy Cherries,” “Blueberry Rings,” and “Watermelon Rings.”  
 Additionally, each flavor is available in different size jars from 250mg, 500mg,



Free Gummies,”<sup>6</sup> and “JustCBD Jet Setter Orange Berry Blast Immune Support Gummies;”<sup>7</sup>



B. All “CBD Edibles” labeled with CBD Claims, including all flavors and sizes of “JustCBD Dried Fruit;”<sup>8</sup>



750mg, 1000mg, 3000mg jars. See <https://www.justcbdstore.com/product-category/cbd-gummies/> (accessed 05/18/2020).

<sup>6</sup> “JustCBD Sugar Free Gummies” come in different sizes, including jars purporting to contain “250mg CBD,” “500mg CBD,” “750mg CBD,” “1000mg CBD,” and “3000mg CBD” See <https://www.justcbdstore.com/product/sugar-free-cbd-gummies/> (accessed 05/18/2020).

<sup>7</sup> “JustCBD Jet Setter Orange Berry Blast Immune Support Gummies” products purport to contain “300mg” per jar.

<sup>8</sup> “JustCBD Dried Fruit” Products come in a range of flavors, including “Apricots,” “Apple Slices,” “Pineapple Chunks,” “Papaya Chunks,” “Kiwi Chunks,” and “Mango.” Each flavor is available in different sizes, including jars purporting to contain “250mg CBD,” “500mg CBD,” “750mg CBD,” “1000mg CBD,” and “3000mg CBD.” See <https://www.justcbdstore.com/product-category/cbd-dried-fruit/> (accessed 05/18/2020).

- C. All “CBD Honey, Oil, and Isolate” Products labeled with CBD Claims, including all sizes of: “JustCBD Coconut Oil,”<sup>9</sup> “JustCBD Honey Sticks,”<sup>10</sup> and “JustCBD Isolate;”<sup>11</sup>



- D. All “JustCBD Tincture” Products labeled with CBD Claims, including all flavors and sizes of: “JustCBD Full Spectrum Tincture,”<sup>12</sup> “JustCBD Oil Tincture,”<sup>13</sup> and “JustCBD Daily Dose Oil Tincture;”<sup>14</sup> and

<sup>9</sup> “JustCBD Coconut Oil” purports to contain “360mg CBD.” See <https://www.justcbdstore.com/product/coconut-oil-tincture-2/> (accessed 05/18/2020).

<sup>10</sup> “JustCBD Honey Sticks” purport to contain “10mg CBD per stick” and can be purchased in two sizes: a “10-pack” jar and a “100-pack” jar. See <https://www.justcbdstore.com/product/cbd-honey-sticks/>; <https://www.justcbdstore.com/product/honey-sticks-jar-10-pack/> (accessed 05/18/2020).

<sup>11</sup> “JustCBD Isolate,” which Defendants advertise as “a pure isolate powder containing 99% CBD, our highest concentration CBD product available,” comes in a 1-gram package with 1000mg of CBD.” See <https://www.justcbdstore.com/product-category/cbd-isolate/> (accessed 08/09/2019).

<sup>12</sup> “JustCBD Full Spectrum Tincture” Products come in a range of sizes, including bottles purporting to contain “50mg CBD,” “100mg CBD,” “250mg CBD,” “550mg CBD,” “1000mg CBD,” and “1500mg CBD.” See <https://www.justcbdstore.com/product/full-spectrum-tincture/> (accessed 05/18/2020).

<sup>13</sup> “JustCBD Oil Tincture” Products come in a range of flavors, including “Coconut Oil,” “Hemp Seed Oil,” and “Liquid Honey.” Each flavor is available in different sizes, including bottles purporting to contain “50mg CBD,” “100mg CBD,” “250mg CBD,” “550mg CBD,” “1000mg CBD,” or “1500mg CBD.” See <https://www.justcbdstore.com/product-category/cbd-tincture/> (accessed 05/18/2020).

<sup>14</sup> “JustCBD Daily Dose Oil Tincture” products come in multiple flavors, including “Coconut Oil,” and “Hemp Seed Oil.” Each flavor purports to contain “[a]pproximately 65mg of CBD.” See <https://www.justcbdstore.com/product/daily->



E. All “JustCBD Vape” Products labeled with CBD Claims, including all flavors of: “JustCBD Vape Cartridges,”<sup>15</sup> “JustCBD Signature Series Cartridges,”<sup>16</sup> and “JustCBD Vape Juice.”<sup>17</sup>



dose-mct-coconut-oil/; <https://www.justcbdstore.com/product/daily-dose-hemp-seed-oil/> (accessed 05/18/2020).

<sup>15</sup> “JustCBD Vape Cartridges” come in a range of flavors, including “Strawberry,” “Blueberry,” “Mango,” and “Honey.” Each flavor purports to contain “200mg CBD.” See <https://www.justcbdstore.com/product-category/cbd-vape-cartridges/> (accessed 05/18/2020).

<sup>16</sup> “JustCBD Signature Series Cartridges” come in a range of flavors, including “Pineapple Express,” “Northern Lights,” and “Sour Diesel.” Each flavor purports to contain “200mg CBD.” See <https://www.justcbdstore.com/product-category/cbd-vape-cartridges/> (accessed 05/18/2020).

<sup>17</sup> “JustCBD Vape Juice” Products come a range of flavors, including “Blue Dream,” “Blue Razz,” “Cinnamon Sugar Cookies,” “Cookies,” “Mango Ice,” “Watermelon OG,” “Pina Colada,” “Strawberry Cheesecake,” and “Pineapple Express.” Each flavor comes in “60mL bottles” purporting to contain 100mg” of CBD, 250mg of CBD, 500mg of CBD, 1000mg of CBD, or 1500mg of CBD. See <https://www.justcbdstore.com/product-category/cbd-vape-oil/> (accessed 05/18/2020).

### C. Defendants' CBD Products Contain Less CBD Than Promised

20. Defendants purport to take honesty and transparency seriously. As depicted below, Defendants state on their website: “Looking around we found that the CBD business was consistently misrepresented and being taken advantage of. At JustCBD™ we believe that you have the right to know exactly what is inside your CBD products. It is our mission and promises to never misrepresent the content of our products. With the help of world-class labs to test our products, we are confident that JustCBD™ is made with industry-leading quality, honesty, and love.”<sup>18</sup>



#### About Us

JustCBD was founded on the basis that Cannabidiol is Mother Nature's secret miracle. Looking around, we found that the CBD business was consistently misrepresented. At JustCBD, we believe that you have the right to know what is inside your CBD products. It is our mission and promise never to misrepresent the content of our products. With the help of world-class labs to test our products, we are confident that JustCBD is made with industry-leading quality, honesty, and love.



21. As manufacturers, suppliers, wholesalers, distributors, and/or retailers, Defendants tested, or should have tested, their products prior to sale. As such, Defendants know or should have known that the CBD claims are false and misleading.

22. Defendants' CBD Claims are false and misleading. As independent lab testing reveals, the true quantity of CBD in the CBD Products is only a small fraction of Defendants' representations. Plaintiff's counsel commissioned testing of Defendants' products, which show that the Products do not contain the amount of CBD promised in the CBD Claims. For example, Defendants' “JustCBD Liquid Honey Tincture” product, which is labeled as containing “100mg CBD,” actually

<sup>18</sup> <https://www.justcbdstore.com/about-us/> (accessed 05/18/2020).

contains a total of 48.92mg. This is an underfill of 51.08%. As another example, a June 4, 2019 lab test failed to detect any CBD in Defendants' "JustCBD Apple Rings Gummies" product, which is labeled as containing "250mg CBD" per jar. This is an underfill of 100%.

<b><u>CBD Product</u></b>	<b><u>CBD Claim</u></b>	<b><u>Actual CBD Content</u></b>	<b><u>% Difference</u></b>
JustCBD Liquid Honey Tincture	<b><u>100mg</u></b>	<b><u>48.92mg</u></b>	<b><u>-51.08%</u></b>
JustCBD Apple Rings Gummies	<b><u>250mg</u></b>	<b><u>0mg</u></b>	<b><u>-100%</u></b>
JustCBD PureFlavor Honey	<b><u>100mg</u></b>	<b><u>0.87mg</u></b>	<b><u>-89.6%</u></b>
JustCBD Strawberry Vape Oil	<b><u>200mg</u></b>	<b><u>15.7 mg</u></b>	<b><u>-92.15%</u></b>
JustCBD Dried Fruit Apple Slices	<b><u>1000mg</u></b>	<b><u>12.7mg</u></b>	<b><u>-98.73%</u></b>
JustCBD Dried Fruit Papaya Chunks	<b><u>500mg</u></b>	<b><u>35.7mg</u></b>	<b><u>-92.86%</u></b>
JustCBD Dried Fruit Kiwi Chunks	<b><u>250mg</u></b>	<b><u>11.8mg</u></b>	<b><u>-95.28%</u></b>
JustCBD Emoji Gummies	<b><u>250mg</u></b>	<b><u>7.5mg</u></b>	<b><u>-97%</u></b>
Just Pets Dog Treats	<b><u>100mg</u></b>	<b><u>5mg</u></b>	<b><u>-95%</u></b>
JustCBD Peach Rings Gummies	<b><u>500mg</u></b>	<b><u>13mg</u></b>	<b><u>-97.4%</u></b>
JustCBD Gummy Worms	<b><u>1000mg</u></b>	<b><u>16mg</u></b>	<b><u>-98.4%</u></b>
JustCBD Freeze Roll-On Pain Relief	<b><u>350mg</u></b>	<b><u>280mg</u></b>	<b><u>-20%</u></b>
JustCBD Hemp Seed Oil	<b><u>2000mg</u></b>	<b><u>1810mg</u></b>	<b><u>-10%</u></b>
JustCBD MCT Coconut Oil	<b><u>2000mg</u></b>	<b><u>1800mg</u></b>	<b><u>-10%</u></b>
JustCBD Gummy Ribbons	<b><u>750mg</u></b>	<b><u>656.25mg</u></b>	<b><u>-12.5%</u></b>

23. By permanently marking the CBD Products with their purported CBD content, Defendants knew that the CBD Claims are false and misleading, yet still



1 advertised, labeled, and packaged the CBD Products with the false and misleading  
2 CBD Claims.

3 24. Simply put, Defendants' CBD Claims are a farce. Defendants  
4 knowingly prepared the material on their website and product labels to misrepresent  
5 the true quantity of CBD in the CBD Products.

6 25. Plaintiff and Class Members would not have purchased the Products or  
7 would have paid less for the Products if they were aware of the misleading labeling  
8 of the Products by Defendants.

9 26. Defendants intended for Plaintiff and the Class members to be deceived  
10 or misled.

11 27. Defendants' deceptive and misleading practices proximately caused  
12 harm to the Plaintiff and the Class.

13 28. Plaintiff and Class members would not have purchased the Products, or  
14 would have not paid as much for the Products, had they known the truth about the  
15 mislabeled and falsely advertised Products

16 **CLASS ACTION ALLEGATIONS**

17 29. Pursuant to Fed. R. Civ. P. 23, Plaintiff seeks to represent a class  
18 defined as all persons in the United States who purchased CBD Products with a CBD  
19 Claim from Defendants (the "Class"). Excluded from the Class are Defendants Just  
20 Brands USA, Inc., Just Brands FL, LLC, Just Brands, Inc., and SSGI Financial  
21 Services, Inc., Defendants' subsidiaries, affiliates, officers, directors, assigns and  
22 successors, and any entity in which it has a controlling interest, and the Judge to  
23 whom this case is assigned and any member of his or her immediate family.

24 30. Plaintiff also seeks to represent a subclass defined as all Class members  
25 in California (the "California Subclass" or "Subclass").

26 31. Members of the Class are so numerous that their individual joinder  
27 herein is impracticable. On information and belief, members of the Class number in  
28 the hundreds of thousands. The precise number of Class members and their

1 identities are unknown to Plaintiff at this time but will be determined through  
2 discovery. Class members may be notified of the pendency of this action by mail  
3 and/or publication through the distribution records of Defendants and third-party  
4 retailers and vendors.

5 32. Common questions of law and fact exist as to all Class members and  
6 predominate over questions affecting only individual Class members. Common legal  
7 and factual questions include, but are not limited to:

8 (a) whether the CBD Claims on Defendants' CBD Products are false  
9 and misleading;

10 (b) the actual amount of CBD in the CBD Products;

11 (c) whether Defendants engaged in false and/or deceptive  
12 advertising;

13 (d) whether Defendants have been unjustly enriched by their  
14 conduct;

15 (e) whether Class members have sustained monetary loss and the  
16 proper remedy for and measure of that loss;

17 (f) whether Plaintiff and Class members are entitled to declaratory  
18 and injunctive relief;

19 (g) the number of CBD Products sold to consumers; and

20 (h) whether, as a result of Defendants' misconduct as alleged herein,  
21 Plaintiff and Class members are entitled to restitution, injunctive, and/or monetary  
22 relief and, if so, the amount and nature of such relief.

23 33. Plaintiff's claims are typical of the claims of Class members because  
24 Plaintiff purchased a CBD Product in reliance on the representations and warranties  
25 described above, and suffered a loss as a result of those purchases.

26 34. Plaintiff is an adequate representative of the Class because his interests  
27 do not conflict with the interests of the Class members he seeks to represent, he has  
28 retained counsel competent and experienced in prosecuting class actions, and he



1 intends to prosecute this action vigorously. The interests of Class members will be  
2 fairly and adequately protected by Plaintiff and his counsel.

3 35. The class mechanism is superior to other available means for the fair  
4 and efficient adjudication of the claims of Plaintiff and the Class members. Each  
5 individual Class member may lack the resources to undergo the burden and expense  
6 of individual prosecution of the complex and extensive litigation necessary to  
7 establish Defendants' liability. Individualized litigation increases the delay and  
8 expense to all parties and multiplies the burden on the judicial system presented by  
9 the complex legal and factual issues of this case. Individualized litigation also  
10 presents a potential for inconsistent or contradictory judgments. In contrast, the class  
11 action device presents far fewer management difficulties and provides the benefits of  
12 single adjudication, economy of scale, and comprehensive supervision by a single  
13 court on the issue of Defendants' liability. Class treatment of the liability issues will  
14 ensure that all claims and claimants are before this Court for consistent adjudication  
15 of the liability issues.

16 **COUNT I**  
**(Breach Of Express Warranty)**

17 36. Plaintiff hereby incorporates by reference the allegations contained in  
18 all preceding paragraphs of this complaint.

19 37. Plaintiff brings this claim individually and on behalf of the members of  
20 the proposed Class and the Subclass against Defendants.

21 38. In connection with the sale of the CBD Products, Defendants issued  
22 written warranties. Defendants, as the designers, manufacturers, marketers,  
23 distributors, and/or sellers of the CBD Products, expressly warranted that the  
24 Products were fit for their intended purpose by making promises and affirmations of  
25 fact on their Products' labeling and packaging, including the CBD Claims.

26 39. The affirmations of fact and promises made by Defendants to Plaintiff  
27 and the Class regarding the CBD Products became part of the basis of the bargain  
28

1 between Defendants and Plaintiff and the Class and Subclass, thereby creating an  
2 express warranty that the CBD Products would conform to those affirmations of fact,  
3 representations, promises, and descriptions in that each Product would contain the  
4 amount of CBD specified in the CBD Claims.

5 40. The CBD Products do not, in fact, contain the amount of CBD promised  
6 in the CBD Claims. Instead, the CBD Products contain only a fraction of the CBD  
7 advertised on Defendants' website and on the Products' labeling and packaging.

8 41. Plaintiff Rodriguez and members of the Class suffered economic injury  
9 as a direct and proximate result Defendants' breach because: (a) they would not have  
10 purchased the CBD Products on the same terms if they knew that the Products had  
11 been falsely labeled as alleged herein; (b) they paid a price premium for the CBD  
12 Products based on Defendants' express warranties; and (c) the CBD Products did not  
13 have the characteristics, uses, or benefits as promised by Defendants in the CBD  
14 Claims. As a result, Plaintiff and members of the Class and the Subclass have been  
15 damaged either in the full amount of the purchase price of the CBD Products or in  
16 the difference in value between the Products as warranted and the Products as sold.

17 42. On May 20, 2020, prior to filing this action, Defendants were served  
18 with a pre-suit notice letter that complied in all respects with U.C.C. §§ 2-313, 2-  
19 607. Plaintiff's counsel sent Defendants a letter advising them that they breached an  
20 express warranty and demanded that they cease and desist from such breaches and  
21 make full restitution by refunding the monies received therefrom. A true and correct  
22 copy of Plaintiff's counsel's letter is attached hereto as **Exhibit A**.

23 **COUNT II**  
24 **(Unjust Enrichment)**

25 43. Plaintiff hereby incorporates by reference the allegations contained in  
26 all preceding paragraphs of this complaint.

27 44. Plaintiff brings this claim individually and on behalf of the members of  
28 the proposed Class and Subclass against Defendants.





1 standard, quality, or grade, or that goods are of a particular style or model, if they are  
2 of another.”

3 62. California’s Consumers Legal Remedies Act, Cal. Civ. Code  
4 § 1770(a)(9), prohibits “[a]dvertising goods or services with intent not to sell them as  
5 advertised.”

6 63. Defendants violated these provisions by making the misrepresentations  
7 alleged above, including the CBD Claims.

8 64. Plaintiff Rodriguez and the California Subclass suffered economic  
9 injury as a direct and proximate result Defendants’ violation because: (a) they would  
10 not have purchased the CBD Products on the same terms if they knew that the  
11 Products had been falsely labeled as alleged herein; (b) they paid a price premium  
12 compared to products without the misrepresentations alleged herein; and (c) the CBD  
13 Products did not have the characteristics, ingredients, uses, benefits, or quantities as  
14 promised.

15 65. On or about May 20, 2020, prior to filing this action, a CLRA notice  
16 letter was served on Defendants that complies in all respects with California Civil  
17 Code § 1782(a). Plaintiff Rodriguez sent Defendants a letter via certified mail,  
18 return receipt requested, advising Defendants that it is in violation of the CLRA and  
19 demanding that Defendants cease and desist from such violations and make full  
20 restitution by refunding the monies received therefrom. A true and correct copy of  
21 Plaintiff Rodriguez’s letter is attached hereto as **Exhibit A**.

22 66. On behalf of himself and other members of the California Subclass,  
23 Plaintiff Rodriguez seeks to enjoin the unlawful acts and practices described herein  
24 and to recover actual damages, restitution, and reasonable attorneys’ fees.  
25  
26  
27  
28

**COUNT V**  
**(Violation Of The California Unfair Competition Law,  
Cal. Bus. & Prof. Code §§ 17200, *et seq.*)**

67. Plaintiff hereby incorporates by reference the allegations contained in all preceding paragraphs of this complaint.

68. Plaintiff brings this claim individually and on behalf of the members of the proposed California Subclass against Defendants.

69. Defendants are subject to California's Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200, *et seq.* The UCL provides, in pertinent part: "Unfair competition shall mean and include unlawful, unfair or fraudulent business practices and unfair, deceptive, untrue or misleading advertising ...."

70. Defendants' misrepresentations and other conduct, described herein, violated the "unlawful" prong of the UCL by violating the CLRA as described herein; the FAL as described herein; and Cal. Com. Code § 2607.

71. Defendants' misrepresentations and other conduct, described herein, violated the "unfair" prong of the UCL in that its conduct is substantially injurious to consumers, offends public policy, and is immoral, unethical, oppressive, and unscrupulous, as the gravity of the conduct outweighs any alleged benefits.

72. Defendants violated the "fraudulent" prong of the UCL by making misrepresentations about the CBD Products, as described herein.

73. Plaintiff Rodriguez and the California Subclass suffered economic injury as a direct and proximate result Defendants' violation because: (a) they would not have purchased the CBD Products on the same terms if they knew that the Products had been falsely labeled as alleged herein; (b) they paid a price premium compared to products without the misrepresentations alleged herein; and (c) the CBD Products did not have the characteristics, ingredients, uses, benefits, or quantities as promised.

74. On behalf of himself and other members of the California Subclass, Plaintiff Rodriguez seeks to enjoin the unlawful acts and practices described herein and to recover actual damages, restitution, and reasonable attorneys' fees.

**COUNT VI**  
**(Violation Of The California False Advertising Law,  
 Cal. Bus. & Prof. Code §§17500, *et seq.*)**

75. Plaintiff hereby incorporates by reference the allegations contained in all preceding paragraphs of this complaint.

76. Plaintiff brings this claim individually and on behalf of the members of the proposed California Subclass against Defendants.

77. California's False Advertising Law, Cal. Bus. & Prof. Code §§ 17500, *et seq.*, makes it "unlawful for any person to make or disseminate or cause to be made or disseminated before the public in this state, ... 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 untrue or misleading."

78. Defendants committed acts of false advertising, as defined by §17500, by making the misrepresentations alleged above, including the CBD Claims.

79. By virtue of labeling its products with the CBD Claims, Defendants knew or should have known the CBD Claims were false, but continued to manufacture and sell underfilled CBD Products in the retail and wholesale markets.

80. Defendants' actions in violation of § 17500 were false and misleading such that the general public is and was likely to be deceived.

81. Plaintiff Rodriguez and the California Subclass suffered economic injury as a direct and proximate result Defendants' violation because: (a) they would not have purchased the CBD Products on the same terms if they knew that the



1 Products had been falsely labeled as alleged herein; (b) they paid a price premium  
 2 compared to products without the misrepresentations alleged herein; and (c) the CBD  
 3 Products did not have the characteristics, ingredients, uses, benefits, or quantities as  
 4 promised.

5 82. On behalf of himself and other members of the California Subclass,  
 6 Plaintiff Rodriguez seeks to enjoin the unlawful acts and practices described herein  
 7 and to recover actual damages, restitution, and reasonable attorneys' fees.

8 **COUNT VII**  
 9 **(Violation Of The Florida Deceptive And Unfair Practices Act,**  
 10 **Fla. Stat. §§ 501.201, *et seq.*)**

11 83. Plaintiff hereby incorporates by reference the allegations contained in  
 12 all preceding paragraphs of this complaint.

13 84. Plaintiff brings this claim individually and on behalf of the members of  
 14 the Class against Defendants.

15 85. Class members are "consumers" within the meaning of the Florida  
 16 Unfair and Deceptive and Unfair Trade Practices Act ("FDUTPA"), Fla. Stat. §  
 17 501.203(7).

18 86. Defendants are engaged in "trade or commerce" within the meaning of  
 19 Fla. Stat. § 501.203(8).

20 87. The FDUTPA prohibits "[u]nfair methods of competition,  
 21 unconscionable acts or practices, and unfair or deceptive acts or practices in the  
 22 conduct of any trade or commerce...." Fla. Stat. § 501.204(1). Defendants  
 23 participated in unfair and deceptive trade practices that violated the FDUTPA as  
 24 described herein.

25 88. In the course of business, Defendants actively concealed information  
 26 reasonable consumers need to know before purchasing Defendants' products.

27 89. Defendants knew or should have known that the CBD Products did not  
 28 contain anywhere near the quantity they were labeled and advertised as containing.

1 The Class was deceived by Defendants' misrepresentation into believing that the  
2 CBD Products contained substantially more CBD than they are labeled to contain.

3 90. Defendants made material misrepresentations about the quantity of  
4 CBD in the CBD Products that were false and misleading.

5 91. Defendants knew or should have known their conduct violated the  
6 FDUPTA.

7 92. Defendants' unfair or deceptive acts or practices were likely to deceive  
8 reasonable consumers, including the Class, about the true nature of the CBD  
9 Products they manufacture, advertise, sell, and distribute.

10 93. The Class suffered ascertainable loss caused by Defendants' material  
11 misrepresentations. But for Defendants' deceptive and unfair conduct, Plaintiff and  
12 the Class would not have purchased the CBD Products.

13 94. As a direct and proximate result of Defendants' FDUPTA violations,  
14 Plaintiff and the Class suffered injury in fact and actual damages.

15 95. Plaintiff and the Class also seek an order enjoining Defendants' unfair,  
16 unlawful, and/or deceptive practices, declaratory relief, attorneys' fees, and any other  
17 just and proper relief available under the FDUPTA.

18 **PRAYER FOR RELIEF**

19 WHEREFORE, Plaintiff, individually and on behalf of all others similarly  
20 situated, seeks judgment against Defendants, as follows:

- 21 a. For an order certifying the Class and the California Subclass under Rule  
22 23 of the Federal Rules of Civil Procedure and naming Plaintiff as  
23 representative of the Classes and Plaintiff's attorneys as Class Counsel  
24 to represent the Class members;
- 25 b. For an order declaring the Defendants' conduct violates the statutes  
26 referenced herein;
- 27 c. For an order finding in favor of Plaintiff and the Class and Subclass on  
28 all counts asserted herein;

- d. For statutory, compensatory, and punitive damages in amounts to be determined by the Court and/or jury;
- e. For prejudgment interest on all amounts awarded;
- f. For an order of restitution and all other forms of equitable monetary relief;
- g. For injunctive relief as pleaded or as the Court may deem proper;
- h. For an order awarding Plaintiff and the Class and Subclass their reasonable attorneys' fees and expenses and costs of suit;
- i. Damages, restitution, and/or disgorgement in an amount to be determined at trial; and
- j. For such other and further relief as the Court may deem proper.

**JURY DEMAND**

Plaintiff demands a trial by jury on all causes of action and issues so triable.

Dated: May 29, 2020

**BURSOR & FISHER, P.A.**

By: /s/ Frederick J. Klorczyk III

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