	Case 2:20-cv-00848-KJM-KJN Docume	ent 40	Filed 01/05/22	Page 1 of 22
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14	Counsel for Plaintiffs and the Proposed Class			
15 16 17	UNITED STATES DISTRICT COURT EASTERN DISTRICT OF CALIFORNIA			
18 19 20 21 22 23	ALLISON CARRANZA-MORENO, AMANDA CAUDEL, CATHY DIOMARTICH and SHANEY SCOTT individually, and on behalf of those similarly situated, Plaintiffs, v.	Al	ASE NO. 2:20-cv-MENDED CLASSemand for Jury T	S ACTION COMPLAINT
24252627	AMAZON.COM, INC., a Delaware company, Defendant.			
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Plaintiff Allison Carranza-Moreno ("Plaintiff Carranza-Moreno"), Plaintiff Amanda Caudel ("Plaintiff Caudel"), Plaintiff Cathy Diomartich ("Plaintiff Diomartich"), and Plaintiff Shaney Scott ("Plaintiff Scott"), by their attorneys allege upon information and belief, except for allegations pertaining to Plaintiffs, which are based on personal knowledge:

INTRODUCTION

- 1. Amazon.com, Inc. ("Defendant" or "Amazon") is the largest American online retailer with an annual revenue of \$386 billion for the year ended December 31, 2020.
- 2. Among its myriad services, Amazon provides consumers the option to "Buy" movies ("Movie Content") for a fee via its website, www.amazon.com, and its "Prime Video app" (together with its website, the "Amazon Platform"). Movie Content is also typically available for "Rent."
- 3. Consumers can purchase the Movie Content by clicking on a "Buy" button. Once bought, the Movie Content is housed in a folder called "Video Purchases & Rentals" (the "Purchased Folder").
- 4. Except for content owned outright, Movie Content sold by Defendant is actually licensed to Amazon by the Movie Content's owner. These licensing arrangements mean that, unlike in a true sale, Defendant can never pass title of any licensed Movie Content it claims to be selling consumers. Thus, when a licensing agreement terminates for whatever reason, Defendant is required to pull the Movie Content from the consumers' Purchased Folder, which it does without prior warning, and without providing any type of refund or remuneration to consumers.
- 5. In other words, unlike a Best Buy or Target store that obtains title from a Movie Content's owner that it then conveys to a purchaser for value, Defendant's licensing arrangements prevent it from ever being able to pass title to Movie Content it claims it "sells" to consumers. Moreover, Defendant's sale of Movie Content, which it does not actually own, is made more egregious because, as demonstrated below, Amazon charges just as much for that content, at times even more so, than stores that actually transfer title of the Movie Content to its customers, which access can never be revoked.

- 6. Sticking with the analogy concerning Amazon's movie sales versus those of brick and mortar stores, Plaintiffs are not claiming that they bought a movie DVD that was defective because it was scratched or warped, which is what might happen if purchased at Target. As it concerns Amazon's Movie Content, Plaintiffs will readily agree that it works exactly as intended. Instead, Plaintiffs' claim is that they paid a purchase price commensurate with the sale of Movie Content when all they received was a revocable license to it that could expire at any time without warning. In fact, Movie Content could even disappear only a day after its purchase should Amazon's license agreement with the content's owner terminate the following day.
- 7. Defendant likely misrepresents the true nature of its Movie Content transactions as a "sale" for one reason: if it called the transaction what it really is, some type of sublicensing arrangement, it could not charge nearly as much as it charges for the Movie Content by misrepresenting to consumers that it is a true sale. Thus, it is no wonder that Defendant's product and digital media sales for the year ended December 31, 2020 were over \$197 billion.
- 8. Defendant's material misrepresentations relating to its "sale" of Movie Content has caused Plaintiffs and the Class (as defined below) members to sustain damages by overpayment of Movie Content they can never own because Defendant does not have the right to transfer title to it in the first place.

JURISDICTION AND VENUE

- 9. Jurisdiction is proper pursuant to 28 U.S.C. § 1332(d)(2) (Class Action Fairness Act of 2005 or "CAFA").
- 10. Under CAFA, district courts have "original federal jurisdiction over class actions involving (1) an aggregate amount in controversy of at least \$5,000,000; and (2) minimal diversity[.]"
 - 11. The aggregate amount in controversy is at least \$5,000,000.
- 12. Minimal diversity is met because Plaintiffs are citizens of California and Defendant is a citizen of Washington.

- 13. Venue is proper because Plaintiff Caudel and many Class members reside in this District and Defendant does business in this District and State.
- 14. A substantial part of events and omissions giving rise to the claims occurred in this District.
- 15. This court has personal jurisdiction over Defendant because it conducts and transacts business, and contracts to supply and supplies goods, within California.

PARTIES

- 16. Plaintiff Carranza-Moreno is a citizen of Paso Robles, California in San Luis Obispo County.
- 17. During the relevant statutes of limitations, Plaintiff Carranza-Moreno purchased Movie Content within this State for personal consumption and/or use in reliance on the representations that the Movie Content was being sold to her, even though Defendant did not have the right to do so because Defendant was only legally able to sublicense it. Moreover, while not legally required to establish that Plaintiff Carranza-Moreno suffered an injury when she overpaid for the purchase of content she could never legally own, she nevertheless lost Movie Content Defendant misrepresented it sold her, including one of the movies in the FIFTY SHADES Trilogy (Perfect World Pictures, Michael De Luca Productions and Trigger Street Productions 2015-2018), and several documentaries including *No Go-Zone The World's Toughest Places* (Maximus Film Network) and *Cartels and Police Corruption: Inside Mexico's Drug War* (Ligne de Front 2009).
 - 18. Plaintiff Caudel is a citizen of Fairfield, California in Solano County.
- 19. During the relevant statutes of limitations, Plaintiff Caudel purchased Movie Content within this District and/or State for personal consumption and/or use in reliance on the representations that the Movie Content was being sold to her, even though Defendant did not have the right to do so because Defendant was only legally able to sublicense it. Accordingly, Plaintiff Caudel was injured by overpaying for content she "purchased" that she could never legally own.
 - 20. Plaintiff Diomartich is a citizen of Tustin, California in Orange County.

- 21. During the relevant statutes of limitations, Plaintiff Diomartich purchased Movie Content within this State for personal consumption and/or use in reliance on the representations that the Movie Content was being sold to her, even though Defendant did not have the right to do so because Defendant was only legally able to sublicense it. Moreover, while not legally required to establish that Plaintiff Diomartich suffered an injury when she overpaid for the purchase of content she could never legally own, she nevertheless lost Movie Content Defendant misrepresented it sold her, including SON OF THE MASK (Erica Huggins and Scott Kroopf 2005) and Who Framed Roger Rabbit? (Frank Marshall and Robert Watts 1988).
 - 22. Plaintiff Scott is a citizen of Rialto, California in San Bernardino County.
- 23. During the relevant statutes of limitations, Plaintiff Scott purchased Movie Content within this State for personal consumption and/or use in reliance on the representations that the Movie Content was being sold to her, even though Defendant did not have the right to do so because Defendant was only legally able to sublicense it. Moreover, while not legally required to establish that Plaintiff Scott suffered an injury when she overpaid for the purchase of content she could never legally own, she nevertheless lost Movie Content Defendant misrepresented it sold her, including DON'T BREATHE 2 (Fede Álvarez, Sam Raimi and Robert Tapert 2021) and THE FOREVER PURGE (Jason Blum, Michael Bay, Andrew Form, Brad Fuller, James DeMonaco and Sébastien K. Lemercier 2021).
- 24. Defendant Amazon.com, Inc. is a Delaware corporation with a principal place of business in Seattle, King County, Washington.

FACTUAL BACKGROUND AND GENERAL ALLEGATIONS

25. Through the Amazon Platform, consumers can "Buy" or "Rent" Movie Content, and subsequently access it, in a variety of ways via computer, television, Amazon devices, mobile devices, Blu-ray players, games consoles and streaming media devices.

- 26. In the event that a consumer desires to "Rent" Movie Content, Defendant advertises that, for a fee of around \$5.99, the consumer will have access to the Movie Content for 30 days and then for 48 hours after the consumer first starts to watch the Movie Content.
- 27. For a much higher fee of around \$19.99, Defendant offers the option to "Buy" the Movie Content.
- 28. Below is a representative example of the options available to a consumer on Defendant's website at the digital point-of-sale of Movie Content:

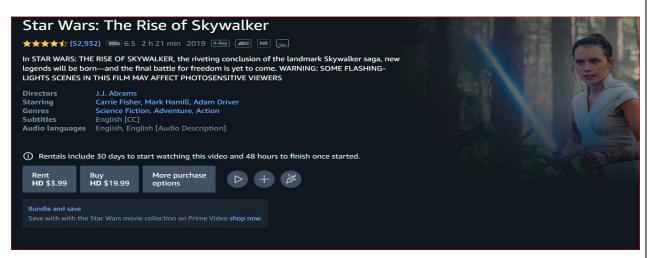


- 29. When a consumer chooses the option to "Buy" on the page of the Movie Content by clicking on the "Buy" button, the Movie Content instantly becomes available in the consumer's video library without the consumer needing to accept any terms and conditions pursuant to a clickwrap agreement. Moreover, when a web browser is in minimized view as shown above, consumers are not made aware of any of Amazon's terms or conditions.
- 30. As shown in the screenshot below of Defendant's website, consumers can navigate to their "purchased" Movie Content by clicking on a link labeled as "Video Purchases & Rentals."

1 Sign in 2 New customer? Start here. 3 **Your Lists** Your Account 4 Create a List Account Find a List or Registry Orders 5 AmazonSmile Charity Lists Recommendations 6 **Browsing History** Watchlist 7 Video Purchases & Rentals 8 Kindle Unlimited Content & Devices 9 Subscribe & Save Items 10 Memberships & Subscriptions Prime Membership 11 Amazon Credit Cards 12 Music Library Start a Selling Account 13 Register for a Business Account 14 31. The "Video Purchases & Rentals" webpage contains a collection of all available 15 Movie Content rented and "purchased" by Plaintiffs on the Amazon Platform. 16 32. Reasonable consumers will expect that Defendant is using the words "Buy" and 17 "Purchases" throughout the Amazon Platform in the same manner as those words are used, and 18 understood, by the hundreds of millions of people throughout the world that speak English; that is, 19 to "Buy" means to acquire possession over something, and once the "Buy" transaction has been 20 completed, that "something" is then considered to be a "Purchase."² 21 22 23 24 25 ¹ Buy Definition, merriam-webster.com/dictionary/buy (last visited Nov. 19, 2021). 26 ² Purchase <u>Definition</u>, merriam-webster.com/dictionary/purchase (last visited Nov. 19, 2021). 27 ("to obtain by paying money or its equivalent").

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- 33. Moreover, after a product is the result of a "Purchase," no seller of it should be able to revoke a purchaser's access to it. In other words, just like Best Buy or Target cannot come into a person's home to repossess a movie or show DVD, or a music CD sold by it, Defendant should not be able to remove Movie Content from its customers' Purchased Folder.
- 34. Unfortunately for those consumers who chose to click the "Buy" option, this is deceptive and untrue. Rather, the ugly truth is that Defendant does not own most of the Movie Content it purports to sell. In fact, a large portion of the Movie Content Amazon "sells" consumers on a daily basis is actually owned by others who license it to Defendant, thereby making Amazon a sublicensor of Movie Content versus a reseller.
- 35. To make matters worse, Defendant charges as much money, even more so at times, for Movie Content it is merely sublicensing versus resellers (like Best Buy and Target) who are actually passing title to such property forever. In fact, as shown below, Defendant is still "selling" a movie that is two years old, Star Wars: The Rise of Skywalker for \$19.99, while Target is selling that same movie, which a consumer truly owns and can keep forever, for only \$10.00.



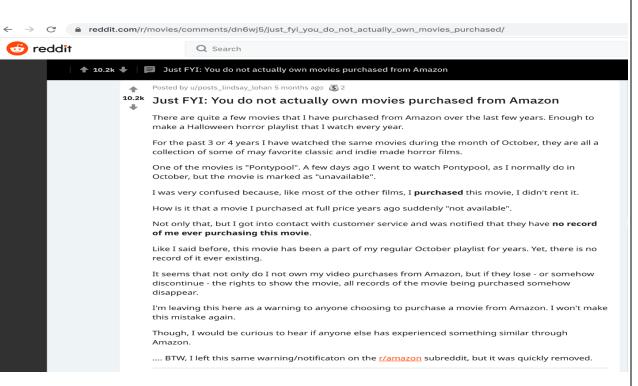
Star Wars: The Rise of Skywalker Amazon Price of \$19.99



Star Wars: The Rise of Skywalker Target Price of \$10.00

- 36. Despite charging a price that is commensurate with a true sale of property, once Defendant's licensing agreement with a content owner terminates, Amazon must revoke the consumers' access and use of the Movie Content. Amazon has done so on numerous occasions, without notice to consumers before or after the fact, leaving consumers without the ability to enjoy Movie Content they were led to believe they owned. Incredibly, Amazon has routinely refused to refund consumers any monies paid to "Buy" Movie Content that it had to revoke because Amazon was only allowed to sublicense that content and the corresponding licensing agreement had been terminated.
- 37. Defendant's representations are misleading because all of its actions relating to the purported sale of Movie Content give the impression that such content is purchased i.e. the person owns it when in fact that is not true because Defendant is only allowed to sublicense it.

- 38. Though some consumers may get lucky and never lose access to any of their paidfor media, others may one day find that their Movie Content is now gone forever. Regardless, all
 consumers have overpaid for the Movie Content because they are not in fact owners of it as
 represented by Defendant, despite having paid the amount of consideration typically tendered to
 "Buy" the product, because Defendant is only legally allowed to sublicense it.
- 39. In fact, Defendant's actions are no different than a car dealer leasing a car from one party, and then turning around and selling it to an unsuspecting consumer for the MSRP. In that situation, the car dealer would likely be sued and might also face criminal prosecution.
- 40. Thus, Defendant's deception in connection with its sale of (intangible) "digital property," such as movies for online streaming, should not be viewed any differently than the "seller" of the (tangible) leased car in the above hypothetical. Both the car and Movie Content are considered personal property that enjoy equal protection under the law and which cannot be taken without a legal right to do so and/or affording its owner some type of due process. Neither exists here.
- 41. Moreover, the price of the property, \$20,000 for a car versus only \$20 for a movie, does not confer any additional "personal property" rights or protection to the more expensive item over the lower priced one. Especially here, where Defendant deceptively and unlawfully sells billions of dollars a year of Movie Content it does not own, Plaintiffs' personal property rights cannot be trampled by the Movie Content's price and/or lack of tangibility. Finally, Defendant cannot use its website's terms and conditions to contract itself out of having to abide by fundamental principles of contract law and personal property, and the implied duty of good faith and fair dealing. That is just not the way the U.S. legal system works.
- 42. If there is any doubt that Defendant's representations that consumers are truly purchasing their Movie Content are designed to and do deceive, mislead and defraud consumers, below is a real-life experience listed on a Reddit post explaining Amazon's Movie Content deception:



- 43. The above complaint posted a couple of years ago is not new news for Defendant. Indeed, Defendant has been aware for close to a decade that consumers are routinely misled by the manner in which it "sells" Movie Content.
- 44. A Consumer Reports article from October 16, 2012 titled That Amazon Video You Bought? You May Not Actually Be Able To Watch It (available at https://www.consumerreports.org/consumerist/that-amazon-video-you-bought-you-may-notactually-be-able-to-watch-it/) discusses Defendant's unfair ability to pull "Purchased Digital Content" at any time: "This restriction isn't mentioned on the purchase page of the movie, nor is the customer given any such warning during the buying process. It's not even directly mentioned on the "Amazon Instant Video Usage Rules" page." The article goes on to say that, "We've written Amazon to ask why they do not make this restriction more clear during the purchasing process. If the company replies — we're not holding our breath on this one — we will update." Apparently, Defendant never replied because, to date, the article has not been updated to reflect that.
- 45. Defendant has sold more Movie Content, and at substantially higher prices per unit, than it would have in the absence of this misconduct, resulting in billions of dollars of profits at the

expense of unsuspecting consumers.

46. The consumer belief that they truly own the Movie Content has a material bearing on price and/or consumer acceptance of Defendant's video service because consumers are willing to pay substantially more for Movie Content that they believe they can access at any time and for an indefinite period.

- 47. The value of the Movie Content that Plaintiffs and the Class members purchased and consumed was materially less than its value as represented by Defendant.
- 48. Had Plaintiffs and Class members known the truth, they would not have bought Movie Content from Defendant or would have paid substantially less for it.
- 49. As a result of the false and misleading representations, the Movie Content is sold at a premium price, upon information and belief, at an average of \$14.99 per movie (compared to only \$5.99 to rent the same Movie Content), compared to other comparable movie content and services represented in a non-misleading way.

CLASS ALLEGATIONS

- 50. The class consists of all California residents who purchased Movie Content from Defendant from April 25, 2016 to the date of class certification and trial ("the Class"). Excluded from the Class are: governmental entities; Defendant; any entity in which Defendant has a controlling interest; Defendant's officers, directors, affiliates, legal representatives, employees, co-conspirators, successors, subsidiaries, and assigns; and, any judge, justice, or judicial officer presiding over this matter and the members of their immediate families and judicial staff.
- 51. Common questions of law or fact predominate and include whether Defendant's representations were and are misleading and if Plaintiffs and Class members are entitled to damages.
- 52. Plaintiffs' claims and basis for relief are typical to other members because all were subjected to the same unfair and deceptive representations and actions by Defendant.
- 53. Plaintiffs are adequate representatives because their interests do not conflict with other members.

1	54.	No individual inquiry is necessary since the focus is only on Defendant's practices		
2	and the Class is definable and ascertainable.			
3	55.	Individual actions would risk inconsistent results, be repetitive and are impractical		
4	to justify, as t	he claims are modest relative to the scope of the harm.		
5	56.	Plaintiffs' counsel is competent and experienced in complex class action litigation		
6	and intends to adequately and fairly protect Class members' interests.			
7	57.	Plaintiffs seek class-wide injunctive relief because the practices continue.		
8	<u>CLAIMS</u>			
9	<u>FIRST CLAIM</u> Violation of California's Consumers Legal Remedies Act,			
10	Cal. Civ. Code § 1750 et seq. On Behalf of the Class			
11	58.	Plaintiffs repeat each and every allegation contained in the paragraphs above and		
12	incorporate such allegations by reference herein.			
13	59.	Plaintiffs bring this claim individually and on behalf of the Class for violation of		
14	California's C	Consumers Legal Remedies Act, Cal. Civ. Code § 1750 et seq. (the "CLRA").		
15	60.	Under the CLRA, "services" means "work, labor, and services for other than a		
16	commercial o	r business use, including services furnished in connection with the sale or repair of		
17	goods." Cal. Civ. Code § 1761(b).			
18	61.	The component of Amazon Prime Video that enables online playing of "Purchased		
19	Videos" or Movie Content is a "service" under the CLRA.			
20	62.	Under the CLRA, "consumer" means "an individual who seeks or acquires, by		
21	purchase or 1	ease, any goods or services for personal, family, or household purposes." Id. §		
22	1761(d).			
23	63.	Plaintiffs and the Class members are "consumers" under the CLRA.		
24	64.	Under the CLRA, "person" means "an individual, partnership, corporation, limited		
25	liability company, association, or other group, however organized." <i>Id.</i> § 1761(c).			
26	65.	Defendant is a "person" under the CLRA.		
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1	66.	Under the CLRA, "transaction" means "an agreement between a consumer and
2	another person,	whether or not the agreement is a contract enforceable by action, and includes the
3	making of, and	the performance pursuant to, that agreement." Id. § 1761(e).
4	67.	Defendant, on the one hand, and Plaintiffs and the Class members, on the other hand,
5	engaged in "trai	nsactions" under the CLRA because, among other reasons, Defendant agreed to sell,
6	and pursuant to that agreement sold, Movie Content to Plaintiffs and the Class members.	
7	68.	Defendant's actions, representations, omissions, and conduct have violated the
8	CLRA because they extend to transactions that are intended to result, or that have resulted, in th	
9	sale of goods and services to consumers.	
10	69.	Under California Civil Code section 1770(a):
11	((a) The following unfair methods of competition and unfair or
12		deceptive acts or practices undertaken by any person in a
13	t	transaction intended to result or which results in the sale or lease of
14		goods or services to any consumer are unlawful:
15		* * * *
16	((5) Representing that goods or services have sponsorship, approval,
17		characteristics, ingredients, uses, benefits, or quantities which they
18	(do not have.
19		* * * *
20	((9) Advertising goods or services with intent not to sell them as
21	8	advertised
22		* * * *
23	<i>Id.</i> § 1770(a).	
24	70.	As detailed above, Defendant has violated California Civil Code section 1770(a)(5)
25	by representing	that the Movie Content has characteristics and benefits that they do not have, i.e.,
26	Defendant made representations to Plaintiffs and the Class members indicating that they could	
27	"Buy" Movie C	ontent, and after having paid for them were represented as "Purchases" and, as such,

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that it would be available for viewing online indefinitely, when in fact Defendant knew that the Movie Content could become unavailable for viewing due to content provider licensing restrictions and because Defendant knew that it could not pass title to the Movie Content.

- 71. Defendant violated the CLRA by making the representations and omissions it made at the Movie Content point-of-sale detailed above when it knew, or should have known, that its representations and omissions were false and misleading.
- 72. Plaintiffs and the Class members believed Defendant's representations that the Movie Content would be viewable online indefinitely.
- 73. Plaintiffs and the Class members would not have purchased the Movie Content but for the misleading representations and/or omissions by Defendant detailed above.
- 74. The Movie Content Plaintiffs and the Class members received was worth less than the Movie Content for which they paid. Plaintiffs and the Class members paid a premium price on account of Defendant's misrepresentations and/or omissions detailed herein.
- 75. Plaintiffs and the Class members were injured in fact and lost money as a result of Defendant's representations and/or omissions about the Movie Content detailed above. Plaintiffs and the Class members paid for Movie Content they thought they were purchasing and, as such, would be available for viewing indefinitely, when in fact Defendant knew that the Movie Content could become unavailable for viewing due to content provider licensing restrictions and because Defendant knew that it could not pass title to the Movie Content.
- 76. Plaintiffs, on behalf of the Class members, request that the Court enjoin Defendant from continuing to employ the unlawful methods, acts, and practices alleged herein pursuant to California Civil Code section 1780(a)(2). If the Court does not restrain Defendant from engaging in these practices in the future, Plaintiffs and the Class members will be harmed in that they will continue to overpay for the purchase of Movie Content that Defendant has no right to sell.

- 77. Pursuant to California Civil Code § 1780(a)(1), (a)(4) and (a)(5), Plaintiffs seek on behalf of themselves and the Class members actual damages, punitive damages, attorneys' fees and costs of litigation, and any other relief the Court deems proper.
- 78. Pursuant to California Civil Code § 1780(b)(1), Plaintiffs seek on behalf of all Class members who are senior citizens or disabled as defined in California Civil Code § 1761(f) and (g), an additional award of up to \$5,000 for physical, emotional or economic damage.
- 79. Therefore, Plaintiffs pray for all the relief they and the Class members are entitled to under the CLRA and for injunctive relief consistent with the relief that the California Supreme Court discussed in *McGill v. Citibank, N.A.*, 393 P.3d 85 (Cal. 2017)) and the Ninth Circuit in *Blair v. Rent-a-Center Inc.*, 928 F.3d 819 (9th Cir. 2019).

SECOND CLAIM

Violation of California's False Advertising Law, Cal. Bus. & Prof. Code § 17500 et seq. On Behalf of the Class

- 80. Plaintiffs repeat each and every allegation contained in the paragraphs above and incorporates such allegations by reference herein.
- 81. Plaintiffs bring this claim on behalf of the Class for violation of California's False Advertising Law, Cal. Bus. & Prof. Code § 17500 *et seq.* (the "FAL").
- 82. At all relevant times, Defendant has engaged in advertising and marketing representing that the Movie Content may be purchased by consumers for viewing online indefinitely.
- 83. Defendant engaged in its advertising and marketing with intent to directly induce consumers, including Plaintiffs and the Class members, to purchase the Movie Content based on Defendant's false and misleading representations and omissions.
- 84. In making and disseminating the representations and omissions detailed herein, Defendant knew or should have known that the representations and omissions were untrue or misleading.
 - 85. Plaintiffs and the Class members believed Defendant's representations that they had

purchased the Movie Content and, accordingly, the Movie Content would be available for viewing indefinitely.

- 86. Plaintiffs and the Class members would not have purchased the Movie Content but for the misleading representations and/or omissions by Defendant detailed above.
- 87. The Movie Content Plaintiffs and the Class members purchased was worth less than the Movie Content for which they paid. Plaintiffs and the Class members paid a premium price on account of Defendant's misrepresentations and/or omissions detailed herein.
- 88. Plaintiffs and the Class members were injured in fact and lost money as a result of Defendant's representations and/or omissions about the Movie Content detailed above. Plaintiffs and the Class members paid for Movie Content that could be viewed online indefinitely but did not receive such a product because the Movie Content may become unavailable due to potential content provider licensing restrictions and because Defendant knew that it could not pass title to the Movie Content.
- 89. Plaintiffs, individually and on behalf of the Class members, request that the Court enjoin Defendant from engaging in the false and misleading advertising and marketing set forth herein. If the Court does not restrain Defendant from engaging in these practices in the future, Plaintiffs and the Class members will be harmed in that they will continue to overpay for the purchase of Movie Content that Defendant has no right to sell.
- 90. Therefore, Plaintiffs pray only for injunctive and other public relief consistent with the relief that the California Supreme Court discussed in *McGill v. Citibank, N.A.*, 393 P.3d 85 (Cal. 2017) and the Ninth Circuit in *Blair v. Rent-a-Center Inc.*, 928 F.3d 819 (9th Cir. 2019).

THIRD CLAIM

Violation of California's Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 et seq. Unlawful, Unfair, and Fraudulent Prongs On Behalf of the Class

91. Plaintiffs repeat each and every allegation contained in the paragraphs above and incorporate such allegations by reference herein.

92.	Plaintiffs bring this claim on behalf of the Class for violation of the unlawful, unfair	
and fraudulent prongs of California's Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 e		
seq. (the "UCL").		
93.	The circumstances giving rise to Plaintiffs' and the Class members' allegations	
include Defendant's corporate policies regarding the sale and marketing of Movie Content for		
purchase.		

- Under the UCL, "unfair competition" means and includes "any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising and any act prohibited by" the FAL. Cal. Bus. & Prof. Code § 17200.
- By engaging in the acts and practices described herein, Defendant has committed one or more acts of "unfair competition" as the UCL defines the term.
- Defendant has committed "unlawful" business acts or practices by violating the
 - Defendant has committed "unfair" business acts or practices by, among other things:
 - engaging in conduct for which the utility of the conduct, if any, is outweighed by the gravity of the consequences to Plaintiffs and the members
 - engaging in conduct that is immoral, unethical, oppressive, unscrupulous, or substantially injurious to Plaintiffs and the members of the Class; and
 - engaging in conduct that undermines or violates the spirit or intent of the consumer protection laws that this Complaint invokes.
- Defendant has committed unlawful, unfair, and/or fraudulent business acts or practices by, among other things, engaging in conduct Defendant knew or should have known was likely to, and did, deceive reasonable consumers, including Plaintiffs and the Class members.
- As detailed above, Defendant's unlawful, unfair, and/or fraudulent practices include making false and misleading representations and/or omissions.
 - As detailed above, Defendant has made material representations that the Movie

Content purchased by Plaintiffs and the Class members would be available for viewing online indefinitely.

- 101. Defendant made the representations and omissions with intent to directly induce consumers, including Plaintiffs and the Class members, to purchase the Movie Content based on the false and misleading representations and omissions.
- 102. Plaintiffs and the Class members believed Defendant's representations that the Movie Content would be available for viewing online indefinitely.
- 103. Plaintiffs and the Class members would not have purchased the Products, but for the misleading representations and/or omissions by Defendant detailed above.
- 104. The Movie Content Plaintiffs and the Class members received were worth less than the Movie Content for which they paid. Plaintiffs and the Class members paid a premium price on account of Defendant's misrepresentations and/or omissions detailed herein.
- 105. Plaintiffs and the Class members were injured in fact and lost money as a result of Defendant's violations of the unlawful, unfair, and/or fraudulent prongs of the UCL that are set out above. Plaintiffs and the Class members paid for Movie Content that they believed would be available for viewing online, but did not receive such a product because the Movie Content may become unavailable due to potential content provider licensing restrictions and because Defendant knew that it could not pass title to the Movie Content.
- 106. Plaintiffs, on behalf of the Class members, request that the Court enjoin Defendant from engaging in the false and misleading advertising and marketing set forth herein. If the Court does not restrain Defendant from engaging in these practices in the future, Plaintiffs and the Class members will be harmed in that they will continue to overpay for the purchase of Movie Content that Defendant has no right to sell.
- 107. Therefore, Plaintiffs pray for injunctive relief and other public relief (such as restitution) consistent with the relief that the California Supreme Court discussed in *McGill v. Citibank*, *N.A.*, 393 P.3d 85 (Cal. 2017) and the Ninth Circuit in *Blair v. Rent-a-Center Inc.*, 928 F.3d 819 (9th Cir. 2019).

1	PRAYER FOR RELIEF		
2	WHEREFORE, Plaintiffs, on behalf of themselves and the Class members, respectfully		
3	request that the Court enter an Order:		
4	A. certifying the proposed Class under Federal Rule of Civil Procedure 23(a) and		
5	(b)(2), as set forth above;		
6	B. declaring that Defendant is financially responsible for notifying the Class members		
7	of the pendency of this suit;		
8 9 10	declaring that Defendant has committed the violations of law alleged herein; C. providing for any and all injunctive relief the Court deems appropriate;		
11	D. awarding Plaintiffs their reasonable costs and expenses of suit, including attorneys fees;		
12	E. awarding pre- and post-judgment interest to the extent the law allows; and		
13	providing such further relief as this Court may deem just and proper.		
14	JURY TRIAL DEMAND		
15	Plaintiffs demand a jury trial on all causes of action so triable.		
16 17	Dated: January 5, 2022, REESE LLP		
1819	<u>/s/ Carlos F. Ramirez</u> Carlos F. Ramirez (Admitted <i>pro hac vice</i>)		
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AFFIDAVIT OF CARLOS F. RAMIREZ 1 2 PURSUANT TO CALIFORNIA CIVIL CODE § 1780 Carlos F. Ramirez declares: 3 4 1. I am an attorney admitted *pro hac vice* to practice before this Court. I am a partner 5 in the law firm of Reese LLP, attorneys of record for Plaintiffs Allison Carranza-Moreno, Amanda Caudel, Cathy Diomartich and Shaney Scott. 6 7 2. I am one of the attorneys principally responsible for the handling of this matter. I 8 am personally familiar with the facts set forth in this declaration, and if called as a witness, I 9 could and would competently testify to the matters stated herein. 3. 10 This action has been commenced in a county described in California Civil Code 11 Section 1780 as a proper place for the trial of the action. The transactions or a substantial portion 12 thereof occurred in Solano County, California. 13 I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. 14 15 Executed on January 5, 2022, at Chappaqua, New York 16 /s/ Carlos F. Ramirez 17 Carlos F. Ramirez 18 19 20 21 22 23 24 25 26 27 28