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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

ELIZABETH HICKS, an Individual on behalf of herself and all others similarly situated and the general public,

Plaintiffs,

v.

GRIMMWAY ENTERPRISES, INC., a Corporation with Headquarters in California, and DOES 1-100, inclusive,

Defendants.

CASE NO.: 22-2022-00038827-CU-BT-CTL

(Proposed) CLASS ACTION COMPLAINT

1. Violations of California Business & Professions Code §17500, et seq., and
2. Violations of California Business & Professions Code §17200, et seq.

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1 COMES NOW Plaintiff, Elizabeth Hicks, an Individual on behalf of herself and all others
2 similarly situated and the general public, and hereby alleges as follows:

3 Plaintiff Elizabeth Hicks ("Plaintiff") brings this action on behalf of herself and all others
4 similarly situated against Defendant GRIMMWAY ENTERPRISES, INC. (hereinafter, "Defendant,"
5 or "Grimmway"). The allegations in this Complaint, stated on information and belief, have
6 evidentiary support, or are likely to have evidentiary support after a reasonable opportunity for
7 further investigation and discovery.
8

9 NATURE OF THE ACTION

10 1. Plaintiff files this class action lawsuit on behalf of herself and all similarly situated
11 persons who reside in California, and purchased Grimmway products that are branded,
12 manufactured, distributed, marketed and/or sold by Grimmway.
13

14 2. This matter involves several separate misrepresentations, each of which are meant
15 to mislead the public (including the Plaintiff) to believe that the Grimmway manufacturing process
16 actually benefits, and "restores," the ecosystem. For example, Grimmway advertises that it employs
17 "smarter water usage," that "will help Grimmway be more resilient to future droughts as well as
18 address the over drafting of aquifers in key areas." (Please see **Exhibit A**). Further, Grimmway
19 advertises its use of "regenerative farming practices have enabled us to efficiently manage risk while
20 doing right by our employees, customers, consumers, and the environment," and "protect and
21 preserve our natural resources." (Please see **Exhibit B**).
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23 3. In actuality, the Grimmway method of growing its goods is causing severe harm to
24 the ecosystem, and to its neighbors and communities. To wit, while a large portion of the Grimmway
25 goods are grown and manufactured in areas designated to be above an aquifer titled the Cuyama
26 Valley Groundwater Basin ("Basin"), the Grimmway methods regarding water use have caused
27 and/or contributed to chronic overdraft of the aquifer. This chronic overdraft has and will cause
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1 and/or contribute to severe water restrictions, plant and animal “die-off,” and other damage, none
2 of which can ever be rationally or reasonably described as “regenerative.”

3
4 4. As a *second example*, within its “Inaugural Report on Environmental, Social and
5 Governance Actions,” Grimmway advertises that it “continues to grow sustainably” which includes
6 “reducing our carbon footprint” and “preserving our natural resources.” (Please see Exhibit C). In
7 reality, Grimmway has actively sought to continue its decades-long practice of overdrafting, which
8 is neither “sustainable,” nor “preserving... natural resources.” Grimmway’s overdraft practices have
9 actually increased its carbon footprint, and damaged the Cuyama Valley ecosystem.

10
11 **THE PARTIES**

12 5. Plaintiff is a citizen of the state of California, and resides in the county of San Diego.
13 Plaintiff has purchased Defendant’s products regularly (and over a period of more than two years)
14 and thereby adversely altered her position in an amount equal to the amount she paid for the
15 Defendants’ products. Plaintiff and the Proposed Class would not have purchased or paid a premium
16 for the Grimmway products had they known that the “regenerative farming,” “Environmental, Social
17 and Governance,” and “preserving...natural resources” claims were false, deceptive and misleading.

18
19 6. Defendant GRIMMWAY ENTERPRISES, INC. is registered with the California
20 Secretary of State as a Delaware corporation. However, its Headquarters and designated “principal
21 place of business” is in Arvin, California.

22
23 7. The Grimmway goods/products that are the subject of this action include *inter alia*,
24 carrots (and baby carrots), carrot juice, strawberry protein drink, chocolate protein drink, Italian salad
25 dressing and yogurt dill dressing (hereinafter the “Grimmway Products”). The Grimmway Products
26 are manufactured, packaged, marketed, distributed and sold by the Defendant by and through various
27 methods, including via supermarket chains and retail stores throughout California.

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1 8. The true names and capacities, whether individual, corporate, associate or otherwise
2 of each of the defendants designated herein as a DOE are unknown to Plaintiff at this time, who
3 therefore sue said defendants by fictitious names, and will ask leave of this Court for permission to
4 amend this Complaint to show their names and capacities when the same have been ascertained.
5 Plaintiff is informed and believes and thereon alleges that each of the defendants designated as a
6 DOE is legally responsible in some manner for the events and happenings herein referred to, and
7 caused injuries and damages thereby to these Plaintiffs as alleged herein.
8

9 9. On information and belief, Plaintiff alleges that at all times herein mentioned, each
10 of the defendants was acting as the agent, servant or employee of the other defendants and that
11 during the times and places of the incident in question, Defendants and each of their agents, servants,
12 and employees became liable to Plaintiff and class members for the reasons described in the
13 complaint herein, and thereby proximately caused Plaintiff to sustain damages as set forth herein.
14

15 10. On information and belief, Plaintiff alleges that Defendants carried out a joint
16 scheme with a common business plan and policies in all respects pertinent hereto and that all acts
17 and omissions herein complained of were performed in knowing cooperation with each other.
18

19 11. On information and belief, Plaintiff alleges that the shareholders, executive officers,
20 managers, and supervisors of the Defendants directed, authorized, ratified and/or participated in the
21 actions, omissions and other conduct that gives rise to the claims asserted herein. Defendants'
22 officers, directors, and high-level employees caused Grimmway Products to be sold with knowledge
23 or reckless disregard that the statements and representations concerning the Grimmway Products
24 were false and misleading.
25

26 12. Plaintiff is informed and believes, and thereon alleges, that the Defendants are in
27 some manner intentionally, negligently, or otherwise responsible for the acts, omissions,
28 occurrences, and transactions alleged herein.

1 17. As more specifically set forth below, Grimmway “regenerative farming,”
2 “Environmental, Social and Governance,” and “preserving natural resources” claims are widely
3 disseminated on the Grimmway website, and/or through other written and internet publications.

4 18. At all relevant times, Plaintiff believed that she was purchasing Grimmway goods that
5 were the product of “regenerative farming,” were grown and manufactured in a manner consistent
6 with Grimmway “making better choices for the planet,” and that were manufactured in a custom and
7 manner in which Grimmway would not harm or adversely affect its neighbors and/or community.
8 Plaintiff would not have continued to purchase the products, or would have purchased them but at
9 a lesser price, absent the misleading statements and misrepresentations made by Grimmway. Please
10 see specific examples of Defendants’ false, untrue and misleading representations, below.
11

12 19. Grimmway displays claims that it uses “regenerative farming” on its website and
13 within its marketing tools and devices.
14

15 20. For example, within its online advertising, Grimmway makes the following
16 representation:

17 “smarter water usage,” that “will help Grimmway be more resilient to future droughts
18 as well as address the over drafting of aquifers in key areas.” (Please see **Exhibit A**).

19 21. As a *second* example, Grimmway advertises that:

20 “regenerative farming practices have enabled us to efficiently manage risk while
21 doing right by our employees, customers, consumers, and the environment,” and
22 “protect and preserve our natural resources.” (Please see **Exhibit B**).

23 22. As a *third* example, within its “Inaugural Report on Environmental, Social and
24 Governance Actions,” Grimmway advertises that it

25 “continues to grow sustainably” which includes “reducing our carbon footprint” and
26 “preserving our natural resources.” (Please see **Exhibit C**).

27 23. These statements (and others made by Grimmway) are false, untrue and misleading,
28 in that a large portion of the area used by Grimmway to grow and manufacture its products - the

1 Cuyama Aquifer - is in a recorded (and state designated) condition of "critical overdraft," due in
2 large part to the Grimmway methods and practices, which pump tens of thousands of gallons of
3 water out of the Basin every year. The overdraft of the Basin, caused and/or contributed to by the
4 Grimmway methods and practices, is actually degenerative, and damaging to the ecosystem and to
5 the Grimmway neighbors and community.

7 24. The Defendants prominently display claims that Grimmway employs
8 an "Environmental, Social and Governance commitment" on its website, social media profiles and
9 within its marketing tools and devices.

10 25. For example, and among other misrepresentations, Grimmway claims the following:

11
12 At the core of our business is our role as caretakers of the land that has nourished our
13 growth for more than 50 years. Long before climate change became part of everyday
14 conversations, Grimmway had embarked on enterprise-wide sustainability initiatives
15 to protect and preserve our natural resources. (Please see **Exhibit D**).

16 26. These statements (and others made by Grimmway) are false, untrue and misleading,
17 in that a large portion of the area used by Grimmway to grow and manufacture its products - the
18 Cuyama Aquifer - is in a recorded (and state designated) condition of "critical overdraft," due in
19 large part to the Grimmway methods and practices, which pump tens of thousands of gallons of
20 water out of the Basin every year. The overdraft of the Basin, caused and/or contributed to by the
21 Grimmway methods and practices, is actually "degenerative," and damaging to the ecosystem and
22 to the Grimmway neighbors and community.

23 27. Grimmway makes repeated misrepresentations of being a proponent of, and
24 practicing, "Environmental Stewardship."

25 **PRIVATE ATTORNEYS GENERAL ALLEGATIONS**

26
27 28. In addition to asserting class claims, Plaintiffs assert claims on behalf of class
28 members pursuant to California Business & Professions Code § 17200, et seq. The purpose of such

1 claims is to obtain injunctive orders regarding the false labeling, deceptive marketing and consistent
2 pattern and practice of falsely promoting natural claims and the disgorgement of all profits and/or
3 restoration of monies wrongfully obtained through the Defendants' pattern of unfair and deceptive
4 business practices as alleged herein. This private attorneys general action is necessary and
5 appropriate because Defendants have engaged in wrongful acts described herein as part of the regular
6 practice of its business.
7

8 **CLASS ACTION ALLEGATIONS**

9 29. Plaintiff brings this action on her own behalf and on behalf of all other persons
10 similarly situated pursuant to California law.
11

12 30. Plaintiff seeks to represent the following Class (hereinafter collectively the "Class"):

13 All persons residing in the State of California who purchased Grimmway
14 goods/products, for personal use and not for resale, during the time period from
15 September 7, 2018, through the present (the "Class").

16 Excluded from the Class are Grimmway, as well as its officers, employees, agents or
17 affiliates, and any judge who presides over this action, as well as all past and present employees,
18 officers and directors of Grimmway. Plaintiff reserves the right to expand, limit, modify, or amend
19 this class definition, including the addition of one or more subclasses, in connection with her motion
20 for class certification, or at any other time, based upon, *inter alia*, changing circumstances and/or
21 new facts obtained during discovery.

22 31. The Class is made up of thousands of persons throughout California, the joinder of
23 whom is impracticable, and the disposition of their claims in a Class Action will benefit the parties
24 and the Court. The Class is sufficiently numerous because, based on information and belief,
25 thousands to hundreds of thousands of units of the Grimmway Products have been sold in the State
26 of California during the time period from September 30, 2018, through the present (the "Class
27 Period").
28

1 32. There is a well-defined community of interest in this litigation and the Class is easily
2 ascertainable:
3 a. Numerosity: The members of the Classes are so numerous that any form of joinder
4 of all members would be unfeasible and impractical. On information and belief,
5 Plaintiff believes the size of the Classes exceeds Twenty-Five Thousand (25,000)
6 members.
7 b. Typicality: Plaintiff is qualified to and will fairly and adequately protect the
8 interests of each member of the Classes with whom she has a well-defined
9 community of interest and the claims (or defenses, if any), are typical of all members
10 of the Classes.
11 c. Adequacy: Plaintiff does not have a conflict with the Classes and is qualified to
12 and will fairly and adequately protect the interests of each member of the Classes
13 with whom she has a well- defined community of interest and typicality of claims.
14 Plaintiff acknowledges that she has an obligation to the Court to make known any
15 relationship, conflict, or difference with any putative class member. Plaintiff's
16 attorneys and proposed class counsel are well versed in the rules governing class
17 action and complex litigation regarding discovery, certification, and settlement, and
18 have been previously designated, by California state courts, as "Class Counsel" on
19 at least 50 prior occasions.
20 d. Superiority: The nature of this action makes the use of class action adjudication
21 superior to other methods. Class action will achieve economies of time, effort, and
22 expense as compared with separate lawsuits, and will avoid inconsistent outcomes
23 because the same issues can be adjudicated in the same manner and at the same time
24 for the entire class.
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1 33. Common questions of law and fact exist, that predominate over questions that may
2 affect individual class members. Common questions of law and fact include, but are not limited to,
3 the following:

- 4 a. Whether Defendants' conduct is a fraudulent business act or practice within
5 the meaning of Business and Professions Code section 17200, et seq.;
- 6 b. Whether Defendants' advertising is untrue or misleading within the meaning
7 of Business and Professions Code section 17500, et seq.;
- 8 c. Whether Defendants made false and misleading representations in the
9 advertising and/or packaging of the Grimmway Products;
- 10 d. Whether Defendants knew or should have known that the "regenerative
11 farming" claims and representations were false;
- 12 e. Whether Defendants knew or should have known that the "regenerative
13 farming" claims and representations were false;
- 14 c. Whether Defendants represented that the Grimmway Products have
15 characteristics, benefits, uses, or quantities which they do not have;
- 16 f. Whether Defendants' representations regarding the Grimmway Products are
17 false;
- 18 g. Whether Defendants warranted the health and wellness of the Grimmway
19 Products by virtue of the "regenerative farming" Claims;
- 20 h. Whether the Defendants breached warranties regarding the Grimmway
21 Products;
- 22 i. Whether the Defendants committed statutory and common law fraud; and
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1 provides the benefits of a single, uniform adjudication, economies of scale, and comprehensive
2 supervision by a single court.

3 39. Defendants have acted on grounds generally applicable to the Class as a whole,
4 thereby making final injunctive relief and/or corresponding declaratory relief appropriate with
5 respect to the Class as a whole. The prosecution of separate actions by individual class members
6 would create the risk of inconsistent or varying adjudications with respect to individual members of
7 the Class that would establish incompatible standards of conduct for the Defendants.
8

9 40. Absent a class action, Defendants are likely to retain the benefits of their wrongdoing.
10 Because of the small size of the individual class members' claims, few, if any, class members could
11 afford to seek legal redress for the wrongs complained of herein. Absent a representative action, the
12 class members will continue to suffer losses and Defendants will be allowed to continue these
13 violations of law and to retain the proceeds of their ill-gotten gains.
14

15 41. Were it not for this class action, most class members would find the cost associated
16 with litigating claims extremely prohibitive, which would result in no remedy.
17

18 42. This class action would serve to preserve judicial resources, the respective parties'
19 resources, and present fewer issues with the overall management of claims, while at the same time
20 ensuring a consistent result as to each class member.

21 **FIRST CAUSE OF ACTION**
22 **Violations of California Business & Professions Code §§17500, et seq.**
23 **By Plaintiff and the Proposed Class against Defendants**

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

26 44. Pursuant to Cal. Bus. & Prof. Code §§ 17500, et seq., it is "unlawful for any person
27 to make or disseminate or cause to be made or disseminated before the public in this state, ... in any
28 advertising device ... or in any other manner or means whatever, including over the Internet, any

1 statement, concerning ... personal property or services, professional or otherwise, or performance or
2 disposition thereof, which is untrue or misleading and which is known, or which by the exercise of
3 reasonable care should be known, to be untrue or misleading.”

4
5 45. Defendants committed acts of false advertising, as defined by §17500, by making the
6 Claims regarding the Grimmway Products because those claims are untrue and/or misleading.

7 46. Because the Defendants have been made aware of the lack of a “regenerative” aspect
8 to its farming practices, Defendants knew or should have known through the exercise of reasonable
9 care, that the Grimmway claims were false, untrue and misleading to Plaintiff and class members.

10 47. Defendants’ actions in violation of § 17500 were untrue and misleading such that the
11 Plaintiff, the Proposed Class and the general public are and were likely to be deceived by the untrue
12 and/or misleading statements.

13
14 48. Plaintiff and the Proposed Class Members lost money or property as a result of
15 Defendants’ false advertising violations, because they would not have purchased, or would not have
16 paid a premium, for the Grimmway Products if they had not been deceived by the Claims.

17
18 **SECOND CAUSE OF ACTION**
19 **For Violation Cal. Bus. & Prof. Code § 17200, et seq. By Plaintiff**
20 **and Proposed Class against Defendants**

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

23 50. Plaintiff is a direct victim of Defendants’ illegal and/or unfair business acts and
24 practices referenced in this complaint, has lost money as a result of such practices, and brings this
25 action both in her individual capacity and on behalf of Defendants’ current and former California-
26 based, nonexempt employees who share a common or general interest in the damages as a result of
27 the illegal and/or unfair practices.

28

1 51. The approximately 25,000 member class is ascertainable via their experience as
2 California-based purchasers of Grimmway products. Class members share a community of interest
3 and an injury-in-fact as Defendants have violated California laws, thereby depriving class members
4 of money earned. Based on the facts set forth above, it would be impracticable to proceed in
5 individual actions.
6

7 52. Plaintiff suffered an injury-in-fact pursuant to Business & Professions Code section
8 17204, and lost money as a result of Defendants' illegal and/or unfair practices.
9

10 53. Plaintiff brings this action on behalf of an ascertainable class who share a community
11 of interest pursuant to Business & Professions Code section 17203 and Code of Civil Procedure
12 section 382 and who share a common or general interest in the damages as a result of the illegal
13 and/or unfair practices, in that those individuals on whose behalf the action is brought have also lost
14 money as a result of Defendants' practices, as set forth above, and that it would be impracticable to
15 proceed as an individual plaintiff action.
16

17 54. Business & Professions Code section 17200 *et seq.* prohibits any unlawful, unfair,
18 or fraudulent business act or practice.

19 55. Plaintiff's allegations herein are based upon Defendants' institutional business acts
20 and practices.

21 56. Defendants' acts and practices, as described herein above, are unlawful and unfair,
22 in that they violate California law.
23

24 57. As a direct result of Defendants' unlawful and unfair business acts and practices,
25 Plaintiff and all other class members have been denied wages earned, and have therefore been
26 damaged in an amount to be proven. Accordingly, Plaintiff prays for restitution and injunctive
27 damages in an amount to be proven.
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j. For an order awarding Plaintiff, and the Class, their reasonable attorneys' fees and expenses and costs of suit.

DEMAND FOR TRIAL BY JURY

Plaintiff respectfully demands a trial by jury of all issues.

Dated: September 29, 2022

SULLIVAN & YAECKEL LAW GROUP, APC



Eric K. Yaeckel

Ryan T. Kuhn

Plaintiff ELIZABETH HICKS an Individual on behalf of herself and all others similarly situated and the general public