1	CROSNER LEGAL, P.C. Michael R. Crosner (SBN 41299)	ELECTRONICALLY FILED Superior Court of California,		
2	Zachary M. Crosner (SBN 272295) Chad A. Saunders (SBN 257810)	County of San Diego 11/03/2022 at 10:21:18 PM		
3	Craig W. Straub (SBN 249032) 9440 Santa Monica Blvd. Suite 301	Clerk of the Superior Court By Gabriel Lopez, Deputy Clerk		
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10	[Additional Counsel Appear on Signature Page]			
11	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
12	COUNTY OF SAN DIEGO			
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14	TREVOR DAVENPORT, on behalf of himself and all others similarly situated and	Case No.: 37-2022-00044468-CU-MC-CTL		
15	aggrieved,	CLASS ACTION COMPLAINT		
16	Plaintiff,	1) VIOLATION OF THE CALIFORNIA		
17	V.	UNFAIR COMPETITION LAW [Bus. & Prof. Code §§ 17200, et seq.]		
18	LIBERTY MEDIA CORPORATION, a Delaware corporation; FORMULA ONE	2) VIOLATION OF THE CALIFORNIA		
19	GROUP; FORMULA ONE DIGITAL MEDIA LIMITED; and DOES 1 to 50,	FALSE ADVERTISING LAW [Bus. & Prof. Code §§ 17500, et seq.]		
20	inclusive,			
21	Defendants.	3) VIOLATION OF THE CALIFORNIA CONSUMERS LEGAL REMEDIES ACT		
22		[Civ. Code §§ 1750, et seq.]		
23		4) CONVERSION5) UNJUST ENRICHMENT		
24		5) CHACST ENGCHWENT		
25		JURY TRIAL DEMANDED		
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Plaintiff Trevor Davenport ("Plaintiff"), individually, and on behalf of all others similarly situated, upon personal knowledge of the facts pertaining to himself and on information and belief as to all other matters, by and through undersigned counsel, hereby brings this class action complaint against Defendants Liberty Media Corporation, Formula One Group, and Formula One Digital Media Limited ("Defendants" of "Formula One") and alleges as follows:

INTRODUCTION

- 1. Defendants offer an online streaming program called "F1 Live and On-Demand" which allows their customers to stream the popular international series of auto races called "Formula One" or "F1." Formula 1 is the highest class of international auto racing for open-wheel singleseater formula racing cars and is sanctioned by the Fédération Internationale de l'Automobile ("FIA"). The Formula One World Championship is an annual, approximately nine-month-long, motor race-based competition in which teams compete for the Constructors' Championship and drivers compete for the Drivers' Championship. Formula 1 racing began in 1950 and is the world's most prestigious motor racing competition, as well as the world's most popular annual sporting series: "The 2022 FIA Formula One World Championship™ runs from March to November and spans 23 races in 21 countries across five continents."¹
- 2. Formula 1 is one of the most watched sports in the world, averaging 1.4 million viewers per race. Defendants capitalize on the sport's popularity by offering a TV streaming subscription service which allows customers to watch "Every F1 race live and on demand. With exclusive access to on-board cameras, team radio and live timing." Unbeknownst to consumers, this service is automatically renewed, charging their bank accounts and credit/debit cards without their knowledge or consent.
- 3. After a customer is convinced to purchase a month of Defendants' F1 TV streaming service, customers are unwittingly enrolled in Defendants' F1 TV streaming service that automatically renews either monthly or yearly. Defendants thereafter post charges to the consumer's credit or debit card in the amount of \$9.99 per month for "F1 TV Pro" or \$2.99 per month for "F1

https://www.libertymedia.com/tracking-stocks/formula-one-group (last visited July 27, 2022).

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TV Access." The annual charges for these services are \$79.99 and \$26.99, respectively. The problem with Defendants' business practices is they fail to provide clear and conspicuous disclosures mandated by California law and fail to provide a clear mechanism by which consumers may cancel their subscriptions.

- Defendants have availed themselves of the highly profitable subscription economy. 4. Subscription services were estimated be worth \$650 billion in 2020 alone and are anticipated to drastically increase as more companies avail themselves of the marketing strategy. In fact, federal regulators are investigating ways to make it harder for companies like Defendants to trap consumers in auto-renewal subscriptions. However, the subscription business has outpaced the federal regulations that police it.
- 5. Plaintiff alleges that Defendants violate California law in connection with an illegal automatically renewing F1 TV streaming service. Defendants enroll consumers in a subscription service without providing the "clear and conspicuous" disclosures mandated by California law, and post charges to consumers' credit or debit cards for purported subscription charges without first obtaining the consumers' affirmative consent to an agreement containing the requisite clear and conspicuous disclosures. Furthermore, Defendants fail to provide an easy and efficient mechanism for customers to cancel the subscription service before its automatic renewal. Defendants also make it difficult and confusing to cancel their subscription, often resulting in failed cancellations and repeated subscription charges.
- 6. This course of conduct violates the California Automatic Renewal Law (Bus. & Prof. Code §§ 17600, et seq.) ("ARL"), the Consumers Legal Remedies Act (Civ. Code §§ 1750, et seq.) ("CLRA"), the Unfair Competition Law (Bus. & Prof. Code §§ 17200, et seq.) ("UCL"), False Advertising Law (Bus. & Prof. Code §§ 17500, et seq.) ("FAL"), and California common law. As a direct result of this conduct, Plaintiff and all those similarly situated customers (the "Class Members") suffered economic injury in the loss of money paid for a F1 TV streaming service subscription. As such, Plaintiff brings this class action on behalf of himself and all similarly situated Class Members seeking declaratory relief, injunctive relief, equitable relief (including, but not limited to, restitution), damages, and reasonable attorneys' fees and costs.

JURISDICTION AND VENUE

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- 7. This Court has subject matter jurisdiction over this matter under Cal. Code Civ. P. § 410.10 and Article VI, Section 10 of the California Constitution. because this case is not given by statute to other trial courts. This action is brought as a class action on behalf of Plaintiff and all Class Members pursuant to Cal. Code Civ. Proc. § 382.
- 8. This This Court has personal jurisdiction over Defendants because during all relevant times, Defendants conducted sufficient business in, and had sufficient contacts with, and intentionally availed themselves of the laws and markets of California, including San Diego County, as to render exercise of jurisdiction by California courts permissible. Defendants have marketed, promoted, distributed, and sold the F1 TV streaming subscription at issue in California, including in San Diego County.
- Venue is proper in San Diego, California pursuant to Cal Code Civ. P. § 1780(d) 9. because Defendants transact business in this County.

THE PARTIES

10. Plaintiff Trevor Davenport is a citizen of and resides in the State of California. On or about December 2021, Plaintiff Davenport downloaded Defendants' F1 TV application via Fire Stick on his smart TV. He then created an account and purchased one month of F1 TV Pro. During the enrollment process, but before he purchased Defendants' streaming service, Mr. Davenport provided his personal credit card/debit card information directly to Defendants. At the time Mr. Davenport purchased the F1 TV streaming service, Defendants did not disclose to Mr. Davenport the required automatic renewal offer terms associated with the subscription program or obtain Mr. Davenport's affirmative consent to those terms. After Mr. Davenport completed his initial order, Defendants sent him an email that failed to provide Mr. Davenport with the complete automatic renewal terms that applied to Defendants' offer, a description of Defendants' full cancellation policy, or information regarding how to easily cancel the subscription. Mr. Davenport did not receive any other acknowledgment that contained the required information. After he first signed up for the F1 TV streaming service, Defendants automatically renewed his subscription and charged Mr. Davenport's credit card. Approximately one month after his initial purchase, Mr. Davenport

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discovered that Defendants enrolled him in an automatically renewing monthly subscription service when he noticed a new monthly charge to his credit card/debit card. Mr. Davenport was surprised to see the recurring charge. After looking through the phone application downloaded on his personal phone, Mr. Davenport was eventually able to cancel his subscription in or around March 2022. Had Defendants complied with the ARL, Mr. Davenport would not have agreed to sign up for and purchase the F1 TV streaming service had he known at the time of purchase that it was a subscription that would be automatically renewed each month at a cost of approximately \$9.99. Alternatively, he would have cancelled his subscription prior to the expiration of the initial subscription period so as to avoid being charged any renewal fee. Accordingly, Plaintiff Davenport has suffered injury in fact and lost money or property as a result of Defendants' misconduct as alleged herein.

- 11. Defendant Liberty Media Corporation is a publicly-traded Delaware corporation that, at all relevant times, was authorized to do business within the State of California and is doing business in the State of California.
- 12. Defendant Formula One Group is a wholly owned subsidiary of Defendant Liberty Media Corporation. Liberty Media Corporation acquired Formula One for \$8.0 billion as of January $23, 2017.^{2}$
- 13. Defendant Formula One Digital Media Limited is part of Formula One Group and is also owned by Defendant Liberty Media Corporation. Formula One Digital Media Limited operates the website found at https://www.formula1.com/en/subscribe-to-f1-tv.html.³ As described below, this is the website on which consumers subscribe to the Formula One streaming service complained of herein.
- The true names and capacities of the DOE Defendants sued herein as DOES 1 14. through 50, inclusive, are currently unknown to Plaintiff, who therefore sue each such Defendant by said fictitious names. Each of the Defendants designated herein as a DOE is legally responsible for the unlawful acts alleged herein. Plaintiff will seek leave of Court to amend this Complaint to

https://www.libertymedia.com/about/company-history (last visited July 27, 2022).

https://account.formula1.com/#/en/terms-of-use ("Access to and use of the Site is provided by Formula One Digital Media Limited...") (last visited July 27, 2022).

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described herein.

15. At all relevant times, each of the Defendants were the principal, agent, partner, joint venturer, officer, director, controlling shareholder, subsidiary, affiliate, parent corporation, successor in interest and/or predecessor in interest of some or all of the other Defendants, and was engaged with some or all of the other defendants in a joint enterprise for profit, and bore such other relationships to some or all of the other Defendants so as to be liable for their conduct with respect to the matters alleged in this complaint. Plaintiff alleges that each Defendant acted pursuant to and within the scope of the relationships alleged above, and that at all relevant times, each Defendant knew or should have known about, authorized, ratified, adopted, approved, controlled, and/or aided and abetted the conduct of all other Defendants.

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THE CALIFORNIA AUTOMATIC RENEWAL LAW

unlawful conduct, policies, practices, acts and omissions complained of herein. The conduct of

Defendants' managers and supervisors was at all relevant times undertaken as employees of

Defendants, acting within the scope of their employment or authority in all of the unlawful activities

At all relevant times, Defendants were and are legally responsible for all of the

As described below, the California Automatic Renewal Law was enacted to 17. prohibit companies like Defendants from enrolling consumers in automatic renewal programs without first making specific clear and conspicuous disclosures and without obtaining each individual's affirmative consent.

18. In 2009, the California Legislature passed Senate Bill 340, which took effect on December 1, 2010, as Article 9 of Chapter 1 of the False Advertising Law. (Bus. & Prof. Code §§ 17600, et seq. (the California Automatic Renewal Law or "ARL"). SB 340 was introduced because:

It has become increasingly common for consumers to complain about unwanted charges on their credit cards for products or services that the consumer did not explicitly request or know they were agreeing to. Consumers report they believed they were making a one-time purchase of a product, only to receive continued shipments of the product and charges on their credit card. These unforeseen charges are often the result of agreements enumerated in the "fine print" on an order or advertisement that the consumer responded to.

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19. The Assembly Committee on Judiciary provided the following background for the legislation:

This non-controversial bill, which received a unanimous vote on the Senate floor, seeks to protect consumers from unwittingly consenting to "automatic renewals" of subscription orders or other "continuous service" offers. According to the author and supporters, consumers are often charged for renewal purchases without their consent or knowledge. For example, consumers sometimes find that a magazine subscription renewal appears on a credit card statement even though they never agreed to a renewal.

- 20. The ARL seeks to ensure that, before there can be a legally binding automatic renewal or continuous service arrangement, there must first be adequate disclosure of certain terms and conditions and affirmative consent by the consumer. To that end, Bus. & Prof. Code § 17602(a) makes it unlawful for any business making an automatic renewal offer or a continuous service offer to a consumer in California to do any of the following:
- **(1)** Fail to present the automatic renewal offer terms or continuous service offer terms in a clear and conspicuous manner before the subscription or purchasing agreement is fulfilled and in visual proximity, or in the case of an offer conveyed by voice, in temporal proximity, to the request for consent to the offer. (Bus. & Prof. Code § 17602(a)(1).) For this purpose, "clear and conspicuous" means "in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbols or other marks, in a manner that clearly calls attention to the language." (Bus. & Prof. Code § 17601(c).) In the case of an audio disclosure, 'clear and conspicuous' means in a volume and cadence sufficient to be readily audible and understandable." (Id.) The statute defines "automatic renewal offer terms" to mean the "clear and conspicuous" disclosure of the following: (a) that the subscription or purchasing agreement will continue until the consumer cancels; (b) the description of the cancellation policy that applies to the offer; (c) the recurring charges that will be charged to the consumer's credit or debit card or payment account with a third party as part of the automatic renewal plan or arrangement, and that the amount of the charge may change, if that is the case, and the amount to which the charge will change, if known; (d) the length of the automatic renewal term or that the service is continuous, unless the length of the term is chosen by the consumer; and (e)

the minimum purchase obligation, if any. (Bus. & Prof. Code § 17601(b).)

(2) Charge the consumer's credit or debit card, or the consumer's account with a third party, for an automatic renewal or continuous service without first obtaining the consumer's affirmative consent to the agreement containing the automatic renewal offer terms or continuous service offer terms, including the terms of an automatic renewal offer or continuous service offer that is made at a promotional or discounted price for a limited period of time. (Bus. & Prof. Code § 17602(a)(2).)

(3) Fail to provide an acknowledgment that includes the automatic renewal or continuous service offer terms, cancellation policy, and information regarding how to cancel in a manner that is capable of being retained by the consumer. (Bus. & Prof. Code § 17602(a)(3).) If the offer includes a free trial, the business must also disclose in the acknowledgment how to cancel and allow the consumer to cancel before the consumer pays for the goods or services. (*Ibid.*) Section 17602(b) requires that the acknowledgment specified in § 17602(a)(3) include a toll-free telephone number, electronic mail address, a postal address if the seller directly bills the consumer, or it shall provide another cost-effective, timely, and easy-to-use mechanism for cancellation.⁴

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According to the Federal Trade Commission, the Restore Online Shoppers' Confidence Act, 15 U.S.C. §§ 8401-8405, which contains the federal rules for automatic renewal agreements, "requires negative option sellers to provide a simple, reasonable means for consumers to cancel their contracts. To meet this standard, negative option sellers should provide cancellation mechanisms that are at least as easy to use as the method the consumer used to initiate the negative option feature. For example, to ensure compliance with this simple cancellation mechanism requirement, negative option sellers should not subject consumers to new offers or similar attempts to save the negative option arrangement that impose unreasonable delays on consumers' cancellation efforts. In addition, negative option sellers should provide their cancellation mechanisms at least through the same medium (such as website or mobile application) the consumer used to consent to the negative option feature. The negative option seller should provide, at a minimum, the simple mechanism over the same website or web-based application the consumer used to purchase the negative option feature. If the seller also provides for telephone cancellation, it should provide, at a minimum, a telephone number, and answer all calls to this number during normal business hours, within a short time frame, and ensure the calls are not lengthier or otherwise more burdensome than the telephone call the consumer consent the negative option feature. https://www.ftc.gov/system/files/documents/public statements/1598063/negative option policy s tatement-10-22-2021-tobureau.pdf at p. 14.

- 21. Violation of the ARL gives rise to restitution and injunctive relief under the general remedies provision of the False Advertising Law, Bus. & Prof. Code § 17535. (Bus. & Prof. Code, § 17604, subd. (a).).
- 22. Defendants' F1 TV streaming subscriptions are "automatic renewal" plans under Cal. Bus. & Prof. Code § 17601(a).
- 23. As a result of the foregoing, all goods, wares, merchandise, or products sent to Plaintiff and the Class Members as part of and pursuant to the terms of their F1 TV streaming service subscriptions are deemed to be an "unconditional gift" under Cal. Bus. & Prof. Code § 17603.
- 24. As a result of Defendants' violations of the ARL, Plaintiff and the Class Members suffered economic injury and are entitled to reimbursement of their F1 Tv streaming subscription payments.

FACTS GIVING RISE TO THIS ACTION

- 25. Defendants automatically subscribed Plaintiff and members of the Class to a F1 TV streaming service without first providing the clear and conspicuous disclosures required by the ARL and without first obtaining their affirmative consent to an agreement containing the required clear and conspicuous disclosures as required under California law. To make matters worse, Defendants do not provide an effective and easy-to-use mechanism for consumers to cancel their F1 TV streaming service.
- 26. Upon accessing Defendants' F1 TV home page, potential customers are first greeted with several graphics and images of Formula 1 racing. The home page prompts consumers to "Subscribe to F1TV" by clicking on a red box with the word "Subscribe" followed by the phrase "All F1 LIVE." This home page does not include any of the automatic renewal terms required by California law. At this point, Defendants' webpage does not in any way indicate that the subscription will automatically charge the consumer on a yearly or monthly basis.
- 27. Upon clicking on a red "Subscribe" button the consumer is directed to a new page that indicates the cost of purchasing Defendants' F1 TV service. This page advertises the streaming service and several features of the F1 TV Pro and F1 TV Access services including but not limited to the following features of the F1 TV Pro service:

1 - Live stream every track session for all GPs 2 - Access all diver onboard cameras & team radios 3 - Live stream F1, F2, F3 and Porsche Supercup 4 - Full Race replays and highlights 5 - On demand access to all F1 onboard cameras - Watch all F1, F2, F3, Porsche Supercup replays 6 7 - F1's historic race archive 8 28. Similarly, Defendants' F1 TV Access service advertises the following features: 9 - Full Race replays and highlights 10 - On demand access to all F1 onboard cameras 11 - Watch all F1, F2, F3, Porsche Supercup replays 12 -F1's historic race archive 13 29. This page does not include any of the automatic renewal terms as required by California law. There is no indication that the streaming service will automatically renew on a yearly 14 15 or monthly basis. 16 30. Upon selecting either F1 TV Pro or F1 TV Access, the consumer is taken to a new 17 page where he or she is prompted to "sign-in" into an existing account. 18 31. Alternatively, a new user can "Register" for a new account by providing an email 19 address and creating a password. 20 32. Defendants fail to provide any form of disclosures regarding the automatically 21 renewing nature of its subscription services. Once the consumer signs in or creates a new account, 22 the consumer is taken directly to a "Review Your Order" page that requests the consumer's 23 credit/debit card information and billing address to pay for the previously selected service. Up until 24 this point, none of the webpages contain clear and conspicuous auto-renewal disclosures as required 25 by California law, or any disclosures at all for that matter. 26 27 28

33. At the top of the Review Your Order page, in large bold letters, is the name of the selected service (either F1 TV Pro or F1 TV Access), the "Total" price to be charged, and sections to fill in the user's payment information:

	My Account	Subscription	Order History
REVIEW YOUR ORDER			
	TV Pro)	Modify order
Plan Type		Monthly	
Renewal C	ycle:	Monthly	
Total		\$9.99	
		45.55	
VOUC	HER COD		
CANCE	ENT		
CANCE	ENT rd	DΕ	
PAYM Name on ca	ENT	DΕ	
PAYM Name on card	ENT rd	DΕ	
PAYM Name on car Card number	ENT ard	DE	y code ①

As shown above, the third line item says "Total" on the right-hand side and displays 34. the price for one month or one year of service to the left-hand side in large, bolded letters. The total price is significantly larger than the surrounding text. In similarly large letters, the "Review Your Order Page" provides a large box for a "Voucher Code" and additional large boxes for "Payment"

information including billing and credit card information. The words "Renewal Cycle" are not clear and conspicuous as the font is significantly smaller than the other font located at the top of the page and throughout the page including but not limited to phrases such as "Review Your Order," "Voucher Code," "Payment," and the total price for a single purchase. Not only does this so-called disclosure phrase fail to be clear and conspicuous; it also fails to disclose any of the automatic renewal terms as required by California law. It is unclear from the words "renewal cycle" and/or "plan type" that the subscription will result in a recurring monthly or annual cost. There is no indication that the subscription will automatically renew, that the subscription will continue until it is cancelled, when such renewal will occur, the amount of each recurring charge, and/or whether the recurring charge is subject to change. Moreover, there is no indication that the subscription can be canceled or the process by which to cancel. As such, the "Review Your Order" page fails to provide the clear and conspicuous automatic renewal disclosures as required by California law. Moreover, after filling out the credit card information, a consumer can select "Complete Order" without ever being provided with any of the clear and conspicuous disclosures as required by California law.

35. Next, a user must scroll down the page to enter their address associated with their payment and click on a bright red "Complete Order" button:

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REVIEW YOUR ORDER		
TV Pro	Mo	odify order
Plan Type	Monthly	
Renewal Cycle:	Monthly	
Total	\$9.99	
VOUCHER CODE		
CANCEL. APPLY		
PAYMENT		
Name on card		
Name on card		
Card number		
1234123412341234		
Expiration Date	Security code ①	
MMVYY	CW	
Address line 1		
Address line 1		
Address line 2		
Optional		
City		
City		
State	Zip Code	
	Zip/Postal Code	
Country		
United States of America		~]
□ I have read and agree to <u>Terms</u> and <u>Conditions</u> , <u>Privacy Policy</u> and <u>Subscription Terms</u> COMPLETE GROER		

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- 36. As shown above, the bottom of the "Review Your Order" page has the following language "I have read and agree to the Terms and Conditions, Privacy Policy and Subscription Terms." The font is smaller than any other font on the page and is embedded between large boxes to fill out credit card and billing information above it and a bright red box prompting the user to "COMPLETE ORDER" below it. Upon clicking on the phrase "Terms and Conditions" the consumer is taken to a new page that includes several terms, none of which explain the automatic renewal terms. Upon clicking on the phrase "Privacy Policy" the consumer is taken to a new page that includes several terms, none of which explain the automatic renewal terms. The very last link under "Subscription Terms" takes the user to Defendants' subscription terms.
- 37. The three hyperlinks link to pages that include over 6,000 words. The Subscription Terms button links to a page that includes over 4,500 words and a long list of 16 different terms, many of which include subsections. A user must scroll down several times to reach section 7 called "Your Rights to End Your Subscription to the Service." Under this section, Defendants state for the first time that an annual subscription will automatically renew on the anniversary of your purchase..." The next subsection says for the first time that a monthly "... subscription will automatically renew each month and the payment method provided at the time of the initial purchase of the Services will be charged accordingly on the corresponding date of initial purchase in every subsequent month." These terms are not clear and conspicuous as they are buried within a long list of terms and conditions all of which are of the same font. There are no special marks calling attention to this section of the long list of terms. Moreover, these terms are found only after clicking on the link to the "Subscriptions Terms" which is found at the bottom of a completely different page (in significantly smaller font), and next to two other links which also take the user to pages with pages of boilerplate contract language. Further, a user can check out and purchase the service without ever opening the Subscription Terms. Other than these terms, which fail to be clear and conspicuous, there are no other clear and conspicuous disclosures provided to the consumer prior to purchasing a service.
- 38. Moreover, Defendants fail to explain the cancellation policy in a way that can be retained by the user. For example, subsection 7.3 of the "Subscription Terms" states the purported

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cancellation policy which provides that the user may cancel the subscription "... by providing us reasonable notice before your next monthly or annual subscription renews." There is no indication as to the meaning of the word "reasonable" such that users do not know what qualifies as "reasonable notice." Even more confusing is subsection 7.4 which provides "You have the right to cancel your purchase of any Service, and receive a full refund without giving any reason, any time up to 14 days from the date of purchase except where you have: (a) activated any Service and agreed that, at that point you lost the right to cancel; or (b) you purchased a Service and at that point you agreed you lost the right to cancel." It is unclear how a user may agree to lose the right to cancel.

- 39. Under subsection 8.1, Defendants provide a cancellation policy that requires the consumer to email Defendants providing an email address, date of birth, billing date, and the first 4 digits of the payment used for the Service. Even more confusing for the consumer; is under subsection 8.2 it directs the user to review subsection 7.4 and the other 4,500 terms on the webpage: "If you are entitled to a refund (as expressly set out in Clause 7.4 or otherwise in these terms and conditions) we will refund you the price you paid for the Service, by the method you used for payment."
- 40. A user can also purportedly cancel the subscription by visiting the "Accounts" page, but again it's unclear what steps a user must take in order to cancel the service once at the "Accounts" page. Lastly, section 8.1 purports that the confirmation email will provide cancellation instructions. However, the email confirmation does not provide the cancellation instructions or does not provide easy-to-understand cancellation instructions.
- 41. The Review Your Order page does not present the complete "automatic renewal offer terms," as defined by Cal. Bus. & Prof. Code §17601(b), in violation of Section 17602(a)(1) of the ARL. Defendants also fail to present a complete "description of the cancellation policy that applies to the offer." Cal. Bus. & Prof. Code § 17601(b)(2). With respect to cancellation, the Review Your Order page is silent. A user must go through the arduous process of investigating whether there are hyperlinks, and then even if the correct hyperlink is clicked, one must scroll through several pages, sections, and subsections to find the cancellation instructions. Once the relevant subsections are found, it is still unclear how the user can cancel—it is not an "easy-to-use mechanism for

 cancellation" as required by the ARL. Cal. Bus. & Prof. Code § 17602(b).

- 42. As a result of Defendants' failure to provide clear and conspicuous automatic renewal terms under California law, consumers do not affirmatively consent to the hidden renewal terms of the F1 TV streaming service.
- 43. Additionally, consumers are never provided with an acknowledgement that includes the automatic renewal or continuous offer terms, cancellation policy, and information regarding how to cancel in a manner that is capable of being retained by the consumer.
- 44. Individuals that purchase Defendants' F1 TV streaming service via an application on their smart phone or smart TV undergo a process that is substantially similar if not identical to the process described above, including but not limited to the lack of disclosures required under California law.
- 45. Plaintiff Davenport purchased one month of Defendant's F1 TV Pro streaming service without knowing that Defendants would enroll him in a monthly subscription service that would automatically renew each month. On or about December 2021, Plaintiff Davenport downloaded Defendants' F1 TV application via Fire Stick on his smart TV. He then created an account and purchased one month of F1 TV Pro. The purchase process via a smart TV application is substantially similar if not identical to the process described above. After creating an account, Plaintiff Davenport purchased one month of F1 TV Pro without ever being provided with the required disclosures under California law. As such, Plaintiff Davenport did not realize that Defendants would enroll him in an automatically renewing monthly subscription. Approximately one month after his initial purchase, Plaintiff Davenport discovered that Defendants enrolled him in an automatically renewing monthly subscription service when he noticed a new monthly charge to his credit card/debit card. Plaintiff Davenport was surprised to see the recurring charge. After looking through the phone application downloaded on his personal phone, Plaintiff Davenport was eventually able to cancel his subscription in or around March 2022.
- 46. Defendants automatically subscribed Plaintiff to the F1 TV Pro service without first providing the clear and conspicuous disclosures required by the ARL and posted charges to Plaintiff's debit card/credit card without first obtaining their affirmative consent to an agreement

containing the required clear and conspicuous disclosures as required under California law. Moreover, Defendants did not provide an adequate easy-to-use mechanism for cancelling the service before the renewal date.

- 47. If Plaintiff had known that Defendants were going to automatically renew the subscription with charges of up to \$9.99 per month, Plaintiff would not have purchased a F1 TV subscription in the first place.
- 48. Plaintiff is not the only consumer deceived by Defendants' auto-renewal practices. Consumers have publicly complained about the unwanted and unexpected renewal charges and difficulties with canceling Defendants' unlawful practices.⁵

CLASS ACTION ALLEGATIONS

49. Plaintiff brings this lawsuit as a class action under Code of Civil Procedure section 382 on behalf of the following Class:

All persons in California who, within the applicable statute of limitations period, purchased Defendants' subscription service for F1 TV and were charged a fee to renew their subscription.

- 50. Excluded from the Class are all employees of Defendants, all employees of Plaintiff's counsel, and the judicial officers to whom this case is assigned.
- 51. Excluded from the Class are: (1) Defendants and their officers, directors, employees, principals, affiliated entities, controlling entities, agents, and other affiliates; (2) the agents, affiliates, legal representatives, heirs, attorneys at law, attorneys in fact, or assignees of such persons

see https://www.trustpilot.com/review/fltv.formula1.com ("I had to send 14 emails in order to get this cancelled and refunded, and was told something completely different each time. Do not bother with this app or subscription at all."; "Very telling when it is difficult to find out how to cancel a subscription. Finally figured it out, I hope, and have forwarded an e-mail. Hopefully will be out of this very soon."; "... How can I cancel this automatic paying?"; "There's no way of contacting anyone. they obviously don't want you to. THERES A TELEPHONE NUMBER ON THEIR WEBSITE TO CONTACT THEM. THERES A POOR LADY ON THE OTHER END SAYING THEY ARE NOT F1 AND THEYVE HAD LOADS OF CALLS LAUGHABLE!!!!"; "Just horrible. Firstly, I did a trial and then cancelled, which required stating a reason. As I don't like this practice I put some blatant lie - that the user deceased. Surprise, in a few days I got charged for 27, the annual subscription") (last visited October 2022); see also https://www.reddit.com/r/F1TV/comments/nu6j9p/how to cancel subscription/ ("Why is there no option to cancel subscription for fltv? I followed this steps but I guess I am too stupid. I simply don't find any 'Cancel Subscription' option") (last visited October 27, 2022).

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or entities described herein; and (3) the Judge(s) assigned to this case and any members of their immediate families.

- 52. Ascertainability. The members of the Class may be ascertained by reviewing records in the possession of Defendants and/or third parties, including without limitation Defendants' marketing and promotion records, customer records, and billing records.
- 53. Common Questions of Fact or Law. There is a well-defined community of interest in the common questions of law and fact affecting all Class Members. The questions of law and fact predominate over questions affecting only individual Class Members, and include without limitations: (1) whether Defendants present all statutorily-mandated automatic renewal offer terms, within the meaning of Business and Professions Code § 17601(b); (2) whether Defendants present automatic renewal offer terms in a manner that is "clear and conspicuous," within the meaning of § 17601(c), and in "visual proximity" to a request for consent to the offer, or in the case of an offer conveyed by voice, in temporal proximity to a request for consent to the offer, as required by § 17602; (3) whether Defendants obtain Class Members' affirmative consent to an agreement containing clear and conspicuous disclosure of automatic renewal offer terms before charging a credit card, debit card, or third-party payment account; (4) whether Defendants provide Class Members with an acknowledgment that includes clear and conspicuous disclosure of all statutorilymandated automatic renewal or continuous service offer terms, the cancellation policy, and information regarding how to cancel; (5) Defendants' record-keeping practices; (6) the appropriate remedies for Defendants' conduct; and (7) the appropriate terms of an injunction.
- 54. Numerosity. The Class is so numerous that joinder of all Class Members would be impracticable. The Class consists of at least 100 members.
- 55. Typicality and Adequacy. Plaintiff is an adequate representative of the Class because his interests do not conflict with the interests of the Class Members he seeks to represent, and he is similarly situated with members of the Class. Plaintiff alleges that Defendants enrolled Class Members in automatic renewal subscriptions without disclosing all terms required by law, and without presenting such terms in the requisite "clear and conspicuous" manner; charged Class Members' credit cards, debit cards, or third-party accounts without first obtaining the Class

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members' affirmative consent to an agreement containing clear and conspicuous disclosure of automatic renewal offer terms; and failed to provide the requisite acknowledgment. Plaintiff has no interests that are adverse to those of the other Class Members. Plaintiff will fairly and adequately represent and protect the interests of the Class and has retained counsel who are competent and experienced in the prosecution of class action litigation.

- 56. <u>Superiority</u>. A class action is superior to other methods for resolving this controversy. Because the amount of restitution or damages to which each Class member may be entitled is low in comparison to the expense and burden of individual litigation, it would be impracticable for class members to redress the wrongs done to them without a class action forum. Plaintiff and the members of the Class have suffered and will continue to suffer harm as a result of Defendants' conduct. Defendants continue to deny wrongdoing or remedy the conduct that is the subject of this complaint. Class members do not know that their legal rights have been violated. Class certification would also conserve judicial resources and avoid the possibility of inconsistent judgments.
- 57. Defendants Have Acted on Grounds Generally Applicable to the Class. Defendants have acted on grounds that are generally applicable to the members of the Class, thereby making appropriate final injunctive relief and/or declaratory relief with respect to the Class as a whole.

FIRST CAUSE OF ACTION

Violations of California's Unfair Competition Law

(Bus. & Prof. Code, §§ 17200 et seq.)

- 58. Plaintiff incorporates the previous allegations as though fully set forth herein.
- 59. Plaintiff brings this claim individually and on behalf of the members of the Class against Defendants.
- 60. Defendants are "person[s]" as that term is defined under Cal. Bus. & Prof. Code § 17201.
- 61. The Unfair Competition Law defines unfair competition as including any unlawful, unfair or fraudulent business act or practice; any unfair, deceptive, untrue, or misleading advertising; and any act of false advertising under section 17500. (Bus. & Prof. Code § 17200.) In the course of business, Defendants committed "unlawful" business practices by, among other things, making the

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representations and omissions of material facts, as set forth more fully herein, and violating Cal. Bus. & Prof. Code §§ 17600, et seq., and the common law. Plaintiff, individually and on behalf of the other Class Members, reserves the right to allege other violations of the law, which constitute other unlawful business acts or practices. Such conduct is ongoing and continues to this date.

- 62. During the class period, Defendants committed and continue to commit unlawful, unfair, and/or fraudulent business practices, and engaged in unfair, deceptive, untrue, and/or misleading advertising, by, inter alia and without limitation: (a) failing to present the automatic renewal offer terms in a clear and conspicuous manner before a subscription or purchasing agreement is fulfilled and in visual proximity, or in the case of an offer conveyed by voice, in temporal proximity, to a request for consent to the offer, in violation of § 17602(a)(1); (b) charging the consumer in connection with an automatic renewal or continuous service without first obtaining the consumer's affirmative consent to an agreement containing clear and conspicuous disclosures of automatic renewal offer terms or continuous service offer terms, in violation of § 17602(a)(2); (c) failing to provide an acknowledgment that includes clear and conspicuous disclosure of all required automatic renewal offer terms, the cancellation policy, and information regarding how to cancel, in violation of § 17602(a)(3); (d) representing that goods or services have characteristics, uses, and/or benefits which they do not have, in violation of Civil Code § 1770(a)(5); advertising goods and services with the intent not to sell them as advertised, in violation of Civil Code § 1770(a)(9); (e) representing that the subject of a transaction has been supplied in accordance with a previous representation when it has not, in violation of Civil Code § 1770(a)(16); and (f) representing that the consumer will receive a rebate, discount, or other economic benefit, if the earning of the benefit is contingent on an event to occur subsequent to the consummation of the transaction, in violation of Civil Code § 1770(a)(17). Plaintiff reserves the right to identify other acts or omissions that constitute unlawful, unfair or fraudulent business acts or practices, unfair, deceptive, untrue or misleading advertising, and/or other prohibited acts.
- 63. Defendants' acts and omissions as alleged herein violate obligations imposed by statute, are substantially injurious to consumers, offend public policy, and are immoral, unethical, oppressive, and unscrupulous as the gravity of the conduct outweighs any alleged benefits

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attributable to such conduct. Defendants' acts and omissions also violate and offend the California Legislature's intent, codified by the Automatic Renewal Law, "to end the practice of ongoing charging of consumer credit or debit cards or third party payment accounts without the consumers' explicit consent." Cal. Bus. & Prof. Code § 17602. This conduct constitutes violations of the unfair prong of the UCL. There were reasonably available alternatives to further Defendants' legitimate business interests, other than the conduct described herein.

- 64. The UCL also prohibits any "fraudulent business act or practice." In the course of business, Defendants committed "fraudulent business act[s] or practices" by, among other things, failing to make the required disclosures under Cal. Bus. & Prof. Code §§ 17600, et seq.
- 65. Defendants' actions, claims, omissions, and misleading statements, as more fully set forth above, were also false or misleading and likely to deceive the consuming public within the meaning of the UCL.
- 66. Plaintiff, in fact, has been deceived as a result of their reliance on Defendants' material representations and omissions. Plaintiff has suffered injury in fact and lost money as a result of Defendants' acts and omissions. Such injury includes being charged a renewal membership fee for a Defendants' F1 TV streaming subscription service, and other damages proximately caused by Defendants' misconduct as alleged.
- 67. Unless restrained and enjoined, Defendants will continue to engage in the abovedescribed conduct. Accordingly, injunctive relief is appropriate. Pursuant to Bus. & Prof. Code § 17203, Plaintiff, on behalf of himself, all others similarly situated, and the general public are entitled to (1) restitution from Defendants of all money obtained from Plaintiff and the other Class Members as a result of unfair competition; (2) an injunction prohibiting Defendants from continuing such practices in the State of California that do not comply with California law; and (3) all other relief this Court deems appropriate, consistent with Cal. Bus. & Prof. Code § 17203.

SECOND CAUSE OF ACTION

Violation of California's False Advertising Law

(Bus. & Prof. Code §§ 17500, et seq.)

68. Plaintiff incorporates the previous allegations as though fully set forth herein.

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69. Plaintiff brings this claim individually and on behalf of the members of the Class against Defendants.

- 70. 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."
- 71. Defendants committed acts of false advertising, as defined by § 17500, by intentionally making and disseminating statements to consumers in California and the general public concerning Defendants' products and services, as well as circumstances and facts connected to such products and services, which are untrue and misleading on their face and by omission, and which are known or which by the exercise of reasonable care should be known by Defendants to be untrue or misleading. Defendants have intentionally made or disseminated untrue or misleading statements and material omissions to consumers in California and to the public as part of a plan or scheme with intent not to sell those services as advertised.
- 72. Defendants' statements include but are not limited to representations and omissions made to consumers before and after enrollment in Defendants' F1 TV streaming subscriptions concerning the terms of payment for and cancellation of a consumer's automatic payments. Such representations and omissions on the checkout page (i.e., the "Review Your Order" page depicted above) constitute false and deceptive advertisements.
- 73. Defendants' actions in violation of § 17500, as described herein, were false and misleading such that the general public is and was likely to be deceived. Plaintiff and members of the Class were deceived by Defendants' statements and omissions made online (or via a phone application or otherwise) when they signed up and started paying for their F1 TV streaming subscriptions, and there is a strong probability that other California consumers and members of the public were also or are likely to be deceived as well. A reasonable consumer would be misled and were in fact mislead by Defendants' false and misleading statements and material omissions.

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Plaintiff and other members of the Class did not learn of Defendants' cancellation and automatic payment policies until after they had already signed up and started paying for Defendants' F1 TV streaming services. They relied on Defendants' statements and omissions to their detriment.

- 74. Plaintiff and the Class lost money or property as a result of Defendants' FAL violations because they would not have purchased the F1 TV streaming services on the same terms if the true facts were known about the product and the subscriptions do not have the characteristics as promised by Defendants.
- 75. Pursuant to Bus. & Prof. Code § 17535, Plaintiff seeks an order of this Court ordering Defendants' to fully disclose the true nature of its misrepresentations. Plaintiff further seeks individual, representative, and public injunctive relief and any other necessary orders or judgments that will prevent Defendants from continuing with its false and deceptive advertisements and omissions including restitution that will restore the full amount of their money or property, disgorgement of Defendants' applicable profits and proceeds, and an award of costs and reasonable attorneys' fees. Such conduct is ongoing and continues to this date.

THIRD CAUSE OF ACTION

Violations of the California Consumers Legal Remedies Act (Civ. Code, §§ 1750 et seq.)

- 76. Plaintiff incorporates the allegations of the preceding paragraphs as though set forth herein.
- 77. Plaintiff brings this claim individually and on behalf of the members of the Class against Defendants.
- 78. Plaintiff and the members of the Class are "consumers" within the meaning of Civil Code § 1761(d) in that Plaintiff and the Class sought or acquired Defendants' goods and/or services for personal, family, or household purposes. The purchases and payments by Plaintiff and Class members are "transactions" within the meaning of Civil Code § 1761(e).
- 79. Defendants are "persons" under Cal. Civ. Code § 1761(c). Defendants' subscription service offers pertain to "goods" and/or "services" within the meaning of Civil Code § 1761(a) and (b).

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- 80. Defendants conduct, as described herein, which includes its failure to timely and adequately disclose the terms of its automatic renewal and/or continuous service associated with its F1 Tv streaming subscription service pursuant to Cal. Bus. & Prof. Code §§ 17600, et seq. violates California's Consumers Legal Remedies Act ("CLRA"), Cal. Civ. Code §§ 1750, et seq. Defendants violated the CLRA by misrepresenting and omitting material facts regarding the automatic renewal and/or continuous service terms of its subscription services, and by engaging in the following practices proscribed by Cal. Civ. Code § 1770(a) in transactions that were intended to result in, and did result in, the sale of its F1 TV streaming subscription service:
- Representing that goods or services have characteristics, uses, and/or benefits which a. they do not have (Civil Code § 1770(a)(5));
- Advertising goods or services with intent not to sell them as advertised (Civil Code b. § 1770(a)(9));
- c. Representing that the subject of a transaction has been supplied in accordance with a previous representation when it has not (Civil Code § 1770(a)(16)); and
- d. Representing that consumers will receive a rebate, discount, or other economic benefit, if the earning of the benefit is contingent on an event to occur subsequent to the consummation of the transaction (Civil Code § 1770(a)(17)).
- 81. Defendants violated the CLRA by failing to clearly and conspicuously disclose the terms of their automatic renewal and/or continuous service associated with its F1 TV streaming subscription service, automatically charging Plaintiff and members of the Class a fee to renew their subscription and failing to cancel the subscription service when requested.
- 82. Plaintiff, on behalf of himself and all other Class members, seeks an order enjoining the above-described unlawful acts and practices of Defendants and for restitution and disgorgement.
- 83. Pursuant to § 1782 of the CLRA, on August 16, 2022, Plaintiff notified Defendants in writing by certified mail of the particular violations of § 1770 of the CLRA and demanded that Defendants rectify the problems associated with the acts and practices described above and give notice to all affect consumers of Defendants' intent to so act was mailed via certified mail to Defendants. A copy of the letter is attached as Exhibit 1. Defendants have failed to rectify the

problems associated with the actions detailed above and give notice to all affected consumers within the expiration of the statutory period. Accordingly, Plaintiff seeks actual, punitive, and statutory damages (*see* Civil Code § 1782.).

84. Pursuant to § 1780(d) of the Act, attached as **Exhibit 2** is the affidavit showing that this action was commenced in the proper forum.

FOURTH CAUSE OF ACTION

Conversion

- 85. Plaintiff incorporates the previous allegations as though fully set forth herein.
- 86. Plaintiff brings this claim individually and on behalf of the members of the Class against Defendants.
- 87. As a result of charges made by Defendants to Plaintiff's and Class Members' credit and/or debit cards without authorization and in violation of California law, Defendants have taken money that belongs to Plaintiff and the Class. Defendants have wrongfully interfered with Plaintiff's and Class Members' possession of money. The amount of money wrongfully taken by Defendants is capable of identification from records in the possession of Defendants and/or third parties, including Defendants' customer and billing records.
- 88. Defendants engaged in this misconduct knowingly, willfully, and with oppression, fraud, and/or malice.
 - 89. As a result of Defendants' actions, Plaintiff and the Class have suffered damages.

FIFTH CAUSE OF ACTION

Unjust Enrichment

- 90. Plaintiff incorporates the previous allegations as though fully set forth herein.
- 91. Plaintiff brings this claim individually and on behalf of the members of the Class against Defendants.
- 92. As a direct and proximate result of misrepresentations concerning the F1 TV streaming subscription service and failure to sufficiently disclose that F1 TV streaming subscription service will be automatically renewed, Defendants have profited through the sale of their services and/or products to Plaintiff and Class members.

- 93. Defendants' unlawful and wrongful acts, as alleged above, enabled Defendants to unlawfully receive money from Plaintiff and the Class it would not have otherwise obtained.
- 94. Plaintiff and the Class members have conferred benefits on Defendants, which Defendants have knowingly accepted and retained.
- 95. Defendants' retention of the benefits conferred by Plaintiff and the Class members would be against fundamental principles of justice, equity, and good conscience.
- 96. Plaintiff and Class members seek to disgorge Defendants' unlawfully retained money resulting from the unlawful conduct and seek restitution and rescission for the benefit of Plaintiff and Class members.
- 97. Plaintiff and the Class members are entitled to the imposition of a constructive trust upon Defendants, such that the unjustly retained money is distributed equitably by the Court to and for the benefit of Plaintiff and the Class members.

REQUEST FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the other members of the proposed Class, respectfully request the Court enter judgment in Plaintiff's favor and against Defendants as follows:

- a. Declaring that this action is a proper class action, certifying the Class as requested herein, designating Plaintiff as Class Representative and appointing the undersigned counsel as Class Counsel;
- b. Ordering restitution and disgorgement of all profits and unjust enrichment that Defendants obtained from Plaintiff and the Class members as a result of Defendants' unlawful, unfair and fraudulent business practices;
 - c. Ordering actual, treble, statutory and punitive damages;
- d. Ordering Defendants to pay attorneys' fees and litigation costs to Plaintiff and the other members of the Class;
- e. Ordering Defendants to pay both pre- and post-judgment interest on any amounts awarded; and
 - f. Ordering such other and further relief as may be just and proper.

1	JURY TRIAL DEMAND		
2	Plaintiff and the Class members hereby demand a trial by jury.		
3	Dated: November 3, 2022	CROSNER LEGAL, P.C.	
4		By: s/ Zachary M. Crosner	
5		ZACHARY M. CROSNER	
6		Michael R. Crosner (SBN 41299) Zachary M. Crosner (SBN 272295)	
7		Chad A. Saunders (SBN 257810) Craig W. Straub (SBN 249032) 9440 Santa Monica Blvd. Suite 301	
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12		LAW OFFICE OF TODD M. FRIEDMAN, P.C.	
13		Todd M. Friedman (SBN 216752) 21550 Oxnard St. Suite 780,	
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