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15 MARK HERMANSON, CHUN-YU CHEN,

and SHUANG LIN

16

17 **UNITED STATES DISTRICT COURT**

18 **NORTHERN DISTRICT OF CALIFORNIA**

19

20 MARK HERMANSON, CHUN-YU CHEN,
21 and SHUANG LIN, individually and on
22 behalf of all others similarly situated,

23 Plaintiffs,

24 vs.

25 LENOVO GROUP LIMITED and LENOVO
26 (UNITED STATES) INC.,

27 Defendants.

28

Case No.:

CLASS ACTION COMPLAINT

DEMAND FOR JURY TRIAL

1 Plaintiffs Mark Hermanson (“Hermanson”), Chun-Yu Chen (“Chen”), and Shuang Lin
2 (“Lin”) (together, “Plaintiffs”), individually and on behalf of all others similarly situated, bring this
3 action against Defendants Lenovo Group Limited and Lenovo (United States) Inc. (together,
4 “Lenovo,” or “Defendants”). Upon personal knowledge as to their own acts and status and upon
5 information and belief as to all other matters, Plaintiffs allege the following:

6 **INTRODUCTION**

7 1. This class action lawsuit concerns Lenovo’s practice of advertising false and
8 misleading price reductions on its website, and Lenovo’s willful violation of a court-approved class
9 action settlement agreement whereby it agreed to stop this practice.

10 2. The use of false and misleading price reductions, also known as false discounts, is an
11 unlawful marketing practice that harms consumers by artificially increasing the perceived value of
12 the item being sold. By increasing the perceived value, Lenovo induces consumers to pay more for
13 its products based on the mistaken belief they are getting an incredible deal.

14 3. Lenovo advertises false discounts on its website by displaying an artificially inflated
15 reference price near the sale price, and then telling consumers they are “saving” money based on the
16 difference between the reference price and the sale price. In reality, the advertised savings are
17 fictitious. Below is an example of a false discount advertised on Lenovo’s website.



24 4. In 2016, a California consumer brought a class action lawsuit against Lenovo for
25 advertising false discounts on its website (“*Ponce*” lawsuit).¹ As a result of that lawsuit, Lenovo
26 entered into a court-approved class action settlement agreement (“*Ponce* Settlement Agreement”).

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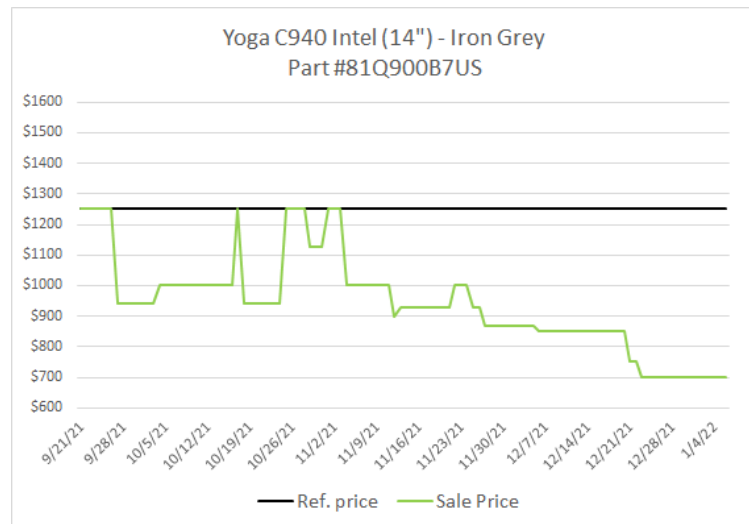
28 ¹ *Katherine Ponce v. Lenovo (United States) Inc.* (“*Ponce*”), Case No. 0:16-cv-01000 (D. Minn. Apr. 15, 2016).

1 5. Under the terms of the *Ponce* Settlement Agreement, Lenovo agreed to the following
 2 prospective relief:

3 As part of this Settlement, Lenovo agrees that no price shall be advertised on its website
 4 as a former price (however it may be characterized) of a non-ThinkPad laptop or tablet,
 5 unless the alleged former price was the prevailing market price within three months
 6 next immediately preceding the publication of the advertisement or unless the date
 7 when the alleged former price did prevail is clearly, exactly, accurately, and
 8 conspicuously stated in the advertisement. This provision shall be subject to a five-
 9 year time limit, which shall run from the Effective Date [January 8, 2018].²

10 6. In other words, with respect to non-ThinkPad laptops and tablets, Lenovo agreed it
 11 would not display false reference prices on its website from January 8, 2018 to January 7, 2023.
 12 Specifically, Lenovo agreed it would not advertise a former price, “however it may be characterized,”
 13 unless it was the prevailing market price during the previous three months. Yet, that is precisely what
 14 Lenovo continued to do.

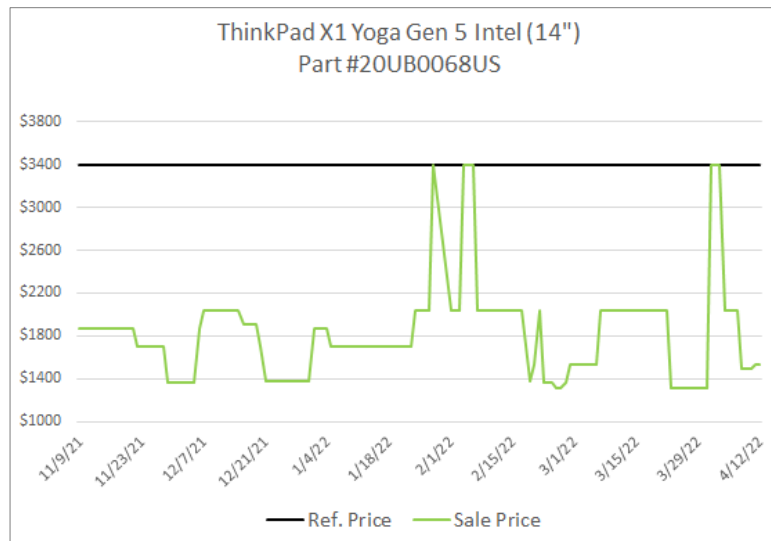
15 7. For example, below is a chart showing the reference price and sale price of a non-
 16 ThinkPad laptop advertised on Lenovo’s website from September 2021 to January 2022. The chart
 17 shows that for a period of more than ninety days, Lenovo advertised a reference price of \$1,249.99
 18 even though Lenovo did not regularly sell the laptop at that price.



² The prospective relief period in *Ponce* began on the date of the Court’s Final Approval Order (January 8, 2018) and ran for a period of five years. *See Ponce*, Class Action Settlement Agreement, Dkt. 29-1 ¶ 11 (Jan. 20, 2017) and Final Approval Order, Dkt. 67 (Jan. 18, 2018).

1 8. Discovery will show that Lenovo had no reason to believe the advertised reference
2 price was the prevailing market price during this period, and the true regular price of the laptop was
3 significantly less than \$1,249.99.

4 9. In addition to continuing to advertise inflated reference prices for *non*-ThinkPad
5 laptops, Lenovo continued to falsely advertise inflated reference prices for *ThinkPad* laptops. For
6 example, below is a chart showing the reference price and sale price of a ThinkPad X1 Yoga Gen 5
7 laptop advertised on Lenovo's website from November 2021 to April 2022. The chart shows that
8 for a period of more than ninety days, Lenovo advertised a reference price of \$3,399.00 even
9 though Lenovo did not regularly sell the laptop at that price.



19 10. Discovery will show that despite entering into a court-approved class action
20 settlement agreement, and despite knowing full well that advertising false discounts was unlawful,
21 Lenovo continued to advertise false discounts for numerous products sold on its website.

22 11. Not surprisingly, in August 2021, Lenovo was again sued for using deceptive pricing
23 practices on its website ("*Axelrod*" lawsuit).³

24 12. In response to the *Axelrod* lawsuit, Lenovo switched from employing one form of
25 false reference prices to another. Both forms, however, accomplish the same objective of
26 misleading consumers about the price reductions advertised on Lenovo's website.

27 13. On April 13, 2022, roughly seven months after the *Axelrod* lawsuit was filed, Lenovo

28 ³ *Axelrod v. (United States) Inc.* ("*Axelrod*"), Case No. 4:21-cv-06770-JSW (N.D. Cal. Aug. 31, 2021).

1 stopped displaying its reference prices as standalone strikethrough prices (e.g., \$1,199.00) and began
2 attaching the label “Est Value” in front of them (e.g., Est Value \$1,199.00).

3 14. On April 13, 2022, Lenovo also began advertising a new disclaimer. Before, Lenovo
4 told consumers that its reference prices reflected “regular Lenovo web prices.” Now, Lenovo tells
5 consumers that they reflect “Lenovo’s estimate of product value based on industry data.”

6 15. But discovery will show that Lenovo’s new “Est Value” prices do not reflect
7 Lenovo’s bona fide estimates of its products’ values, and are just another ploy to continue
8 advertising false and misleading price reductions on its website.

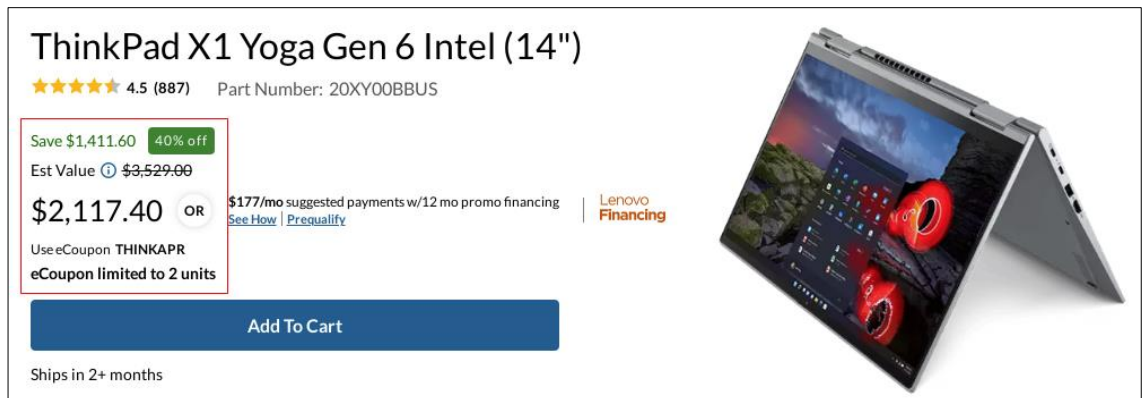
9 16. For example, below is a ThinkPad X1 Yoga laptop that was advertised on Lenovo’s
10 website the day before and after Lenovo switched to “Est Value.” As shown, Lenovo advertised the
11 exact same reference price, the exact same discount, the exact same savings, and the exact same
12 coupon code, **THINKAPR**. The only thing that changed was Lenovo’s representation as to what the
13 reference price purported to represent.

14 April 12, 2023



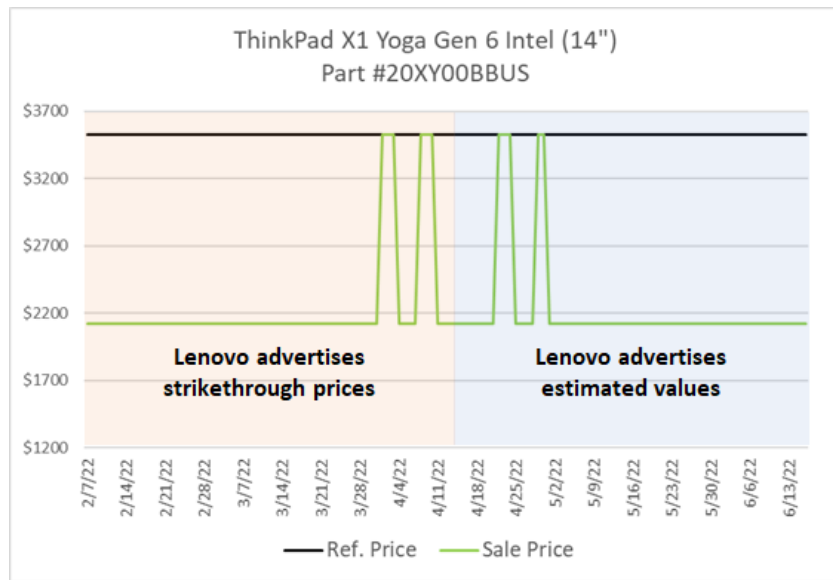
21

22 April 13, 2023



1 17. Both advertisements are equally false and misleading, however, because regardless
 2 of whether a consumer purchased the product on April 12 or April 13, the consumer did not receive
 3 the advertised savings of \$1,411.60. In other words, Lenovo continued to mislead consumers about
 4 the existence and amount of the price reduction.

5 18. As shown in the chart below, both before and after April 13, 2023, Lenovo rarely
 6 offered the ThinkPad X1 Yoga laptop for sale at the advertised reference price of \$3,529.00.



17 19. Discovery will show that Lenovo did not regularly sell the ThinkPad X1 Yoga laptop
 18 for \$3,529.00 and did not make any substantial number of sales at \$3,529.00. Thus, \$3,529.00 was
 19 neither the product’s regular price nor Lenovo’s bona fide estimate of its value. Likewise, consumers
 20 who purchased the laptop for \$2,117.40 did not receive a price reduction of \$1,411.60, nor did they
 21 save \$1,411.60 on their purchase. Rather, those consumers paid the regular price of \$2,117.40 for a
 22 laptop valued at \$2,117.40.

23 20. The falsity of Lenovo’s new estimated value pricing scheme is evidenced by the fact
 24 that Lenovo changed *all* of its regular prices to estimated values overnight. For example, below is
 25 an excerpt of twenty products whose regular price did not change when Lenovo began representing
 26 that the same price was its “Est Value.”

Product Number	Product Name	4/12/2022 Reg Price	4/13/2022 Est Value
82C10004US	Chromebook 3 (14")	309.99	309.99
82QS001FUS	Chromebook Duet 5 (13")	499.99	499.99
90NB00ECUS	IdeaCentre 3i Tower	579.99	579.99
90Q6000FUT	IdeaCentre Mini 5i	589.99	589.99
82KU00YTUS	IdeaPad 3 AMD (15") - Abyss Blue	719.99	719.99
11CYCTO1WWUS1	ThinkCentre M90t ES Certified Tower	959.00	959.00
82BJ0085US	Yoga 7i (15") - Slate Grey	1,169.99	1,169.99
20YA001MUS	ThinkBook 13s Gen 3 AMD (13")	1,269.00	1,269.00
82NWCOT1WWUS1	Legion 5 15" Premium with AMD GPU	1,299.99	1,299.99
11CKS06D00	ThinkCentre M70a (21.5") All-in-One	1,449.00	1,449.00
82LU001LUS	Yoga 9i Gen 7 (Intel) 14" - Storm Grey	1,449.99	1,449.99
82JHCTO1WWUS1	Legion 5 Gen 6 15" Premium	1,499.99	1,499.99
82D2000NUS	IdeaPad Slim 9 (14") - Shadow Black	1,779.99	1,779.99
81YT0039US	Legion 7i (15") with RTX 2060	1,789.99	1,789.99
20XF004PUS	ThinkPad T14s Gen 2 AMD (14") - Black	2,219.00	2,219.00
20WH000KUS	ThinkBook Plus Gen 2 (Intel)	2,429.00	2,429.00
20W8001QUS	ThinkPad X13 Yoga Gen 2 Intel (13")	2,799.00	2,799.00
20XW003GUS	ThinkPad X1 Carbon Gen 9 Intel (14")	3,409.00	3,409.00
30E0CTO1WWUS1	ThinkStation P620 Workstation	3,619.00	3,619.00

21. As shown in **Exhibit A** attached to this complaint, Lenovo offered over 400 laptops and desktops for sale on its website on April 12 and 13, 2022, and not a single reference price for any of those products changed. In other words, Lenovo merely went from misrepresenting that its reference prices reflected regular prices to misrepresenting that they reflected estimated values.

22. Lenovo continues to advertise false and misleading price reductions on its website, every day. The pervasive, ongoing nature of Lenovo's deceptive pricing practices and its persistent refusal to represent the actual regular price and value of its products demonstrate that the use of false and misleading price reductions is central to its overall marketing strategy.

23. Discovery will show that Lenovo displays false discounts on its website despite knowing this practice is unlawful because, quite simply, it is more profitable to mislead consumers and settle an occasional lawsuit than to comply with the law.

24. In bringing this lawsuit, Plaintiffs intend to curb Lenovo's practice of advertising false and misleading price reductions. Plaintiffs seek public injunctive relief in the form of a court order prohibiting Lenovo from continuing to falsely advertise price reductions on its website and seek compensation for themselves and all others similarly situated who have been duped by any form of Lenovo's false price reductions.

THE PARTIES

1
2 25. Plaintiff Mark Hermanson (“Hermanson”) was a resident of Sierra County,
3 California on August 5, 2021, when he placed an order for a Yoga laptop on Lenovo’s website.

4 26. Plaintiff Shuang Lin (“Lin”) was a resident of Alameda County, California on
5 January 4, 2022, when he placed an order for a ThinkStation computer on Lenovo’s website.

6 27. Plaintiff Chun-Yu Chen (“Chen”) was a resident of Santa Clara County, California
7 on August 26, 2023, when he placed an order for a ThinkPad laptop on Lenovo’s website.

8 28. Defendant Lenovo Group Limited (“Lenovo Group”) is a multinational technology
9 company with its global headquarters in Beijing, China and its worldwide operational headquarters
10 in Morrisville, North Carolina. Lenovo Group is the largest manufacturer of laptop and desktop
11 computers in the world with an annual revenue of over \$60 billion.

12 29. Defendant Lenovo (United States) Inc. (“Lenovo US”) is a Delaware corporation,
13 with its principal place of business at 8001 Development Dr. Morrisville, North Carolina, 27560.
14 Lenovo US is a wholly owned subsidiary of Lenovo Group. Lenovo US is registered with the
15 California Secretary of State and authorized to do business in California, and maintains offices and
16 is licensed to do business and does business in California.

17 30. Defendants manufacture and sell computers and related peripheral parts, software,
18 and services to customers throughout the United States through the website, lenovo.com.

19 **JURISDICTION AND VENUE**

20 31. This Court has subject matter jurisdiction pursuant to the Class Action Fairness Act
21 of 2005, 28 U.S.C. § 1332(d)(2), because the aggregate claims of the members of the proposed
22 Classes exceed \$5 million (exclusive of interest and costs), the proposed Classes consist of 100 or
23 more members, and at least one member of the proposed Classes is a citizen of a different state than
24 Defendants.

25 32. California has personal jurisdiction over Defendants because they have sufficient
26 minimum contacts with California, having intentionally availed themselves of the California market
27 through the promotion, marketing, and sale of products in California so as to render the exercise of
28 jurisdiction by this Court permissible under traditional notions of fair play and substantial justice.

1 33. Venue is proper in the Northern District of California pursuant to 28 U.S.C. § 1391
2 (b)(1) and (2) because a substantial part of the events or omissions which give rise to Plaintiffs'
3 claims occurred in Alameda County and Santa Clara County.

4 **INTRADISTRICT ASSIGNMENT**

5 34. Pursuant to the Northern District of California's Local Rule No. 3-2(e), assignment
6 of this matter to the San Francisco and Oakland Division is appropriate because a substantial part of
7 the events or omissions which give rise to the claims asserted herein occurred in Alameda County.
8 Alternatively, assignment of this matter to the San Jose Division is appropriate because a
9 substantial part of the events or omissions which give rise to the claims asserted herein occurred in
10 Santa Clara County.

11 **FACTUAL ALLEGATIONS**

12 **A. Background of Lenovo.**

13 35. Lenovo is a \$62 billion Fortune Global 500 with global headquarters in Beijing
14 China, and Morrisville, North Carolina.⁴

15 36. Lenovo is the largest manufacturer of personal computers in the world, with more
16 PC shipments than HP, Dell, or Apple. Within the United States, Lenovo is the third largest
17 manufacturer, and shipped over 3 million PCs in the second quarter of 2023 alone.⁵

18 37. Lenovo does not have any physical retail stores in the United States. Lenovo directly
19 markets and sells its products to consumers through its website, www.lenovo.com. In September
20 2023, Lenovo's website received nearly 70 million visits, of which approximately 17% (11.66
21 million) originated from the United States.⁶

22 38. Lenovo's online success has in significant part resulted from its practice of
23 advertising false and misleading price reductions on its website.

24
25
26 ⁴ Sources: <https://doc.irasia.com/listco/hk/lenovo/annual/2023/ar2023.pdf> (last accessed Nov. 9, 2023);
<https://en.wikipedia.org/wiki/Lenovo> (last accessed Nov. 9, 2023).

27 ⁵ Source: <https://www.gartner.com/en/newsroom/press-releases/2023-07-11-gartner-says-worldwide--pc-shipments-declined-16-percent-in-second-quarter-of-2023> (last accessed Nov. 9, 2023).

28 ⁶ Source: <https://www.semrush.com/website/lenovo.com/overview> (last accessed Nov. 9, 2023).

1 **B. Lenovo’s history of advertising false discounts.**

2 39. Lenovo has been willfully advertising false and misleading price reductions on its
3 website for more than a decade.

4 40. In or around 2012, Lenovo was threatened with a class action lawsuit relating to
5 false discounts advertised on its website. In December 2013, Lenovo settled that potential lawsuit
6 with a class of California consumers before it was filed (“2013 Class Settlement”).⁷ Under the terms
7 of the 2013 Class Settlement, Lenovo agreed to compensate each California consumer who
8 purchased an affected Lenovo computer on Lenovo’s website from June 4, 2008 through August
9 30, 2012 with a \$50 payment. In addition, Lenovo agreed to change its methodology for online
10 consumer advertising.

11 41. A few years later, in March 2016, Lenovo again found itself in legal trouble due to
12 the false discounts advertised on its website. Katherine Ponce, a California consumer who at the
13 time was a law student at the University of Minnesota, filed a class action lawsuit against Lenovo
14 for advertising false discounts and savings on its website. The lawsuit alleged:

15 Lenovo fabricates promotions on products sold on its website by advertising large
16 discounts off reference prices that are fictitious. Lenovo does not sell products at the
17 purported reference prices in the regular course of its business, but fraudulently induces
18 consumers to purchase Lenovo’s products based on false discounts or “savings” off
19 the phantom reference prices.⁸

20 42. Ponce initially sought to certify a class consisting of all persons who purchased any
21 Lenovo computer or tablet on Lenovo’s website after December 1, 2014.⁹ During the litigation,
22 however, Lenovo was successful in negotiating a settlement whereby the settlement class was
23 limited to persons who purchased *non*-ThinkPad products over a period of merely thirteen months
24 (“*Ponce* Settlement Agreement”).¹⁰

25 43. By excluding ThinkPad products—Lenovo’s most popular product line—from the
26 settlement agreement, Lenovo’s objective was clear: Lenovo intended to minimize the amount paid

27 ⁷ See **Exhibit B** attached hereto.

28 ⁸ *Ponce*, Amended Class Action Complaint, Dkt. 12 ¶ 1 (May 9, 2016).

⁹ *Id.* ¶ 63.

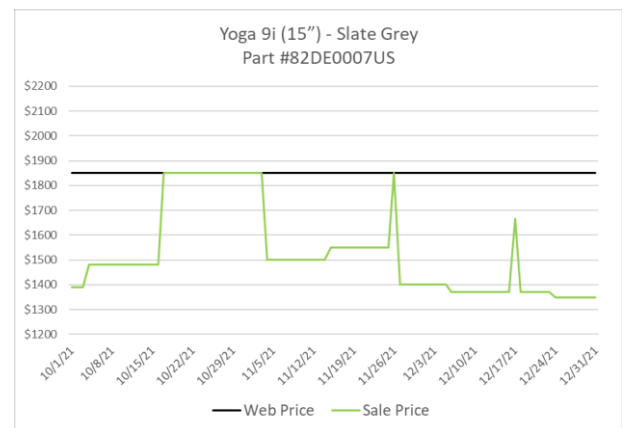
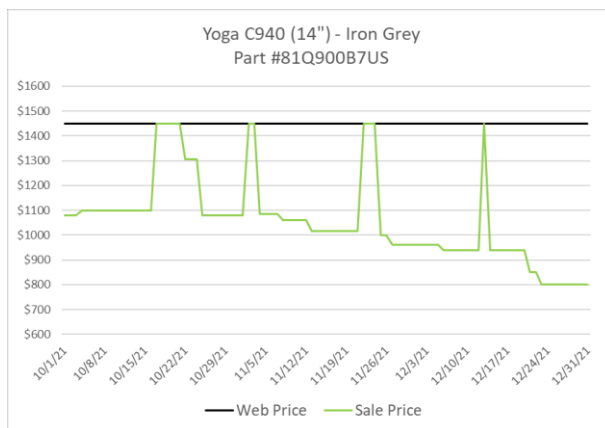
¹⁰ *Ponce*, Class Action Settlement Agreement, Dkt. 29-1 ¶ 1.cc (Jan. 20, 2017).

1 to consumers and would continue to advertise false discounts on its most popular products,
 2 ThinkPad laptops.

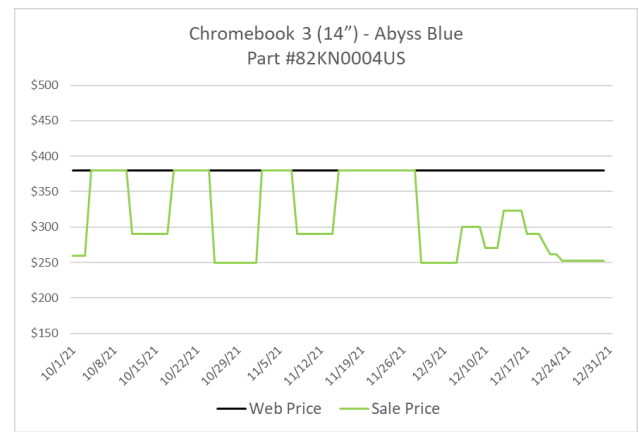
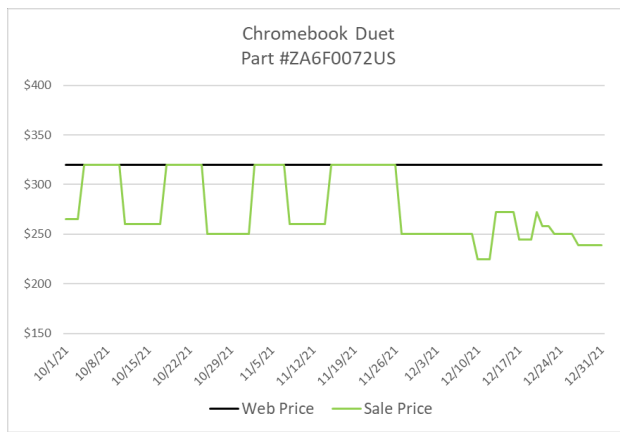
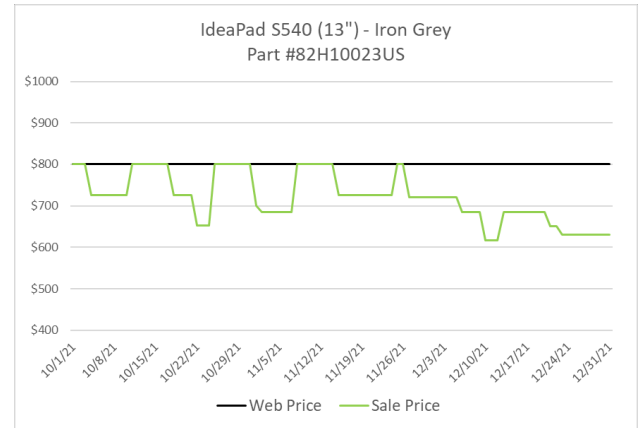
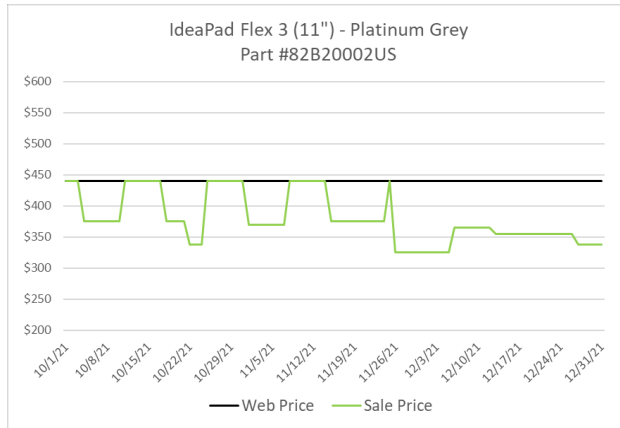
3 44. Indeed, in the section of the *Ponce* Settlement Agreement providing for prospective
 4 relief, Lenovo ensured that its compliance with California’s False Advertising Law would only be
 5 required with respect to “non-ThinkPad laptops or tablets.”¹¹ In other words, going forward,
 6 Lenovo only agreed to not display false discounts with respect to *non-ThinkPad* laptops and tablets.
 7 Lenovo made sure to include a carveout so that it could continue to display false discounts with
 8 respect to *ThinkPad* laptops.

9 45. Yet, despite the generous carveout, Lenovo could not help itself and continued to
 10 advertise false discounts for ThinkPad and non-ThinkPad laptops alike, in willful violation of
 11 California’s consumer protection laws and the court-approved class action settlement agreement.

12 46. Below are charts showing the reference price and sale price of several non-ThinkPad
 13 laptops advertised on Lenovo’s website over a period of more than ninety days during the
 14 prospective relief period. The charts demonstrate that Lenovo advertised reference prices which
 15 clearly were not the products’ regular prices because, more often than not, Lenovo offered the
 16 products at prices lower than the reference prices.



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 28 ¹¹ *Compare Ponce*, Class Action Settlement Agreement, Dkt. 29-1 ¶ 11 (Jan. 20, 2017) with Cal. Bus. Prof. Code. § 17501.



15 47. Discovery will show that Lenovo violated the *Ponce* Settlement Agreement by
 16 failing to ensure that the reference prices advertised on its website for non-ThinkPad laptops and
 17 tablets were the prevailing market prices during the three months preceding the advertisement.

18 **C. Lenovo’s false discounts over time.**

19 48. Lenovo has been advertising false and misleading price reductions on its website for
 20 over a decade. During this period, Lenovo has modified the way in which it advertises false
 21 discounts, but the deception is the same—Lenovo continues to mislead consumers about the reasons
 22 for, the existence of, and the amounts of price reductions.

23 49. Before August 25, 2021, Lenovo advertised false discounts on its website by
 24 displaying reference prices as a “Web Price” or strikethrough price (e.g., ~~\$1,199.99~~). These two
 25 reference prices were used interchangeably on Lenovo’s website. Near the reference price, Lenovo
 26 advertised a sale price, which was the price at which Lenovo actually offered the product for sale.
 27 Near the reference price and sale price, Lenovo advertised the false discount—which was displayed
 28 as “savings” equal to the difference between the reference price and the sale price.

1 50. Below is an example of a laptop advertised on Lenovo’s website before August 25,
 2 2021, which shows a reference price of \$2,279.00, a sale price of \$1,209.00, and a price reduction
 3 of \$1,070.00.

ThinkPad P15s Gen 2 Intel (15") - Mobile Workstation
 Part Number: 20W6500200

Processor
 11th Generation Intel® Core™ i5-1135G7 Processor (2.40 GHz, up to 4.20 GHz with Turbo Boost, 4 Cores, 8 Threads, 8 MB Cache)

Operating System
 Windows 10 Pro 64

Display Type
 15.6" FHD (1920 x 1080) IPS, anti-glare, 300 nits

Memory
 8 GB DDR4 3200MHz (Soldered)

Hard Drive
 256 GB PCIe SSD

Warranty
 1 year Depot or Carry-in

Graphics
 NVIDIA® Quadro® T500 4GB

Web Price: \$2,279.00
 After eCoupon:
\$1,209.00
 Savings: \$1,070.00
 Use eCoupon:
WSDOORBUSTER
 Ships FREE Next Business Day

Add to cart

As low as \$95/month | Prequalify
 Earn \$36 in Rewards
 Compare

12 51. Once the product was added to the consumers’ online shopping cart, Lenovo
 13 prominently advertised the purported savings throughout the entire checkout process.

14 52. Below is an example of Lenovo’s website checkout page before August 25, 2021,
 15 where Lenovo prominently displays the purported price reduction of \$1,070.

Review Your Order [EDIT CART](#)

ThinkPad P15s Gen 2 Intel (15") - Mobile Workstation
 Part Number: 20W6500200
 Qty: 1
 Ships On 08/12/2021
[View All specs](#)

Web price: \$2,279.00
 eCoupon: -\$1,070.00
WSDOORBUSTER
Sale price: \$1,209.00

Subtotal: \$1,209.00
 Shipping: FREE
 Tax: \$104.28
 Recycling Fee: \$5.00
Total: \$1,318.28
 You're saving: \$1,070.00

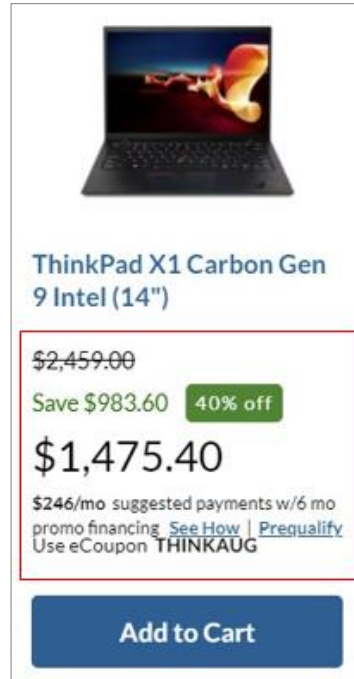
Rep ID (Optional)
 Notice: The Rep. Id should be exactly 10 digits.

By placing your order you agree to our [Sales Terms & Conditions, Privacy Policy](#) and verify that you are over the age of 16.

Place Your Order

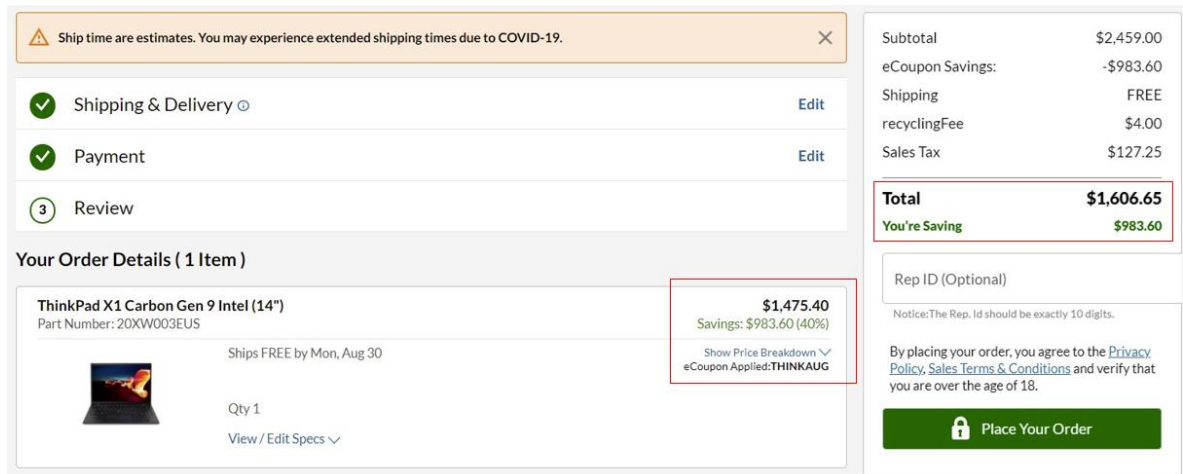
24 53. Between August 25, 2021 and April 12, 2022, Lenovo advertised false discounts on its
 25 website by displaying reference prices as a standalone strikethrough price (e.g., ~~\$1,199.99~~). As before,
 26 Lenovo continued to advertise a reference price near the sale price, and savings equal to the difference
 27 between the reference price and the sale price. In addition, Lenovo began advertising the savings as a
 28 percentage equal to the amount of the purported price reduction divided by the reference price.

1 54. Below is an example of a laptop advertised on Lenovo’s website between August 25,
 2 2021 and April 12, 2022, which shows a reference price of \$2,459.00, a sale price of \$1,475.40, and
 3 a price reduction of \$983.60 or 40% off.



15 55. Just as before, once the product was added to the consumers’ online shopping cart,
 16 Lenovo prominently advertised the purported savings throughout the entire checkout process.

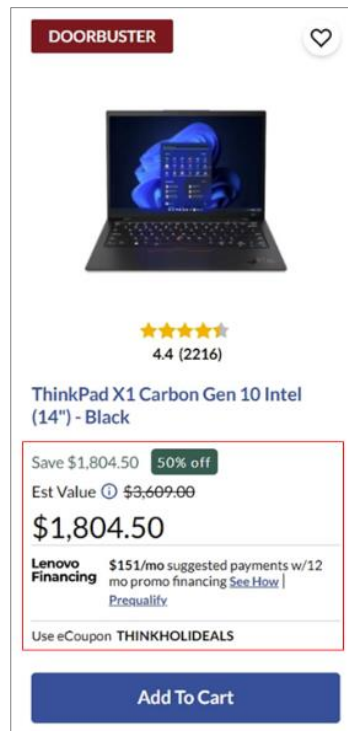
17 56. Below is an example of Lenovo’s website checkout page between August 25, 2021
 18 and April 12, 2022, where Lenovo prominently displays the purported price reduction of \$983.60.



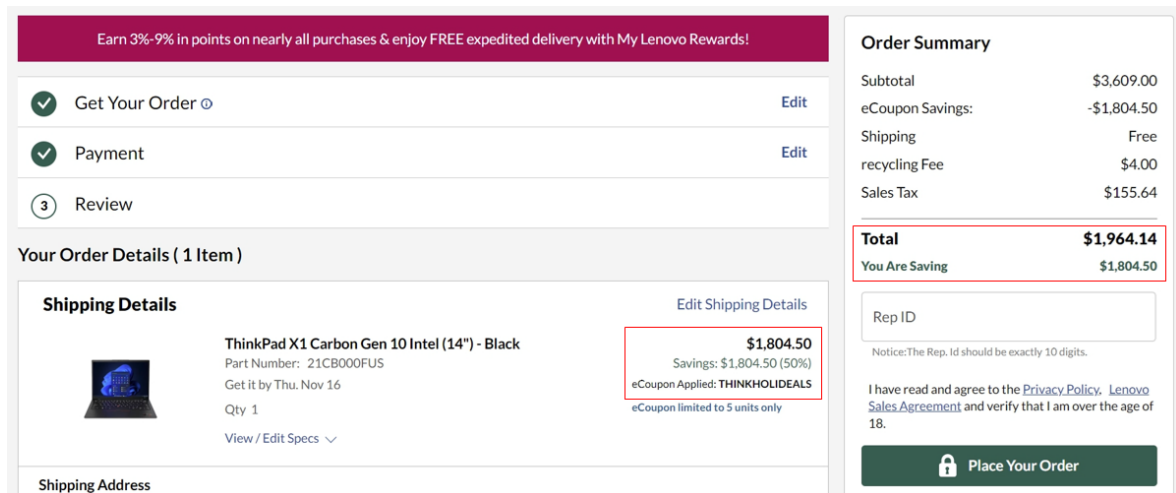
27 57. Starting on April 13, 2022, Lenovo began advertising false discounts on its website
 28 by displaying reference prices as “Est Values.” As before, Lenovo continues to advertise a

1 reference price near the sale price, and savings equal to the difference between the reference price
 2 and the sale price. As before, Lenovo also advertises the savings as a percentage equal to the
 3 amount of the purported price reduction divided by the reference price.

4 58. Below is an example of a laptop advertised on Lenovo’s website after April 13,
 5 2022, which shows a reference price of \$3,609.00, a sale price of \$1,804.50, and a price reduction
 6 of \$1,804.50 or 50% off.



19 59. Below is an example of Lenovo’s website checkout page after April 12, 2022, where
 20 Lenovo prominently displays the purported price reduction of \$1,804.50.



1 **D. Lenovo’s fake coupon codes.**

2 60. In addition to advertising fictitious savings, Lenovo displays fake coupon codes it
 3 calls “eCoupons” to further mislead consumers into believing they are receiving a price reduction.

4 61. Unlike typical online retailers which require shoppers to manually enter a coupon
 5 code to receive the associated discount, Lenovo’s coupon codes are prominently displayed on its
 6 website and do not require shoppers to take any action to receive the advertised discounts. In other
 7 words, the coupon codes are just another marketing ploy intended to mislead consumers about the
 8 existence of, amounts of, and reasons for the price reductions advertised on its website.

9 62. Below is an example of a fake coupon code discount advertised on Lenovo’s website
 10 in February 2022.

11 **February 2022**



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 19 63. As shown in the example above, Lenovo represented to consumers they would save
 20 \$1,431.60 or 40% off the reference price of \$3,579.00 by using the coupon code “**THINKFEB**”—a
 21 reference to Lenovo’s ThinkPad line of laptops and the month of February. Thus, reasonable
 22 consumers were led to believe that the coupon code and corresponding price reduction of \$1,431.60
 23 would only be available in February.

24 64. In reality, Lenovo advertised the exact same price reduction in January 2022 with the
 25 coupon code “**THINKJAN,**” and in March 2022 with the coupon code “**THINKMAR,**” as shown below.

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 28

January 2022

READY TO SHIP

ThinkPad X1 Yoga Gen 5 Intel (14")

★★★★★ 4.6 (1179) Part Number: 20UB0069US

~~\$3,579.00~~ Save \$1,431.60 **40% off**

\$2,147.40 OR \$179/mo suggested payments w/12 mo promo financing | **Lenovo Financing**

Use eCoupon THINKJAN
eCoupon limited to 2 units

Add To Cart

Ships FREE by Thu, Jan 13



March 2022

READY TO SHIP

ThinkPad X1 Yoga Gen 5 Intel (14")

★★★★★ 4.6 (1202) Part Number: 20UB0069US

~~\$3,579.00~~ Save \$1,431.60 **40% off**

\$2,147.40 OR \$179/mo suggested payments w/12 mo promo financing | **Lenovo Financing**

Use eCoupon THINKMAR
eCoupon limited to 2 units

Add To Cart

Ships FREE by Thu, Mar 03



65. After April 2022, when Lenovo switched to displaying its references prices as “Est Values,” Lenovo continued to advertise fake coupon codes, as shown below.

June 2023

ThinkPad T14s Gen 4 Intel (14") - Deep Black

☆☆☆☆☆ (0)
Part Number: 21F6006HUS

Save \$1,243.60 **40% off**

Est Value ~~\$3,109.00~~

\$1,865.40 OR \$156/mo suggested payments w/12 mo promo financing | **Lenovo Financing**

Use eCoupon THINKJUNE
eCoupon limited to 5 units



July 2023

ThinkPad T14s Gen 4 Intel (14") - Deep Black


☆☆☆☆☆ (0)
Part Number: 21F6006HUS

Save \$1,243.60 **40% off**

Est Value ~~\$3,109.00~~

\$1,865.40 OR \$156/mo suggested payments w/12 mo promo financing | **Lenovo Financing**

Use eCoupon THINKJULY
eCoupon limited to 5 units



1 **E. Lenovo’s false discounts are pervasive.**

2 66. Discovery will show that on any given day, Lenovo sells approximately 500 laptop
3 and desktop computers on its website, and approximately 80% are sold at a discount from a
4 reference price.

5 67. But discovery will also show that the vast majority of price reductions advertised on
6 Lenovo’s website are false and misleading because consumers are not receiving the advertised
7 “savings.”

8 68. Discovery will further show that Lenovo does not regularly offer its products for sale
9 at the advertised reference prices, nor does Lenovo make any substantial number of sales at the
10 advertised reference prices, nor do the “Est Values” advertised on Lenovo’s website reflect
11 Lenovo’s bona fide estimates of its products’ values based on industry data.

12 69. Discovery will further show that Lenovo’s advertises eCoupons pervasively and
13 consistently throughout its website.

14 **F. The Ongoing Nature of Lenovo’s False Discounts.**

15 70. Lenovo’s deceptive pricing scheme is ongoing. Lenovo’s continues to mislead
16 consumers about the reasons for, existence of, and amounts of price reductions for products sold on
17 its website by continuing to advertise inflated estimated values, fictitious savings and discounts, and
18 misleading coupon codes.

19 71. When shopping on Lenovo’s website, Plaintiffs do not have access to the data on
20 which Lenovo purports to base its estimated values and cannot determine whether the advertised
21 price reductions represent bona fide price reductions or whether the advertised savings reflect actual
22 savings based on genuine estimated values. Moreover, Plaintiffs have no way of determining in the
23 future whether Lenovo has corrected its deceptive pricing practices.

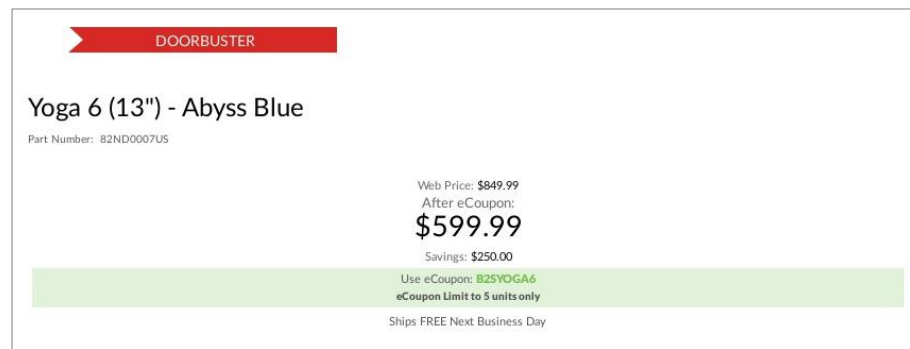
24 72. Without an injunction ordering Lenovo to cease its deceptive pricing practices,
25 Plaintiffs are unable to rely on Lenovo’s representations regarding the price reductions advertised on
26 its website in deciding whether or not to purchase a product on Lenovo’s website in the future.
27 Without such an injunction, there is a real and immediate threat Plaintiffs will be wronged again in a
28 similar way when making future purchases on Lenovo’s website.

1 **G. Plaintiffs' Purchases.**

2 **Plaintiff Hermanson**

3 73. On August 6, 2021, Plaintiff Mark Hermanson ("Hermanson") accessed Lenovo's
4 website from his residence in Lake Forest, California and purchased a non-ThinkPad Yoga 6 laptop,
5 part number 82ND0007US ("Yoga 6 Laptop").

6 74. Lenovo advertised the Yoga 6 Laptop as being on sale for \$599.99 and represented
7 to Hermanson that he was receiving a price reduction of \$250.00 off the reference price of \$849.99
8 with the eCoupon **B2SYOGA6**. Below is an example of the advertisement that Hermanson saw.



15 75. Enticed by the idea of saving \$250 off the reference price of \$849.99, Hermanson
16 proceeded to add the Yoga 6 Laptop to his shopping cart.

17 76. Throughout the online checkout process, Lenovo prominently displayed to
18 Hermanson the price reduction and savings of \$250.00 he was purportedly receiving.

19 77. On the final checkout page, Lenovo again represented to Hermanson he was
20 receiving a price reduction of \$250, which was equal to the difference between the reference price
21 and the sale price.

22 78. In reliance on Lenovo's misrepresentations and material omissions with respect to
23 the reference price of the Yoga 6 Laptop, and the discount and savings he was purportedly
24 receiving, Hermanson placed his order.

25 79. Immediately after Hermanson completed his purchase, Lenovo sent Hermanson an
26 order confirmation via email. The order confirmation, as shown below, again represented to
27 Hermanson that he had received a price reduction equal to the difference between the reference price
28 and the sale price.

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Your Order Summary:

Item:	Status:	Qty:	Price:
Yoga 6 (13") - Abyss Blue	Received*	1	\$599.99
Part No: 82ND0007US			
Configuration Details			
<ul style="list-style-type: none"> ● Processor: AMD Ryzen™ 5 5500U Processor (2.10 GHz, up to 4.00 GHz Max Boost, 6 Cores, 12 Threads, 8 MB Cache) ● Operating System: Windows 10 Home 64 ● Display Type: 13.3" FHD (1920 x 1080) IPS, touchscreen, 300 nits ● Memory: 8 GB DDR4 3200MHz (Soldered) ● Hard Drive: 512 GB PCIe SSD ● Warranty: 1 Year Depot or Carry-in ● Graphics: Integrated AMD Radeon™ Graphics ● Camera: 720p HD ● Pen: None ● Fingerprint Reader: Fingerprint Reader ● Keyboard: Backlit - US English ● Wireless: 802.11AX (2 x 2) & Bluetooth® 5.0 			
Sub total:			\$599.99
Coupon Saved:			\$250.00
Shipping Fees:			FREE
Total:			\$599.99

80. Hermanson purchased the Yoga 6 Laptop after Lenovo had represented to him that he was receiving a price reduction of \$250.00 and would thus save \$250.00 off the reference price of \$849.99. At the time of his purchase, Hermanson believed he was purchasing a laptop valued at \$849.99 for approximately 29% off.

81. However, discovery will show that the advertised price reduction was fictitious because prior to Hermanson's purchase, more often than not, Lenovo did not sell the Yoga 6 Laptop at the advertised reference price of \$849.99. Lenovo thereby violated the prospective relief set forth in the *Ponce* Settlement Agreement.

82. Hermanson's understanding of the value of the Yoga 6 Laptop was based on his belief that he was receiving a price reduction of \$250.00 off the reference price of \$849.99, and that he would save \$250.00 on his purchase.

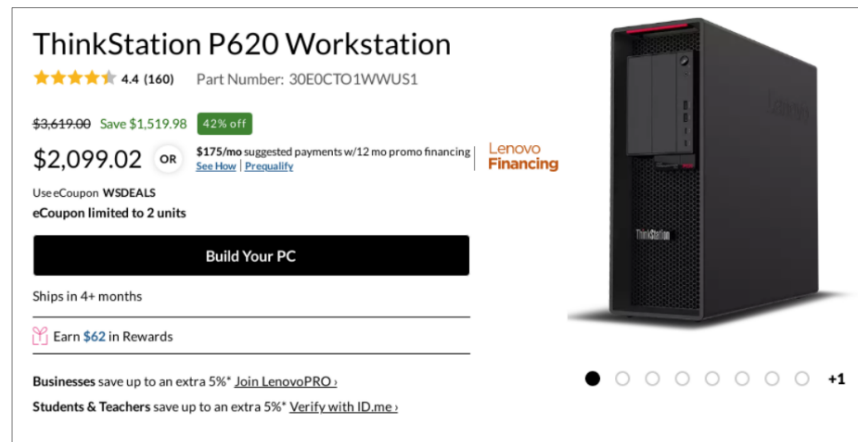
83. Lenovo thereby induced Hermanson to purchase the Yoga 6 Laptop by falsely representing to him that he was saving money equal to the difference between the reference price and sale price, and by failing to disclose to him that the advertised discount was not a bona fide price reduction.

1 84. Hermanson would not have purchased the Yoga 6 Laptop, or would have paid less
 2 for it, had he known that the laptop's regular price was less than \$849.99 and that the advertised
 3 savings was fictitious.

4 **Plaintiff Lin**

5 85. On January 4, 2022, Plaintiff Shuang Lin ("Lin") accessed Lenovo's website from
 6 his residence in Fremont, California and purchased a ThinkStation P620 Workstation, part number
 7 30E0CTO1WWUS1 ("P620 Workstation").

8 86. Lenovo advertised the P620 Workstation as being on sale for \$2,099.02 and
 9 represented to Lin he was receiving a price reduction of \$1,519.98 off the reference price of
 10 \$3,619.00 with the eCoupon **WSDEALS**. Below is an example of the advertisement that Lin saw.



19 87. Enticed by the idea of saving \$1,519.98 off the reference price of \$3,619.00, Lin
 20 proceeded to purchase the P620 Workstation. As a result of an additional discount Lin received
 21 during the checkout process, the final sale price he paid for the P620 Workstation before tax was
 22 \$1,433.12.

23 88. Throughout the checkout process, Lenovo prominently displayed to Lin the price
 24 reduction and savings he was purportedly receiving.


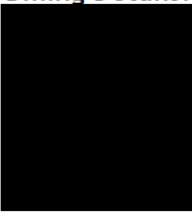

25 89. On the final checkout page, Lenovo again represented to Lin he was receiving a price
 26 reduction equal to the difference between the reference price and the sale price.

27 90. In reliance on Lenovo's representations and omissions with respect to the reference
 28 price of the P620 Workstation, and the discount and savings he was purportedly receiving, Lin

1 placed his order.

2 91. Immediately after Lin completed his purchase, Lenovo sent Lin an order
3 confirmation via email. The order confirmation, as shown below, again represented to Lin that he
4 had received a price reduction equal to the difference between the reference price and the sale price.

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Your order summary:			
ITEM	DELIVERY METHOD	QTY	TOTAL PRICE
 ThinkStation P620 Workstation 30E0CTO1WWU51	Standard	1	\$1,433.12
Billing Details: 	Shipping Details: 	<div style="border: 2px solid red; padding: 5px;"> Sub total: \$3,619.00 Instant Savings: -\$1,990.45 eCoupon Savings: -\$195.43 THINKNEWDEAL2022 Tax: \$146.89 Shipping: FREE Total: \$1,580.01 </div>	

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14 92. Lin purchased the P620 Workstation after Lenovo represented to him that he would
15 receive a price reduction of \$1,519.98 and thus would save \$1,519.98 off the reference price of
16 \$3,619.00. At the time of his purchase, Lin believed he was purchasing a Workstation valued at
17 \$3,619.00 for approximately 60% off.

18 93. However, discovery will show that the advertised price reduction was fictitious
19 because prior to Lin's purchase, more often than not, Lenovo did not sell the P620 Workstation at
20 the advertised reference price of \$3,619.00. Discovery will further show that Lenovo did not make
21 any substantial number of sales of the P620 Workstation at the reference price of \$3,619.00.

22 94. Lin's understanding of the value of the P620 Workstation was based on his belief that
23 he was receiving a price reduction of \$1,519.98 off the reference price of \$3,619.00, and that he
24 would save \$1,519.98 on his purchase.

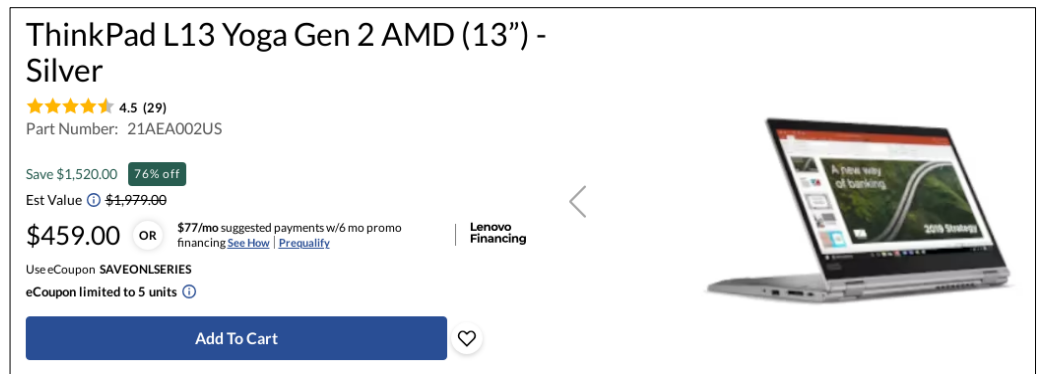
25 95. Lenovo thereby induced Lin to purchase the P620 Workstation by falsely
26 representing to him that he was saving money equal to the difference between the reference price
27 and sale price, and by failing to disclose to him that the advertised discount was not a bona fide
28 price reduction.

1 96. Lin would not have purchased the P620 Workstation, or would have paid less for it,
2 had he known that the item's true regular price was less than \$3,619.00 and that the advertised
3 savings was fictitious.

4 **Plaintiff Chen**

5 97. On August 26, 2023, Plaintiff Chun-yu Chen ("Chen") accessed Lenovo's website
6 from his residence in San Jose, California and purchased a ThinkPad L13 Yoga Gen 2 AMD laptop,
7 part number 21AEA002US ("ThinkPad L13 Yoga Laptop").

8 98. Lenovo advertised the ThinkPad L13 Yoga Laptop as being on sale for \$459 and
9 represented to Chen that he was receiving a price reduction of \$1,520 off the reference price of \$1,979
10 with the eCoupon **SAVEONLSERIES**. Below is an example of the advertisement that Chen saw.



18 99. Enticed by the idea of saving \$1,520 off the reference price of \$1,979, Chen
19 proceeded to add the ThinkPad L13 Yoga Laptop to his shopping cart.

20 100. Throughout the checkout process, Lenovo prominently displayed to Chen the price
21 reduction and savings he was purportedly receiving.

22 101. On the final checkout page, Lenovo again represented to Chen he was receiving a
23 price reduction equal to the difference between the reference price and the sale price.


24 102. In reliance on Lenovo's representations and omissions with respect to the reference
25 price of the ThinkPad L13 Yoga Laptop, and the discount and savings he was purportedly receiving,
26 Chen placed his order.

27 103. Immediately after Chen completed his purchase, Lenovo sent Chen an order
28 confirmation via email. The order confirmation, as shown below, again represented to Chen that he

1 had received a price reduction equal to the difference between the reference price and the sale price.

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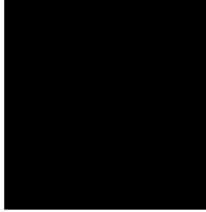
3 **Your order summary:**

ITEM	DELIVERY METHOD	QTY	TOTAL PRICE
 ThinkPad L13 Yoga Gen 2 AMD (13") - Silver 21AEA002US	Expedite	1	\$459.00

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Billing Details: 	Shipping Details: 	Sub total: \$1,979.00 eCoupon Savings: -\$1,520.00 SAVEONLSERIES Tax: \$43.03 Recycle Fee: \$4.00 Shipping: FREE Total: \$506.03
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12 104. Chen purchased the ThinkPad L13 Yoga Laptop after Lenovo had advertised a price
 13 reduction of \$1,520 and represented to him that he would save \$1,520 off the reference price of
 14 \$1,979. At the time of his purchase, Chen believed he was purchasing a laptop valued at \$1,979 for
 15 approximately 77% off.

16 105. However, discovery will show that the advertised price reduction was fictitious
 17 because prior to Chen's purchase, more often than not, Lenovo did not sell the ThinkPad L13 Yoga
 18 Laptop at the advertised reference price of \$1,979. Discovery will further show that Lenovo did not
 19 make any substantial number of sales of the ThinkPad L13 Yoga Laptop at the reference price of
 20 \$1,979. Discovery will further show that \$1,979 was not Lenovo's bona fide estimate of the
 21 ThinkPad L13 Yoga Laptop's value based on industry data.

22 106. Chen's understanding of the value of the ThinkPad L13 Yoga Laptop was based on
 23 his belief that he was receiving a price reduction of \$1,520 off the reference price of \$1,979, and that
 24 he would save \$1,520 on his purchase.

25 107. Lenovo thereby induced Chen to purchase the ThinkPad L13 Yoga Laptop by falsely
 26 representing to him that he was saving money equal to the difference between the laptop's reference
 27 price and sale price, and by failing to disclose to him that the advertised discount was not a bona
 28 fide price reduction.

1 108. Chen would not have purchased the ThinkPad L13 Yoga Laptop, or would have paid
2 less for it, had he known that item’s true value was less than \$1,979 and that the advertised savings
3 was fictitious.

4 **CLASS ALLEGATIONS**

5 109. Plaintiffs bring this suit pursuant to Rule 23 of the Federal Rules of Civil Procedure,
6 on behalf of themselves and all others similarly situated. Two nationwide classes, one nationwide
7 subclass, and three California subclasses (together, “Classes”) are defined as follows:

8 **Nationwide Classes**

9 **Nationwide Web Price Class:** All individuals who, within the applicable statute of
10 limitations period, purchased a Lenovo-branded laptop, desktop, or tablet on Lenovo’s
11 website that were advertised as discounted from a reference price displayed as a “Web
Price” or standalone strikethrough price.

12 **Nationwide Est Value Class:** All individuals who, within the applicable statute of
13 limitations period, purchased a Lenovo-branded laptop, desktop, or tablet on Lenovo’s
14 website that were advertised as discounted from a reference price displayed as an “Est
Value.”

15 **Nationwide Non-ThinkPad Subclass:** All members of the Nationwide Web Price
16 Class who purchased a non-ThinkPad laptop or tablet on Lenovo’s website between
17 January 8, 2018 and April 12, 2022, which was advertised at the time of their purchase
as being offered at a discount from a reference price which was not the prevailing
market price during the three months preceding their purchase.

18 **California Classes:**

19 **California Web Price Subclass:** All members of the Nationwide Web Price Class
20 who were residing in California at the time of purchase.

21 **California Est Value Subclass:** All members of the Nationwide Est Value Class who
22 were residing in California at the time of purchase.

23 **California Non-ThinkPad Subclass:** All members of the Nationwide Non-ThinkPad
Subclass who were residing in California at the time of purchase.

24 110. Excluded from the Classes are Lenovo, its parents, subsidiaries, affiliates, officers,
25 directors, legal representatives, predecessors, successors, assigns, and employees, and all judges
26 assigned to hear any aspect of this litigation, as well as their staff and immediate family members.

27 111. Numerosity: Although the exact number of members of the Classes is uncertain and
28 can only be ascertained through appropriate discovery, the number is significant enough such that

1 joinder is impracticable. Plaintiffs are informed and believe there are hundreds of thousands, if not
2 millions, of members of the Classes that have been damaged by Lenovo's deceptive practices
3 alleged herein. The disposition of the claims of all Classes in a single action will provide
4 substantial benefits to all parties and to the Court. The members of the Classes are readily
5 identifiable from information and records in Lenovo's possession, custody, or control.

6 112. Commonality: This action involves common questions of law and fact, including,
7 but not limited to, the following:

- 8 a. whether Lenovo made false or misleading statements of fact in its
9 advertisements;
- 10 b. whether Lenovo's advertisements had a tendency to mislead a reasonable
11 consumer;
- 12 c. whether Lenovo's advertising and marketing practices, as alleged herein,
13 violated established law;
- 14 d. whether a reasonable consumer would interpret the strikethrough prices on
15 Lenovo's website as the regular price or former price of the products offered for sale on Lenovo's
16 website;
- 17 e. whether a reasonable consumer would interpret the estimated value prices on
18 Lenovo's website as the value of the products offered for sale on Lenovo's website;
- 19 f. whether Lenovo ever sold or offered for sale the products at the advertised
20 reference prices;
- 21 g. whether Lenovo made a substantial number of sales at the advertised
22 reference prices;
- 23 h. whether Lenovo's bona fide estimates of its products' values are reflected in
24 the estimated value prices;
- 25 i. whether Lenovo bases its estimated values prices on industry data;
- 26 j. whether Lenovo violated the court-approved class action settlement
27 agreement in Ponce;
- 28 k. whether Lenovo's statements concerning the reference prices, discounts and

1 savings displayed on its website were material, such that a reasonable consumer would attach
2 importance to and be induced to act on the information in deciding whether to make a purchase on
3 Lenovo's website;

4 l. whether a reasonable consumer would interpret the advertised savings on
5 Lenovo's website as a price reduction;

6 m. whether a reasonable consumer would interpret the web prices or
7 strikethrough prices on Lenovo's website as the regular or former prices of the products offered for
8 sale on Lenovo's website;

9 n. whether a reasonable consumer would believe the products offered for sale on
10 Lenovo's website have values equal to their web price, strikethrough price, or estimated value;

11 o. whether Lenovo misrepresented and/or failed to disclose material facts about
12 the web prices, strikethrough prices, estimated values, discounts, and savings advertised on its
13 website;

14 p. whether Lenovo knew, or by the exercise of reasonable care should have
15 known, that the price reductions and savings advertised on its website were untrue and misleading;

16 q. whether Lenovo intended the web prices, strikethrough prices, estimated
17 values, discounts, and savings advertised on its website to induce customers to purchase products;

18 r. whether Lenovo's pricing scheme alleged herein—consisting of web prices
19 and discounts/savings based on those web prices—was false or misleading within the meaning of
20 California's False Advertising Law, Consumer Legal Remedies Act, or Unfair Competition Law.

21 s. whether Lenovo's pricing scheme alleged herein—consisting of standalone
22 strikethrough prices and discounts/savings based on those standalone strikethrough prices—was
23 false or misleading within the meaning of California's False Advertising Law, Consumer Legal
24 Remedies Act, or Unfair Competition Law.

25 t. whether Lenovo's pricing scheme alleged herein—consisting of estimated
26 values and discounts/savings based on those estimated values—was false or misleading within the
27 meaning of California's False Advertising Law, Consumer Legal Remedies Act, or Unfair
28 Competition Law.

1 u. whether Lenovo is likely to continue advertising false and misleading price
2 reductions such that an injunction is necessary; and

3 v. whether Plaintiffs and members of the Classes are entitled to damages,
4 restitution, and/or punitive damages as a result of Lenovo's conduct alleged herein.

5 113. Typicality: Plaintiffs' claims are typical of the Class claims in that Plaintiffs, like all
6 members of the Classes, were deceived and damaged by Lenovo's misrepresentations and
7 corresponding failure to provide the advertised discounts, savings, and price reductions.
8 Furthermore, the factual bases of Lenovo's misconduct are common to all members of the Classes
9 and represent a common thread resulting in injury to the Classes.

10 114. Adequacy: Plaintiffs will fairly and adequately protect the interests of all members
11 of the classes, and Plaintiffs' interests are coincident with and not antagonistic to those of other
12 members of the Classes. Plaintiffs have retained competent counsel who are experienced in
13 prosecuting class actions.

14 115. Class certification is appropriate under Rule 23(b)(2) because Lenovo has acted or
15 refused to act, with respect to some or all issues presented in this Complaint, on grounds generally
16 applicable to all members of the Classes, thereby making appropriate final injunctive relief with
17 respect to the Classes as a whole.

18 116. Class certification is appropriate under Rule 23(b)(3) because common questions of
19 law and fact substantially predominate over any question that may affect only individual members
20 of the Classes. Plaintiffs and members of the Classes have all suffered, and will continue to suffer,
21 harm and damages as a result of Lenovo's uniform deceptive pricing practices. A class action is
22 superior to other available methods for the fair and efficient adjudication of this controversy.
23 Individual litigation of the claims of all members of the Classes is impracticable because the cost of
24 litigation would be prohibitively expensive given the relatively small size of the individual Class
25 members' claims. Moreover, individualized litigation would impose an immense burden upon the
26 courts and present the potential for varying, inconsistent, or contradictory judgments. By contrast,
27 maintenance of this action as a class action, with respect to some or all of the issues presented in
28 this Complaint, presents fewer management difficulties, conserves the resources of the parties and

1 of the court system, and is the only means to protect the rights of all members of the Classes.
2 Absent a class action, Plaintiffs and members of the Classes would be unable seek redress, and
3 Lenovo’s deceptive pricing practices would continue unabated without remedy or relief.

4 **FIRST CAUSE OF ACTION**
5 **Intentional Misrepresentation**
6 **(On behalf of the Nationwide Web Price Class)**

7 117. Plaintiffs incorporate by reference each of the allegations contained in the preceding
8 paragraphs of this Complaint.

9 118. Plaintiffs bring this cause of action on behalf of themselves and the members of the
10 Nationwide Web Price Class (as used as this cause of action, “class members”).

11 119. As alleged herein, Lenovo made false representations and material omissions to
12 Plaintiffs and the class members concerning the existence, duration, and/or nature of the price
13 reductions and savings advertised on its website.

14 120. As part of those false representations, Lenovo engaged in the following practices:

15 a. falsely representing that the savings advertised on its website reflected bona
16 fide price reductions, when in fact the price reductions were inflated because they were based off
17 inflated reference prices;

18 b. falsely representing that the reference prices on its website reflected bona fide
19 regular or former prices, when in fact the reference prices were inflated and did not reflect the actual
20 price at which Lenovo formerly sold the product for a reasonably substantial period of time; and

21 c. falsely representing that Plaintiffs and the class members were benefitting
22 from discounts and savings, when in fact Plaintiffs and the class members did not receive such
23 benefit, or received substantially less benefit, because the advertised discounts and savings were
24 based on inflated reference prices.

25 121. Lenovo intentionally did not disclose material facts regarding the above.
26 Specifically, Lenovo intentionally did not disclose to Plaintiffs and the class members that the price
27 reductions and savings advertised on its website were fictitious because they were based on inflated
28 reference prices which did not reflect the price at which Lenovo previously offered the product for
sale for a reasonably substantial period of time or the price at which Lenovo made a substantial

1 number of sales. These omissions were material, and had Lenovo disclosed the above information,
2 Plaintiffs and the class members would not have purchased the products or would have paid less for
3 them.

4 122. Lenovo's false representations and material omissions are the type of representations
5 and omissions that are regularly considered to be material—i.e., a reasonable person would attach
6 importance to them and would be induced to act on the information in making a purchasing
7 decision.

8 123. Lenovo's false representations and material omissions relating to the price reductions
9 and savings displayed on its website are objectively material to the reasonable consumer, and
10 therefore reliance upon such representations may be presumed as a matter of law.

11 124. Lenovo intended for Plaintiffs and the class members to rely on its false
12 representations and material omissions when making purchases on Lenovo's website.

13 125. Lenovo knew that its intentional misrepresentations and material omissions were
14 false and misleading at the time Lenovo made them and/or acted recklessly in making such
15 misrepresentations and omissions.

16 126. Plaintiffs and the class members reasonably and justifiably relied to their detriment
17 on Lenovo's intentional misrepresentations and material omissions.

18 127. Lenovo's intentional misrepresentations and material omissions were a substantial
19 factor in causing Plaintiffs and the class members to purchase products from Lenovo, and pay more
20 for them than they would have otherwise paid.

21 128. As a proximate result of Lenovo's intentional misrepresentations and material
22 omissions, Plaintiffs and the class members suffered an ascertainable loss and are entitled to
23 compensatory and punitive damages, in an amount to be determined at trial.

24 129. In making intentional misrepresentations and material omissions to Plaintiffs and the
25 class members, Lenovo acted with malice, oppression, and fraud. Accordingly, Lenovo is liable to
26 Plaintiffs and the class members for punitive damages in an amount to be determined at trial.

27 130. Lenovo's conduct alleged herein constitutes "fraud," as that term is defined in Cal.
28 Civ. Code § 3294(c)(3), because such conduct involved intentional misrepresentations, deceit,

1 and/or concealment of material facts known to Lenovo, and was done with the intent to cause
2 Plaintiffs and the class members to purchase products they would not have otherwise purchased
3 and/or pay more for them based on a false perception of their market value. Accordingly, Lenovo is
4 liable to Plaintiffs and the California Web Price Subclass for punitive damages in an amount to be
5 determined at trial.

6 131. In making the false representations and material omissions alleged herein, Lenovo
7 knowingly violated a court-approved class action settlement agreement. Accordingly, Lenovo is
8 liable to Plaintiff Hermanson and the Nationwide Non-ThinkPad Subclass for punitive damages in
9 an amount to be determined at trial.

10 **SECOND CAUSE OF ACTION**
11 **Negligent Misrepresentation**
12 **(On behalf of the Nationwide Web Price Class)**

13 132. Plaintiffs incorporate by reference each of the allegations contained in the preceding
14 paragraphs of this Complaint.

15 133. Plaintiffs bring this cause of action on behalf of themselves and the members of the
16 Nationwide Web Price Class (as used as this cause of action, “class members”).

17 134. As alleged herein, Lenovo made false representations and material omissions to
18 Plaintiffs and all Class members concerning the existence, duration, and/or nature of the price
19 reductions and savings advertised on its website.

20 a. As part of those false representations, Lenovo engaged in the following
21 practices:

22 b. falsely representing that the savings advertised on its website reflected bona
23 fide price reductions, when in fact the price reductions were inflated because they were based off
24 inflated reference prices;

25 c. falsely representing that the reference prices on its website reflected bona fide
26 regular or former prices, when in fact the reference prices were inflated and did not reflect the actual
27 price at which Lenovo formerly sold the product for a reasonably substantial period of time; and

28 d. falsely representing that Plaintiffs and the class members were benefitting
from discounts and savings, when in fact Plaintiffs and the class members did not receive such

1 benefit, or received substantially less benefit, because the advertised discounts and savings were
2 based on inflated reference prices.

3 135. Lenovo failed to disclose material facts regarding the above. Specifically, Lenovo
4 failed to disclose to Plaintiffs and the class members that the price reductions and savings advertised
5 on its website were fictitious because they were based on inflated reference prices which did not
6 reflect the price at which Lenovo previously offered the product for sale for a reasonably substantial
7 period of time or the price at which Lenovo made a substantial number of sales. These omissions
8 were material, and had Lenovo disclosed the above information, Plaintiffs and the class members
9 would not have purchased the products or would have paid less for them.

10 136. Lenovo's false representations and material omissions are the type of representations
11 and omissions that are regularly considered to be material—i.e., a reasonable person would attach
12 importance to them and would be induced to act on the information in making a purchasing decision.

13 137. Lenovo's false representations and material omissions relating to the discounts and
14 savings displayed on its website are objectively material to the reasonable consumer, and therefore
15 reliance upon such representations may be presumed as a matter of law.

16 138. Lenovo's false representations and material omissions were made to Plaintiffs and
17 the class members for the purpose of affecting their purchasing decisions.

18 139. Lenovo had no reasonable grounds for believing that its false representations were true.

19 140. Lenovo failed to exercise reasonable care and/or diligence in making its false
20 representations and material omissions to Plaintiffs and the class members.

21 141. Plaintiffs and the class members reasonably and justifiably relied to their detriment
22 on Lenovo's false representations and material omissions.

23 142. Lenovo's false representations and material omissions were a factor in causing
24 Plaintiffs and the class members to purchase products on Lenovo's website, and pay more for them
25 than they would have otherwise paid.

26 143. As a proximate result of Lenovo's false representations and material omissions,
27 Plaintiffs and the class members were damaged in an amount to be determined at trial.

28 144. In making the false representations and material omissions alleged herein, Lenovo

1 acted recklessly and without regard for a court-approved class action settlement agreement in which
2 Lenovo agreed not to make such false representations and material omissions. Accordingly, Lenovo is
3 liable to Plaintiffs and the class members for punitive damages in an amount to be determined at trial.

4 **THIRD CAUSE OF ACTION**

5 **Violation of California’s Consumers Legal Remedies Act, Cal. Civ. Code §§ 1750, *et seq.***
6 **(On behalf of the California Web Price Subclass)**

7 145. Plaintiffs incorporate by reference each of the allegations contained in the preceding
8 paragraphs of this Complaint.

9 146. Plaintiffs bring this cause of action on behalf of themselves and the members of the
10 California Web Price Subclass (as used as this cause of action, “class members”).

11 147. Lenovo violated, and continues to violate, Section 1770(a)(5) of the California Civil
12 Code by representing that products offered for sale on its website have characteristics or benefits
13 which they do not have. Specifically, Lenovo misled customers about the value of its products by
14 advertising inflated reference prices for products sold on its website.

15 148. Lenovo violated, and continues to violate, Section 1770(a)(9) of the California Civil
16 Code by advertising products as discounted when Lenovo intended to, and does in fact, sell them at
17 their regular prices.

18 149. Lenovo violated, and continues to violate, Section 1770(a)(13) of the California
19 Civil Code by making false or misleading statements of fact concerning reasons for, existence of, or
20 amounts of, price reductions on its website.

21 150. Lenovo violated, and continues to violate, Section 1770(a)(16) of the California
22 Civil Code by representing that its products were supplied in accordance with a previous
23 representation when they were not. Specifically, Lenovo represented that its products were sold at a
24 discount based on an inflated reference price, and that customers would realize savings based on
25 that reference price. After customers placed their orders, Lenovo emailed the customers an order
26 confirmation confirming the products were sold at a discount and confirming that customers
27 realized savings equal to the difference between the advertised reference price and the sale price.
28 But in fact, Lenovo did not sell its products at the specified discounts and customers did not realize
the advertised savings because the reference prices were artificially inflated.

1 151. Pursuant to California Civil Code section 1782(a), Plaintiffs intend to send notice to
2 Lenovo by certified mail detailing its particular violations of Section 1770 of the CLRA, as alleged
3 above, and demanding that Lenovo rectify such violations by (i) giving notice to all affected
4 customers, (ii) removing all false and misleading price reductions and fictitious savings from its
5 website, and (iii) providing restitution and damages to Plaintiffs and the class members.

6 152. Pursuant to California Civil Code section 1782(d), if Lenovo fails to rectify, or fails
7 to agree to rectify, its violations of Section 1770 within thirty (30) days of receiving Plaintiffs'
8 letter, Plaintiffs will move to amend this complaint to pursue claims for actual, punitive, and
9 statutory damages under the CLRA. As to this cause of action, at this time, Plaintiffs seek only
10 injunctive relief.

11 **FOURTH CAUSE OF ACTION**
12 **Violation of California's False Advertising Law, Bus. & Prof. Code § 17500**
13 **(On behalf of the California Web Price Subclass)**

14 153. Plaintiffs incorporate by reference each of the allegations contained in the preceding
15 paragraphs of this Complaint.

16 154. Plaintiffs bring this cause of action on behalf of themselves and the members of the
17 California Web Price Subclass (as used as this cause of action, "class members").

18 155. Plaintiffs bring this cause of action for public injunctive relief pursuant to Section
19 17535 of the Business and Professions Code and seek an order enjoining Lenovo from continuing
20 to violate Section 17500. Plaintiffs are entitled to this forward-looking relief because there is no
21 adequate remedy at law that would protect Plaintiffs, the class members, and the public at large
22 from Lenovo's ongoing violations of Section 17500.

23 156. Plaintiffs additionally bring this cause of action for restitution pursuant to Section
24 17535 of the Business and Professions Code. Pursuant to Rule 8(a)(3) of the Federal Rules of Civil
25 Procedure, Plaintiffs seek restitution in the alternative to the damages they seek. Plaintiffs are
26 entitled to restitution because they lack an adequate remedy at law; the legal remedies available to
27 them are not as equally prompt and certain, and in other ways efficient.

28 157. Lenovo has violated, and continues to violate, Section 17500 of the Business and
Professions Code by disseminating untrue and misleading advertisements over the internet to

1 Plaintiffs and class members.

2 158. Lenovo disseminated untrue and misleading advertisements on its website by
3 advertising fictitious price reductions and savings based on inflated reference prices.

4 159. Lenovo disseminated such untrue and misleading advertisements with the intent to
5 induce Plaintiffs and class members to purchase products on its website.

6 160. Lenovo knew, or by the exercise of reasonable care should have known, that the
7 advertised price reductions and savings were untrue or misleading.

8 161. Lenovo fraudulently concealed from and intentionally failed to disclose to Plaintiffs
9 and class members the truth about its reference prices, and the discounts and savings based thereon.
10 Specifically, Lenovo failed to inform Plaintiffs and the class members that the price reductions and
11 savings advertised on its website were fictitious because they were based on inflated reference prices
12 which did not reflect the price at which Lenovo previously offered the product for sale for a
13 reasonably substantial period of time or the price at which Lenovo made a substantial number of sales.

14 162. Had Lenovo disclosed this information to Plaintiffs and class members, they would
15 not have purchased the products in question or would have paid less for them.

16 163. Plaintiffs and class members reasonably relied on Lenovo's representations and/or
17 omissions made in connection with the advertised price reductions and savings, and were induced
18 to purchase Lenovo products based on the belief that they were receiving a price reduction and
19 savings on their purchase.

20 164. Lenovo's representations and/or omissions made in connection with the advertised
21 price reductions and savings were likely to deceive reasonable consumers by obfuscating the true
22 value of Lenovo products.

23 165. Had Plaintiffs and class members known that the price reductions and savings were
24 misleading and artificially inflated, they would not have purchased products from Lenovo or would
25 have paid less for them.

26 166. As a direct and proximate result of Lenovo's untrue and misleading advertising,
27 Lenovo has improperly acquired money from Plaintiffs and class members. As such, Plaintiffs
28 request this Court order Lenovo to restore this money to them and all class members.

1 167. Lenovo’s violations of Section 17500 are ongoing because it continues to advertise
2 false and misleading price reductions and fictitious savings to Plaintiffs, class members, and the
3 public at large. Unless restrained by this Court, Lenovo will continue to engage in untrue and
4 misleading advertising, as alleged above, in violation of Section 17500. Accordingly, Plaintiffs
5 seek an injunction enjoining Lenovo from continuing to violate Section 17500.

6 **FIFTH CAUSE OF ACTION**
7 **Violation of California’s False Advertising Law, Bus. & Prof. Code § 17501**
8 **(On behalf of the California Web Price Subclass)**

9 168. Plaintiffs incorporate by reference each of the allegations contained in the preceding
10 paragraphs of this Complaint.

11 169. Plaintiffs bring this cause of action on behalf of themselves and the members of the
12 California Web Price Subclass (as used as this cause of action, “class members”).

13 170. Plaintiffs bring this cause of action for restitution pursuant to Section 17535 of the
14 Business and Professions Code. Pursuant to Rule 8(a)(3) of the Federal Rules of Civil Procedure,
15 Plaintiffs seek restitution in the alternative to the damages they seek in their first through fifth causes
16 of action. Plaintiffs are entitled to restitution because they lack an adequate remedy at law; the legal
17 remedies available to them are not as equally prompt and certain, and in other ways efficient.

18 171. Lenovo violated Section 17501 of the Business and Professions Code by advertising
19 false former prices on its website.

20 172. Lenovo advertised former prices on its website by using words and phrases such as
21 “Web Price,” “Base Price,” and displaying prices using strikethrough typeface (e.g., ~~\$1,249.99~~),
22 and/or displaying discounts using words and phrases such as “Savings of,” “Instant Saving,” “Save
23 ___%” “You’re saving,” and “Item Discount.”

24 173. The former prices advertised by Lenovo (i) did not reflect the prevailing market
25 prices for the products in question within the three months immediately preceding publication of the
26 advertisement, (ii) were not offered by Lenovo on a bona fide basis for a majority of the days the
27 products were offered for sale during the three-month period immediately preceding publication of
28 the advertisement, and/or (iii) were never offered by Lenovo on a bona fide basis for a reasonably
substantial period of time.

1 174. Lenovo’s former price advertisements did not state clearly, exactly, and
2 conspicuously when, if ever, the former prices prevailed, and provided no indication whether or to
3 what extent the former prices advertised on its website were offered on a bona fide basis.

4 175. The relevant “market” for the purpose of applying Section 17501 consists of offers
5 made on Lenovo’s website because (i) all of the advertisements at issue concerned Lenovo
6 products, manufactured by Lenovo, and offered for sale on Lenovo’s website, (ii) Lenovo intended
7 its representations relating to former prices and discounts to refer to its own prices; and (iii)
8 Plaintiffs and the class members reasonably interpreted Lenovo’s former price advertisements to
9 refer to Lenovo’s former prices.

10 176. Lenovo violated Section 17501 with actual or constructive knowledge that its former
11 price advertisements were untrue or misleading.

12 177. Lenovo violated Section 17501 in order to induce Plaintiffs and the class members to
13 make purchases on its website based on the false impression they are receiving a discount on a
14 product valued at more than what they actually received.

15 178. Plaintiffs and the class members reasonably relied on Lenovo’s representations
16 and/or omissions made in violation of Section 17501, and were thereby induced to pay more for
17 Lenovo products and make purchases they would not have otherwise made.

18 179. As a direct and proximate result of Lenovo’s violations of Section 17501, Lenovo
19 has improperly acquired money from Plaintiffs and the class members. As such, Plaintiffs request
20 this Court order Lenovo to restore this money to them and all class members.

21 **SIXTH CAUSE OF ACTION**

22 **Violation of California’s Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200, *et seq.***
23 **(On behalf of the California Web Price Subclass)**

24 180. Plaintiffs incorporate by reference each of the allegations contained in the preceding
25 paragraphs of this Complaint.

26 181. Plaintiffs bring this cause of action on behalf of themselves and the members of the
27 California Web Price Subclass (as used as this cause of action, “class members”).

28 182. Plaintiffs bring this cause of action for public injunctive relief pursuant to Section
17203 of the Business and Professions Code and seek an order enjoining Lenovo from continuing

1 to violate California’s Unfair Competition Law. Plaintiffs are entitled to this forward-looking relief
2 because there is no adequate remedy at law that would protect Plaintiffs, the class members, and the
3 public at large from Lenovo’s ongoing violations of California’s Unfair Competition Law.

4 183. Plaintiffs additionally bring this cause of action for restitution pursuant to Section
5 17203 of the Business and Professions Code. Pursuant to Rule 8(a)(3) of the Federal Rules of Civil
6 Procedure, Plaintiffs seek restitution in the alternative to the damages they seek. Plaintiffs are
7 entitled to restitution because they lack an adequate remedy at law; the legal remedies available to
8 them are not as equally prompt and certain, and in other ways efficient.

9 184. Lenovo has violated, and continues to violate, the “unlawful” prong of California’s
10 Unfair Competition Law, Bus. Prof. Code §§ 17200, *et seq.* (“UCL”) by engaging in the following
11 unlawful business acts and practices:

12 a. disseminating untrue and misleading advertisements over the internet by
13 advertising fictitious price reductions and savings based on inflated reference prices in violation of
14 Bus. & Prof. Code § 17500;

15 b. by representing that products offered for sale on its website have
16 characteristics or benefits which they do not have in violation of Civ. Code § 1770(a)(5);

17 c. by advertising products on its website with intent not to sell them as
18 advertised, in violation of Civ. Code § 1770(a)(9);

19 d. making false or misleading statements of fact concerning the reasons for,
20 existence of, or amounts of price reductions as to products sold on its website, in violation of Civ.
21 Code § 1770(a)(13); and

22 e. representing that products sold on its website were supplied in accordance
23 with its previous representations when in fact they were not, in violation of Civ. Code §
24 1770(a)(16).

25 185. Lenovo has violated the “fraudulent prong” of the UCL by engaging in the following
26 fraudulent business acts and practices:

27 a. using misrepresentations, deception, and/or concealment of material
28 information in connection with the price reductions and savings advertised on Lenovo’s website,

1 190. As alleged herein, Lenovo made false representations and material omissions to
2 Plaintiffs and the class members concerning the existence, duration, and/or nature of the price
3 reductions and savings advertised on its website.

4 191. As part of those false representations, Lenovo engaged in the following practices:

5 a. falsely representing that the savings advertised on its website reflected bona
6 fide price reductions, when in fact the price reductions were inflated because they were based off
7 inflated reference prices;

8 b. falsely representing that the estimated values on its website reflected bona
9 fide estimated values of its products, when in fact the estimated prices were inflated and did not
10 reflect a bona fide estimate of the products' values; and

11 c. falsely representing that Plaintiffs and the class members benefitted from
12 discounts and savings advertised on its website, when in fact Plaintiffs and the class members did
13 not receive such benefit, or received substantially less benefit, because the advertised discounts and
14 savings were based on inflated estimated values.

15 192. Lenovo intentionally did not disclose material facts regarding the above.
16 Specifically, Lenovo intentionally did not disclose to Plaintiffs and the class members that the price
17 reductions and savings advertised on its website were fictitious because they were based on inflated
18 estimated values which did not reflect bona fide estimates of the products' values. These omissions
19 were material, and had Lenovo disclosed the above information, Plaintiffs and the class members
20 would not have purchased the products or would have paid less for them.

21 193. Lenovo's false representations and material omissions are the type of representations
22 and omissions that are regularly considered to be material—i.e., a reasonable person would attach
23 importance to them and would be induced to act on the information in making a purchasing
24 decision.

25 194. Lenovo's false representations and material omissions relating to the price reductions
26 and savings displayed on its website are objectively material to the reasonable consumer, and
27 therefore reliance upon such representations may be presumed as a matter of law.

28 195. Lenovo intended for Plaintiffs and the class members to rely on its false

1 representations and material omissions when making purchases on Lenovo’s website.

2 196. Lenovo knew that its intentional misrepresentations and material omissions were
3 false and misleading at the time Lenovo made them and/or acted recklessly in making such
4 misrepresentations and omissions.

5 197. Plaintiffs and the class members reasonably and justifiably relied to their detriment
6 on Lenovo’s intentional misrepresentations and material omissions.

7 198. Lenovo’s intentional misrepresentations and material omissions were a substantial
8 factor in causing Plaintiffs and the class members to purchase products from Lenovo, and to pay
9 more for them than they would have otherwise paid.

10 199. As a proximate result of Lenovo’s intentional misrepresentations and material
11 omissions, Plaintiffs and the class members suffered an ascertainable loss and are entitled to
12 compensatory and punitive damages, in an amount to be determined at trial.

13 200. In making intentional misrepresentations and material omissions to Plaintiffs and the
14 class members, Lenovo acted with malice, oppression, and fraud. Accordingly, Lenovo is liable to
15 Plaintiff and the class members for punitive damages in an amount to be determined at trial.

16 201. Lenovo’s conduct alleged herein constitutes “fraud,” as that term is defined in Cal.
17 Civ. Code § 3294(c)(3), because such conduct involved intentional misrepresentations, deceit,
18 and/or concealment of material facts known to Lenovo, and was done with the intent to cause
19 Plaintiffs and the class members to purchase products they would not have otherwise purchased
20 and/or pay more for them based on a false perception of their value. Accordingly, Lenovo is liable
21 to Plaintiffs and the California Est Value Subclass for punitive damages in an amount to be
22 determined at trial.

23 **EIGHTH CAUSE OF ACTION**
24 **Negligent Misrepresentation**
(On behalf of the Nationwide Est Value Class)

25 202. Plaintiffs incorporate by reference each of the allegations contained in the preceding
26 paragraphs of this Complaint.

27 203. Plaintiffs bring this cause of action on behalf of themselves and the members of the
28 Nationwide Est Value Class (as used as this cause of action, “class members”).

1 204. As alleged herein, Lenovo made false representations and material omissions to
2 Plaintiffs and all Class members concerning the existence, duration, and/or nature of the price
3 reductions and savings advertised on its website.

4 205. As part of those false representations, Lenovo engaged in the following practices:

5 a. falsely representing that the savings advertised on its website reflected bona
6 fide price reductions, when in fact the price reductions were inflated because they were based off
7 inflated reference prices;

8 b. falsely representing that the estimated values on its website reflected bona
9 fide estimated values of its products, when in fact the estimated prices were inflated and did not
10 reflect a bona fide estimate of the products' values; and

11 c. falsely representing that Plaintiffs and the class members benefitted from
12 discounts and savings advertised on its website, when in fact Plaintiffs and the class members did
13 not receive such benefit, or received substantially less benefit, because the advertised discounts and
14 savings were based on inflated estimated values.

15 206. Lenovo failed to disclose material facts regarding the above. Specifically, Lenovo
16 intentionally did not disclose to Plaintiffs and the class members that the price reductions and
17 savings advertised on its website were fictitious because they were based on inflated estimated
18 values which did not reflect bona fide estimates of the products' values. These omissions were
19 material, and had Lenovo disclosed the above information, Plaintiffs and the class members would
20 not have purchased the products or would have paid less for them.

21 207. Lenovo's false representations and material omissions are the type of representations
22 and omissions that are regularly considered to be material—i.e., a reasonable person would attach
23 importance to them and would be induced to act on the information in making a purchasing decision.

24 208. Lenovo's false representations and material omissions relating to the discounts and
25 savings displayed on its website are objectively material to the reasonable consumer, and therefore
26 reliance upon such representations may be presumed as a matter of law.

27 209. Lenovo's false representations and material omissions were made to Plaintiffs and
28 the class members for the purpose of affecting their purchasing decisions.

1 210. Lenovo had no reasonable grounds for believing that its false representations were true.

2 211. Lenovo failed to exercise reasonable care and/or diligence in making its false
3 representations and material omissions to Plaintiffs and the class members.

4 212. Plaintiffs and the class members reasonably and justifiably relied to their detriment
5 on Lenovo's false representations and material omissions.

6 213. Lenovo's false representations and material omissions were a factor in causing
7 Plaintiffs and the class members to purchase products on Lenovo's website and pay more for them
8 than they would have otherwise paid.

9 214. As a proximate result of Lenovo's false representations and material omissions,
10 Plaintiffs and the class members were damaged in an amount to be determined at trial.

11 **NINTH CAUSE OF ACTION**

12 **Violation of California's Consumers Legal Remedies Act, Cal. Civ. Code §§ 1750, *et seq.***
13 **(On behalf of the California Est Value Subclass)**

14 215. Plaintiffs incorporate by reference each of the allegations contained in the preceding
15 paragraphs of this Complaint.

16 216. Plaintiffs bring this cause of action on behalf of themselves and the members of the
17 California Est Value Subclass (as used as this cause of action, "class members").

18 217. Lenovo violated, and continues to violate, Section 1770(a)(5) of the California Civil
19 Code by representing that products offered for sale on its website have characteristics or benefits
20 which they do not have. Specifically, Lenovo misled customers about the value of its products by
21 advertising inflated estimated values for products sold on its website.

22 218. Lenovo violated, and continues to violate, Section 1770(a)(9) of the California Civil
23 Code by advertising products as discounted when Lenovo intended to, and does in fact, sell them at
24 their regular prices.

25 219. Lenovo violated, and continues to violate, Section 1770(a)(13) of the California
26 Civil Code by making false or misleading statements of fact concerning reasons for, existence of, or
27 amounts of, price reductions on its website.

28 220. Lenovo violated, and continues to violate, Section 1770(a)(16) of the California
Civil Code by representing that its products were supplied in accordance with a previous

1 representation when they were not. Specifically, Lenovo represented that its products were sold at a
2 discount based on an inflated estimated value, and that customers would realize savings based on
3 that estimated value. After customers placed their orders, Lenovo emailed the customers an order
4 confirmation confirming the products were sold at a discount and confirming that customers
5 realized savings equal to the difference between the advertised estimated value and the sale price.
6 But in fact, Lenovo did not sell its products at the specified discounts and the customers did not
7 realize the advertised savings because the estimated values were artificially inflated.

8 221. Pursuant to California Civil Code section 1782(a), Plaintiffs intend to send notice to
9 Lenovo by certified mail detailing its particular violations of Section 1770 of the CLRA, as alleged
10 above, and demanding that Lenovo rectify such violations by (i) giving notice to all affected
11 customers, (ii) removing all false and misleading price reductions and fictitious savings from its
12 website, and (iii) providing restitution and damages to Plaintiffs and the class members.

13 222. Pursuant to California Civil Code section 1782(d), if Lenovo fails to rectify, or fails
14 to agree to rectify, its violations of Section 1770 within thirty (30) days of receiving Plaintiffs'
15 letter, Plaintiffs will move to amend this complaint to pursue claims for actual, punitive, and
16 statutory damages under the CLRA. As to this cause of action, at this time, Plaintiffs seek only
17 injunctive relief.

18 **TENTH CAUSE OF ACTION**

19 **Violation of California's False Advertising Law, Bus. & Prof. Code § 17500**
20 **(On behalf of the California Est Value Subclass)**

21 223. Plaintiffs incorporate by reference each of the allegations contained in the preceding
22 paragraphs of this Complaint.

23 224. Plaintiffs bring this cause of action on behalf of themselves and the members of the
24 California Est Value Subclass (as used as this cause of action, "class members").

25 225. Plaintiffs bring this cause of action for public injunctive relief pursuant to Section
26 17535 of the Business and Professions Code and seek an order enjoining Lenovo from continuing
27 to violate Section 17500. Plaintiffs are entitled to this forward-looking relief because there is no
28 adequate remedy at law that would protect Plaintiffs, the class members, and the public at large
from Lenovo's ongoing violations of Section 17500.

1 226. Plaintiffs additionally bring this cause of action for restitution pursuant to Section
2 17535 of the Business and Professions Code. Pursuant to Rule 8(a)(3) of the Federal Rules of Civil
3 Procedure, Plaintiffs seek restitution in the alternative to the damages they seeks. Plaintiffs are
4 entitled to restitution because they lack an adequate remedy at law; the legal remedies available to
5 them are not as equally prompt and certain, and in other ways efficient.

6 227. Lenovo has violated, and continues to violate, Section 17500 of the Business and
7 Professions Code by disseminating untrue and misleading advertisements over the internet to
8 Plaintiff and class members.

9 228. Lenovo disseminated untrue and misleading advertisements on its website by
10 advertising fictitious price reductions and savings based on inflated estimated values.

11 229. Lenovo disseminated such untrue and misleading advertisements with the intent to
12 induce Plaintiff and the class members to purchase products on its website.

13 230. Lenovo knew, or by the exercise of reasonable care should have known, that the
14 advertised price reductions and savings were untrue or misleading.

15 231. Lenovo fraudulently concealed from and intentionally failed to disclose to Plaintiffs
16 and the class members the truth about its estimated values, and the discounts and savings based
17 thereon. Specifically, Lenovo failed to inform Plaintiffs and the class members that price
18 reductions and savings advertised on its website were fictitious because they were based on inflated
19 estimated values which do not reflect bona fide estimates of the products' values.

20 232. Had Lenovo disclosed this information to Plaintiffs and the class members, they
21 would not have purchased the products in question or would have paid less for them.

22 233. Plaintiffs and the class members reasonably relied on Lenovo's representations
23 and/or omissions made in connection with the advertised price reductions and savings and were
24 induced to purchase Lenovo products based on the belief that they were receiving a price reduction
25 and savings on their purchase.

26 234. Lenovo's representations and/or omissions made in connection with its estimated
27 values, discounts, and savings were likely to deceive reasonable consumers by obfuscating the true
28 value of Lenovo products.

1 Unfair Competition Law, Bus. Prof. Code §§ 17200, *et seq.* (“UCL”) by engaging in the following
2 unlawful business acts and practices:

3 a. disseminating untrue and misleading advertisements over the internet by
4 advertising fictitious price reductions and savings based on inflated estimated values in violation of
5 Bus. & Prof. Code § 17500;

6 b. by representing that products offered for sale on its website have
7 characteristics or benefits which they do not have in violation of Civ. Code § 1770(a)(5);

8 c. by advertising products on its website with intent not to sell them as
9 advertised, in violation of Civ. Code § 1770(a)(9);

10 d. making false or misleading statements of fact concerning the reasons for,
11 existence of, or amounts of price reductions as to products sold on its website, in violation of Civ.
12 Code § 1770(a)(13); and

13 e. representing that products sold on its website were supplied in accordance
14 with its previous representations when in fact they were not, in violation of Civ. Code §
15 1770(a)(16).

16 243. Lenovo has violated, and continues to violate, the “fraudulent prong” of the UCL by
17 engaging in the following fraudulent business acts and practices:

18 a. using misrepresentations, deception, and/or concealment of material
19 information in connection with the price reductions and savings advertised on Lenovo’s website,
20 such that Plaintiffs and class members were likely to be deceived;

21 b. advertising price reductions and savings that are false, misleading, and/or
22 have a capacity, likelihood, or tendency to deceive Plaintiffs and the class members; and

23 c. failing to provide Plaintiffs and class members with information as to the
24 inflated nature of the estimated values advertised on Lenovo’s website.

25 d. Lenovo has violated, and continues to violate, the “unfair” prong of the UCL
26 by engaging in the following unfair business acts and practices:

27 e. advertising false and misleading price reductions and fictitious savings in
28 connection with the sale of products on its website such that Plaintiffs and class members, who

1 could not have reasonably avoided such predatory schemes, have been injured—a practice that
2 serves no benefit to consumers or competition;

3 f. engaging in false advertising practices whereby the harm to consumers,
4 competition, and the public far outweighs any utility of the practice, which only serves to deceive
5 consumers and give Lenovo an unfair advantage; and

6 g. engaging in false and misleading advertising in contravention of public
7 policy, including such public policy as reflected in Cal. Bus. & Prof. Code §§ 17200 and 17500,
8 Cal. Civ. Code § 1770(a)(13), and 16 C.F.R. §§ 233.1 and 233.5.

9 **RELIEF REQUESTED**

10 WHEREFORE, Plaintiffs, on behalf of themselves and all others similarly situated, request
11 the court order the following relief and enter judgment against Lenovo Inc. as follows:

12 A. An order certifying that this action may be maintained as a class action, that
13 Plaintiffs be appointed representatives of the Classes defined herein, and that Plaintiffs' counsel be
14 appointed Class Counsel;

15 B. An order enjoining Lenovo from continuing to violate in the future California's
16 Consumer Legal Remedies Act, False Advertising Law, and Unfair Competition Law, as described
17 herein;

18 C. A judgment awarding Plaintiffs and the Class members actual and punitive damages
19 in an amount to be determined at trial or, in the alternative, equitable monetary relief including,
20 without limitation, restitution and disgorgement of all money Lenovo improperly acquired from
21 Plaintiffs and Class members as a result of its false advertising and unlawful, unfair, and fraudulent
22 business practices;

23 D. A judgment awarding Plaintiffs costs of suit; including reasonable attorney's fees
24 pursuant to applicable law or as otherwise permitted by statute;

25 E. Pre- and post-judgment interest; and

26 F. Such other and further relief as may be necessary or appropriate under the
27 circumstances.

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DEMAND FOR JURY TRIAL

Pursuant to Federal Rule of Civil Procedure 38(b) and Northern District of California Local Rule 3-6, Plaintiffs demand a jury trial on all triable issues.

Dated: November 14, 2023 Respectfully submitted,

By: /s/ Daniel A. Rozenblatt
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