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15	COUNTY OF LOS ANGELES		
16			
17	DAVID CALLAWAY on individual:	No. 238TO	~V21182
18	DAVID CALLAWAY, an individual; NATHAN ROSS, an individual; and	No. 2331 (2431162
19	KHANH QUOCK LE, an individual, on behalf of themselves and all others		
20	similarly situated,	CLASS ACTIO	ON COMPLAINT
21	Plaintiffs,		
22	V.	JURY TRIAL	DEMANDED
23	ANHEUSER-BUSCH COMPANIES, LLC, a Missouri limited liability company;		
24	ANHEUSER-BUSCH, LLC; a Missouri limited liability company; and DOES 1		
	through 100, inclusive,		
25	Defendants.		
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	PLAINTIFFS' CLASS ACTION COMPLAINT		

<u>COMPLAINT</u>

Plaintiffs David Callaway; Nathan Ross; and Khanh Quock Le, by and through their undersigned counsel, on their own behalf and on behalf of all other entities and persons similarly situated (residents of California only) (collectively, "Plaintiffs"), sue Anheuser-Busch Companies, LLC ("Anheuser-Busch") and DOES 1 through 100 ("Doe Defendants") (Anheuser-Busch and Doe Defendants are collectively referred to herein simply as the "Defendants") and for this Complaint, allege upon information and belief, and based on the investigation to date of their counsel, as follows:

INTRODUCTION

- 1. This is a class action brought for the benefit and protection of Plaintiffs, and all other similarly situated consumers who are residents of California and who accessed, downloaded, used, or completed sales transactions through at least one of the websites or mobile applications operated by Anheuser-Busch, including without limitation the website "anheuser-busch.com" and the mobile application "Anheuser-Busch Experience" (the "Platforms").
- 2. By way of this action, Plaintiffs, and all others similarly situated, seek damages, restitution, injunctive relief, public injunctive relief, and other relief necessitated by Defendants' unlawful and unfair actions in violation of California Civil Code section 1670.8 and California Business and Professions Code section 17200. Plaintiffs on behalf of themselves and all others similarly situated seek an order permanently enjoining Defendants from engaging in these ongoing unlawful and unfair practices, and civil penalties and damages available under California law.
- 3. Because of the current power of the internet and social media platforms to publicize a company's offerings of goods or services—and the potential harm to corporate interests when negative consumer statements "go viral"—Defendants have a significant incentive to minimize the negative publicity they receive, including in the form of negative online reviews and comments. Some companies have gone so far as to attempt to prohibit customers and potential customers from making negative statements about the goods or services they offer, to the detriment of consumers, potential consumers, and the public of the State of California. Fortunately, California Civil Code section 1670.8 was enacted to protect the right of California consumers to voice their opinions,

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27 28 observations, and experiences about the products and services delivered or offered to California consumers, as well as the citizens of the State of California. The California Legislature reasonably and correctly determined that such freedom is important to keep the public informed and keep large corporations honest about the quality of the goods or services they offer to consumers.

- 4. Section 1670.8(a) provides as follows: "(1) A contract or proposed contract for the sale or lease of consumer goods or services may not include a provision waiving the consumer's right to make any statement regarding the seller or lessor or its employees or agents, or concerning the goods or services" and "(2) It shall be unlawful to threaten or seek to enforce a provision made unlawful under this section, or to otherwise penalize a consumer for making any statement protected under this section." Section 1670.8's protections are so important that the statute expressly provides that "any waiver of the provisions of this section is contrary to public policy, and is void and unenforceable."
- 5. In order to use and benefit from the Platforms, the Platforms' visitors, or users, are informed that they must agree to Anheuser-Busch's Terms and Conditions ("Terms"). In fact, Anheuser-Busch asserts that simply by accessing or using the Platforms, users have read, understood, and agreed to be bound by the Terms—regardless of whether users are simply visiting the Platforms or are actual purchasers or registered members of the Platforms.
- While conducting substantial business with California consumers, the Terms Defendants imposed upon the Platforms' users, and Anheuser-Busch's customers and prospective customers, clearly violate Section 1670.8. Pursuant to the Terms that Defendants impose upon their customers for the privilege of accessing the goods and/or services offered and promoted on the Platforms, Anheuser-Busch requires users to agree they will not "make any claims regarding Anheuser-Busch or any of its products" on social media. Anheuser-Busch also broadly restricts how the Platforms' users, and Anheuser-Busch's customers and prospective customers, may disseminate content concerning Anheuser-Busch. In doing so, Defendants seeks to silence their customers from criticizing Anheuser-Busch and Anheuser-Busch's core products. This chilling activity is the precise conduct prohibited by Section 1670.8.
 - 7. Defendants' conduct is unlawful, including among other reasons, because it is aimed

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to stifle California consumers' right to free speech, and the right of the California public to hear lawful discourse. Defendants' strong-arm tactics to silence injured parties were and continue to be intentionally exercised to protect Defendants' self-promoting public image for commercial and other benefits. Defendants' unlawful business practices, purposefully designed to maintain and increase their consumers and prop up their stock price, all while denying the public, consumers, and potential consumers accurate information so that they may make informed decisions as consumers.

By way of the broad sweeping language in these provisions, Anheuser-Busch seeks

to have users of the Platforms waive their right as consumers to make negative statements regarding Anheuser-Busch or its employees, agents, goods or services. These unlawful restrictions—imposed by Defendants against their own customers and prospective customers—is an important component of Anheuser-Busch's business strategy, which relies upon the popularity of its product offerings nationwide to generate significant revenues and profits. But Defendants' efforts to silence their customers and prospective customers is clearly prohibited by California law, thereby subjecting Defendants to significant penalties, as described herein.

JURISDICTION AND VENUE

- 9. This Court has jurisdiction over the claims and causes of action asserted herein because such claims arise solely and specifically out of Defendants' unlawful business practices within the State of California, and relate to at least one statute—California Civil Code section 1670.8—that was designed to protect California's citizens, the application of which is exclusively a matter for the courts of this State.
- 10. Venue is proper in this Court because: Defendants transact business in California and in the County of Los Angeles based on Plaintiffs' use of the Platforms in this County; Defendants have committed unlawful acts in the County by and through the Platforms and associated business transactions within the County; and a substantial part of the events giving rise to the claims alleged herein occurred in this County, where at least one of the Plaintiffs resides.

THE PARTIES

11. At all relevant times, Plaintiff David Callaway was and has been a citizen of the

- State of California and a resident of Los Angeles County. Callaway is an individual who accessed, downloaded, used, or completed sales transactions through the Platforms within the applicable limitations period in Los Angeles County in the State of California.
- 12. At all relevant times, Plaintiff Nathan Ross was and has been a citizen of the State of California. Ross is an individual who accessed, downloaded, used, or completed sales transactions through the Platforms within the applicable limitations period in the State of California.
- 13. At all relevant times, Plaintiff Khanh Quock Le was and has been a citizen of the State of California. Quock Le is an individual who accessed, downloaded, used, or completed sales transactions through the Platforms within the applicable limitations period in the State of California.
- 14. Upon information and belief, Anheuser-Busch is headquartered in St Louis, Missouri. Anheuser-Busch, individually or collectively, through an integrated corporate structure (the details of which Plaintiffs are presently unaware), manufactures, markets, and sells a wide goods or services, including a variety of alcoholic beverages and associated products. Anheuser-Busch's goods can be found in stores nationwide and generates sales through its Platforms.
- 15. The true names and/or capacities, whether individual, corporate, partnership, associate, governmental, or otherwise, of the Doe Defendants, inclusive, and each of them, are unknown to Plaintiffs at this time, who therefore sues said Doe Defendants by such fictitious names. Plaintiffs are informed and believe, and thereon allege, that each defendant designated herein as a Doe Defendant caused injuries and damages proximately thereby to Plaintiffs as hereafter alleged, and that each Doe Defendant is liable to Plaintiffs for the acts and omissions alleged herein below, and the resulting injuries to Plaintiffs, and damages sustained by Plaintiffs. Plaintiffs will amend this Complaint to allege the true names and capacities of said DOE Defendants when that same is ascertained.

FACTS COMMON TO ALL CLASS MEMBERS

16. At all relevant times, Anheuser-Busch was and currently is in the business of designing, researching, manufacturing, testing, advertising, promoting, marketing, selling, and distributing consumer goods, including through its Platforms, all of which Platforms are targeted to, and accessible by, the citizenry of California.

- 17. Anheuser-Busch is well-aware that its public image is vital to maintaining and gaining customers. If the public sees content posted by users that may be insulting to Anheuser-Busch, and/or any of its partners, and/or any its employees, and/or concerning any of its goods or services, then its current customers and/or prospective customers may shift to a competitor, ultimately resulting in loss of business and loss of revenue. Anheuser-Busch is particularly sensitive to public statements that could harm its image given the recent public relations predicament it faced in response to its advertising campaign featuring a trans activist promoting one of its products Bud Light.
- 18. Thus, in order to maintain a positive public image, Anheuser-Busch has engaged in an intentional business strategy to silence each and every customer or potential customer who visits and uses its Platforms by purporting to bind users to its Terms—immediately upon accessing any of its Platforms.
- 19. Specifically, Anheuser-Busch's Terms provide that users and visitors are not allowed to "make any claims regarding Anheuser-Busch or any of its products" on social media. Anheuser-Busch also broadly restricts how the Platforms' users, and Anheuser-Busch's customers and prospective customers may disseminate content concerning Anheuser-Busch.
- 20. In doing so, Anheuser-Busch has and continues to engage in unlawful and unfair conduct that is contrary to public policy and in violation of California Civil Code section 1670.8 and California Business and Professions Code section 17200.
- 21. Each of the Plaintiffs specifically identified herein, and millions more similarly situated persons in the State of California, have used the Platforms—either as consumers or potential consumers—and thus have ostensibly been subjected to the unlawful Terms.

CLASS ACTION ALLEGATIONS

- 22. Pursuant to California Code of Civil Procedure section 382, Plaintiffs bring this class action on their own behalf and on behalf of all other similarly situated consumers in California. The proposed class is defined as follows:
 - a. With respect to Count I below, during the fullest period allowed by law, all persons residing in California who accessed, downloaded, used, or completed sales transactions

- on the Platforms with Anheuser-Busch ("Class"); and
- b. With respect to Count II below, a subclass of the Class, during the fullest period allowed by law, all persons residing in California who completed sales transactions on the Platforms with Anheuser-Busch ("Subclass").
- 23. Like Plaintiffs, all Class members are California residents who accessed, downloaded, used, or completed transactions with Anheuser-Busch on the Platforms and who were subject to the Terms that limit their right as consumers to make statements regarding Anheuser-Busch or its goods or services.
- 24. Excluded from the Class are assigned judges and members of their families within the first degree of consanguinity; Defendants; and Defendants' subsidiaries, affiliates, officers, and directors.
- 25. The requirements of Code of Civil Procedure section 382 are satisfied for the proposed Class.
- 26. The proposed Class is so numerous that individual joinder of all the members is impracticable because members of the Class number in the tens or hundreds of thousands. The precise number of Class members and their identities are unknown to Plaintiffs at this time but are objectively ascertainable and will be determined through appropriate discovery and other readily available means.
- 27. Defendants possess objective evidence as to the identity of each Class member and, to a reasonable degree of certainty, the harm suffered by each Class member, including without limitation web traffic data evidencing visits to the Platforms and transactions on the Platforms, sales receipts, phone numbers, names, rewards accounts data, credit card data, customer service complaint forms/emails/date, and other evidence which objectively identifies class members.
- 28. Class members may be notified of the pendency of this action by mail, publication and/or through the records of Defendants.
- 29. There are common questions of law and fact affecting Plaintiffs and Class members. Common legal and factual questions include, but are not limited to:
 - a. Whether each imposition of Defendants' Terms upon members of the Class constitutes a

violation is a "willful, intentional, or reckless" violation;

violation of the provisions of California Civil Code section 1670.8 and, if so, whether each such

b. Whether Defendants' Terms are unlawful, contrary to public policy, void and/or

c. Whether by the misconduct set forth in this Complaint, Defendants engaged and continue

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unenforceable;

- 38. In contrast, the class action device presents far fewer management difficulties and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court.
- 39. Questions of law and fact common to all Class members predominate over any questions affecting only individual Class members. Injuries sustained by Plaintiffs and Class members flow, in each instance, from a common nucleus of operative facts as set forth above.
- 40. In each case, Defendants' actions caused harm to all Class members as a result of such conduct. The resolution of these central issues will be the focus of the litigation and predominate over any individual issues.
- 41. Proposed Class counsel possesses the knowledge, experience, reputation, ability, skill, and resources to represent the Class and should be appointed lead counsel for the Class.

COUNT I— VIOLATION OF CIVIL CODE SECTION 1670.8

- 42. Plaintiffs re-allege and incorporate by reference Paragraphs 1 through 41 of their Complaint. Plaintiffs assert this cause of action on behalf of themselves and all other similarly situated persons residing in California who used and visited the Platforms.
- 43. Defendants are in the business of selling consumer goods and services and marketing those goods and services via the Platforms.
- 44. Plaintiffs and Class members accessed, downloaded, used, or completed sales transactions with Defendants via the Platforms.
- 45. Pursuant to the Terms, Defendants told Plaintiffs and the Class members that they are not allowed to "make any claims regarding Anheuser-Busch or any of its products" on social media. Defendants also broadly restrict how the Platforms' users, and Anheuser-Busch's customers and prospective customers, may disseminate content concerning Anheuser-Busch.
- 46. By simply accessing or using the Platforms, Defendants purport to have charged Plaintiffs and Class members with having read, understood, and agreed to be bound by the Terms.
- 47. By way of this restriction, Defendants intentionally, willfully, or recklessly sought to have Plaintiffs and the Class members waive their right as consumers to make statements regarding Anheuser-Busch or its employees, agents, and goods and services, which restriction is

prohibited under California Civil Code 1670.8 and is contrary to public policy.

- 48. Defendants have repeatedly violated California Civil Code 1670.8 in relation to each of the Plaintiffs and Class members and their respective access, downloads, uses, or completed sales transactions.
 - 49. Defendants' conduct has caused Plaintiffs and Class members to suffer harm.
- 50. Plaintiffs and Class members are entitled to restitutionary and injunctive relief, including public injunctive relief.
- 51. Plaintiffs and Class members are also entitled to civil penalties for Defendants' violations of Civil Code 1670.8.

COUNT II—VIOLATION OF BUSINESS AND PROFESSIONS CODE SECTION 17200

- 52. Plaintiffs re-allege and incorporate by reference Paragraphs 1 through 51 of their Complaint. Plaintiffs assert this second cause of action on behalf of themselves and all other similarly situated within the Subclass.
- 53. By engaging in the above-described conduct, Defendants, and each of them, acted in a manner that is unlawful and unfair—including by virtue of the fact that their conduct violates California Civil Code section 1670.8—and have thus engaged in unfair and unlawful business practices to the extreme detriment of Plaintiffs and the Subclass members, which conduct is prohibited under California Business & Professions Code sections 17200, et seq.
- 54. Defendants' unlawful and unfair conduct has allowed for Defendants to enrich themselves at the expense of Plaintiffs and Subclass members, including through Plaintiffs' payment of monies to Defendants, including without limitation through the purchase transactions completed on the Platforms.
- 55. Plaintiffs are thus entitled to restitutionary and injunctive relief, including without limitation disgorgement of any unlawful gains that Defendants obtained as a result of their unlawful and unfair conduct at the expense of Plaintiffs and the Subclass members.

PRAYERS FOR RELIEF

WHEREFORE, Plaintiffs, on behalf of themselves and the putative Class members, pray for judgment as follows:

1	a. Determining that this action is a proper class action and certifying the Class and Subclass		
2	as defined herein;		
3	b. Appointing Plaintiffs as Class and Subclass representatives;		
4	c. Appointing the undersigned as Class and Subclass counsel;		
5	d. Finding Defendants liable to Plaintiffs and Class members for damages in such amount(s		
6	as the Court or Jury may determine;		
7	e. Awarding statutorily provided damages to Plaintiffs and Class members as appropriate		
8	f. Awarding restitutionary disgorgement and all other forms of equitable monetary relief to		
9	Plaintiffs, Class members, and Subclass members;		
10	h. Awarding pre- and post-judgment interest;		
11	i. Awarding injunctive relief, including public injunctive relief, as claimed herein or as the		
12	Court may deem proper;		
13	j. Awarding Plaintiffs, Class members, and Subclass members attorney fees and all		
14	litigation costs as allowed by law; and		
15	k. Awarding such other and further relief as may be just and proper.		
16	DEMAND FOR JURY TRIAL		
17	Plaintiffs hereby demand a trial by jury on all issues so triable.		
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19	Dated: December 20, 2023 SINGLETON SCHREIBER, LLP		
20	Cos		
21	By: Christopher R. Rodriguez		
22	Attorneys for Plaintiffs		
23			
24	LAW OFFICES OF THOMAS LEARY, APC		
25	By:		
26	By:		
27	Thomas A. Leary Attorneys for Plaintiffs		
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	11 PLAINTIFFS' CLASS ACTION COMPLAINT		