

1 CROSNER LEGAL, P.C.
 2 Craig W. Straub (SBN 249032)
 3 craig@crosnerlegal.com
 4 Michael T. Houchin (SBN 305541)
 5 mhouchin@crosnerlegal.com
 6 Zachary M. Crosner (SBN 272295)
 7 zach@crosnerlegal.com
 8 9440 Santa Monica Blvd. Suite 301
 9 Beverly Hills, CA 90210
 10 Tel: (866) 276-7637
 11 Fax: (310) 510-6429

Attorneys for Plaintiff

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
 10 **FOR THE COUNTY OF RIVERSIDE**

11 SHAIANNE STARKS, *individually, and*
 12 *on behalf of all others similarly situated,*

13 Plaintiff,

14 v.

15 PUBLIC GOODS GROUP LLC,
 16

17 Defendant.

Case No. **CVRI2400978**

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

1 Plaintiff Shaianne Starks (“Plaintiff”) brings this action against Public Goods Group
 2 LLC (“Defendant”), individually and on behalf of all others similarly situated, and alleges upon
 3 personal knowledge as to Plaintiff’s acts and experiences, and, as to all other matters, upon
 4 information and belief, including investigation conducted by Plaintiff’s attorneys.

5 INTRODUCTION

6 1. Defendant operates the website publicgoods.com where consumers like Plaintiff
 7 can purchase everyday household products and food.

8 2. The problem (at least one of them) is Defendant utilizes an illegal “*negative*
 9 *option*” subscription which automatically enrolls consumers into a yearly subscription service
 10 costing \$69-\$79 per year without their knowledge or affirmative consent. The hidden yearly
 11 subscription is automatically included when a customer buys even a single item, such as ramen
 12 noodles, from Defendant’s website. Critically, the consumer does not voluntarily agree to the
 13 subscription or have to take any affirmative action to be automatically charged at a later date for
 14 the unknown subscription. This is exactly what happened to Plaintiff and thousands of other
 15 consumers.

16 3. A “negative option feature” is “an offer or agreement to sell or provide any goods
 17 or services, a provision under which the customer’s silence or failure to take an affirmative
 18 action to reject goods or services or to cancel the agreement is interpreted by the seller as
 19 acceptance of the offer.” 16 C.F.R. § 310.2(u). That is, it is illegal to automatically enroll and
 20 charge a customer when “they do nothing” other than purchase a product. *F.T.C. v. Health*
 21 *Formulas, LLC*, No. 2:14-CV-01649-RFB, 2015 WL 2130504, at *16 (D. Nev. May 6, 2015)

22 4. Federal Trade Commission Chair, Lina M. Kha, has acknowledged that business
 23 practices like the one Defendant employs “too often trick consumers into paying for
 24 subscriptions they no longer want or didn’t sign up for in the first place.”¹ The problem with
 25

26 ¹ Federal Trade Commission, *Federal Trade Commission Proposes Rule Provision*
 27 *Making it Easier for Consumers to “Click to Cancel” Recurring Subscriptions and*
 28 *Memberships* (March 23, 2023) available at <https://www.ftc.gov/news-events/news/press-releases/2023/03/federal-trade-commission-proposes-rule-provision-making-it-easier-consumers-click-cancel-recurring>

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1 “negative option” subscriptions like Defendant’s is consumer “get billed when they didn’t agree
2 to pay.”²

3 5. Defendant fails to provide “clear and conspicuous” disclosures of the
4 subscription, or an affirmative consent (like a check box) which is mandated by California law.
5 California’s Automatic Renewal Law has several requirements. The requirements include: (1)
6 That the subscription or purchasing agreement will continue until the consumer cancels; (2) The
7 description of the cancellation policy that applies to the offer; (3) The recurring charges that will
8 be charged to the consumer’s credit or debit card or payment account with a third party as part
9 of the automatic renewal plan or arrangement, and that the amount of the charge may change, if
10 that is the case, and the amount to which the charge will change, if known; (4) The length of the
11 automatic renewal term or that the service is continuous, unless the length of the term is chosen
12 by the consumer; and (5) The minimum purchase obligation, if any. *See* Cal. Bus. & Prof. Code
13 § 17601(b).

14 6. These disclosures must be made “in a clear and conspicuous manner before the
15 subscription or purchasing agreement is fulfilled and in visual proximity [...] to the request for
16 consent to the offer.” Cal. Bus. & Prof. Code § 17602(a)(1).

17 7. Defendant automatically subscribed Plaintiff and California consumers without
18 first providing the clear and conspicuous disclosures required by the ARL and without first
19 obtaining affirmative consent to an agreement containing the required clear and conspicuous
20 disclosures as required under California law.

21 8. Further there is no easy way to cancel the subscription service which is required.
22 *See* Cal. Bus. & Prof. Code § 17602(d)(1) (“a business that allows a consumer to accept an
23 automatic renewal or continuous service offer online shall allow a consumer to terminate the
24 automatic renewal or continuous service exclusively online”). There is no apparent way to
25 cancel the subscription on Defendant’s website.

26 _____
27 ² Federal Trade Commission, Fact Sheet - Proposed Changes to the FTC’s Negative
28 Option Rule (March 23, 2023) *available at*
https://www.ftc.gov/system/files/ftc_gov/pdf/NegOptions-1page.pdf

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9. Defendant’s subscription is purposefully designed to trick the user into automatically subscribing into the yearly charge since there is no affirmative action required to be signed-up to the subscription. A consumer purchasing an everyday good from Defendant would not expect to be enrolled in a yearly automatically renewing service. Further, there is no benefit to the consumer for having a subscription to Defendant’s service as it merely allows one to purchase products from the website. It is a complete scam.

10. This course of conduct violates the California Automatic Renewal Law (Bus. & Prof. Code §§ 17600, *et seq.*) (“ARL”), the Consumers Legal Remedies Act (Civ. Code §§ 1750, *et seq.*) (“CLRA”), the Unfair Competition Law (Bus. & Prof. Code §§ 17200, *et seq.*) (“UCL”), and California’s conversion and unjust enrichment common law. As a direct result of this conduct, Plaintiff and all those similarly situated customers (the “Class Members”) suffered economic injury in the loss of money paid for the product. As such, Plaintiff bring this class action on behalf of themselves and all similarly situated Class Members seeking declaratory relief, injunctive relief, equitable relief (including, but not limited to, restitution), damages, and reasonable attorneys’ fees and costs.

THE PARTIES

11. Plaintiff is a resident of California. In or around June 2021, Plaintiff went to Defendant’s website, publicgoods.com, and purchased a one-time purchase of ramen noodles for approximately \$10. She had no problems with the ramen noodles. However, a couple weeks later, on July 2, 2021, her check card was hit with a \$69.00 fee described as “GROCERIES.” After much research, Plaintiff realized that it was Defendant that had charged her check card for \$69.00 without her permission. Apparently, it is Defendant’s business practice to charge a yearly recurring fee a couple of weeks after a customer purchases ramen noodles and other common household goods. Plaintiff lost money and time and a result of Defendant’s failure to comply with the ARL. Had Plaintiff known that she would be charged over \$70 for ramen noodles, she would not have purchased them. Defendant caused Plaintiff to lose money.

12. Defendant is a New York company that runs the website publicgoods.com. It sells hundreds if not thousands of products to Californians via its website. It is Defendant’s

1 business practice is to secretly charge an annual membership fee to all customers who purchase
2 any product on its website. It hides the fact that this annual charge will be charged to its
3 customers' credit and/or debit cards.

4 **JURISDICTION AND VENUE**

5 13. This Court has jurisdiction pursuant to Article VI, Section 10 of the California
6 Constitution and California Code of Civil Procedure § 410.10.

7 14. This Court has personal jurisdiction over Defendant because it is authorized to
8 and does conduct business in California. Defendant has marketed, promoted, distributed, and
9 sold its products in California. Additionally, Plaintiff purchased a product from Defendant while
10 in California.

11 15. Venue is proper in this Court because Defendant is currently doing, and during
12 the relevant time period, has done business in this County. *See* Cal. Civ. Code § 1780(d).

13 **BACKGROUND ON CALIFORNIA'S AUTOMATIC RENEWAL LAW**

14 16. The California Automatic Renewal Law was enacted to prohibit companies from
15 enrolling consumers in automatic renewal programs without first making specific clear and
16 conspicuous disclosures and without obtaining each individual's affirmative consent.

17 17. In 2009, the California Legislature passed Senate Bill 340, which took effect on
18 December 1, 2010, as Article 9 of Chapter 1 of the False Advertising Law. Bus. & Prof. Code
19 §§ 17600, *et seq.* (the California Automatic Renewal Law or "ARL"). SB 340 was introduced
20 because:

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

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1 18. The Assembly Committee on Judiciary provided the following background for
2 the legislation:

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

9 19. The ARL seeks to ensure that, before there can be a legally binding automatic
10 renewal or continuous arrangement, there must first be adequate disclosure of certain terms and
11 conditions and affirmative consent by the consumer. To that end, Bus. & Prof. Code § 17602(a)
12 makes it unlawful for any business making an automatic renewal offer or a continuous service
13 offer to a consumer in California to do any of the following:

14 (1) Fail to present the automatic renewal offer terms or continuous service
15 offer terms in a clear and conspicuous manner before the subscription or purchasing agreement
16 is fulfilled and in visual proximity, or in the case of an offer conveyed by voice, in temporal
17 proximity, to the request for consent to the offer. (Bus. & Prof. Code § 17602(a)(1).) For this
18 purpose, “clear and conspicuous” means “in larger type than the surrounding text, or in
19 contrasting type, font, or color to the surrounding text of the same size, or set off from the
20 surrounding text of the same size by symbols or other marks, in a manner that clearly calls
21 attention to the language.” Bus. & Prof. Code § 17601(c). In the case of an audio disclosure,
22 ‘clear and conspicuous’ means in a volume and cadence sufficient to be readily audible and
23 understandable.” (*Id.*) The statute defines “automatic renewal offer terms” to mean the “clear
24 and conspicuous” disclosure of the following: (a) that the subscription or purchasing agreement
25 will continue until the consumer cancels; (b) the description of the cancellation policy that
26 applies to the offer; (c) the recurring charges that will be charged to the consumer’s credit or
27 debit card or payment account with a third party as part of the automatic renewal plan or
28 arrangement, and that the amount of the charge may change, if that is the case, and the amount

1 to which the charge will change, if known; (d) the length of the automatic renewal term or that
 2 the service is continuous, unless the length of the term is chosen by the consumer; and (e) the
 3 minimum purchase obligation, if any. Bus. & Prof. Code § 17601(b).

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

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

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 21 ³ According to the Federal Trade Commission, the Restore Online Shoppers' Confidence
 22 Act, 15 U.S.C. §§ 8401-8405, which contains the federal rules for automatic renewal
 23 agreements, "requires negative option sellers to provide a simple, reasonable means for
 24 consumers to cancel their contracts. To meet this standard, negative option sellers should provide
 25 cancellation mechanisms that are at least as easy to use as the method the consumer used to
 26 initiate the negative option feature. For example, to ensure compliance with this simple
 27 cancellation mechanism requirement, negative option sellers should not subject consumers to
 28 new offers or similar attempts to save the negative option arrangement that impose unreasonable
 delays on consumers' cancellation efforts. In addition, negative option sellers should provide
 their cancellation mechanisms at least through the same medium (such as website or mobile
 application) the consumer used to consent to the negative option feature. The negative option
 seller should provide, at a minimum, the simple mechanism over the same website or web-based
 application the consumer used to purchase the negative option feature. If the seller also provides
 for telephone cancellation, it should provide, at a minimum, a telephone number, and answer all
 calls to this number during normal business hours, within a short time frame, and ensure the
 calls are not lengthier or otherwise more burdensome than the telephone call the consumer used
 to consent to the negative option feature. *See*

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1 20. The ARL states also states if the “consumer accepted a free gift or trial, lasting
 2 for more than 31 days, that was included in an automatic renewal offer or continuous service
 3 offer or the consumer accepted an automatic renewal offer or continuous service offer at a
 4 promotional or discounted price, and the applicability of that price was more than 31 days.” Bus.
 5 & Prof. Code § 17602(b)(1). The notice shall be provided at least 3 days before and at most 21
 6 days before the expiration of the predetermined period of time for which the free gift or trial, or
 7 promotional or discounted price, applies. Bus. & Prof. Code § 17602(b)(1)(A). For services
 8 which are offered with an initial term of one year or longer, that automatically renews, the notice
 9 shall be provided at least 15 days and not more than 45 days before the automatic renewal offer
 10 or continuous service offer renews. Bus. & Prof. Code § 17602(b)(2).

11 21. Additionally, business that allows a consumer to accept an automatic renewal or
 12 continuous service offer online shall allow a consumer to terminate the automatic renewal or
 13 continuous service exclusively online, at will, and without engaging any further steps that
 14 obstruct or delay the consumer's ability to terminate the automatic renewal or continuous service
 15 immediately. Bus. & Prof. Code § 17602(d)(1). The business shall provide a method of
 16 termination that is online in the form of either of the following: (A) A prominently located direct
 17 link or button which may be located within either a customer account or profile, or within either
 18 device or user settings. (B) By an immediately accessible termination email formatted and
 19 provided by the business that a consumer can send to the business without additional
 20 information.

21 22. In the case of a material change in the terms of the automatic renewal or
 22 continuous service that has been accepted by a consumer in this state, the business shall provide
 23 the consumer with a clear and conspicuous notice of the material change and provide
 24 information regarding how to cancel in a manner that is capable of being retained by the
 25 consumer. Bus. & Prof. Code § 17602(e).

26 _____
 27 https://www.ftc.gov/system/files/documents/public_statements/1598063/negative_option_policy_statement-10-22-2021-tobureau.pdf at p. 14.
 28

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1 23. Violation of the ARL gives rise to restitution and injunctive relief under the
2 general remedies provision of the False Advertising Law, Bus. & Prof. Code § 17535. (Bus. &
3 Prof. Code, § 17604, subd. (a).)

4 24. Defendant’s products are “automatic renewal” plans under Cal. Bus. & Prof.
5 Code § 17601(a).

6 25. As a result of the foregoing, all goods, wares, merchandise, or products sent to
7 Plaintiff and the Class Members as part of and pursuant to the terms of their subscriptions are
8 deemed to be an “unconditional gift” under Cal. Bus. & Prof. Code § 17603.

9 26. As a result of Defendant’s violations of the ARL, Plaintiff and the Class Members
10 suffered economic injury and are entitled to reimbursement of their payments.

11 27. Th FTC recently published a report which describes many of the practices that
12 Defendant employs and has coined these practices as “dark patterns.”⁴ Dark pattern practices
13 include “tricks and psychological tactics, such as pre-checked boxes, hard-to-find-and-read
14 disclosures, and confusing cancellation policies, to get consumers to part with their money or
15 data. As more and more commerce has moved online, so too have these manipulative design
16 practices—termed “dark patterns”—only they have grown in scale and sophistication, creating
17 ever greater challenges for consumers.” Digital dark patterns impair consumer autonomy and
18 decision-making. Dark patterns take advantage of consumers’ cognitive biases to steer their
19 conduct or delay access to information needed to make fully informed decisions.

20 28. For example, the FTC notes that companies create a false sense of urgency when
21 there is no real time limit. Defendant has continuously employed this technique by offering sales
22 on its subscription ads that “ends tonight,” “get on it!” and “hurry” before time runs out. *See*
23 images *supra*. Defendant also uses dark patterns to hide the subscription terms. FTC states “dark
24 patterns operate by hiding or obscuring material information from consumers, such as burying
25

26 _____
27 ⁴ Quotes in this section are to Federal Trade Commission Staff Report, *Bringing Dark Patterns*
28 *to Light* (Sept. 2022) available at https://www.ftc.gov/system/files/ftc_gov/pdf/P214800%20Dark%20Patterns%20Report%209.14.2022%20-%20FINAL.pdf

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1 key limitations of the product or service in dense Terms of Service documents that consumers
2 don't see before purchase.”

3 29. “Another common dark pattern involves tricking someone into paying for goods
4 or services that they did not want or intend to buy, whether the transaction involves single
5 charges or recurring charges. Along with wasting consumers’ time and money, these dark
6 patterns can undermine consumer trust in the market, ultimately hurting other companies who
7 engage in legitimate and honest practices.” Here, numerous consumers (*see* customer complaints
8 *infra*) have been tricked by Defendant’s advertising offers by thinking they are getting a deal to
9 a onetime payment for the Defendant’s products.

10 30. “A related dark pattern makes it hard for consumers to cancel subscription
11 services, resulting in ongoing recurring charges.” As shown in the customer complaints below,
12 Defendant makes it confusing and difficult to cancel its subscriptions.

13 31. The FTC advises that “companies looking to stay on the right side of the law
14 should make sure their procedures for obtaining consent include an affirmative, unambiguous
15 act by the consumer. Companies should not hide key terms of a purchase in a general terms and
16 conditions document or behind hyperlinks, pop-ups, or dropdown menus.” Here, Defendant fails
17 to obtain such unambiguous assent.

18 32. For cancellation of subscriptions, the FTC notes “consumers should be able to
19 cancel their subscription through the same medium (such as a website or mobile application)
20 that the consumer used to sign up for the negative option plan in the first place.”

21 33. Defendant uses similar dark patterns. It secretly charges an annual membership
22 fee when a customer purchases a common, everyday good.

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1 34. Defendant does not clearly and conspicuously describe that the subscription “will
2 continue until the consumer cancels” in violation of Bus. & Prof Code § 17601(b)(1).

3 35. Defendant further does not comply with Bus. & Prof. Code § 17602(d)(1) which
4 requires Defendant to provide a way to cancel the subscription online “without engaging any
5 further steps that obstruct or delay the consumer’s ability to terminate the automatic renewal or
6 continuous service immediately. The business shall provide a method of termination that is
7 online in the form of either of the following: (A) A prominently located direct link or button
8 which may be located within either a customer account or profile, or within either device or user
9 settings. (B) By an immediately accessible termination email formatted and provided by the
10 business that a consumer can send to the business without additional information.”

11 **CONSUMERS COMPLAIN ABOUT DEFENDANT’S DECEPTIVE**
12 **SUBSCRIPTION**

13 36. There are hundreds of complaints posted online and on social media about
14 Defendant’s deceptive auto renewing service. Below are just a few examples:

15 *... nowhere did it mention anything of a charge, much less one of 80 dollars. I*
16 *believe that the only reason the membership is annual rather than monthly is*
17 *because no one would pay for a monthly subscription for a random business, so*
18 *they charge you a year later after you’ve forgotten about it. I want my money*
19 *back, I’ve only used the service once and have had no warning before my*
20 *account was charged, nor after.⁵*

21 *I utilized a one-time offer to purchase a product from Public Goods on 27*
22 *September, 2023. Approximately 2 month later (on 26 November, 2023) I was*
23 *charged \$79 for a membership with Public Goods. I did not initiate the*
24 *membership, nor was I made aware that by taking part in the one-time order*
25 *that I would be signed up for a Public Goods membership as a result. I did not*
26 *discover the charge until I went through my checking account statement on 03*
27 *December, 2023. I would like the membership canceled, and my \$79 refunded.⁶*

28 ⁵ <https://www.bbb.org/us/ny/new-york/profile/online-retailer/publicgoodscom-0121-87140822/complaints>

⁶ *Id.*

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*A charge of \$99 showed up on my card **without any purchase or authorization.***⁷

It seems that I have the same problem as many other people who have filed complaints here. I made a small one-time purchase on 2 August 2023. Now I notice a mysterious \$79 charge on my credit card. This business seems to give the same canned response to all of these complaints where they claim to make it clear on there website that they require a membership to access their products. But if hundreds of people have filed a complaint with the Better Business Bureau about this issue and surely hundreds more have had the same issue without filing a complaint then surely there is something misleading in their design or user interface.⁸

*Do not buy from them
I purchased from them a couple of times in the past. My last order was in November 2021, which was more than 2 years ago. **Today, they charged me for their membership renewal that I never signed up.***⁹

*Do not do business with them.
Do not do business with them.
Public Goods will gladly take your money, lure you into accepting membership, and then, good luck trying to cancel the membership. They target people who don't like to ask multiple times for membership cancellation and information deletion. They will not simply cancel you membership and delete your information but rather waste your time with a back-and-forth communication, nagging you to stay. This was a terrible experience and the company is built this way, it's not a random thing, but a business model. Shame on this sort of the business practice, and just look at the other reviews -- most of them are absolutely the same as mine, complaining about the same ugly money-squeezing nagging practice. Do not do any business with them.*¹⁰

*I ordered a product from Amazon thinking it was a one time purchase instead of ordering on the website that requires a subscription & I'm being charged a \$79 subscription fee somehow...I would like to know why is that? & **No I didn't select the subscription button on Amazon..it was a ONE TIME PURCHASE..or so I thought.. I had to change my bank cards twice!!***¹¹

⁷ *Id.*

⁸ *Id.*

⁹ <https://www.trustpilot.com/review/publicgoods.com>

¹⁰ *Id.*

¹¹ https://www.instagram.com/p/C1cWO8ht_pP/

1 *Scam artists at best, can't delete comments fast enough*¹²

2 Hi, @GetPublicGoods

3 — is it even possible to cancel a membership? I can't find that option or
4 information on how to do that anywhere on your site.¹³

5 @GetPublicGoods

6 Had 80.00 pulled from my account

7 With no reason!

8 **What a Scam!**¹⁴

9 @GetPublicGoods

10 the way I ordered ONE THING and you charged me \$80 for membership when
11 I don't have an account. **Give me back my money.**¹⁵

12 It's clearly **a scam company**, you will need to dispute the charge with your credit
13 card.¹⁶

14 This PUBLICGOODS charged me \$79.00 without my permission. I don't have
15 any idea which place is that.¹⁷

16 I was charged \$79 for a membership **I did not sign up for** after receiving
17 products I ordered.

18 I was charged 79 bucks from public goods. I just want a refund and to cancel
19 my membership as **there was no tell that I was going to get charged for this
20 membership**. This is unfair as it does not tell you, you are going to get charged

21 I received a charge for \$79.00 on my card from Public Goods and I don't think
22 I have ever shopped there. I have check my email to see if I had any notifications
23 about an order I placed or subscription but I have nothing. I just want my money
24 back.

25 On 06/19/23 I ordered moisturizer and lotion for \$52.90, and on 07/03, the
26 company decided to charge me \$79 without reason or warning. There was

27 ¹² <https://twitter.com/GetPublicGoods/status/1575541297015758849>

28 ¹³ <https://twitter.com/erikvorhes/status/1567654902771466242>

¹⁴ <https://twitter.com/boblunabob64/status/1550924477814280194>

¹⁵ <https://twitter.com/EricaSBartell/status/1541375784044077056>

¹⁶ <https://twitter.com/rikitik81/status/1549469953400659970>

¹⁷ The following complaints are from <https://www.bbb.org/us/ny/new-york/profile/online-retailer/publicgoodscom-0121-87140822/complaints?page=2>

1 *nothing in the original transaction that explained that there would be a future*
 2 *charge.*

3 *I ordered an item (order *****) from Public Goods two weeks ago and have*
 4 *now been unexpectedly charged \$79 for a "membership fee." **I did not sign up***
 5 ***for a membership at checkout nor was I told about being automatically signed***
 6 ***up for one at checkout. There's also no way to cancel the membership on their***
 7 ***website.***

8 *Today, I just learned that I was charged a \$79 membership. **I never remember***
 9 ***consenting to or being informed about the membership.** I think this is a **terrible***
 10 ***thing** for a business to do.*

11 *There is a payment pending for today 6/24/23 for \$79 dollars out of my account*
 12 *looking into it yall also charged me \$79 on 6/24/22 for \$79 that I didnt spend*
 13 *the only amount I ever spent with yall was \$5 on 6/10/22 for ramen*

14 *I, like others, was charged \$79.00 on 06-13-2023 for a membership after making*
 15 *a purchase of \$2.07 on 5-30-2023 despite **receiving no direct notice that I was***
 16 ***being enrolled in a membership prior to being charged.** The membership was*
 17 *not listed before checkout and was not present on the e-mail receipt of the item*
 18 *I purchased. Furthermore, I am not provided the option to easily remove my*
 19 *credit card information from the business' website.¹⁸*

20 *I purchased an insect repellent spray from Public Goods on 5/22/23 (order*
 21 *#*****). I simply wanted the one product, but today (6/5/23) two weeks after*
 22 *my purchase, my card has been charged \$79 for a Public Goods **membership***
 23 ***that I never wanted or was made aware of.***

24 *Public Goods charged me \$79 dollars just for purchasing a item **with no pre***
 25 ***warning that this charge was going to occur.** If I knew the charge was going to*
 26 *be placed I wouldn't have ordered the product. It is a **deceitful way to try and***
 27 ***earn money** and I would like a refund for this charge.*

28 *Business added **hidden fee of \$79** for a 'membership' after placing one order.*
 29 *Nowhere on website does it say the membership is required and there is also no*
 30 *way to cancel said membership. There are no benefits to the membership besides*
 31 *being able to purchase from the retailer.*

32 *I was just charged another \$75 on my credit card for an annual membership*
 33 *that I was never informed I was signing up for when I made my purchase. There*
 34 *was no membership "in my cart" when I checked out, and I received no email*
 35 *about the "membership" that I had just signed up for with information on the*
 36 *trial and how I could cancel. If I look at my order email, there is also no*

18 The following complaints are from <https://www.bbb.org/us/ny/new-york/profile/online-retailer/publicgoodscom-0121-87140822/complaints?page=3>

1 *information in there about my membership or the 14-day trial being part of my*
2 *checkout. They also do not have a way online for me to easily cancel it! This*
3 *approach seems to operate entirely on the hope that people do not check their*
4 *credit card statements, and it is **incredibly unethical/shady. This needs to***
5 ***stop!!***

6 **CLASS ACTION ALLEGATIONS**

7 37. Plaintiff brings this lawsuit individually and on behalf of all other persons
8 similarly situated, pursuant to the provisions of Cal. Code. Civ. Proc. § 382. The Class that
9 Plaintiff seeks to represent is defined as follows:

10 All persons in California who enrolled in Defendant’s automatically renewing
11 subscription service for personal, family, or household purposes and who,
12 within the applicable statute of limitations period, incurred and paid fees in
13 connection with such subscription.

14 38. Excluded from the Class are: (1) Defendant and its officers, directors, employees,
15 principals, affiliated entities, controlling entities, agents, and other affiliates; (2) the agents,
16 affiliates, legal representatives, heirs, attorneys at law, attorneys in fact, or assignees of such
17 persons or entities described herein; (3) the Judge(s) assigned to this case and any members of
18 their immediate families; and (4) individuals who received a full refund from Defendant.

19 39. Ascertainability. The members of the Class may be ascertained by reviewing
20 records in the possession of Defendant and/or third parties, including without limitation
21 Defendant’s marketing and promotion records, customer records, and billing records.

22 40. Common Questions of Fact or Law. There is a well-defined community of
23 interest in the common questions of law and fact affecting all Class Members. The questions of
24 law and fact predominate over questions affecting only individual Class Members, and include
25 without limitations: (1) whether Defendant present all statutorily-mandated automatic renewal
26 offer terms, within the meaning of Business and Professions Code § 17601(b); (2) whether
27 Defendant present automatic renewal offer terms in a manner that is “clear and conspicuous,”
28 within the meaning of § 17601(c), and in “visual proximity” to a request for consent to the offer,
or in the case of an offer conveyed by voice, in temporal proximity to a request for consent to
the offer, as required by § 17602; (3) whether Defendant obtain Class Members’ affirmative

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1 consent to an agreement containing clear and conspicuous disclosure of automatic renewal offer
2 terms before charging a credit card, debit card, or third-party payment account; (4) whether
3 Defendant provide Class Members with an acknowledgment that includes clear and conspicuous
4 disclosure of all statutorily-mandated automatic renewal or continuous service offer terms, the
5 cancellation policy, and information regarding how to cancel; (5) Defendant's record-keeping
6 practices; (6) the appropriate remedies for Defendant's conduct; and (7) the appropriate terms
7 of an injunction.

8 41. Numerosity. The Class is so numerous that joinder of all Class Members would
9 be impracticable. Plaintiff is informed and believes and thereon alleges that the Class consists
10 of at least 100 members.

11 42. Typicality and Adequacy. Plaintiff is an adequate representative of the Class
12 because Plaintiff's interests do not conflict with the interests of the Class Members Plaintiff
13 seeks to represent and is similarly situated with members of the Class. Plaintiff alleges that
14 Defendant enrolled Class Members in automatic renewal subscriptions without disclosing all
15 terms required by law, and without presenting such terms in the requisite "clear and
16 conspicuous" manner; charged Class Members' credit cards, debit cards, or third-party accounts
17 without first obtaining the Class members' affirmative consent to an agreement containing clear
18 and conspicuous disclosure of automatic renewal offer terms; and failed to provide the requisite
19 acknowledgment. Plaintiff has no interests that are adverse to those of the other Class Members.
20 Plaintiff will fairly and adequately represent and protect the interests of the Class and have
21 retained counsel who are competent and experienced in the prosecution of class action litigation.

22 43. Superiority. A class action is superior to other methods for resolving this
23 controversy. Because the amount of restitution or damages to which each Class member may be
24 entitled is low in comparison to the expense and burden of individual litigation, it would be
25 impracticable for class members to redress the wrongs done to them without a class action
26 forum. Plaintiff and the members of the Class have suffered and will continue to suffer harm as
27 a result of Defendant's conduct. Defendant continues to deny wrongdoing or remedy the conduct
28 that is the subject of this complaint. Class members do not know that their legal rights have been

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1 violated. Class certification would also conserve judicial resources and avoid the possibility of
2 inconsistent judgments.

3 44. Defendant Have Acted on Grounds Generally Applicable to the Class. Defendant
4 has acted on grounds that are generally applicable to the members of the Class, thereby making
5 appropriate final injunctive relief and/or declaratory relief with respect to the Class as a whole.

6 **FIRST CAUSE OF ACTION**

7 **Violation of California’s Unfair Competition Law**

8 **(Bus. & Prof. Code, §§ 17200 *et seq.*)**

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

10 46. Plaintiff brings this claim individually and on behalf of the members of the Class
11 against Defendant.

12 47. Defendant is a “person” as that term is defined under Cal. Bus. & Prof.
13 Code § 17201.

14 48. The Unfair Competition Law defines unfair competition as including any
15 unlawful, unfair or fraudulent business act or practice; any unfair, deceptive, untrue, or
16 misleading advertising; and any act of false advertising under section 17500. (Bus. & Prof. Code
17 § 17200.) In the course of business, Defendant committed “unlawful” business practices by,
18 among other things, making the representations and omissions of material facts, as set forth more
19 fully herein, and violating Cal. Bus. & Prof. Code §§ 17600, *et seq.*, and the common law.
20 Plaintiff, individually and on behalf of the other Class Members, reserves the right to allege
21 other violations of the law, which constitute other unlawful business acts or practices. Such
22 conduct is ongoing and continues to this date.

23 49. During the class period, Defendant committed and continue to commit unlawful,
24 unfair, and/or fraudulent business practices, and engaged in unfair, deceptive, untrue, and/or
25 misleading advertising, by, inter alia and without limitation: (a) failing to present the automatic
26 renewal offer terms in a clear and conspicuous manner before a subscription or purchasing
27 agreement is fulfilled and in visual proximity, or in the case of an offer conveyed by voice, in
28 temporal proximity, to a request for consent to the offer, in violation of § 17602(a)(1); (b)

1 charging the consumer in connection with an automatic renewal or continuous service without
2 first obtaining the consumer's affirmative consent to an agreement containing clear and
3 conspicuous disclosures of automatic renewal offer terms or continuous service offer terms, in
4 violation of § 17602(a)(2); (c) failing to provide an acknowledgment that includes clear and
5 conspicuous disclosure of all required automatic renewal offer terms, the cancellation policy,
6 and information regarding how to cancel, in violation of § 17602(a)(3); (d) representing that
7 goods or services have characteristics, uses, and/or benefits which they do not have, in violation
8 of Civil Code § 1770(a)(5); advertising goods and services with the intent not to sell them as
9 advertised, in violation of Civil Code § 1770(a)(9); (e) representing that the subject of a
10 transaction has been supplied in accordance with a previous representation when it has not, in
11 violation of Civil Code § 1770(a)(16); and (f) representing that the consumer will receive a
12 rebate, discount, or other economic benefit, if the earning of the benefit is contingent on an event
13 to occur subsequent to the consummation of the transaction, in violation of Civil Code §
14 1770(a)(17). Plaintiff reserves the right to identify other acts or omissions that constitute
15 unlawful, unfair or fraudulent business acts or practices, unfair, deceptive, untrue or misleading
16 advertising, and/or other prohibited acts.

17 50. Defendant's acts and omissions as alleged herein violate obligations imposed by
18 statute, are substantially injurious to consumers, offend public policy, and are immoral,
19 unethical, oppressive, and unscrupulous as the gravity of the conduct outweighs any alleged
20 benefits attributable to such conduct. Defendant's acts and omissions also violate and offend the
21 California Legislature's intent, codified by the Automatic Renewal Law, "to end the practice of
22 ongoing charging of consumer credit or debit cards or third party payment accounts without the
23 consumers' explicit consent." Cal. Bus. & Prof. Code § 17602. This conduct constitutes
24 violations of the unfair prong of the UCL. There were reasonably available alternatives to further
25 Defendant's legitimate business interests, other than the conduct described herein.

26 51. Unless restrained and enjoined, Defendant will continue to engage in the above-
27 described conduct. Accordingly, injunctive relief is appropriate. Pursuant to Bus. & Prof. Code
28 § 17203, Plaintiff, on behalf of herself, all others similarly situated, and the general public are

1 entitled to (1) restitution from Defendant of all money obtained from Plaintiff and the other
2 Class Members as a result of unfair competition; (2) an injunction prohibiting Defendant from
3 continuing such practices in the State of California that do not comply with California law; and
4 (3) all other relief this Court deems appropriate, consistent with Cal. Bus. & Prof. Code § 17203.

5 **SECOND CAUSE OF ACTION**

6 **Violation of the California Consumers Legal Remedies Act**

7 **(Civ. Code, §§ 1750 *et seq.*)**

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

9 53. Plaintiff brings this claim individually and on behalf of the members of the Class
10 against Defendant.

11 54. Plaintiff and the members of the Class are “consumers” within the meaning of
12 Civil Code § 1761(d) in that Plaintiff and the Class sought or acquired Defendant’s goods and/or
13 services for personal, family, or household purposes. The purchases and payments by Plaintiff
14 and Class members are “transactions” within the meaning of Civil Code § 1761(e).

15 55. Defendant is a “persons” under Cal. Civ. Code § 1761(c). Defendant’s
16 subscription service offers pertain to “goods” and/or “services” within the meaning of Civil
17 Code § 1761(a) and (b).

18 56. Defendant’s conduct, as described herein, which includes its failure to timely and
19 adequately disclose the terms of its automatic renewal and/or continuous service associated with
20 its subscription service pursuant to Cal. Bus. & Prof. Code §§ 17600, *et seq.* violates California’s
21 Consumers Legal Remedies Act (“CLRA”), Cal. Civ. Code §§ 1750, *et seq.* Defendant violated
22 the CLRA by misrepresenting and omitting material facts regarding the automatic renewal
23 and/or continuous service terms of its subscription product, and by engaging in the following
24 practices proscribed by Cal. Civ. Code § 1770(a) in transactions that were intended to result in,
25 and did result in, the sale of its subscription product: Representing that goods or services have
26 characteristics, uses, and/or benefits which they do not have (Civil Code § 1770(a)(5));
27 Advertising goods or services with intent not to sell them as advertised (Civil Code
28 § 1770(a)(9)); Representing that the subject of a transaction has been supplied in accordance

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1 with a previous representation when it has not (Civil Code § 1770(a)(16)); and Representing that
2 consumers will receive a rebate, discount, or other economic benefit, if the earning of the benefit
3 is contingent on an event to occur subsequent to the consummation of the transaction (Civil
4 Code § 1770(a)(17)).

5 57. Defendant violated the CLRA by failing to clearly and conspicuously disclose
6 the terms of its automatic renewal and/or continuous service associated with its subscription
7 products, automatically charging Plaintiff and members of the Class a fee to renew their
8 subscription and failing to notify them of the cancellation policy.

9 58. Plaintiff, on behalf of herself and all other Class members, seek an order
10 enjoining the above-described unlawful acts and practices of Defendant and for restitution and
11 disgorgement.

12 59. Pursuant to § 1782 of the CLRA, Plaintiff notified Defendant in writing by
13 certified mail of the particular violations of § 1770 of the CLRA, and demanded that Defendant
14 rectify the problems associated with the acts and practices described above and give notice to
15 all affected consumers of Defendant’s intent to so act was mailed via certified mail to Defendant.
16 Defendant failed to rectify the problems associated with the actions detailed above and give
17 notice to all affected consumers within the expiration of the statutory period. Plaintiff seeks
18 claims for actual, punitive, and statutory damages, as appropriate (*see* Civil Code § 1782.)

19 60. Pursuant to § 1780(d) of the Act, attached as **Exhibit 1** is the affidavit showing
20 that this action was commenced in the proper forum.

21 **THIRD CAUSE OF ACTION**

22 **Conversion**

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

24 62. Plaintiff brings this claim individually and on behalf of the members of the Class
25 against Defendant.

26 63. As a result of charges made by Defendant to Plaintiff’ and Class Members’ credit
27 and/or debit cards without authorization and in violation of California law, Defendant have taken
28 money that belongs to Plaintiff and the Class. Defendant has wrongfully interfered with

1 Plaintiff and Class Members' possession of money. The amount of money wrongfully taken by
2 Defendant is capable of identification from records in the possession of Defendant and/or third
3 parties, including Defendant's customer and billing records.

4 64. Defendant engaged in this misconduct knowingly, willfully, and with oppression,
5 fraud, and/or malice.

6 65. As a result of Defendant's actions, Plaintiff and the Class have suffered damages.

7 **FOURTH CAUSE OF ACTION**

8 **Unjust Enrichment**

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

10 67. Plaintiff brings this claim individually and on behalf of the members of the Class
11 against Defendant.

12 68. As a direct and proximate result of misrepresentations concerning the
13 subscription products and failure to sufficiently disclose that the subscription product will be
14 automatically renewed or how to cancel it, Defendant have profited through the sale of their
15 services and/or products to Plaintiff and Class members.

16 69. Defendant's unlawful and wrongful acts, as alleged above, enabled Defendant to
17 unlawfully receive money from Plaintiff and the Class it would not have otherwise obtained.

18 70. Plaintiff and the Class members have conferred benefits on Defendant, which
19 Defendant have knowingly accepted and retained.

20 71. Defendant's retention of the benefits conferred by Plaintiff and the Class
21 members would be against fundamental principles of justice, equity, and good conscience.

22 72. Plaintiff and Class members seek to disgorge Defendant's unlawfully retained
23 money resulting from the unlawful conduct and seek restitution and rescission for the benefit of
24 Plaintiff and Class members.

25 73. Plaintiff and the Class members are entitled to the imposition of a constructive
26 trust upon Defendant, such that the unjustly retained money is distributed equitably by the Court
27 to and for the benefit of Plaintiff and the Class members.

28

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REQUEST FOR RELIEF

Plaintiff, individually, and on behalf of all others similarly situated, requests for relief pursuant to each claim set forth in this complaint, as follows:

a. Declaring that this action is a proper class action, certifying the Class as requested herein, designating Plaintiff as the Class Representative and appointing the undersigned counsel as Class Counsel;

b. Ordering restitution and disgorgement of all profits and unjust enrichment that Defendant obtained from Plaintiff and the Class members as a result of Defendant’s unlawful, unfair, and fraudulent business practices;

c. Ordering injunctive relief as permitted by law or equity, including enjoining Defendant from continuing the unlawful practices as set forth herein, and ordering Defendant to engage in a corrective advertising campaign;

d. Ordering damages in amount which is different than that calculated for restitution for Plaintiff and the Class;

e. Ordering Defendant to pay attorneys’ fees and litigation costs to Plaintiff and the other members of the Class;

f. Ordering Defendant to pay both pre- and post-judgment interest on any amounts awarded; and

g. Ordering such other and further relief as may be just and proper.

JURY TRIAL DEMAND

Plaintiff demands a trial by jury for all claims so triable.

Dated: February 22, 2024

CROSNER LEGAL, P.C.

By: /s/ Craig W. Straub

Craig W. Straub (SBN 249032)
craig@crosnerlegal.com
Michael T. Houchin (SBN 305541)
mhouchin@crosnerlegal.com
Zachary M. Crosner (SBN 272295)
zach@crosnerlegal.com

9440 Santa Monica Blvd. Suite 301
Beverly Hills, CA 90210
Tel: (866) 276-7637

Attorneys for Plaintiff and the proposed class

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