

IN THE CIRCUIT COURT OF THE STATE OF OREGON  
FOR THE COUNTY OF MULTNOMAH

RYAN DEPAUW and JEREMY WILSON,  
each individually and on behalf of all others  
similarly situated,

*Plaintiffs,*

v.

WHITESTONE HOME FURNISHINGS,  
LLC,

*Defendant.*

Case No.

**CONSOLIDATED CLASS ACTION  
COMPLAINT**

**DEMAND FOR JURY TRIAL**

OREGON UNLAWFUL TRADE  
PRACTICES ACT  
CALIFORNIA FALSE ADVERTISING  
LAW  
CALIFORNIA CONSUMER LEGAL  
REMEDIES ACT  
CALIFORNIA UNFAIR COMPETITION  
LAW

Claim for: Over \$10 million  
Fee authority: ORS 21.160(1)(e)  
Not subject to mandatory arbitration

**Introduction.**

1.

Advertised “sale” prices are important to consumers. Consumers are more likely to purchase an item if they know that they are getting a good deal. Further, if consumers think that a sale will end soon, they are likely to buy now, rather than wait, comparison shop, and buy something else.

2.

While there is nothing wrong with a legitimate sale, a fake one—that is, one with made-up regular prices, made-up discounts, and made-up expirations—is deceptive and illegal.

3.

As the Federal Trade Commission advises in its *Guides Against Deceptive Pricing*, it is deceptive to make up “an artificial, inflated price ... for the purpose of enabling the subsequent offer of a large reduction” off that price. 16 C.F.R. § 233.1.

4.

In addition, Oregon’s Unlawful Trade Practices Act (UTPA) expressly prohibits businesses from making “false or misleading representations of fact concerning the reasons for, existence of, or amounts of price reductions,” O.R.S. § 646.608(j); “false or misleading representations of fact concerning the offering price of, or the person’s cost for real estate, goods or services,” O.R.S. § 646.608(s); representing that goods have “characteristics” that they do not have, O.R.S. § 646.608(e); advertising “goods ... with intent not to provide the real estate, goods or services as advertised,” O.R.S. § 646.608(i); and making “false or misleading statements about a ... promotion,” O.R.S. § 646.608(p).

5.

The UTPA also prohibits sellers from using misleading price comparisons to advertise their products. O.R.S. § 646.608(ee).

6.

Furthermore, California’s False Advertising Law prohibits businesses from making statements they know or should know to be untrue or misleading. Cal. Bus. & Prof. Code § 17500. This includes statements falsely suggesting that a product is on sale, when it actually is not. Moreover, California’s False Advertising Law specifically provides that “[n]o price shall be

1 advertised as a former price ... unless the alleged former price was the prevailing market price  
2 ... within three months next immediately preceding” the advertising. Cal. Bus. & Prof. Code §  
3 17501.

4 7.

5 Likewise, California’s Consumer Legal Remedies Act prohibits “advertising goods or  
6 services with the intent not to sell them as advertised” and specifically prohibits “false or  
7 misleading statements of fact concerning reasons for, existence of, or amounts of price  
8 reductions.” Cal. Civ. Code § 1770(a)(9), (13).

9 8.

10 So, as numerous courts have found, fake sales violate these laws.

11 9.

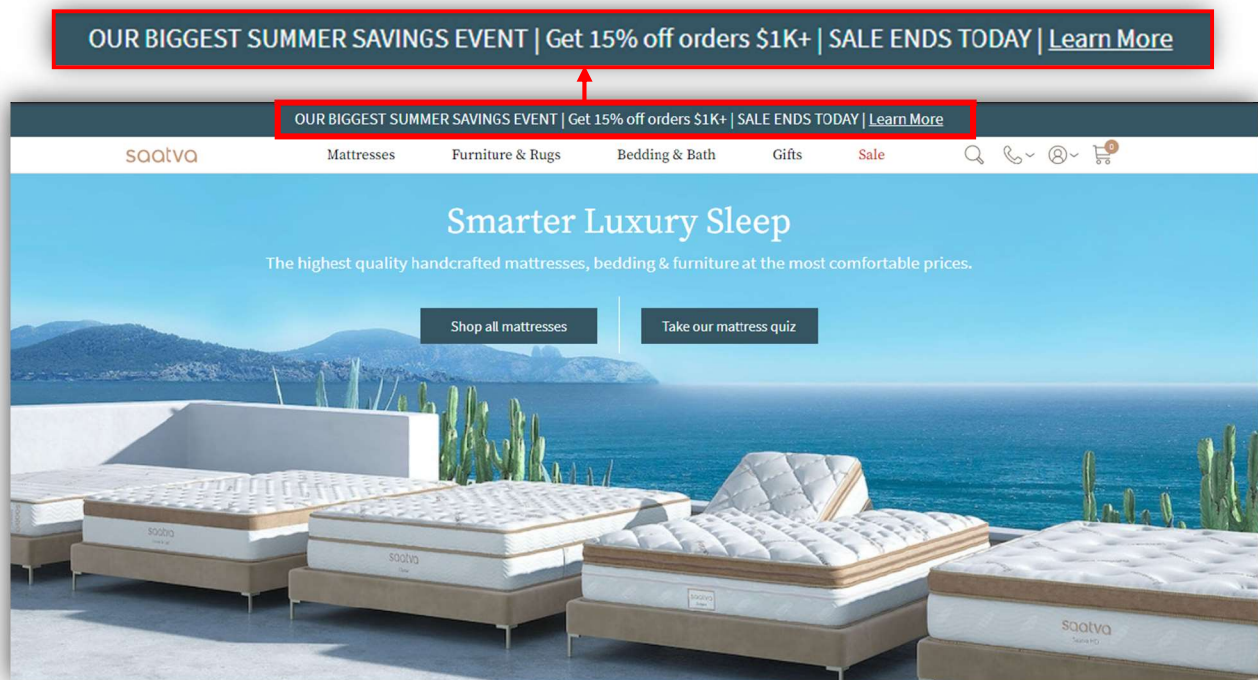
12 Defendant Whitestone Home Furnishings, LLC (“Defendant”) makes, sells, and markets  
13 Saatva brand mattresses, bedding, and furniture products (“Saatva Products” or “Products”). The  
14 Products are sold online through Defendant’s website, www.saatva.com.

15 10.

16 Defendant’s website prominently advertises purportedly time-limited, sitewide sales for  
17 the Products. These sales offer “X% off,” and purport to “end[]” at a certain date and time. The  
18 discounts associated with the advertised sales can be seen on a banner at the top of the website,  
19 such as “15% off order \$1k+ | TODAY ONLY.” For example:

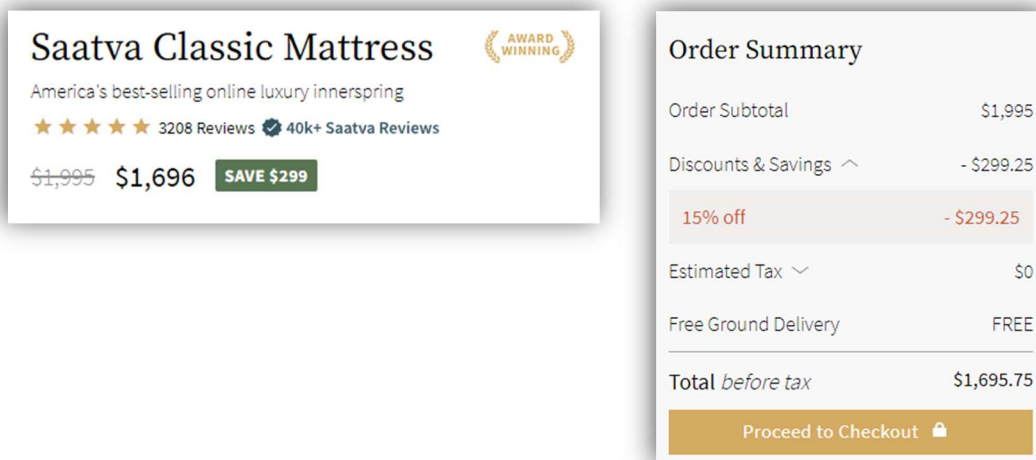
20 **15% off orders \$1k+ | TODAY ONLY**





11.

In addition, Defendant advertises purported discounts off regular prices. These advertisements include a purported discount price alongside a strike-out of a purported regular price:



12.

But these advertisements are false. Defendant always offers sitewide discounts off of the purported regular prices. In other words, the sales are not limited in time; instead, they always

1 reset and continue to be available (albeit, in certain cases, with a different name). Plus, the list  
2 prices Defendant advertises are not actually Defendant's regular prices (the prices they usually  
3 charge), because Defendant's Products are regularly available for less than those prices. The  
4 purported discounts Defendant advertises are not the true discounts the customer is receiving,  
5 and are often not a discount at all.

6 13.

7 Plaintiffs purchased Products from Defendant online on [www.saatva.com](http://www.saatva.com). Like  
8 Defendant's other customers, when Plaintiffs bought the Products, Defendant advertised that a  
9 purported sale was going on, and that the Products were heavily discounted. Plaintiffs believed  
10 that the Product that they purchased usually retailed for the displayed regular price. They further  
11 believed that they were getting a substantial discount from the regular price, and that the sale  
12 would end soon. These reasonable beliefs are what caused them to buy from Defendant. If they  
13 had known that the Products they purchased were not on sale, they would not have bought them.

14 14.

15 But none of that was true. Defendant's published list prices were not the true regular  
16 prices or the prevailing regular prices. The purported discounts were not true discounts. And the  
17 sales Defendant advertised were not really time-limited sales. Had Defendant been truthful,  
18 Plaintiffs and other consumers would not have purchased the Products or would have paid less  
19 for them.

20 15.

21 Plaintiffs bring this case for themselves and the other customers who purchased Saatva  
22 Products.

**Parties.**

16.

Plaintiff Ryan DePauw is domiciled in Portland, Oregon.

17.

Plaintiff Jeremy Wilson is domiciled in Rescue, California.

18.

The proposed class includes citizens of Oregon and California.

19.

Defendant Whitestone Home Furnishings LLC is a Delaware limited liability company with its principal place of business at 19-02 Whitestone Expressway, 201, Whitestone, NY 11357.

**Jurisdiction and Venue.**

20.

This Court has jurisdiction over Defendant under ORCP 4. Defendant does business in this state. Defendant advertises and sells products to consumers in Oregon, and serves a market for their products in Oregon. Due to Defendant's actions, their products have been marketed and sold to consumers in Oregon and harmed consumers in Oregon. Plaintiffs' claims arise out of Defendant's actions in this forum. Due to Defendant's actions, Plaintiff DePauw purchased Products from Defendant in Oregon, and was harmed in Oregon.

**Facts.**

**Defendant's fake sales and discounts.**

21.

Defendant makes, sells, and markets Saatva brand mattresses, bedding, and furniture products. Defendant sells its Products directly to consumers online, through its website, [www.saatva.com](http://www.saatva.com). Defendant's website creates an illusion that customers are receiving a limited-time discount and that the regular prices of its mattresses, bedding, and furniture products are higher than they truly are. Defendant does this by advertising fake limited-time sales, fake regular prices, and fake discounts based on the fake regular prices. For example, Defendant advertises purportedly time-limited sales that end on a certain date, where consumers can receive "15% off orders \$1k+":



Captured October 31, 2023

22.

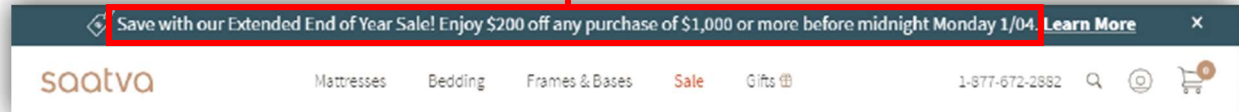
But Saatva Products are always on "sale." For example, Defendant has prominently displayed, for over a year, a sale on all orders over approximately \$1,000 on its website.<sup>1</sup> These sales are designed to induce consumers to purchase Saatva Products under the mistaken belief they are getting a significant bargain because they are buying while the sale is going on. And Defendant advertises these discounts extensively: on an attention-grabbing banner at the top of

---

<sup>1</sup> The sitewide discounts on Saatva Products fluctuate to apply to orders ranging from \$900 to \$1000. In addition, because all of Saatva's mattresses and beds cost more than \$1,000, the effect is that all of its mattresses and beds are always on sale.

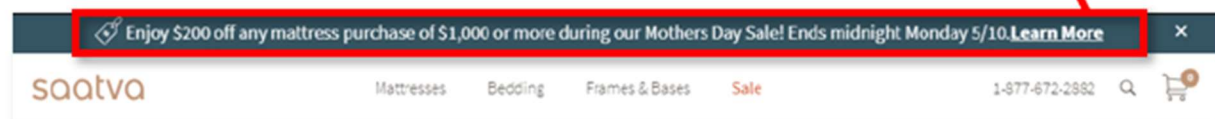
its website; on the individual product pages for each Product, and on the checkout pages. Defendant advertises them by touting “X% OFF”; by advertising list prices in strikethrough font next to lower, purported discount prices; with slogans such as “\$200 OFF” in attention-grabbing, bold font. Example screenshots are provided on the following pages:

Save with our Extended End of Year Sale! Enjoy \$200 off any purchase of \$1,000 or more before midnight Monday 1/04. [Learn More](#)



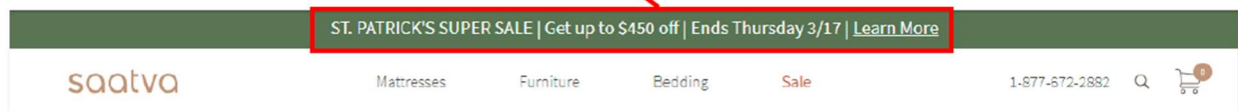
Captured January 3, 2021

Enjoy \$200 off any mattress purchase of \$1,000 or more during our Mothers Day Sale! Ends midnight Monday 5/10. [Learn More](#)



Captured May 10, 2021

ST. PATRICK'S SUPER SALE | Get up to \$450 off | Ends Thursday 3/17 | [Learn More](#)



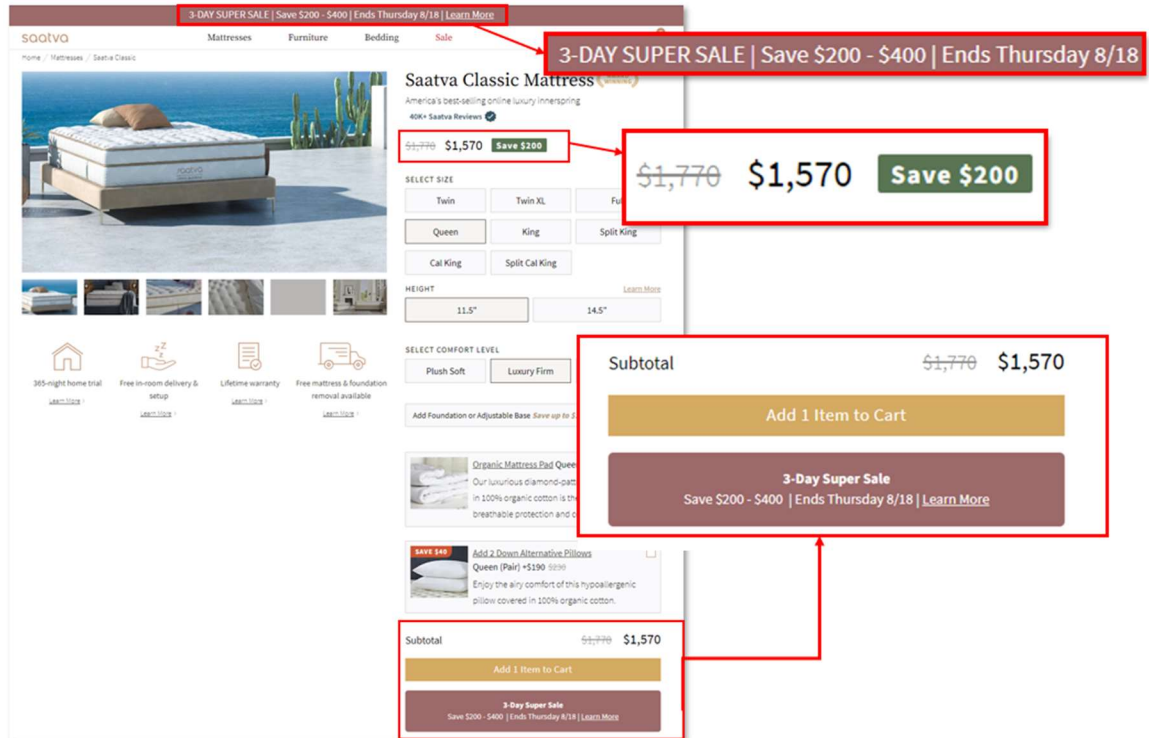
Captured March 17, 2022

Hurry for Huge Savings! Weekend Flash Sale | 15% off orders \$1k+ | Ends 1/30. [Learn More](#)

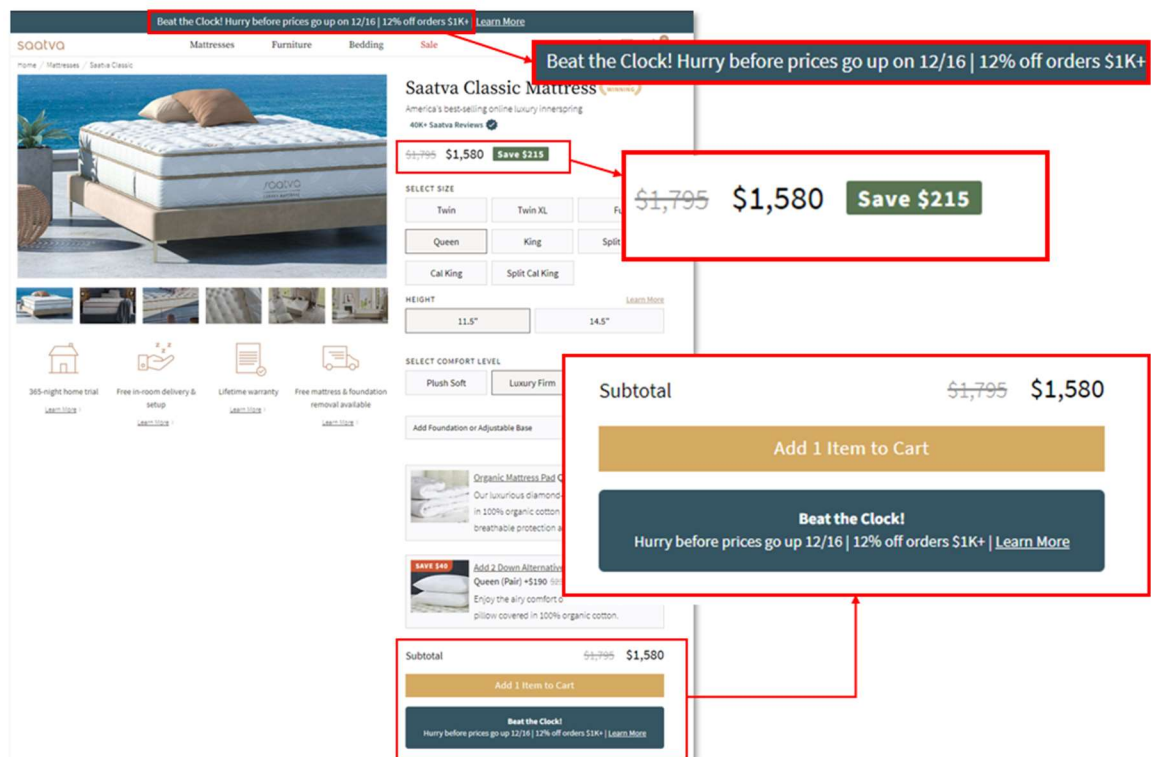


Captured January 27, 2023

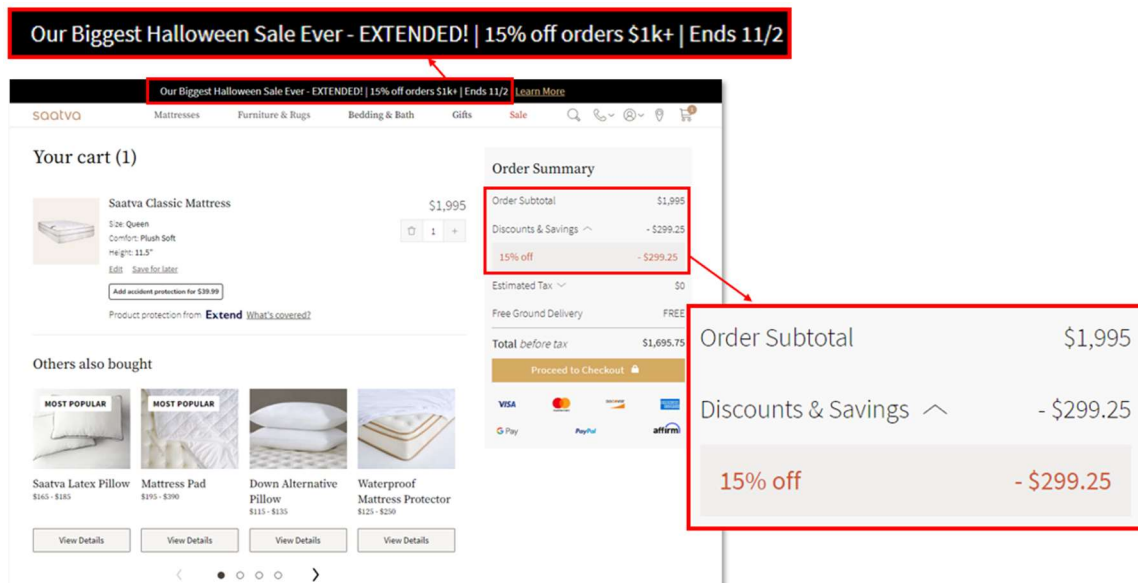




Captured August 17, 2022



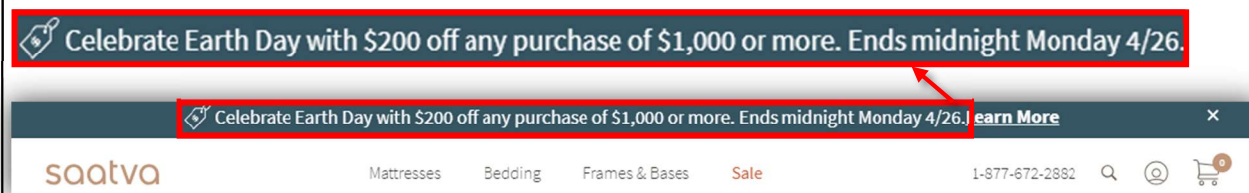
Captured December 15, 2022



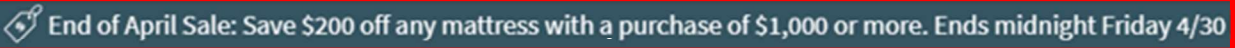
Captured November 1, 2023


23.

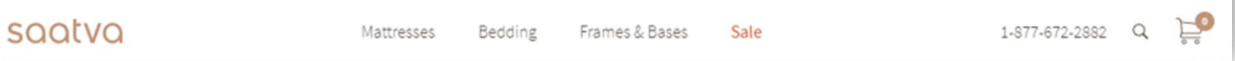
As shown above, Defendant represents that these discounts are only available for a limited time. For example, Defendant represents that its sales expire on a particular date. To reasonable consumers, this means that after the listed date, Defendant's Saatva Products will no longer be on sale and will retail at their purported list prices. But in reality, the discounts are ongoing. For example, as depicted below, as soon as the "\$200 off any purchase of \$1,000 or more" discount ended on April 26, 2021, Defendant generated another sitewide sale with a similar discount, except with a new end date of April 30, 2021:



Captured April 23, 2021

1  End of April Sale: Save \$200 off any mattress with a purchase of \$1,000 or more. Ends midnight Friday 4/30

2  End of April Sale: Save \$200 off any mattress with a purchase of \$1,000 or more. Ends midnight Friday 4/30 [Learn More](#)

3  **saatva** Mattresses Bedding Frames & Bases Sale 1-877-672-2882

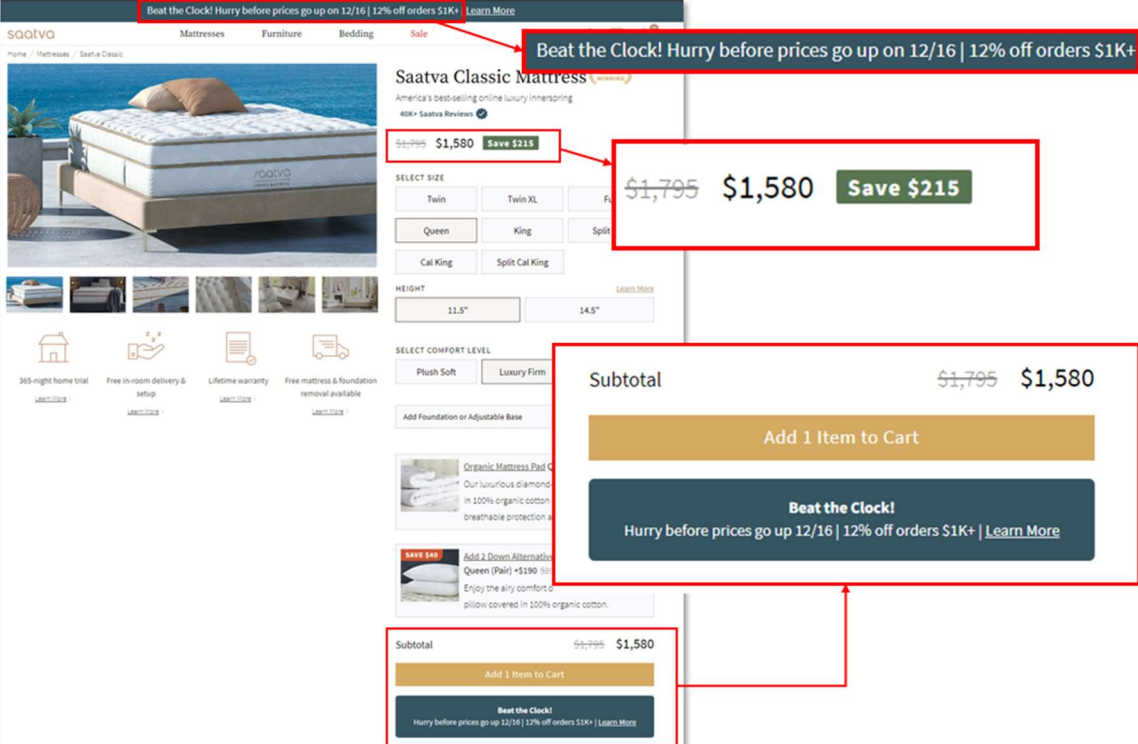
4 Captured April 27, 2021

5 24.

6 In addition, Defendant's website lists fake regular prices (that is, prices reflecting the list  
7 price or value of an item) and fake discounts.

8 25.

9 For example, on December 15, 2022, Defendant advertised a purported "12% off orders  
10 \$1K+" discount and claimed that "prices go up on 12/16" (December 16, 2022). On this day,  
11 Defendant offered its queen-sized Saatva Classic Mattress, which has a purported regular price  
12 of \$1795:

13  The screenshot shows the Saatva Classic Mattress product page. At the top, a banner reads "Beat the Clock! Hurry before prices go up on 12/16 | 12% off orders \$1K+ | Learn More". The product is a Queen-sized Saatva Classic Mattress. The current price is \$1,580, with a "Save \$215" badge. A red box highlights the "Beat the Clock! Hurry before prices go up on 12/16 | 12% off orders \$1K+" banner. Another red box highlights the price comparison: ~~\$1,795~~ \$1,580 Save \$215. A third red box highlights the "Subtotal" section, showing ~~\$1,795~~ \$1,580 and a button to "Add 1 Item to Cart". A fourth red box highlights the "Beat the Clock! Hurry before prices go up 12/16 | 12% off orders \$1K+ | Learn More" banner at the bottom of the product page.

24 Captured December 15, 2022

1 26.

2 But the truth is, the queen-sized Saatva Classic Mattress's listed regular price of \$1795 is  
3 not its prevailing price. Instead, it is always found at a discount from the purported regular price  
4 (e.g., on December 21, 2023, it was once again on sale for \$1696 (15% off) with a purported  
5 regular price of \$1995), and the customer is not receiving the advertised discount by buying  
6 during the purported sale.

7 27.

8 To confirm that Defendant always offers discounts off of purported regular prices,  
9 Plaintiffs' counsel performed an investigation of Defendant's advertising practices using the  
10 Internet Archive's Wayback Machine (available at [www.archive.org](http://www.archive.org)).<sup>2</sup> Defendant's sales have  
11 persisted continuously since at least January 3, 2021. For example, 53 randomly selected  
12 screenshots of Defendant's website, [www.saatva.com](http://www.saatva.com), were collected from the Internet  
13 Archive's Wayback Machine, from the 2021-2023 period. One hundred percent of the 53  
14 randomly selected screenshots of Defendant's website, captured on the Wayback Machine,  
15 displayed a purportedly time-limited discount.

16 28.

17 Using these tactics, Defendant leads reasonable consumers to believe that they will get a  
18 discount on the Products they are purchasing if they purchase during the limited-time promotion  
19 period. In other words, Defendant leads reasonable consumers to believe that if they buy now,  
20 they will get a Product worth X at a discounted, lower price Y. This creates a sense of urgency:  
21 buy now, and you will receive something worth more than you pay for it; wait, and you will pay  
22 more for the same thing later.

23  
24 <sup>2</sup> The Internet Archive, available at [archive.org](http://archive.org), is a library that archives web pages.  
<https://archive.org/about/>

29.

Based on Defendant's advertisements, reasonable consumers reasonably believe that the list prices are Defendant's regular prices (that is, the prices at which the Products ordinarily or typically retail for), and their former prices (that is, the price at which the goods were consistently offered for sale before the limited-time offer went into effect). In other words, reasonable consumers believe that the list prices Defendant advertises represent the amount that consumers usually have to pay for Defendant's goods, formerly had to pay for Defendant's goods, before the limited-time sale began, and will again have to pay for Defendant's goods when the sale ends. Said differently, reasonable consumers reasonably believe that, prior to the supposedly time-limited sale, consumers had to pay the list price to get the item and did not have the opportunity to get a discount from that list price.

30.

Reasonable consumers also reasonably believe that the list prices Defendant advertises represent the true market value of the Products, and are the prevailing prices for those Products; and that they are receiving reductions from those list prices in the amounts advertised. In truth, however, Defendant always offers discounts off the purportedly "regular" prices it advertises. As a result, everything about Defendant's price and purported discount advertising is false. The list prices Defendant advertises are not actually Defendant's regular or former prices, or the prevailing prices for the Products Defendant sells, and do not represent the true market value for the Products, because Defendant's Products are always available for less than that, and customers did not have to formerly pay that amount to get those items. The purported discounts Defendant advertises are not the true discount the customer is receiving, and are often not a discount at all. Nor do the purported discounts "end[]" on the specified date—they are regularly available.

31.

By listing fake regular prices and fake discounts, Defendant misleads consumers into believing that they are getting a good deal.

**Defendant's advertisements are unfair, deceptive, and unlawful.**

32.

Oregon's Unlawful Trade Practices Act (UTPA) expressly prohibits businesses from making "false or misleading representations of fact concerning the reasons for, existence of, or amounts of price reductions," O.R.S. § 646.608(j); "false or misleading representations of fact concerning the offering price of, or the person's cost for real estate, goods or services," O.R.S. § 646.608(s); representing that goods have "characteristics" that they do not have, O.R.S. § 646.608(e); advertising "goods ... with intent not to provide the real estate, goods or services as advertised," O.R.S. § 646.608(i); and making "false or misleading statements about a ... promotion," O.R.S. § 646.608(p).

33.

In addition, California's False Advertising Law prohibits businesses from making statements they know or should know to be untrue or misleading. Cal. Bus. & Prof. Code § 17500. This includes statements falsely suggesting that a product is on sale, when it actually is not. Moreover, California's False Advertising Law specifically provides that "[n]o price shall be advertised as a former price ... unless the alleged former price was the prevailing market price ... within three months next immediately preceding" the advertising. Cal. Bus. & Prof. Code § 17501.

34.

Furthermore, California's Consumer Legal Remedies Act prohibits "advertising goods or services with the intent not to sell them as advertised" and specifically prohibits "false or

misleading statements of fact concerning reasons for, existence of, or amounts of price reductions.” Cal. Civ. Code § 1770(a)(9), (13).

35.

The Federal Trade Commission’s regulations prohibit false or misleading “former price comparisons,” for example, making up “an artificial, inflated price ... for the purpose of enabling the subsequent offer of a large reduction” off that price. 16 C.F.R. § 233.1. They also prohibit false or misleading “retail price comparisons” and “comparable value comparisons,” for example, ones that falsely suggest that the seller is “offer[ing] goods at prices lower than those being charged by others for the same merchandise” when this is not the case. 16 C.F.R. § 233.1.

36.

And finally, California’s Unfair Competition Law bans unlawful, unfair, and deceptive business practices. *See* Cal. Bus. & Prof. Code § 17200.

37.

Here, as described in detail above, Defendant makes false and misleading representations of fact about its prices. Defendant makes false or misleading representations of fact concerning the existence of and amounts of price reductions, including the existence of steep discounts, and the amounts of price reductions resulting from those discounts. Defendant also advertises regular prices that are not its true regular prices, or its former prices.

38.

Defendant also represents that the goods have characteristics that they do not have—namely, that the values of the Products are greater than they actually are. Defendant does this by advertising fake discounts for the Products, as alleged in greater detail above. Defendant advertised goods or services with the intent not to sell them as advertised, for example, by advertising goods having certain former prices and/or market values without the intent to sell

1 goods having those former prices and/or market values. Defendant makes false or misleading  
2 statements of fact concerning the reasons for, existence of, and amounts of price reductions,  
3 including false statements regarding the reasons for its sitewide sales (*e.g.*, advertising a “ST.  
4 PATRICK’S SUPER SALE,” when in fact the sale is ongoing), the existence of sitewide sales,  
5 and the amounts of price reductions resulting from those sales. As detailed above, for example,  
6 Defendant makes “limited time” offers that are not, in fact, time-limited. And Defendant  
7 engages in unlawful, unfair, and deceptive business practices.

8 39.

9 The UTPA also prohibits sellers from using misleading price comparisons to advertise  
10 their products. O.R.S. § 646.608(ee) (citing O.R.S. §§ 646.883 and 646.885). Specifically, it is  
11 illegal for a seller to include a price comparison in an advertisement unless “[t]he seller clearly  
12 and conspicuously identifies in the advertisement the origin of the price that the seller is  
13 comparing to the seller’s current price.” O.R.S. § 646.883. Use of the term “sale” is deemed to  
14 identify “the origin of the price that the seller is comparing to the seller’s current price as the  
15 seller’s own former price, or in the case of introductory advertisements, the seller’s future price.”  
16 O.R.S. § 646.885. And, unless otherwise stated, use of the terms “discount,” “\_\_\_\_\_ percent  
17 discount,” “\$\_\_\_\_\_ discount,” “\_\_\_\_\_ percent off,” and “\$\_\_\_\_\_ off” are “considered to identify  
18 the origin of the price that the seller is comparing to the seller’s current price as the seller’s  
19 former price, or in the case of introductory advertisements, the seller’s future price.” O.R.S. §  
20 646.885.

21 40.

22 As alleged in greater detail above, Defendant uses misleading price comparisons.  
23  
24



1 41.

2 For example, Defendant uses strikethrough pricing without clearly and conspicuously  
3 identifying in the advertisement the origin of the price that the seller is comparing to the current  
4 price. As shown in the images above, Defendant uses strikethrough sale pricing without any  
5 disclosures about where the strikethrough price comes from.

6 42.

7 In addition, as alleged in greater detail above, Defendant uses the words “sale,”  
8 “discount,” and “\_\_\_% Off,” in its promotions, even when the Products are not offered at a  
9 discount as compared to the seller’s former price (or in the case of introductory products, a future  
10 price). Defendant also makes no disclosure indicating that the price comparisons are to  
11 something other than the former or future price.

12 **Defendant’s advertisements harm consumers.**

13 43.

14 Based on Defendant’s advertisements, reasonable consumers would expect that the listed  
15 regular prices (the prices without the advertised discounts) are former prices at which Defendant  
16 consistently sold its Products before the discounts were introduced for a limited time; that they  
17 are the prevailing prices for the Products; and that they represent the true market value of the  
18 Products.

19 44.

20 Reasonable consumers would also expect that, if they purchase during the sale, they will  
21 receive (at a discount) an item whose regular price and/or market value is the advertised non-  
22 discounted price, and that they will receive the advertised discount from that regular price. For  
23 example, for items that are purportedly 15% off, reasonable consumers would expect that they  
24

1 are receiving a 15% discount as compared to the regular price, and that the items have a market  
2 value of 15% more than what they are spending.

3 45.

4 As explained above, however, Plaintiffs and class members' reasonable expectations  
5 were not met. Instead of receiving Products with a market value equal to the alleged regular  
6 prices, they received items worth less. In addition, instead of receiving a significant discount,  
7 Plaintiffs and the class received little or no discount. Thus, Defendant's false advertisements  
8 harm consumers by depriving them of the reasonable expectations to which they are entitled.

9 46.

10 In addition, consumers are more likely to buy a product if they believe that the product is  
11 on sale and that they are getting a product with a higher regular price and/or market value at a  
12 substantial discount.

13 47.

14 Consumers that are presented with discounts are substantially more likely to make the  
15 purchase. "Nearly two-thirds of consumers surveyed admitted that a promotion or a coupon  
16 often closes the deal, if they are wavering or are undecided on making a purchase."<sup>3</sup> And, "two-  
17 thirds of consumers have made a purchase they weren't originally planning to make solely based  
18 on finding a coupon or discount," while "80% [of consumers] said they feel encouraged to make  
19 a first-time purchase with a brand that is new to them if they found an offer or discount."<sup>4</sup>

---

22  
23 <sup>3</sup> <https://www.invespcro.com/blog/how-discounts-affect-online-consumer-buying-behavior/>.

24 <sup>4</sup> RetailMeNot Survey: Deals and Promotional Offers Drive Incremental Purchases Online, Especially Among Millennial Buyers (prnewswire.com).

1 48.

2 Similarly, when consumers believe that an offer is expiring soon, the sense of urgency  
3 makes them more likely to buy a product.<sup>5</sup>

4 49.

5 Thus, Defendant's advertisements harm consumers by inducing them to make purchases  
6 they otherwise would not have made, based on false information. In addition, Defendant's  
7 advertisements artificially increase consumer demand for Defendant's Products. This puts  
8 upward pressure on the prices that Defendant can charge for its Products. As a result, Defendant  
9 can charge a price premium for its Products, that it would not be able to charge absent the  
10 misrepresentations described above. So, due to Defendant's misrepresentations, Plaintiffs and  
11 the class paid more for the Products they bought than they otherwise would have.

12 **Plaintiffs were misled by Defendant's misrepresentations.**

13 50.

14 Plaintiffs were misled by Defendant's misrepresentations.

15 51.

16 Defendant's website prominently advertises sales. In particular, as described in further  
17 detail above, Defendant advertises purportedly time-limited sitewide sales where products are  
18 purportedly up to X% off for a limited time. Defendant also advertises purported regular prices,  
19 and associated discounts for its Products. And Defendant advertises that the discounts are  
20 available for a limited time only. Defendant's representations are made prominently on the  
21 homepage of the website, on its Product descriptions, and on its checkout pages.

22  
23 <sup>5</sup> <https://cxl.com/blog/creating-urgency/> (addition of a countdown timer increased  
24 conversion rates from 3.4%-10%); Dynamic email content leads to 400% increase in conversions  
for Black Friday email | Adestra (uplandsoftware.com) (400% higher conversation rate for ad  
with countdown timer).

1 52.

2 Defendant's fake sales have persisted since at least January 3, 2021 (and likely for longer  
3 than that). These fake sales persisted when Plaintiffs made their purchases.

4 53.

5 By advertising regular list prices and supposedly time-limited discounts, Defendant's  
6 website creates an illusion that consumers are receiving a limited-time discount if they buy now.  
7 These discounts make consumers substantially more likely to make the purchase, and induces  
8 them to make purchases they otherwise would not have made.

9 54.

10 What is false or misleading about Defendant's representations is that, based on  
11 Defendant's advertisements, reasonable consumers would expect that the listed regular prices are  
12 the prevailing prices at which Defendant actually sells its Products, former prices at which  
13 Defendant sold the Products, and the market value of the Products in question. In truth,  
14 however, Defendant's Products are always on sale, and these sales persist indefinitely. As a  
15 result, Defendant's listed prices are not Defendant's true prices, or former prices, or the  
16 prevailing market prices for Defendant's Products. Nor are its purported price reductions true  
17 price reductions. Because Defendant always offers sitewide discounts, as well as discounts on  
18 certain items, it does not ordinarily or typically sell its Products at the purported regular prices.

19 ***Plaintiff Ryan DePauw***

20 55.

21 On November 30, 2023, Mr. DePauw purchased a queen-sized Saatva Classic Mattress, a  
22 queen-sized bed foundation, and a waterproof mattress protector from Defendant online. He  
23 purchased the Products from Defendant's website, [www.saatva.com](http://www.saatva.com), while living in Portland,  
24 Oregon.

56.

On November 30, 2023, Defendant represented on its website that a time-limited discount of “up to \$600” off for orders over \$1,000 was running, which applied to Mr. DePauw’s purchase:

The screenshot displays the Saatva website's Cyber Monday promotion. At the top, a black banner with red text reads "CYBER MONDAY DEALS EXTENDED! | Save up to \$600 | SALE ENDS TODAY". Below this, a navigation bar includes the Saatva logo and links for Mattresses, Furniture & Rugs, Bedding & Bath, Gifts, and Sale. A search icon and a shopping cart icon with a notification badge are also present. The main content area features a large, light gray pop-up window with the heading "CYBER MONDAY DEALS EXTENDED" and the subtext "Save up to \$600". Inside the pop-up, a table lists discount tiers based on the total purchase amount. At the bottom of the pop-up, there is a gold "Shop Now" button.

TAKE	YOUR TOTAL PURCHASE OF
\$200 Off .....	\$1,000 - \$1,499
\$300 Off .....	\$1,500 - \$2,499
\$350 Off .....	\$2,500 - \$3,499
\$400 Off .....	\$3,500 - \$4,499
\$500 Off .....	\$4,500 or more

Save an extra \$100 off an Adjustable Base Plus or bed frame with a mattress purchase.

[Shop Now](#)

Captured November 30, 2023

57.

At the time that Mr. DePauw made his purchase, Defendant advertised that the original price of the queen-sized mattress was \$1,995, that the original price of the queen-sized bed foundation was \$345, and that the original price of the waterproof mattress protector was \$195. Defendant also represented that the Products were on sale and discounted by \$380, which

1 resulted in a discounted price of \$2,155.00. Defendant confirmed this in an order confirmation  
2 email it sent to Mr. DePauw:

Items	Qty	Price
Saatva Classic Mattress, Queen : 11.5" Luxury Firm SKU: 7054-5/0	1	\$1,995.00
Foundation, Queen 4.75" SKU: 8632-5/0	1	\$345.00
Waterproof Mattress Protector, Queen SKU: 620CTNPRTCR05	1	\$195.00
Mattress and Foundation Removal SKU: mattress-removal-1	1	\$0.00
<b>Subtotal</b>		\$2,535.00
<b>Discount (Foundation Discount, Buy More Save More)</b>		-\$380.00
<b>Shipping &amp; Handling</b>		\$0.00
<b>Grand Total</b>		\$2,155.00

15  
16 58.

17 When Mr. DePauw made the purchase, he read and relied on the representations on the  
18 website that the Products had the published regular prices and that those were their market value,  
19 and that he was receiving the advertised discount as compared to the regular price. He also  
20 relied on the representations that the sale was limited in time, and would end soon. He would not  
21 have made the purchase if he had known that the Products were not discounted as advertised, and  
22 that he was not receiving the advertised discount.

*Plaintiff Jeremy Wilson*

59.

On July 1, 2023, Mr. Wilson purchased a king-sized Saatva Classic Mattress from Defendant online. He purchased the Product from Defendant's website, www.saatva.com, while living in Rescue, California.

60.

On July 1, 2023, Defendant represented on its website that a time-limited discount of "[u]p to \$600 off" for orders over \$1,000 was running, which continued through the date of Mr. Wilson's purchase until July 4, 2023:

The screenshot shows the Saatva website interface. At the top, a red banner reads "OUR BIGGEST JULY 4TH SAVINGS EVER! | Up to \$600 off | Ends 7/4". Below this, a navigation bar includes the Saatva logo and links for Mattresses, Furniture & Rugs, Bedding & Bath, Gifts, and Sale. A "Learn More" link is also present. The main content area features a "4th of July!" promotion with the headline "OUR BIGGEST JULY 4TH SAVINGS EVER!". A table details the discount tiers based on the total purchase amount.

TAKE	YOUR TOTAL PURCHASE OF
\$200 Off .....	\$1,000 - \$1,499
\$300 Off .....	\$1,500 - \$2,499
\$350 Off .....	\$2,500 - \$3,499
\$400 Off .....	\$3,500 - \$4,499
\$500 Off .....	\$4,500 or more

Save an extra \$100 off an adjustable base or bed frame with a mattress purchase.

Captured July 1, 2023

61.

At the time that Mr. Wilson purchased his Saatva king-size mattress, Defendant advertised that the original price was \$2,495 (plus a \$10.50 recycling fee). Defendant also represented that the Product was on sale and discounted \$300, which resulted in a discounted price of \$2195.00 (plus a \$10.50 recycling fee). Defendant confirmed this in an order confirmation email it sent to Mr. Wilson:

Items	Qty	Price
Saatva Classic Mattress, King : 14.5" Luxury Firm	1	\$2,505.50
SKU: 7053-6/6		mrc: [\$10.50]
Mattress and Foundation Removal	1	\$0.00
SKU: mattress-removal-1		
<b>Subtotal</b>		<b>\$2,505.50</b>
<b>Discount (Buy More Save More)</b>		<b>-\$300.00</b>
<b>CA Recycling Fee</b>		<b>\$10.50</b>
<b>Tax</b>		<b>\$159.14</b>
<b>Shipping &amp; Handling</b>		<b>\$0.00</b>
<b>Grand Total</b>		<b>\$2,364.64</b>

62.

When Mr. Wilson made the purchase, he read and relied on the representations on the website that the Product had the published regular price and that this was its market value, and that he was receiving the advertised discount as compared to the regular price. He also relied on the representations that the sale was limited in time, and would end soon. He would not have made the purchase if he had known that the Product was not discounted as advertised, and that he was not receiving the advertised discount.



63.

Despite Defendant’s representations, Plaintiffs did not receive Products with regular prices or market values equal to the list prices displayed for the Products they purchased. Nor did they receive the advertised discounts. As explained above, Defendant’s Saatva Products are regularly on sale for a significant discount. And as a result, the strike-through prices listed on Defendant’s website—including the strike-through price for the Products Plaintiffs purchased—do not reflect true regular prices, and are in fact higher than the actual “regular” prices that the mattresses are sold at. In other words, the advertised discounts for all Saatva Products—including the Products Plaintiffs purchased—were false, and consumers, like Plaintiffs, did not receive the advertised discount off of the true regular prices.

64.

Plaintiffs face an imminent threat of future harm. Plaintiffs would purchase Saatva Products again if they could feel sure that Defendant’s list prices accurately reflected its regular prices and former prices, and the market value of the Products, and that Defendant’s discounts were truthful. But without an injunction, Plaintiffs have no realistic way to know which—if any—of Defendant’s list prices, discounts, and sales are not false or deceptive. For example, while they could watch a sale until the countdown or the day ends to see if the sale is permanent, doing so could result in them missing out on the sale (*e.g.*, if the sale is actually limited in time, and not permanent). Accordingly, Plaintiffs are unable to rely on Defendant’s advertising in the future, and so cannot purchase the Products they would like to.

**Defendant breached its contract with and warranties to Plaintiffs and the putative class.**

65.

When Plaintiffs and other members of the putative class purchased and paid for the Products that they bought as described above, they accepted offers that Defendant made, and

1 thus, a contract was formed each time that they made purchases. Each offer was to provide  
2 Products having a particular listed regular price and market value, and to provide those Products  
3 at the discounted price advertised on the website.

4 66.

5 Each time that Plaintiffs made a purchase from Defendant, Plaintiffs and Defendant  
6 entered a contract.

7 67.

8 Defendant's website lists the regular prices—the market values—of the items that  
9 Defendant promised to provide. And Defendant agreed to provide a discount equal to the  
10 difference between the regular prices, and the discounted prices paid by Plaintiffs and putative  
11 class members. Defendant also warranted that the regular price and market value of the Product  
12 Plaintiffs purchased was the advertised list price and warranted that Plaintiffs were receiving a  
13 specific discount on that Product.

14 68.

15 The regular price and market value of the Products that Plaintiffs and the putative class  
16 members would receive, and the amount of the discount that they would be provided off the  
17 regular price of the items, were specific and material terms of the contracts. They were also  
18 affirmations of fact about the Products and a promise relating to the goods.

19 69.

20 Plaintiffs and other members of the putative class performed their obligations under the  
21 contracts by paying for the items they purchased.

22 70.

23 Defendant breached its contract by failing to provide Plaintiffs and other members of the  
24 putative class with Products that have a regular price and market value equal to the list price

1 displayed on its website, and by failing to provide the discounts it promised, in the amounts it  
2 promised. Defendant also breached warranties for the same reasons.

3 **No adequate remedy at law.**

4 71.

5 Plaintiffs seek damages and, in the alternative, restitution. Plaintiffs also seek an  
6 injunction. Plaintiffs are permitted to seek equitable remedies in the alternative because they  
7 have no adequate remedy at law. Legal remedies here are not adequate because they would not  
8 stop Defendant from continuing to engage in the deceptive practices described above. In  
9 addition, a legal remedy is not adequate if it is not as certain as an equitable remedy. The  
10 elements of Plaintiffs' equitable claims are different and do not require the same showings as  
11 Plaintiffs' legal claims. For example, to prevail under the UTPA, Plaintiffs must show that  
12 Defendant engages in the conduct of "trade" and "commerce" under the UTPA. In addition,  
13 Plaintiffs' FAL claim under section 17501 (an equitable claim) is predicated on a specific  
14 statutory provision, which prohibits advertising merchandise using a former price if that price  
15 was not the prevailing market price within the past three months. Cal. Bus. & Prof. Code  
16 § 17501. Plaintiffs may be able to prove these more straightforward factual elements, and thus  
17 prevail under the FAL, while not being able to prove one or more elements of their legal claims.  
18 As a second example, to obtain damages under the CLRA, a plaintiff must show that they  
19 complied with the CLRA's notice requirement for damages. No such requirements exist to  
20 obtain restitution. Because a plaintiff must make this additional showing to obtain damages,  
21 rather than restitution, the legal remedies are more uncertain. Plaintiffs' remedies at law are also  
22 not equally prompt or efficient as their equitable ones. For example, the need to schedule a jury  
23 trial may result in delay. And a jury trial will take longer, and be more expensive, than a bench  
24 trial.

**Class Action Allegations.**

72.

Plaintiffs bring the asserted claims on behalf of the proposed class of:

- The Class: all persons who, while in the states of California and Oregon and within the applicable statute of limitations period, purchased one or more Saatva Products at a purported discount on Defendant's website.
- California Subclass: all persons who, within the applicable statute of limitations period, purchased one or more Saatva Products at a purported discount on Defendant's website.
- Oregon Subclass: all persons who, within the applicable statute of limitations period, purchased one or more Saatva Products at a purported discount on Defendant's website.

73.

The following people are excluded from the proposed class: (1) any Judge or Magistrate Judge presiding over this action and the members of their family; (2) Defendant, Defendant's subsidiaries, parents, successors, predecessors, and any entity in which the Defendant or its parents have a controlling interest and their current employees, officers and directors; (3) persons who properly execute and file a timely request for exclusion from the class; (4) persons whose claims in this matter have been finally adjudicated on the merits or otherwise released; (5) Plaintiffs' counsel and Defendant's counsel, and their experts and consultants; and (6) the legal representatives, successors, and assigns of any such excluded persons.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24

74.

The proposed class contains members so numerous that separate joinder of each member of the class is impractical. There are tens or hundreds of thousands of class members.

Class members can be identified through Defendant's sales records and public notice.

## 7

There are questions of law and fact common to the proposed class. Common questions of law and fact include, without limitation:

- 11  
12  
13  
14  
15

## 16

Plaintiffs' claims are typical of the proposed class. Like the proposed class, Plaintiffs purchased Saatva Products advertised at a discount on Defendant's website. There are no conflicts of interest between Plaintiffs and the class.



82.

Plaintiff DePauw brings this cause of action on behalf of himself and members of the Oregon Subclass.

83.

Defendant has violated the Oregon Unlawful Trade Practices Act (UTPA). O.R.S. §§ 646.605, *et seq.*

84.

The UTPA prohibits unlawful business and trade practices. O.R.S. § 646.608. Under the UTPA, “[a] person engages in an unlawful practice if in the course of the person’s business, vocation or occupation the person does any of the following:”

- “Represents that ... goods ... have ... characteristics ... that the ... goods ... do not have,” O.R.S. § 646.608(e);
- “Advertises ... goods ... with intent not to provide the real estate, goods or services as advertised,” O.R.S. § 646.608(i);
- “Makes false or misleading representations of fact concerning the reasons for, existence of, or amounts of price reductions,” O.R.S. § 646.608(j);
- “Makes any false or misleading statement about a ... promotion used to publicize a product,” O.R.S. § 646.608(p);
- “Makes false or misleading representations of fact concerning the offering price of, or the person’s cost for real estate, goods or services,” O.R.S. § 646.608(s).

1 85.

2 Defendant is a “person,” under the UTPA, as defined by O.R.S. § 646.605(4). The  
3 definition of “person” includes “unincorporated associations,” and as alleged above, Defendant  
4 is a limited liability company.

5 86.

6 Defendant engages in the conduct of “trade” and “commerce” under the UTPA.  
7 Defendant does this by advertising, offering, and distributing, by sale, goods in a manner that  
8 directly and indirectly affects people of the state of Oregon. O.R.S. § 646.605(8). Defendant  
9 advertises and sells mattresses and sleep-related products in Oregon, and serves a market for its  
10 Products in Oregon. Due to Defendant’s actions, its Products have been marketed and sold to  
11 consumers in Oregon, and harmed consumers in Oregon, including Plaintiff DePauw.  
12 Defendant’s unlawful methods, acts and practices described above were committed in the course  
13 of Defendant’s business. O.R.S. § 646.608(1).

14 87.

15 The mattresses and other products advertised, offered, and sold by Defendant are “goods”  
16 that are or may be obtained primarily for personal, family or household as defined by O.R.S.  
17 § 646.605(6). Plaintiff DePauw and the Oregon Subclass purchased the Products advertised by  
18 Defendant for personal, family, or household purposes.

19 88.

20 As alleged in greater detail above, Defendant makes “false or misleading representations  
21 of fact concerning the reasons for, existence of, or amounts of price reductions.” O.R.S.  
22 § 646.608(j). Defendant does this by advertising fake sales, fake list prices, and fake limited  
23 time sales. By advertising regular list prices and supposedly time-limited discounts, Defendant’s  
24 website creates an illusion that consumers are receiving a limited-time discount if they buy now.



1 In truth, however, Defendant's Products are always on sale, and these sales persist indefinitely.  
2 As a result, Defendant's listed prices are not Defendant's true prices, or former prices, or the  
3 prevailing market prices for Defendant's Products. Nor are its purported price reductions true  
4 price reductions. Because Defendant always offers sitewide discounts, as well as discounts on  
5 certain items, it does not ordinarily or typically sell its Products at the purported regular prices.

6 89.

7 As alleged in greater detail above, Defendant also makes "false or misleading  
8 representations of fact concerning the offering price of, or the person's cost for real estate, goods  
9 or services." O.R.S. § 646.608(s). As described above, Defendant's website purports to  
10 advertise its Products with regular list prices, and discounted "sale" prices. But Defendant's  
11 listed prices are not Defendant's true prices, former prices, or prevailing market prices for those  
12 Products. In addition, the purported price reductions are not true price reductions.

13 90.

14 As alleged in greater detail above, Defendant also "advertises ... goods ... with intent not  
15 to provide the ... goods ... as advertised," O.R.S. § 646.608(i). Defendant advertises Products at  
16 a sale price, or discount, as compared to a regular list price. But the purported discounts that  
17 Defendant advertises are not the true discounts that the customer receives. In many cases, the  
18 customer receives no discount at all.

19 91.

20 As alleged in greater detail above, Defendant also represents that its goods have  
21 characteristics that they do not have. O.R.S. § 646.608(e). Defendant represents that the value  
22 of its Products is greater than it actually is by advertising fake discounts for the Products.

1 92.

2 As alleged in greater detail above, Defendant false and misleading statements about the  
3 promotions used to publicize its Products. O.R.S. § 646.608(p). As described above, Defendant  
4 advertises Products at a sale price, or discount, as compared to the regular prices. But the  
5 purported discounts that Defendant advertises are not the true discounts that the customer  
6 receives. In many cases, the customer receives no discount at all. In addition, as described  
7 above, Defendant advertises limited-time discounts that are not in fact limited in time.

8 93.

9 The UTPA also prohibits sellers from using misleading price comparisons to advertise  
10 their products. O.R.S. § 646.608(ee) (citing O.R.S. §§ 646.883 and 646.885). The UTPA  
11 expressly prohibits sellers from including “a price comparison in an advertisement unless” “[t]he  
12 seller clearly and conspicuously identifies in the advertisement the origin of the price that the  
13 seller is comparing to the seller’s current price.” O.R.S. § 646.883. Use of term “sale” is  
14 deemed to identify “the origin of the price that the seller is comparing to the seller’s current price  
15 as the seller’s own former price, or in the case of introductory advertisements, the seller’s future  
16 price.” O.R.S. § 646.885. And, unless otherwise stated, use of the terms “discount,” “\_\_\_\_\_”  
17 “percent discount,” “\$\_\_\_\_\_ discount,” “\_\_\_\_\_ percent off,” and “\$\_\_\_\_\_ off” are “considered to  
18 identify the origin of the price that the seller is comparing to the seller’s current price as the  
19 seller’s former price, or in the case of introductory advertisements, the seller’s future price.”  
20 O.R.S. § 646.885.

21 94.

22 As alleged in greater detail above, Defendant uses misleading price comparisons. For  
23 example, Defendant uses strikethrough pricing without clearly and conspicuously identifying in  
24 the advertisement the origin of the price that the seller is comparing to the current price.

1 Defendant's strikethrough pricing does not contain any disclosures at all about the origin of the  
2 strikethrough price.

3 95.

4 In addition, as alleged in greater detail above, Defendant uses the words "sale" "and  
5 "\_\_\_% Off," in its promotions, even when the Products are not offered at a discount as compared  
6 to the seller's former price (or in the case of introductory products, a future price). Defendant  
7 also makes no disclosure indicating that the price comparisons are to something other than the  
8 former or future price.

9 96.

10 Defendant's representations of regular prices, sales, and discounts on its website are  
11 "advertisements" as defined by O.R.S. § 646.881(1). These representations about the prices,  
12 sales, and discounts were made in connection with the sales of Defendant's mattresses and sleep-  
13 related products.

14 97.

15 Defendant's use of list prices, sitewide sales, and advertised discounts are "price  
16 comparisons" as defined by O.R.S. § 646.881(2). These statements make a claim that the current  
17 price is reduced as compared to a Product's typical or former price.

18 98.

19 Defendant's unlawful methods, acts and practices described above were "willful  
20 violations" of O.R.S. § 646.608 because Defendant knew or should have known that its conduct  
21 was a violation, as defined by O.R.S. § 646.605(10). For example, Defendant knows that its  
22 actions are misleading and deceptive, because it was already sued for the same behavior under  
23 California's consumer protection laws.

1 99.

2 Defendant, at all relevant times, had a duty to disclose that the discounts were not real,  
3 that the sales persisted and were not limited in time, and that the regular prices were not the true  
4 regular prices of the Products. Defendant had a duty because (1) Defendant had exclusive  
5 knowledge of material information that was not known to Plaintiff DePauw and the Oregon  
6 Subclass; (2) Defendant concealed material information from Plaintiff DePauw and the Oregon  
7 Subclass; and (3) Defendant made partial representations which were false and misleading absent  
8 the omitted information.

9 100.

10 Defendant's misrepresentations and nondisclosures deceive and have a tendency to  
11 deceive a reasonable consumer and the general public.

12 101.

13 Defendant's misrepresentations and nondisclosures are material. A reasonable person  
14 would attach importance to the information and would be induced to act on the information in  
15 making purchase decisions.

16 102.

17 Defendant engaged in the reckless or knowing use or employment of the unlawful  
18 methods, acts or practices alleged here, which are unlawful under O.R.S. § 646.608.

19 103.

20 As a direct, substantial and/or proximate result of Defendant's conduct, Plaintiff DePauw  
21 and Oregon Subclass members suffered ascertainable losses and injury to business or property.

22 104.

23 Plaintiff DePauw and Oregon Subclass members would not have purchased the Products  
24 at the prices they paid, if they had known that the advertised prices and discounts were false.

105.

Plaintiff DePauw and Oregon Subclass members paid more than they otherwise would have paid for the Products they purchased from Defendant. Defendant's false pricing scheme fraudulently increased demand from consumers.

106.

The Products that Plaintiff DePauw and Oregon Subclass members purchased were not, in fact, worth as much as Defendant represented them to be worth.

107.

Plaintiff DePauw seeks, on behalf of himself and the Oregon Subclass: (1) the greater of statutory damages of \$200 or actual damages; (2) punitive damages; (3) appropriate equitable relief and/or restitution; and (4) attorneys' fees and costs. O.R.S. § 646.638(3); O.R.S. § 646.638(8).

108.

The unlawful acts and omissions described here are, and continue to be, part of a pattern or generalized course of conduct. Defendant's conduct is ongoing and is likely to continue and recur absent a permanent injunction. Accordingly, Plaintiff DePauw seeks an order enjoining Defendant from committing such unlawful practices. O.R.S. § 646.638(1); O.R.S. § 646.638(8)(c); O.R.S. § 646.636.

109.

The balance of the equities favors the entry of permanent injunctive relief against Defendant. Plaintiff DePauw, the Oregon Subclass members, and the general public will be irreparably harmed absent the entry of permanent injunctive relief against Defendant. Plaintiff DePauw, the Oregon Subclass members, and the general public lack an adequate remedy at law. A permanent injunction against Defendant is in the public's interest. Defendant's unlawful

1 behavior is ongoing as of the date of the filing of this Complaint. If not enjoined by order of this  
2 Court, Defendant will or may continue to injure Plaintiff DePauw and Oregon consumers  
3 through the misconduct alleged. Absent the entry of a permanent injunction, Defendant's  
4 unlawful behavior will not cease and, in the unlikely event that it voluntarily ceases, it is capable  
5 of repetition and is likely to reoccur.

6 110.

7 This action was brought "within one year after the discovery of the unlawful method, act  
8 or practice." O.R.S. § 646.638(6).

9 111.

10 The applicable limitations period is expansive and extends back decades based on the  
11 "discovery" rule in the UTPA at O.R.S. § 646.638(6).

12 112.

13 Plaintiff DePauw and the Oregon Subclass members did not know, and could not have  
14 known, that these reference prices and discount representations were false.

15 113.

16 Absent class members of the subclass are still not aware, at the time of the filing of this  
17 Complaint, of Defendant's false discount advertising scheme. By Defendant's design, the false  
18 advertising scheme by its very nature is hidden and difficult for the typical consumer to discover.  
19 Consumers who shop on Defendant's website do not know the true historical prices or sales  
20 histories of the Products that they have viewed and purchased. They do not know that the  
21 discounts offered are false, or that the false discounting practices extend to all of Defendant's  
22 Products. Subclass members have not discovered, and could not have reasonably discovered,  
23 Defendant's fake discounting scheme.

114.

Absent class members will learn of the scheme for the very first time upon court-ordered class notice in this case.

**Second Cause of Action:**

**Violation of California's False Advertising Law, Bus. & Prof. Code §§ 17500 *et. seq.***

**(By Plaintiff Jeremy Wilson and the California Subclass)**

115.

Plaintiff Wilson incorporates each and every factual allegation set forth above.

116.

Plaintiff Wilson brings this cause of action on behalf of himself and members of the California Subclass.

117.

Defendant has violated sections 17500 and 17501 of the California Business and Professions Code.

118.

Defendant has violated, and continues to violate, section 17500 of the Business and Professions Code by disseminating untrue and misleading advertisements to Plaintiff Wilson and California Subclass members.

119.

As alleged more fully above, Defendant advertises former prices on its website along with discounts. Defendant does this, for example, by crossing out a higher price (*e.g.*, ~~\$1995~~) and displaying it next to the discount price. Reasonable consumers would understand prices

1 denoted as “regular” prices from which time-limited discounts are calculated to denote “former”  
2 prices, i.e., the prices that Defendant charged before the time-limited discount went into effect.

3 120.

4 The prices advertised by Defendant are not Defendant’s regular prices. In fact, those  
5 prices are never Defendant’s regular prices (i.e., the price you usually have to pay to get the  
6 product in question), because there is always a heavily-advertised promotion ongoing entitling  
7 consumers to a discount. Moreover, for the same reasons, those prices were not the former  
8 prices of the Products. Accordingly, Defendant’s statements about the former prices of its  
9 Products, and its statements about its discounts from those former prices, were untrue and  
10 misleading. In addition, Defendant’s statements that its discounts “end[]” after a certain time  
11 period are false and misleading too.

12 121.

13 In addition, Defendant has violated, and continues to violate, section 17501 of the  
14 Business and Professions Code by advertising former prices that were not the prevailing market  
15 price within three months next immediately preceding the advertising. As explained above,  
16 Defendant’s advertised “regular” prices, which reasonable consumers would understand to  
17 denote former prices, were not the prevailing market prices for the Products within three months  
18 preceding publication of the advertisement. And Defendant’s former price advertisements do not  
19 state clearly, exactly, and conspicuously when, if ever, the former prices prevailed. Defendant’s  
20 advertisements do not indicate whether or when the purported former prices were offered at all.

21 122.

22 Defendant’s misrepresentations were intended to induce reliance, and Plaintiff Wilson  
23 saw, read, and reasonably relied on the statements when purchasing Defendant’s Products.  
24 Defendant’s misrepresentations were a substantial factor in Plaintiff Wilson’s purchase decision.



123.

In addition, subclass-wide reliance can be inferred because Defendant's misrepresentations were material, i.e., a reasonable consumer would consider them important in deciding whether to buy the Products.

124.

Defendant's misrepresentations were a substantial factor and proximate cause in causing damages and losses to Plaintiff Wilson and the California Subclass.

125.

Plaintiff Wilson and the California Subclass were injured as a direct and proximate result of Defendant's conduct because (a) they would not have purchased Saatva Products if they had known the truth, and/or (b) they overpaid for the Products because the Products were sold at a price premium due to the misrepresentation.

**Third Cause of Action:**

**Violation of California's Consumer Legal Remedies Act**

**(By Plaintiff Jeremy Wilson and the California Subclass)**

126.

Plaintiff Wilson incorporates each and every factual allegation set forth above.

127.

Plaintiff Wilson brings this cause of action on behalf of himself and members of the California Subclass.

128.

Plaintiff Wilson and California Subclass members are "consumers," as the term is defined by California Civil Code § 1761(d).

129.

Plaintiff Wilson and the California Subclass have engaged in “transactions” with Defendant as that term is defined by California Civil Code § 1761(e).

130.

The conduct alleged in this Complaint constitutes unfair methods of competition and unfair and deceptive acts and practices for the purpose of the CLRA, and the conduct was undertaken by Defendant in transactions intended to result in, and which did result in, the sale of goods to consumers.

131.

As alleged more fully above, Defendant made and disseminated untrue and misleading statements of facts in its advertisements to subclass members. Defendant did this by using fake regular prices, i.e., regular prices that are not the prevailing prices, and advertising fake discounts.

132.

Defendant violated, and continues to violate, section 1770 of the California Civil Code.

133.

Defendant violated, and continues to violate, section 1770(a)(5) of the California Civil Code by representing that Products offered for sale on its website have characteristics or benefits that they do not have. Defendant represents that the value of its Products is greater than it actually is by advertising inflated regular prices and fake discounts for the Products.

134.

Defendant violated, and continues to violate, section 1770(a)(9) of the California Civil Code. Defendant violates this by advertising its Products as being offered at a discount, when in fact Defendant does not intend to sell the Products at a discount.

1 135.

2 And Defendant violated, and continues to violate section 1770(a)(13) by making false or  
3 misleading statements of fact concerning reasons for, existence of, or amounts of, price  
4 reductions on its website, including by (1) misrepresenting the regular price of Products on its  
5 website, (2) advertising discounts and savings that are exaggerated or nonexistent, (3)  
6 misrepresenting that the discounts and savings are unusually large, when in fact they are  
7 regularly available, and (4) misrepresenting the reason for the sale (*e.g.*, “ST. PATRICK’S  
8 SUPER SALE,” when in fact the sale is ongoing and not limited to St. Patrick’s Day).

9 136.

10 Defendant’s representations were likely to deceive, and did deceive, Plaintiff Wilson and  
11 reasonable consumers. Defendant knew, or should have known through the exercise of  
12 reasonable care, that these statements were inaccurate and misleading.

13 137.

14 Defendant’s misrepresentations were intended to induce reliance, and Plaintiff Wilson  
15 saw, read, and reasonably relied on them when purchasing the Products. Defendant’s  
16 misrepresentations were a substantial factor in Plaintiff Wilson’s purchase decisions.

17 138.

18 In addition, subclass-wide reliance can be inferred because Defendant’s  
19 misrepresentations were material, *i.e.*, a reasonable consumer would consider them important in  
20 deciding whether to buy the Products.

21 139.

22 Defendant’s misrepresentations were a substantial factor and proximate cause in causing  
23 damages and losses to Plaintiff Wilson and the California Subclass.  
24

140.

Plaintiff Wilson and the California Subclass were injured as a direct and proximate result of Defendant's conduct because (a) they would not have purchased Saatva Products if they had known the discounts and/or regular prices were not real, (b) they overpaid for the Products because the Products were sold at a price premium due to the misrepresentation, and/or (c) they received Products with market values lower than the promised market values.

141.

Accordingly, pursuant to California Civil Code § 1780(a)(2), Mr. Wilson, on behalf of himself and all other members of the subclass, seeks injunctive relief.

142.

CLRA § 1782 NOTICE. On October 24, 2023, a CLRA demand letter was sent to Defendant Whitestone Home Furnishings' New York office, and to Defendant Whitestone Home Furnishings' California location and registered agent via Certified Mail (return receipt requested), that provided notice of Defendant's violations of the CLRA and demanded that Defendant correct the unlawful, unfair, false and/or deceptive practices alleged here. The demand letter provided notice of Defendant's violations of the CLRA and demanded that Defendant correct the unlawful, unfair, false and/or deceptive practices alleged here. Defendant does not have a California headquarters. It has been more than 30 days since Defendant received notice of its CLRA violations. In that time, it has not corrected the problem for Plaintiff Wilson or for members of the California Subclass. Accordingly, Plaintiff Wilson seeks all monetary relief available under the CLRA, including restitution, damages (including compensatory damages, expectation damages, and punitive damages), attorneys' fees, and all other forms of monetary relief available.

1 143.

2 A CLRA venue declaration is attached.

3 **Fourth Cause of Action:**

4 **Violation of California's Unfair Competition Law**

5 **(By Plaintiff Jeremy Wilson and the California Subclass)**

6 144.

7 Plaintiff Wilson incorporates each and every factual allegation set forth above.

8 145.

9 Plaintiff Wilson brings this cause of action on behalf of himself and members of the  
10 California Subclass.

11 146.

12 Defendant has violated California's Unfair Competition Law (UCL) by engaging in  
13 unlawful, fraudulent, and unfair conduct (i.e., violating each of the three prongs of the UCL).

14 ***The Unlawful Prong***

15 147.

16 Defendant engaged in unlawful conduct by violating the CLRA and FAL, as alleged  
17 above and incorporated here. In addition, Defendant engaged in unlawful conduct by violating  
18 the FTCA. The FTCA prohibits "unfair or deceptive acts or practices in or affecting commerce"  
19 and prohibits the dissemination of false advertisements. 15 U.S.C. § 45(a)(1). As the FTC's  
20 regulations make clear, Defendant's false pricing schemes violate the FTCA. 16 C.F.R. § 233.1,  
21 § 233.2.

## *The Deceptive Prong*

148.

As alleged in detail above, Defendant's representations that its Products were on sale, that the sale was limited in time, that the Products had a specific regular price, and that the customers were receiving discounts were false and misleading.

149.

Defendant's representations were misleading to Plaintiff Wilson and other reasonable consumers.

150.

Plaintiff Wilson relied upon Defendant's misleading representations and omissions, as detailed above.

## *The Unfair Prong*

151.

As alleged in detail above, Defendant committed “unfair” acts by falsely advertising that its Products were on sale, that the sale was limited in time, that the Products had a specific regular price, and that the customers were receiving discounts.

152.

Defendant violated established public policy by violating the CLRA, the FAL, and the FTCA, as alleged above and incorporated here. The unfairness of this practice is tethered to a legislatively declared policy (that of the CLRA and FAL).

153.

The harm to Plaintiff Wilson and the California Subclass greatly outweighs the public utility of Defendant's conduct. There is no public utility to misrepresenting the price of a consumer product. This injury was not outweighed by any countervailing benefits to consumers

1 or competition. Misleading consumer products only injure healthy competition and harm  
2 consumers.

3 154.

4 Plaintiff Wilson and the California Subclass could not have reasonably avoided this  
5 injury. As alleged above, Defendant's representations were deceptive to reasonable consumers  
6 like Plaintiff Wilson.

7 155.

8 Defendant's conduct, as alleged above, was immoral, unethical, oppressive,  
9 unscrupulous, and substantially injurious to consumers.

10 \* \* \*

11 156.

12 For all prongs, Defendant's representations were intended to induce reliance, and  
13 Plaintiff Wilson saw, read, and reasonably relied on them when purchasing Saatva Products.  
14 Defendant's representations were a substantial factor in Plaintiff Wilson's purchase decisions.

15 157.

16 In addition, subclass-wide reliance can be inferred because Defendant's representations  
17 were material, i.e., a reasonable consumer would consider them important in deciding whether to  
18 buy Saatva Products.

19 158.

20 Defendant's representations were a substantial factor and proximate cause in causing  
21 damages and losses to Plaintiff Wilson and California Subclass members.

22 159.

23 Plaintiff Wilson and the California Subclass were injured as a direct and proximate result  
24 of Defendant's conduct because (a) they would not have purchased Saatva Products if they had

1 known that they were not discounted, and/or (b) they overpaid for the Products because the  
2 Products were sold at the regular price and not at a discount.

3 **Fifth Cause of Action:**

4 **Breach of Contract**

5 **(By Plaintiffs and the Class)**

6 160.

7 Plaintiffs incorporate each and every factual allegation set forth above.

8 161.

9 Plaintiffs bring this cause of action on behalf of themselves and the Class. In the  
10 alternative, Plaintiff DePauw brings this cause of action on behalf of himself and the Oregon  
11 Subclass, and Plaintiff Wilson brings this cause of action on behalf of himself and the California  
12 Subclass.

13 162.

14 Plaintiffs and Class members entered into contracts with Defendant when they placed  
15 orders to purchase Products on Defendant's website.

16 163.

17 The contracts provided that Plaintiffs and Class members would pay Defendant for the  
18 Products ordered.

19 164.

20 The contracts further required that Defendant provide Plaintiffs and Class members with  
21 Products that have a former price, and a market value, equal to the regular price displayed on the  
22 website. They also required that Defendant provide Plaintiffs and the Class members with the  
23 discount advertised on the website. These were specific and material terms of the contracts.  
24



1 165.

2 The specific discounts were a specific and material term of each contract.

3 166.

4 Plaintiffs and Class members paid Defendant for the Products they ordered, and satisfied  
5 all other conditions of their contracts.

6 167.

7 Defendant breached the contracts with Plaintiffs and Class members by failing to provide  
8 Products that had a prevailing market value equal to the regular price displayed on its website,  
9 and by failing to provide the promised discounts. Defendant did not provide the discounts that  
10 Defendant had promised.

11 168.

12 As a direct and proximate result of Defendant's breaches, Plaintiffs and Class members  
13 were deprived of the benefit of their bargained-for exchange, and have suffered damages in an  
14 amount to be established at trial.

15 169.

16 Plaintiff DePauw provided Defendant with notice of this breach, by mailing a notice  
17 letter to Defendant's headquarters and registered agent, on January 18, 2024.

18 170.

19 Plaintiff Wilson provided Defendant with notice of this breach, by mailing a notice letter  
20 to Defendant's headquarters and registered agent, on October 24, 2023.



176.

Plaintiff DePauw provided Defendant with notice of this breach of warranty, by mailing a notice letter to Defendant's headquarters and registered agent, on January 18, 2024.

177.

Plaintiff Wilson provided Defendant with notice of this breach of warranty, by mailing a notice letter to Defendant's headquarters and registered agent, on October 24, 2023.

178.

Plaintiffs and the Class were injured as a direct and proximate result of Defendant's breach, and this breach was a substantial factor in causing harm, because (a) they would not have purchased Rugs.com Products if they had known that the warranty was false, or (b) they overpaid for the Products because the Products were sold at a price premium due to the warranty, and/or (c) they did not receive the Products as warranted that they were promised.

**Seventh Cause of Action:**

**Unjust Enrichment**

**(By Plaintiffs and the Class)**

179.

Plaintiffs incorporate each and every factual allegation set forth in paragraphs 1-64 and 71-80 above.

180.

Plaintiffs bring this cause of action in the alternative to their Breach of Contract claim (Count V), on behalf of themselves and the Nationwide Class. In the alternative, Plaintiff DePauw brings this cause of action on behalf of himself and the Oregon Subclass, and Plaintiff Wilson brings this cause of action on behalf of himself and the California Subclass.

1 181.

2 As alleged in detail above, Defendant's false and misleading advertising caused Plaintiffs  
3 and the Class to purchase the Products and to pay a price premium for these Products.

4 182.

5 In this way, Defendant received a direct and unjust benefit, at Plaintiffs' expense.

6 183.

7 (In the alternative only), due to Defendant's misrepresentations, its contracts with  
8 Plaintiffs are void or voidable.

9 184.

10 Plaintiffs and the Class seek restitution, and in the alternative, rescission.

11 **Eighth Cause of Action:**

12 **Negligent Misrepresentation**

13 **(By Plaintiffs and the Class)**

14 185.

15 Plaintiffs incorporate each and every factual allegation set forth above.

16 186.

17 Plaintiffs bring this cause of action on behalf of themselves and members of the Class. In  
18 the alternative, Plaintiff DePauw brings this cause of action on behalf of himself and the Oregon  
19 Subclass, and Plaintiff Wilson brings this cause of action on behalf of himself and the California  
20 Subclass.

21 187.

22 As alleged more fully above, Defendant made false representations and material  
23 omissions of fact to Plaintiffs and Class members concerning the existence and/or nature of the  
24 discounts and savings advertised on its website.

1 188.

2 These representations were false.

3 189.

4 When Defendant made these misrepresentations, it knew or should have known that they  
5 were false. Defendant had no reasonable grounds for believing that these representations were  
6 true when made.

7 190.

8 Defendant intended that Plaintiffs and Class members rely on these representations, and  
9 Plaintiffs and Class members read and reasonably relied on them.

10 191.

11 In addition, class-wide reliance can be inferred because Defendant's misrepresentations  
12 were material, i.e., a reasonable consumer would consider them important in deciding whether to  
13 buy the Products.

14 192.

15 Defendant's misrepresentations were a substantial factor and proximate cause in causing  
16 damages and losses to Plaintiffs and Class members.

17 193.

18 Plaintiffs and the Class were injured as a direct and proximate result of Defendant's  
19 conduct because (a) they would not have purchased Rugs.com Products if they had known that  
20 the representations were false, and/or (b) they overpaid for the Products because the Products  
21 were sold at a price premium due to the misrepresentation.

1 **Ninth Cause of Action:**

2 **Intentional Misrepresentation**

3 **(By Plaintiffs and the Class)**

4 194.

5 Plaintiffs incorporate each and every factual allegation set forth above.

6 195.

7 Plaintiffs bring this cause of action on behalf of themselves and members of the Class. In  
8 the alternative, Plaintiff DePauw brings this cause of action on behalf of himself and the Oregon  
9 Subclass, and Plaintiff Wilson brings this cause of action on behalf of himself and the California  
10 Subclass.

11 196.

12 As alleged more fully above, Defendant made false representations and material  
13 omissions of fact to Plaintiffs and Class members concerning the existence and/or nature of the  
14 discounts and savings advertised on its website.

15 197.

16 These representations were false.

17 198.

18 When Defendant made these misrepresentations, they knew that they were false at the  
19 time that they made them and/or acted recklessly in making the misrepresentations.

20 199.

21 Defendant intended that Plaintiffs and Class members rely on these representations and  
22 Plaintiffs and Class members read and reasonably relied on them.

1 200.

2 In addition, subclass-wide reliance can be inferred because Defendant's  
3 misrepresentations were material, i.e., a reasonable consumer would consider them important in  
4 deciding whether to buy the Products.

5 201.

6 Defendant's misrepresentations were a substantial factor and proximate cause in causing  
7 damages and losses to Plaintiffs and Class members.

8 202.

9 Plaintiffs and the Class were injured as a direct and proximate result of Defendant's  
10 conduct because (a) they would not have purchased Saatva Products if they had known that the  
11 representations were false, and/or (b) they overpaid for the Products because the Products were  
12 sold at a price premium due to the misrepresentation.

13 **Demand For Jury Trial.**

14 203.

15 Plaintiffs demand the right to a jury trial on all claims so triable.

16 **Relief.**

17 204.

18 Plaintiffs seek the following relief for themselves and the proposed Class:

- 19 • An order certifying the asserted claims, or issues raised, as a class action;
- 20 • A judgment in favor of Plaintiffs and the proposed Class;
- 21 • Damages, statutory damages, treble damages, and punitive damages where  
22 applicable;
- 23 • Restitution;

- Rescission;
- Disgorgement, and other just equitable relief;
- Pre- and post-judgment interest;
- An injunction prohibiting Defendant's deceptive conduct, as allowed by law;
- Reasonable attorneys' fees and costs, as allowed by law;
- Any additional relief that the Court deems reasonable and just.

Dated: May 23, 2024

Respectfully submitted,

By: 

Jonas Jacobson

Jonas Jacobson (OSB No. 231106)  
jonas@dovel.com  
Simon Franzini (Cal. Bar No. 287631)\*  
simon@dovel.com  
Grace Bennett (Cal Bar No. 345948)\*  
grace@dovel.com  
Dovel & Luner, LLP  
201 Santa Monica Blvd., Suite 600  
Santa Monica, CA 90401  
Tel: (310) 656-7066

Cody Hoesly (OSB No. 058260)  
choesly@bargsinger.com  
Barg Singer Hoesly PC  
121 SW Morrison St., Suite 600  
Portland, OR 97204  
Tel: (503) 241-3311

*Attorneys for Plaintiffs*

\* *Pro Hac Vice* application forthcoming



1  
2  
3  
4 **IN THE CIRCUIT COURT OF THE STATE OF OREGON**  
5 **FOR THE COUNTY OF MULTNOMAH**

6 RYAN DEPAUW and JEREMY WILSON,  
7 each individually and on behalf of all others  
8 similarly situated,

9 *Plaintiffs,*

10 v.

11 WHITESTONE HOME FURNISHINGS,  
12 LLC,

13 *Defendant.*  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

Case No.

**JEREMY WILSON'S CLRA VENUE  
DECLARATION**

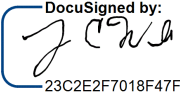
1 I, Jeremy Wilson, declare as follows:

2 1. I am a named Plaintiff in this action.

3 2. In July 2023, I purchased a Saatva product from Defendant's website,  
4 www.saatva.com, while living in Rescue, California.

5 3. I understand that, because Defendant conducts business in Oregon by selling its  
6 products there, this a proper place to bring my California Consumer Legal Remedies Act claim.

7 I declare under penalty of perjury under the laws of the United States of America and the  
8 State of Oregon that the foregoing is true and correct to the best of my knowledge.

9   
10 Signature: 23C2E2F7018F47F...  
Jeremy Wilson

11 Dated: 5/10/2024