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8 *Attorney for Plaintiff and Proposed Class*

9 **UNITED STATES DISTRICT COURT**
10 **EASTERN DISTRICT OF CALIFORNIA**
11 **SACRAMENTO DIVISION**

12 **LISA CARLTON and LORIEN**
13 **TERWILLIGER**, on behalf of themselves and
14 all others similarly situated,

15 Plaintiffs,

16 v.

17 **CABA DESIGN CORP.**,

18 Defendant.

19 Case No. 2:24-at-1396

20 **CLASS ACTION COMPLAINT**

21 FOR DAMAGES, INJUNCTIVE
22 RELIEF, AND EQUITABLE RELIEF
23 FOR:

- 24 1. BREACH OF EXPRESS CONTRACT;
- 25 2. BREACH OF IMPLIED CONTRACT;
- 26 3. BREACH OF EXPRESS WARRANTY;
- 27 4. BREACH OF IMPLIED WARRANTY;
- 28 5. QUASI-CONTRACT/UNJUST ENRICHMENT;
6. INTENTIONAL MISREPRESENTATION;
7. NEGLIGENT MISREPRESENTATION;
8. CALIFORNIA'S FALSE ADVERTISING LAW
9. CALIFORNIA'S UNFAIR COMPETITION LAW; AND
10. CALIFORNIA'S CONSUMER LEGAL REMEDIES ACT.

DEMAND FOR JURY TRIAL

1 Lisa Carlton and Lorien Terwilliger (“Plaintiffs”), through their attorneys, individually
2 and on behalf of all others similarly situated, bring this Class Action Complaint against Defendant
3 CABA Design Corp. (“CABA Design” or “Defendant”), and its present, former, or future direct
4 and indirect parent companies, subsidiaries, affiliates, agents, and/or other related entities.
5 Plaintiffs allege the following on information and belief—except as to their own actions,
6 counsel’s investigations, and facts of public record.

7 NATURE OF ACTION

8 1. Defendant designs, manufactures, distributes, advertises, and sells home furniture
9 and accessories to consumers in the United States.¹

10 2. Unfortunately for consumers, Defendant has a toolbox of deceptive advertising
11 tactics that it uses to mislead consumers and increase profits. This class action arises from
12 Defendant’s sweeping use of deceptive advertising practices which broadly violate federal and
13 California law.

14 3. Plaintiffs are consumers of Defendant. They suffered economic injury when they
15 purchased products from Defendant in reliance on Defendant’s deceptive advertising.

16 4. Now, Plaintiffs bring this class action on behalf of themselves, and all others
17 (“Class Members”) harmed by Defendant’s misconduct.

18 PARTIES

19 5. Plaintiff, Lisa Carlton, is a natural person and citizen of Virginia where she intends
20 to remain.

21 6. Plaintiff, Lorien Terwilliger, is a natural person and citizen of Michigan where she
22 intends to remain.

23 7. Defendant, CABA Design Corp., is a stock corporation incorporated in Delaware
24 and with its principal place of business at 2561 Mercantile Drive, Rancho Cordova, California
25 95742.

26 _____
27 ¹ *About Us*, CABA DESIGNS, <https://www.cabadesign.co/home/#aboutus> (last visited Oct. 22,
28 2024).

1 **JURISDICTION AND VENUE**

2 8. This Court has subject matter jurisdiction over this action under the Class Action
3 Fairness Act, 28 U.S.C. § 1332(d)(2). The amount in controversy exceeds \$5 million, exclusive
4 of interest and costs. Plaintiffs and Defendant are citizens of different states. And there are over
5 100 putative Class Members.

6 9. This Court has personal jurisdiction over Defendant because it is headquartered in
7 California, regularly conducts business in California, and has sufficient minimum contacts in
8 California.

9 10. Venue is proper in this Court because Defendant’s principal office is in this
10 District, and because a substantial part of the events, acts, and omissions giving rise to Plaintiffs’
11 claims occurred in this District.

12 **BACKGROUND**

13 ***Deceptive Advertising Misleads Reasonable Consumers***

14 11. Simply put, “advertising affects consumer behavior and drives revenue.”² In
15 particular, advertising ***discounts*** is a major way that businesses sway consumer behavior.³

16 12. In 2024, the Harvard Business Review reported that “discounts were a major factor
17 for ***three out of four*** U.S. online shoppers in 2023, luring consumers away from shopping at other
18 retailers, getting them to increase their basket size, and convincing them to make purchases they
19 otherwise wouldn’t.”⁴

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24 ² Wes Nichols, *Advertising Analytics 2.0*, HARVARD BUSINESS REVIEW (March 2013)
25 <https://hbr.org/2013/03/advertising-analytics-20>.

26 ³ Dinesh Gauri et al., *Research: Smaller, More Precise Discounts Could Increase Your Sales*,
27 HARVARD BUSINESS REVIEW (June 7, 2024) <https://hbr.org/2024/06/research-smaller-more-precise-discounts-could-increase-your-sales>.

⁴ *Id.* (emphasis added).

1 13. As a result, retailers “employ[] various tactics to increase the perceived size of a
2 discount.”⁵ For example, “[s]horter discount durations incentivize consumers to take advantage
3 of the deal while they can, increasing purchase intentions.”⁶

4 14. Similarly, in 2024, the banking and financial services firm Capital One released a
5 report on American consumers titled “Discount Marketing Statistics.”⁷ Therein, Capital One
6 reported that:

- 7 a. “67% of U.S. consumers have made a purchase they weren’t planning on
8 after being offered a discount.”⁸
- 9 b. “54% of consumers can be influenced by discounts to make an impulse
10 purchase; 46% can be influenced to change their planned purchase.”⁹
- 11 c. “35% of shoppers buy more than they normally would when a discount is
12 available.”¹⁰
- 13 d. “67% of shoppers change their shopping behavior based on discounts.”¹¹
- 14 e. “80% of American shoppers would be open to purchasing from a brand for
15 the first time if offered a discount.”¹²
- 16 f. “87% of consumers reported that a discount would most strongly motivate
17 them not to abandon a digital shopping cart, more than any other
18 incentive[.]”¹³
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21 ⁵ *Id.*

22 ⁶ *Id.*

23 ⁷ *Discount Marketing Statistics*, CAPITAL ONE SHOPPING RESEARCH (April 9, 2024)

24 [https://capitaloneshopping.com/research/discount-
25 statistics/#:~:text=Discounts%20are%20a%20major%20factor,higher%20than%20any%20other
26 %20factor.20than%20any%20other%20factor.](https://capitaloneshopping.com/research/discount-statistics/#:~:text=Discounts%20are%20a%20major%20factor,higher%20than%20any%20other%20factor.20than%20any%20other%20factor.)

27 ⁸ *Id.*

28 ⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

1 g. “93% of U.S. consumers would make repeat purchases from a brand that
2 offers good discounts; 48% of Americans avoid brands that don’t.”¹⁴

3 15. However, not all discounts are created equally.¹⁵ In 2023, the Washington Post
4 aptly explained “[i]t’s not hard to find a deal right now; the challenge is knowing *whether it’s*
5 *real*.”¹⁶

6 16. Today, “many markdowns are not what they seem” because predatory businesses
7 employ “deceptive pricing” strategies to trick consumers.¹⁷ Notably, “deceptive pricing” is
8 known by several other names, such as “false sales,” “fake discounts,” “bogus discounts,”
9 “fictitious prices,” and “phantom discounts.”¹⁸

10 17. Predatory businesses use fake discounts “to trick shoppers into thinking they’re
11 getting a better price than usual.”¹⁹ For example, a retailer may “rais[e] the price on a particular
12 item—say a flat-screen TV—for a short period, only to mark it down to the original price while
13 marketing it as a limited-time, steep discount.”²⁰

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17 ¹⁴ *Id.*

18 ¹⁵ Jaclyn Peiser, *A common, illegal tactic retailers use to lure consumers*, WASHINGTON POST
19 (November 21, 2023, at 7:00 a.m. EST) <https://www.washingtonpost.com/business/2023/11/21/fake-sale-deceptive-pricing> (emphasis
20 added).

21 ¹⁶ *Id.*

22 ¹⁷ *Id.*

23 ¹⁸ See e.g., Richard Staelin et al., *The Power of Revealing True Prices*, AMERICAN MARKETING
24 ASSOCIATION (May 2, 2023) <https://www.ama.org/2023/05/02/battling-deceptive-pricing-how-revealing-the-true-normal-price-can-protect-consumers/>; Jonathan Stempel, *Judge certifies class
25 action over J.C. Penney phantom discounts*, REUTERS (May 19, 2025, 2:44 PM CDT)
26 [https://www.reuters.com/article/business/judge-certifies-class-action-over-jc-penney-phantom-
27 discounts-idUSKBN00421L/](https://www.reuters.com/article/business/judge-certifies-class-action-over-jc-penney-phantom-discounts-idUSKBN00421L/); Kevin Brasler and Andrea Densmore, *Sale Prices Are Rarely Real
28 Deals*, CONSUMERS CHECKBOOK (October 2022) [https://www.checkbook.org/washington-
area/sale-fail/](https://www.checkbook.org/washington-area/sale-fail/).

¹⁹ Jaclyn Peiser, *A common, illegal tactic retailers use to lure consumers*, WASHINGTON POST
(November 21, 2023, at 7:00 a.m. EST) <https://www.washingtonpost.com/business/2023/11/21/fake-sale-deceptive-pricing/>.

²⁰ *Id.*

1 18. However, fake discounts are sometimes “more brazen, involving products *never*
2 *actually listed at the full price* and only appearing with a supposed markdown.”²¹

3 19. Jie Zhang, professor of marketing at the University of Maryland, explained that
4 fake discounts occur “pretty often” because “it’s hard for consumers to detect.”²² Such discounts
5 are effective because “[m]any people find it energizing and exciting to land a good deal—and
6 retailers take advantage of this.”²³ Moreover, “[s]hoppers also are more motivated to buy if they
7 feel a sense of urgency, scarcity or exclusivity[.]”²⁴ Therein, Zhang noted that fake discounts have
8 “a very strong and robust effect, so I’m not surprised those retailers actually resorting to this
9 tactic, because time and time again it works.”²⁵

10 20. Similarly, Luc Wathieu, professor of marketing at Georgetown University,
11 remarked that “[a]s consumers, we don’t know what the right price should be, so we use cues in
12 the environment to determine whether the price that we have in front of us is advantageous.”²⁶
13 Thus, fake discounts impact consumers because they “project[] quality.”²⁷ For example, offering
14 “a sweater that is worth \$80 . . . for \$40” convinces consumers that they “are getting a good deal
15 on something that’s normally expensive.”²⁸

16 ***Federal and California Statutory Law Prohibit Deceptive Advertising***

17 21. Section 5 of the FTC Act provides that “[u]nfair methods of competition in or
18 affecting commerce, and unfair or deceptive acts or practices in or affecting commerce, are hereby
19 declared unlawful.” 15 U.S.C. § 45(a).

20 22. Furthermore, § 52 specifically prohibits the “Dissemination of false
21 advertisements” and provides that:
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23 ²¹ *Id.* (emphasis added).

24 ²² *Id.*

25 ²³ *Id.*

26 ²⁴ *Id.*

27 ²⁵ *Id.*

28 ²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

- 1 a. “It shall be unlawful for any person, partnership, or corporation to
2 disseminate, or cause to be disseminated, any false advertisement[;]” and
3 b. “The dissemination or the causing to be disseminated of any false
4 advertisement within the provisions of subsection (a) of this section shall
5 be an unfair or deceptive act or practice in or affecting commerce within
6 the meaning of section 45 of this title.” *Id.* § 52.

7 23. California’s Unfair Competition Law (“UCL”) broadly prohibits “unlawful, unfair
8 or fraudulent business act[s] or practice[s] and unfair, deceptive, untrue or misleading
9 advertising[.]” Cal. Bus. & Prof. Code § 17200.

10 24. California’s False Advertising Law (“FAL”) broadly prohibits “any person, firm,
11 corporation or association . . . to make or disseminate or cause to be made or disseminated before
12 the public in this state, or . . . from this state before the public in any state . . . any statement,
13 concerning that real or personal property . . . or concerning any circumstance or matter of fact
14 connected with the proposed performance or disposition thereof, which is untrue or misleading[.]”
15 Cal. Bus. & Prof. Code § 17500.

16 25. Critically, FAL § 17501 prohibits “fake former prices” and provides that “[n]o
17 price shall be advertised as a former price of any advertised thing, ***unless the alleged former price***
18 ***was the prevailing market price as above defined within three months*** next immediately
19 preceding the publication of the advertisement or unless the date when the alleged former price
20 did prevail is clearly, exactly and conspicuously stated in the advertisement.” *Id.* § 17501
21 (emphasis added).

22 26. California’s Consumer Legal Remedies Act (“CLRA”) provides that “[t]he unfair
23 methods of competition and unfair or deceptive acts or practices listed in this subdivision
24 undertaken by any person in a transaction intended to result or that results in the sale or lease of
25 goods or services to any consumer are unlawful[.]” Cal. Civ. Code § 1770(a). As such, the CLRA
26 prohibits the following.

- 27 a. “Passing off goods or services as those of another.” *Id.* § 1770(a)(1).

- 1 b. “Representing that goods or services have sponsorship, approval,
2 characteristics, ingredients, uses, benefits, or quantities that they do not
3 have[.]” *Id.* § 1770(a)(5).
- 4 c. “Representing that goods or services are of a particular standard, quality,
5 or grade, or that goods are of a particular style or model, if they are of
6 another.” *Id.* § 1770(a)(7).
- 7 d. “Advertising goods or services with intent not to sell them as advertised.”
8 *Id.* § 1770(a)(9).
- 9 e. “Making false or misleading statements of fact concerning reasons for,
10 existence of, or amounts of, price reductions.” *Id.* § 1770(a)(13).

11 ***FTC Guidance on Dark Patterns & Deceptive Pricing***

12 27. In recent years, the FTC has issued guidance about “dark patterns” which are
13 “design practices that trick or manipulate users into making choices they would not otherwise
14 have made and that may cause harm.”²⁹ In other words, dark patterns “take advantage of
15 consumers’ cognitive biases to steer their conduct or delay access to information needed to make
16 fully informed decisions” and “[r]esearch shows that dark patterns are highly effective at
17 influencing consumer behavior.”³⁰

18 28. Notably, the FTC has suggested that such “dark patterns” can be “deceptive or
19 unfair business practices” that “violate the FTC Act . . . or other statutes and regulations enforced
20 by the FTC.”³¹

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25 ²⁹ *Bringing Dark Patterns to Light*, FTC (Sept. 2022)
26 https://www.ftc.gov/system/files/ftc_gov/pdf/P214800%20Dark%20Patterns%20Report%209.14.2022%20-%20FINAL.pdf.

27 ³⁰ *Id.* at 2.

28 ³¹ *Id.* at 1, 20.

29. As relevant here, the FTC warned against the following types of dark patterns in its report titled “Bringing Dark Patterns to Light” (a screenshot of the table in Appendix A of the report is reproduced below).³²

SCARCITY	False Low Stock Message	Creating pressure to buy immediately by saying inventory is low when it isn't <i>Example: “Only 1 left in stock – order soon”</i>
	False High Demand Message	Creating pressure to buy immediately by saying demand is high when it isn't <i>Example: “20 other shoppers have this item in their cart”</i>
URGENCY	Baseless Countdown Timer	Creating pressure to buy immediately by showing a fake countdown clock that just goes away or resets when it times out <i>Example: “Offer ends in 00:59:48”</i>
	False Limited Time Message	Creating pressure to buy immediately by saying the offer is good only for a limited time or that the deal ends soon – but without a deadline or with a meaningless deadline that just resets when reached
	False Discount Claims	Creating pressure to buy immediately by offering a fake “discounted” or “sale” price

30. Indeed, the FTC provides specific guidance against deceptive pricing—codified as the FTC Guides Against Deceptive Pricing (“FTC Guides”), 16 C.F.R. §§ 233 *et seq.* In the “Former price comparisons” section, the FTC declares that if “the former price being advertised is not bona fide but fictitious—for example, where an artificial, inflated price was established for the purpose of enabling the subsequent offer of a large reduction—the ‘bargain’ being advertised is a false one; the purchaser is not receiving the unusual value he expects.” *Id.* § 233.1(a). Similarly, the FTC warns that retailers “should not . . . make a ‘limited’ offer which, in fact, is not limited.” *Id.* § 233.5.

31. For example, such “fictitious price comparisons” occur when “[a]n advertiser might use a price at which he never offered the article at all; he might feature a price which was not used

³² *Id.* at 21–22.

1 in the regular course of business, or which was not used in the recent past but at some remote
2 period in the past, without making disclosure of that fact; he might use a price that was not openly
3 offered to the public, or that was not maintained for a reasonable length of time, but was
4 immediately reduced.” *Id.* § 233.1(d).

5 32. In sum, the FTC’s guidance reaffirms that deceptive advertising (i.e., dark
6 patterns) mislead reasonable consumers because representations of “scarcity” and “urgency” are
7 material to reasonable consumers when deciding whether to purchase (or not purchase) any given
8 product.

9 ***Defendant Sells Home Furniture & Accessories***

10 33. Defendant designs, manufactures, distributes, advertises, and sells home furniture
11 and accessories to consumers in the United States.³³

12 34. Defendant is headquartered in California and has declared that “[w]e design all of
13 our products on-site in Northern California” and that “[o]ver 90% of our product-related expenses
14 are incurred in the USA, primarily in California, where we design, manufacture, and package
15 orders.”³⁴

16 35. Notably, Defendant is backed by several sophisticated investment firms including
17 RPS Ventures, Homebrew, Alpha Edison, Parade Ventures, Founder Collective, Operator, Data
18 Point Capital, and The Fund.³⁵

19 36. Here, Defendant sells its products under various names including Inside Weather,
20 Chicory, Numi, Diorama, Jackfruit, Sillou, and Anabei.³⁶

21 37. Like an ice cream shop, Defendant sells different flavors of its products. For
22 example, an ice cream shop may sell scoops of “Rocky Road” and “Raspberry Cheesecake.” Here,
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24 ³³ *About Us*, CABA DESIGNS, <https://www.cabadesign.co/home/#aboutus> (last visited Oct. 22,
25 2024).

26 ³⁴ *General Information*, ANABEI, [https://anabei.gorgias.help/en-US/articles/general-information-
63653](https://anabei.gorgias.help/en-US/articles/general-information-63653) (last visited Oct. 22, 2024).

27 ³⁵ *Id.*

28 ³⁶ *Our Brands*, CABA DESIGNS, <https://www.cabadesign.co/brands> (last visited Oct. 22, 2024).

1 Defendant sells a “Modular Performance 2-Seater” sofa under the brand name “Anabei,”³⁷ but
2 also a substantially similar “Modular Bondi Latte 2-Seater” sofa under the brand name “Inside
3 Weather.”³⁸

4 38. Thus, while Defendant sells different flavors of furniture and related accessories,
5 all of Defendant’s products are “substantially similar” as a matter of law.

6 39. Indeed, Defendant’s different flavors of home furniture and accessories are
7 substantially similar because Defendant’s home furniture and accessories: (i) are targeted toward
8 substantially similar audience of residential consumers; (ii) have a substantially similar intended
9 purpose of being home-oriented furniture (iii) are constructed of substantially similar materials
10 such as wood and fabric; (iv) share substantially similar designs; (v) are designed in a substantially
11 similar method by Defendant at its corporate headquarters at 2561 Mercantile Drive, Rancho
12 Cordova, California 95742; (vi) are manufactured in a substantially similar method and/or at a
13 substantially similar location as overseen by Defendant from its corporate headquarters in Rancho
14 Cordova, California; and/or (vii) are marketed using substantial similar advertising methods that
15 are created, approved, and/or overseen by Defendant from its corporate headquarters in Rancho
16 Cordova, California

17 40. However, the most critical “substantial similarity” that unites all of Defendant’s
18 products is Defendant’s *across the board use* of deceptive advertising methods for all its products.

19 ***Defendant Engages in Deceptive Advertising***

20 41. Defendant has engaged in deceptive advertising since at least 2022.³⁹ As explained
21 *infra*, archival screenshots of Defendant’s website from 2022 also contain the types of deceptive
22 advertising alleged herein. Furthermore, Defendant *continues* to engage in deceptive advertising.
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24 ³⁷ *Modular Performance 2-Seater*, ANABEI, [https://anabei.com/products/modular-performance-2-](https://anabei.com/products/modular-performance-2-seater-plush-weave-ash)
25 [seater-plush-weave-ash](https://anabei.com/products/modular-performance-2-seater-plush-weave-ash) (last visited Oct. 22, 2024).

26 ³⁸ *Modular Bondi Latte 2-Seater*, INSIDE WEATHER, [https://insideweather.com/products/modular-](https://insideweather.com/products/modular-bondi-latte-2-seater-sofa-in-smoke-classic-blend)
27 [bondi-latte-2-seater-sofa-in-smoke-classic-blend](https://insideweather.com/products/modular-bondi-latte-2-seater-sofa-in-smoke-classic-blend) (last visited Oct. 22, 2024).

28 ³⁹ *Home Page*, INSIDE WEATHER (April 29, 2022),
<https://web.archive.org/web/20220429192405/https://insideweather.com>.

1 42. On information and belief, Defendant’s deceptive advertising emanates from
2 California because Defendant’s headquarters is located at 2561 Mercantile Drive, Rancho
3 Cordova, California 95742. And on information and belief, in Defendant’s Rancho Cordova,
4 California office, Defendant created, approved, and oversaw the deceptive advertising including
5 the false low stock messages, baseless countdown timers, false limited time messages, and false
6 discount claims for each of its brands. In other words, Defendant’s headquarters in California
7 oversaw the conduct that led to violations of California statutory law.

8 43. Defendant engages in numerous forms of deceptive advertising. And Defendant
9 made false and deceptive statements about the existence of price reductions, the reasons for price
10 reductions, the duration of price reductions, and the amount of price reductions.

11 44. In particular, Defendant uses the following methods of deceptive advertising to
12 mislead Plaintiffs and Class Members regarding all of Defendant’s products. And on information
13 and belief, for any given product, Defendant’s deceptive advertisements remain consistent over
14 time.

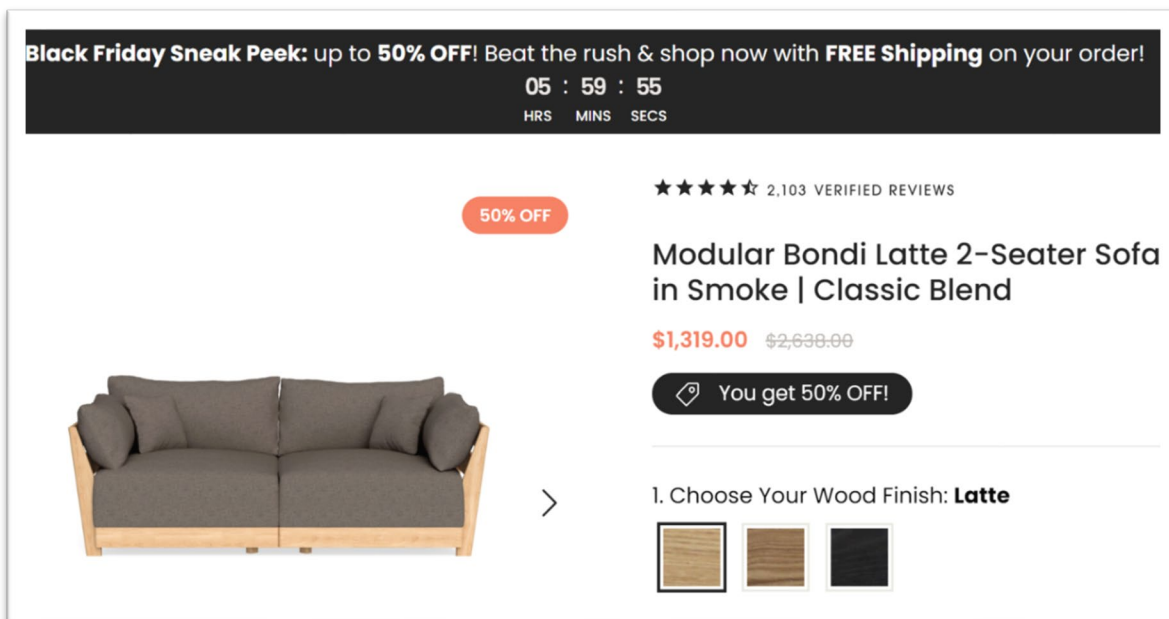
15 45. ***False Low Stock Messages.*** As shown *infra*, Defendant uses false low stock
16 messages to mislead Plaintiffs and Class Members (e.g., “Only 11 left!”). Such false low stock
17 messages are fraudulent because Defendant always provides similar low stock messages
18 (irrespective of the actual stock available for any given product). In other words, the low stock
19 messages do not accurately represent the actual stock available.

20 46. ***Baseless Countdown Timers.*** As shown *infra*, Defendant uses baseless countdown
21 timers to mislead Plaintiffs and Class Members. Such countdown timers are fraudulent because
22 the discounts do not actually expire, and the timers simply reset after the countdown finishes.

23 47. ***False Limited Time Messages.*** As shown *infra*, Defendant uses false limited time
24 messages to deceive Plaintiffs and Class Members (e.g., “Exclusive Early Access Black Friday
25 Sale”). Such statements are fraudulent because the discounts are not actually “limited time” and
26 instead are exceedingly long lasting or even perpetual.

1 48. **False Discount Claims.** As shown *infra*, Defendant uses false discount claims to
2 mislead Plaintiffs and Class Members (e.g., “60% off” and “\$1,438.80 ~~\$2,398.00~~”). Such false
3 discount claims are fraudulent because the duration of such discounts are exceedingly long lasting
4 or even perpetual. In other words, the “original” or “strikethrough” prices are, on information and
5 belief, never offered to consumers (or are offered so infrequently to still be misleading and
6 unlawful).

7 49. For example, Defendant advertises its “Modular Bondi Espresso 2-Seater” under
8 the name “Inside Weather” as follows.⁴⁰



19 50. Defendant advertises its “Rove Loveseat” under the name “Sillou” in a
20 substantially similar manner.⁴¹

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26 ⁴⁰ *Modular Bondi Latte 2-Seater*, INSIDE WEATHER, <https://insideweather.com/products/modular-bondi-latte-2-seater-sofa-in-smoke-classic-blend> (last visited Oct. 22, 2024).

27 ⁴¹ *Rove Loveseat*, SILLOU, <https://sillou.com/products/rove-loveseat-in-charcoal-woven> (last visited Oct. 22, 2024).

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Early Access: **Black Friday** starts NOW | up to **70% OFF** + **FREE** Shipping 05 : 59 : 27
HRS MINS SECS

50% OFF

Rove Loveseat in Charcoal Woven

Sale **\$1,312** reg. \$2,624

You save 50% OFF!

Fabric Color: Charcoal

6 in stock

12 51. Defendant advertises its “Modular Outdoor Washable 2-Seater” under the name
13 “Chicory” in a substantially similar manner.⁴²

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EXCLUSIVE: Early Access Black Friday Sale | Save up to **60% OFF** & get **FREE** shipping on all orders 05 : 58 : 57
HRS MINS SECS

40% off

★★★★★ 208 Reviews

Modular Outdoor Washable 2-Seater | Nano Slubweave in Haze Gray

\$1,438.80 ~~\$2,398.00~~

You Save 40%

26 ⁴² *Modular Outdoor Washable 2-Seater*, CHICORY, [https://chicoryhome.com/products/modular-](https://chicoryhome.com/products/modular-outdoor-washable-2-seater-nano-slubweave-in-haze-gray?variant=45300850491634)
27 [outdoor-washable-2-seater-nano-slubweave-in-haze-gray?variant=45300850491634](https://chicoryhome.com/products/modular-outdoor-washable-2-seater-nano-slubweave-in-haze-gray?variant=45300850491634) (last visited
28 Oct. 22, 2024).

1 52. Defendant advertises its “Modular 2-Seater Sofa” under the name “Diorama” in a
2 substantially similar manner.⁴³

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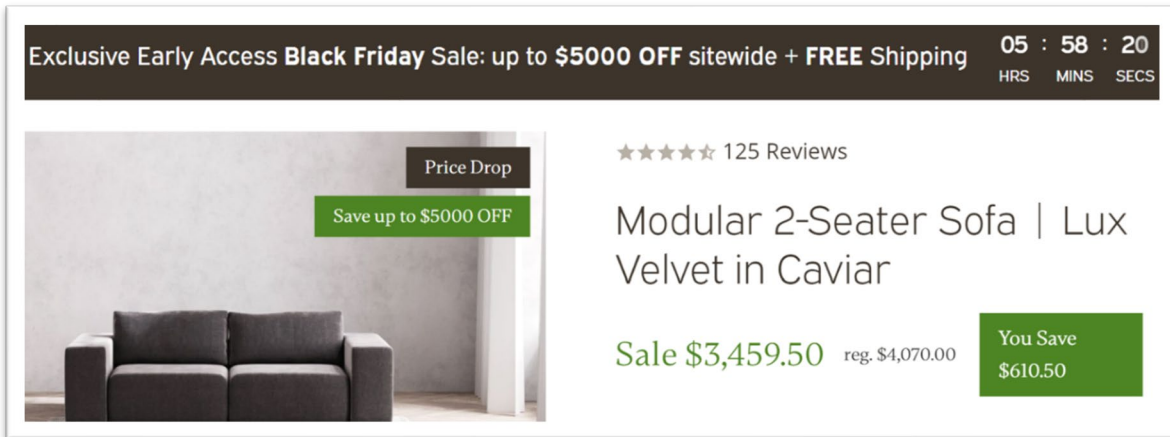
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10 53. Defendant advertises its “The Outdoor Jack 2-Seater” under the name “Jackfruit”
11 in a substantially similar manner.⁴⁴

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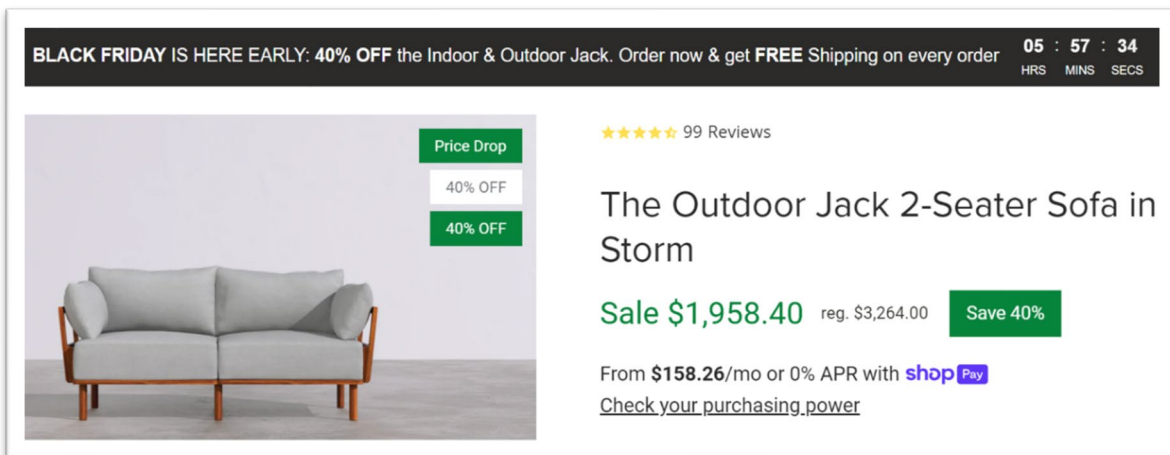
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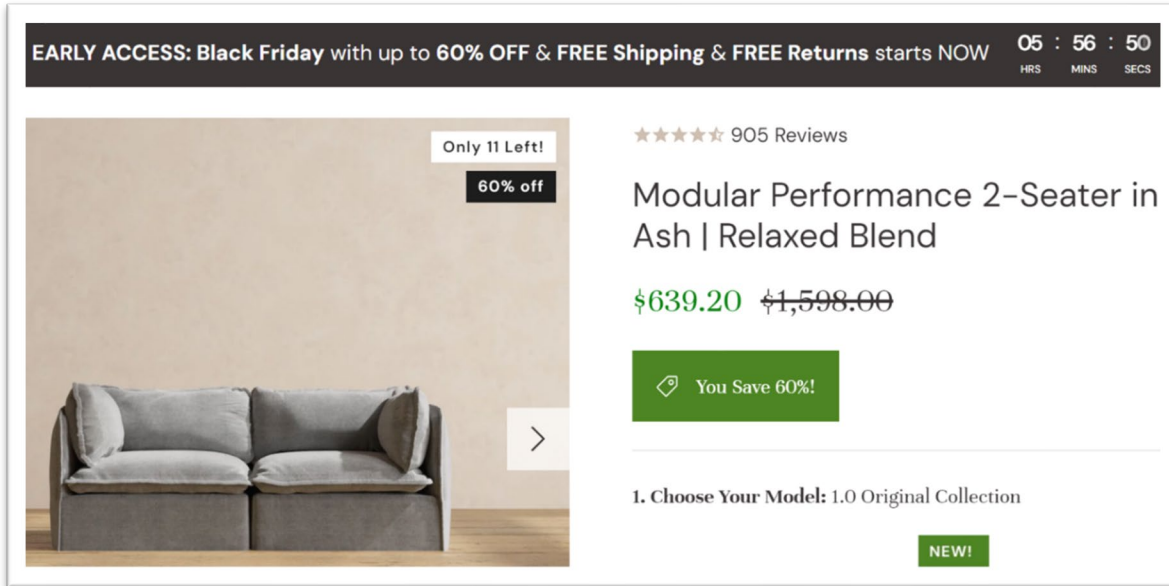
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25 ⁴³ *Modular 2-Seater Sofa*, DIORAMA, [https://dioramaliving.com/collections/2-](https://dioramaliving.com/collections/2-seaters/products/modular-2-seater-sofa-caviar?variant=43216414769367)
26 [seaters/products/modular-2-seater-sofa-caviar?variant=43216414769367](https://dioramaliving.com/collections/2-seaters/products/modular-2-seater-sofa-caviar?variant=43216414769367) (last visited Oct. 22,
2024).

27 ⁴⁴ *The Outdoor Jack 2-Seater*, JACKFRUIT, [https://jackfruitfurniture.com/products/outdoor-jack-](https://jackfruitfurniture.com/products/outdoor-jack-2-seater-sofa-in-storm?variant=44131635527988)
28 [2-seater-sofa-in-storm?variant=44131635527988](https://jackfruitfurniture.com/products/outdoor-jack-2-seater-sofa-in-storm?variant=44131635527988) (last visited Oct. 22, 2024).

1 54. Defendant advertises its “Modular Performance 2-Seater” under the name
2 “Anabei” in a substantially similar manner.⁴⁵



13 55. In fact, the countdown timers are *synced* across all of Defendant’s websites—
14 which further establishes Defendant’s uniform and across the board use of deceptive advertising.
15 After all, all of the above screenshots (which were taken at similar times) all show substantially
16 similar “countdown” times.

17 56. Unfortunately for Plaintiffs and Class Members, these examples are not isolated
18 incidents of deceptive advertising. Rather, these examples are part and parcel of Defendant’s
19 sweeping use of specific deceptive advertising methods (i.e., false low stock messages, baseless
20 countdown timers, false limited time messages, and false discount claims). Defendant uses these
21 deceptive advertising methods for *all of its brands*, including Anabei, Inside Weather, Chicory,
22 Numi, Diorama, Jackfruit, and Sillou.

23 57. As shown *infra*, Defendant uses substantially similar deceptive advertising
24 methods (i.e., false low stock messages, baseless countdown timers, false limited time messages,
25 and false discount claims) to market its products. On information and belief, Defendant uses such

26 _____
27 ⁴⁵ *Modular Performance 2-Seater*, ANABEI, <https://anabei.com/products/modular-performance-2-seater-plush-weave-ash?variant=44019333628058> (last visited Oct. 22, 2024).

1 deceptive advertising methods for all products sold under the brands Inside Weather, Chicory,
2 Numi, Diorama, Jackfruit, Sillou, and Anabei. Specific product types include, but are not limited
3 to, sofas, armchairs, ottomans, pillows, slipcovers, chairs, beds, headboards, tables, daybeds,
4 storage units, shelves, mirrors, benches, consoles, cabinets, sideboards, credenzas, vinyl record
5 tables, lighting, lamps, sconces, loveseats, and sectionals.

6 ***Defendant Uses Deceptive Advertising Methods on “Anabei.com”***

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8 58. Defendant uses deceptive advertising methods (i.e., false low stock messages,
9 baseless countdown timers, false limited time messages, and false discount claims) for its brand
10 Anabei on “anabei.com.”

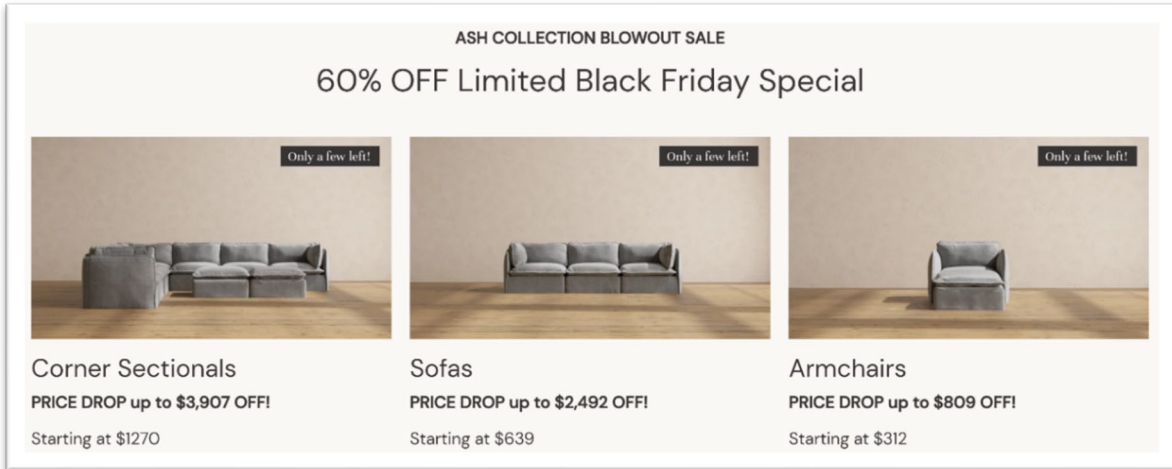
11 59. For example, on October 31, 2023, Defendant advertised “EARLY ACCESS:
12 BLACK FRIDAY SALE” and “60% OFF.”⁴⁶



19 60. Also on October 31, 2023, Defendant advertised “BLOWOUT SALE” and “60%
20 OFF Limited Black Friday Special” and “Only a few left!” and “PRICE DROP.”⁴⁷

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26 ⁴⁶ Home Page, ANABEI (Oct. 31, 2023)
<https://web.archive.org/web/20231031010355/https://anabei.com/>.

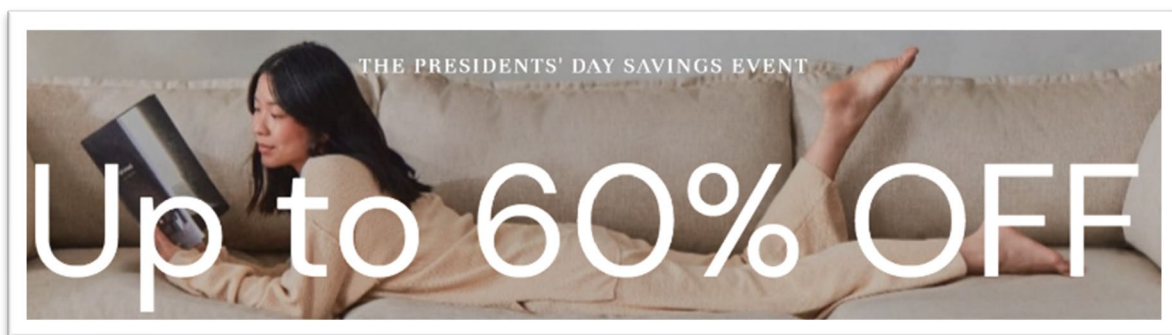
27 ⁴⁷ *Id.*



61. However, on December 14, 2023, Defendant still advertised “60% OFF” but under the guise of a “FIRST ANNUAL WINTER SALE.”⁴⁸



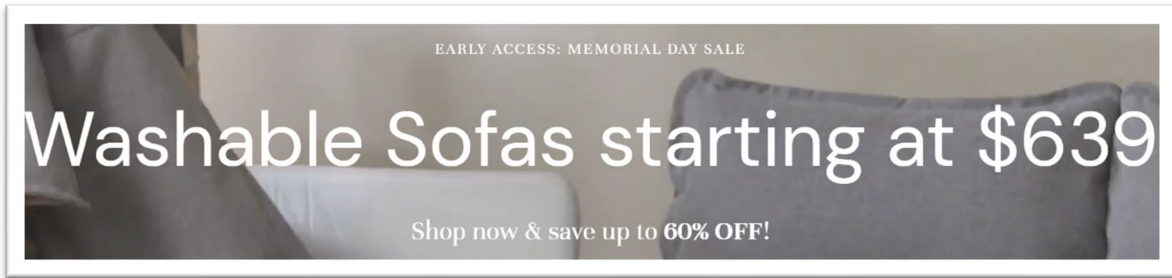
62. Again, on February 16, 2024, Defendant still advertised “60% OFF” but under the guise of a “THE PRESIDENTS’ DAY SAVINGS EVENT.”⁴⁹



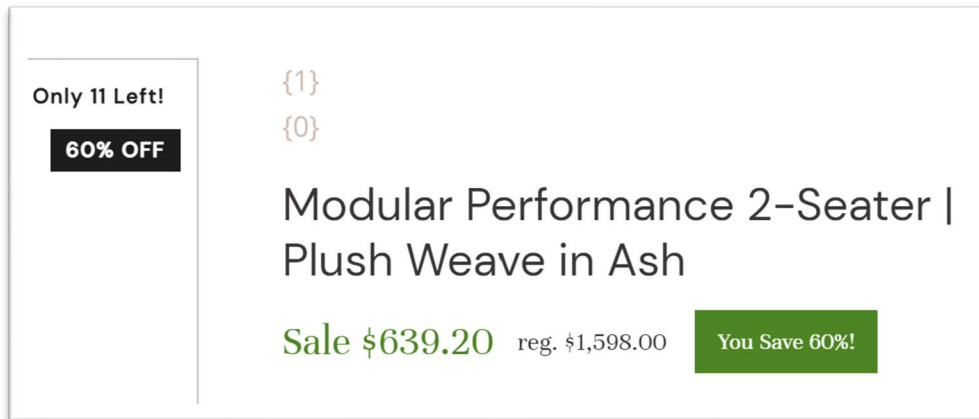
⁴⁸ Home Page, ANABEI (Dec. 14, 2023) <https://web.archive.org/web/20231214045854/https://anabei.com/>.

⁴⁹ Home Page, ANABEI (Feb. 16, 2024) <https://web.archive.org/web/20240216032852/https://anabei.com/>

63. And again, on May 11, 2024, Defendant still advertised “60% OFF” but under the guise of an “EARLY ACCESS: MEMORIAL DAY SALE.”⁵⁰



64. Additionally, for any given Anabei product, Defendant’s advertisements remain consistent over time. For example, on February 26, 2024, Defendant advertised its “Modular Performance 2-Seater | Plush Weave in Ash” as “60% off” and “Only 11 Left!” and “You Save 60%!” and “Sale \$639.20 reg. \$1,598.00.”⁵¹



65. However, on May 20, 2024, Defendant still advertised its “Modular Performance 2-Seater | Plush Weave in Ash” as “60% off” and “Only 11 Left!” and “You Save 60%!” and “\$639.20 \$1,598.00.”⁵²

⁵⁰ Home Page, ANABEI (May. 11, 2024)

<https://web.archive.org/web/20240511083556/https://anabei.com/>

⁵¹ Modular Performance 2-Seater | Plush Weave in Ash, ANABEI (Feb. 26, 2024)

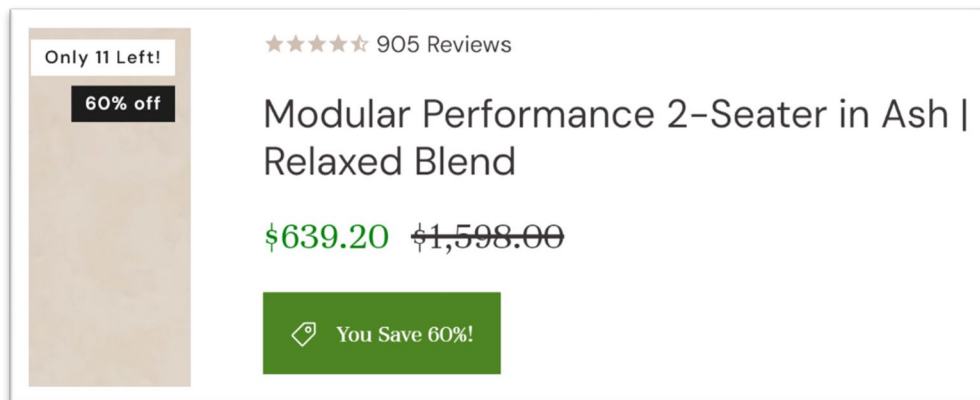
<https://web.archive.org/web/20240226050107/https://anabei.com/products/modular-performance-2-seater-plush-weave-ash>.

⁵² Modular Performance 2-Seater | Plush Weave in Ash, ANABEI (May 20, 2024)

<https://web.archive.org/web/20240226050107/https://anabei.com/products/modular-performance-2-seater-plush-weave-ash>.



66. Most recently, on October 23, 2024, Defendant still advertised its “Modular Performance 2-Seater | Plush Weave in Ash” as “60% off” and “Only 11 Left!” and “You Save 60%!” and \$639.20 ~~\$1,598.00~~.”⁵³

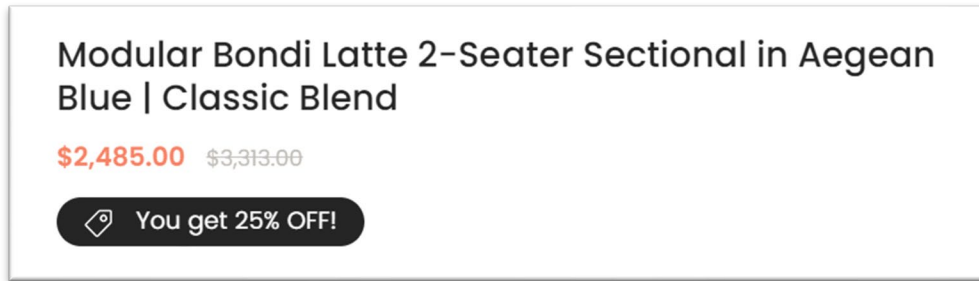


Defendant Uses Deceptive Advertising Methods for its Brand “Inside Weather”

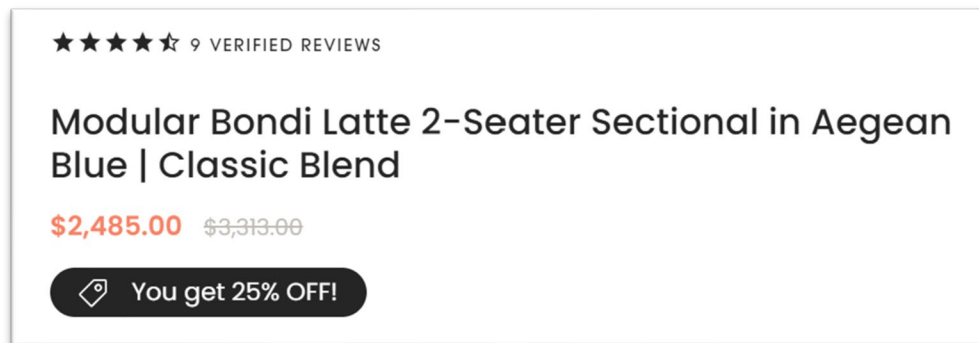
67. Defendant uses deceptive advertising methods (e.g., false low stock messages, baseless countdown timers, false limited time messages, and false discount claims) for its brand Inside Weather on “insideweather.com.” Additionally, for any given Inside Weather product, Defendant’s advertisements remain consistent over time. For example, on June 13, 2024,

⁵³ *Modular Performance 2-Seater | Plush Weave in Ash*, ANABEI, <https://anabei.com/products/modular-performance-2-seater-plush-weave-ash> (last visited Oct. 23, 2024).

1 Defendant advertised its “Modular Bondi Latte 2-Seater Sectional in Aegean Blue | Classic
2 Blend” as “You get 25% off” and “\$2,485.00 ~~\$3,313.00~~.”⁵⁴



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8 68. However, on October 31, 2024, Defendant still advertised its “Modular Bondi
9 Latte 2-Seater Sectional in Aegean Blue | Classic Blend” as “You get 25% off” and “\$2,485.00
10 ~~\$3,313.00~~.”⁵⁵



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18 ***Defendant Uses Deceptive Advertising Methods for its Brand “Chicory”***

19 69. Defendant uses deceptive advertising methods (e.g., false low stock messages,
20 baseless countdown timers, false limited time messages, and false discount claims) for its brand
21 Chicory on “chicoryhome.com.” For example, on May 29, 2024, Defendant advertised “THE

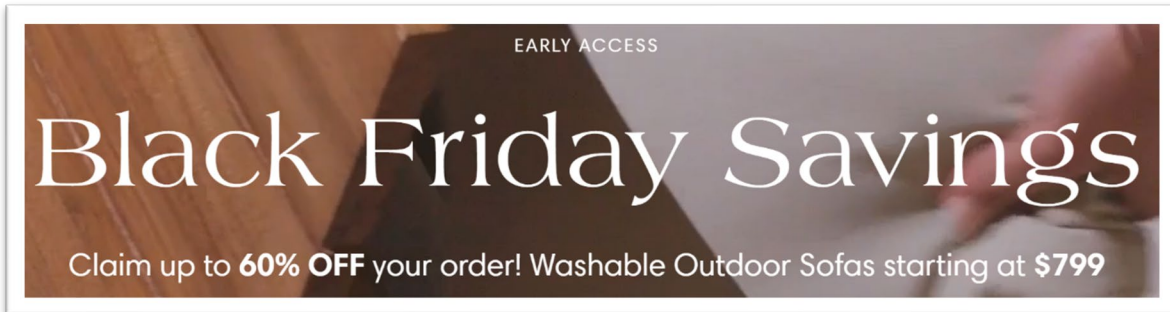
22
23
24 ⁵⁴ *Modular Bondi Latte 2-Seater Sectional in Aegean Blue | Classic Blend*, INSIDE WEATHER
(June 13, 2024)
25 [https://web.archive.org/web/20240613012547/https://insideweather.com/products/modular-](https://web.archive.org/web/20240613012547/https://insideweather.com/products/modular-bondi-latte-2-seater-sectional-in-aegean-blue-classic-blend)
26 [bondi-latte-2-seater-sectional-in-aegean-blue-classic-blend](https://web.archive.org/web/20240613012547/https://insideweather.com/products/modular-bondi-latte-2-seater-sectional-in-aegean-blue-classic-blend).

27 ⁵⁵ *Modular Bondi Latte 2-Seater Sectional in Aegean Blue | Classic Blend*, INSIDE WEATHER,
28 [https://insideweather.com/products/modular-bondi-latte-2-seater-sectional-in-aegean-blue-](https://insideweather.com/products/modular-bondi-latte-2-seater-sectional-in-aegean-blue-classic-blend)
[classic-blend](https://insideweather.com/products/modular-bondi-latte-2-seater-sectional-in-aegean-blue-classic-blend) (last visited Oct. 31, 2024).

1 BIGGEST SAVINGS OF THE YEAR” and “Memorial Day Sale Blowout” and “Claim up to
2 60% OFF while quantities last!”⁵⁶



11 70. However, on October 31, 2024, Defendant still advertised the same “60% OFF”
12 discount but under the guise of an “EARLY ACCESS Black Friday Savings” sale.⁵⁷



19 71. Additionally, for any given Chicory product, Defendant’s advertisements remain
20 consistent over time. For example, on April 24, 2024, Defendant advertised its “Modular Outdoor
21 Washable 4-Seater | Classic Canvas in Sand” as “You Save 40%!” and as “Sale \$2,373.60 reg.
22 \$3,956.00.”⁵⁸

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⁵⁶ Home Page, CHICORY (May 29, 2024)
<https://web.archive.org/web/20240529144837/https://chicoryhome.com/>.

26 ⁵⁷ Home Page, CHICORY, <https://chicoryhome.com/> (last visited Oct. 31, 2024).

27 ⁵⁸ Modular Outdoor Washable 4-Seater | Classic Canvas in Sand, CHICORY (April 24, 2024)
<https://web.archive.org/web/20240424190514/https://chicoryhome.com/products/modular-outdoor-washable-4-seater-classic-canvas-in-sand>.

1 Modular Outdoor Washable 4-Seater |
2 Classic Canvas in Sand

3 Sale \$2,373.60 reg. \$3,956.00 You Save 40%!

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6 72. However, on October 31, 2024, Defendant still advertised its “Modular Outdoor
7 Washable 4-Seater | Classic Canvas in Sand” as “You Save 40%” and “\$2,373.60 ~~\$3,956.00~~.”⁵⁹

8 Modular Outdoor Washable 4-Seater |
9 Classic Canvas in Sand

10 \$2,373.60 ~~\$3,956.00~~

11
12 You Save 40%

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14
15 ***Defendant Uses Deceptive Advertising Methods for its Brand “Numi”***

16 73. Defendant uses deceptive advertising methods (e.g., false low stock messages,
17 baseless countdown timers, false limited time messages, and false discount claims) for its brand
18 Numi on “numi.studio.” For example, on March 3, 2024, Defendant advertised “30% OFF YOUR
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26 ⁵⁹ *Modular Outdoor Washable 4-Seater | Classic Canvas in Sand*, CHICORY,
27 <https://chicoryhome.com/products/modular-outdoor-washable-4-seater-classic-canvas-in-sand>
(last visited Oct. 31, 2024).

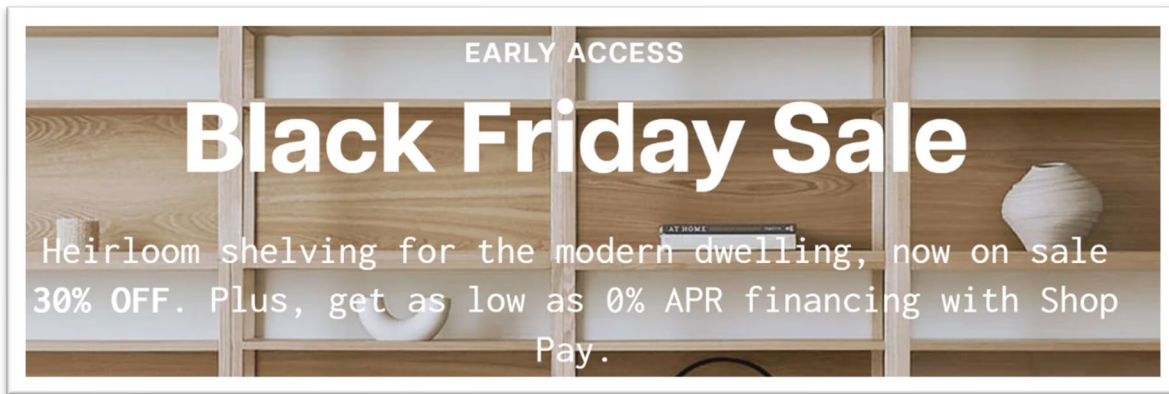
1 ORDER CONTINUES” and “Presidents’ Day Sale” and “Shop our Annual Presidents’ Day
2 Savings Event today & get 30% OFF modular shelving.”⁶⁰

3 30% OFF YOUR ORDER CONTINUES

4 **Presidents' Day Sale**

5 Shop our Annual Presidents' Day Savings Event today & get **30% OFF** modular shelving.
6

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8 74. However, on October 31, 2024, Defendant still advertised that its products were
9 “now on sale 30% OFF” but under the guise of an “EARLY ACCESS Black Friday Sale.”⁶¹



16 75. Additionally, for any given Numi product, Defendant’s advertisements remain
17 consistent over time. For example, on May 20, 2024, Defendant advertised its “Kobe Wood
18 Modular Shelf - 1 Unit” as “30% OFF your order!”⁶²

19
20 **30% OFF your order!**

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22 Color Kobe Walnut
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24 ⁶⁰ Home Page, NUMI (March 3, 2024)

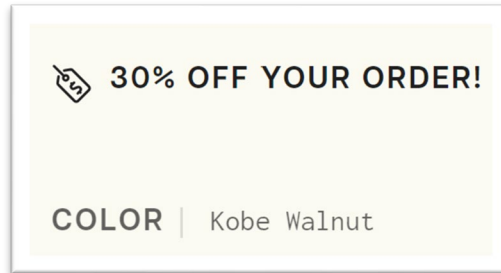
25 <https://web.archive.org/web/20240303031624/https://numi.studio/>.

26 ⁶¹ Home Page, NUMI, <https://numi.studio/> (last visited Oct. 31, 2024).

27 ⁶² Kobe Wood Modular Shelf 1 Unit, NUMI (May 20, 2024)

28 <https://web.archive.org/web/20240520035022/https://numi.studio/products/kobe-wood-modular-shelf-1-unit>.

1 76. However, on October 31, 2024, Defendant still advertised its “Kobe Wood
2 Modular Shelf - 1 Unit” as “30% OFF YOUR ORDER!”⁶³



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9 ***Defendant Uses Deceptive Advertising Methods for its Brand “Diorama”***

10 77. Defendant uses deceptive advertising methods (e.g., false low stock messages,
11 baseless countdown timers, false limited time messages, and false discount claims) for its brand
12 Diorama on “dioramaliving.com.” For example, on July 16, 2024, Defendant advertised “up to
13 \$5000 OFF Sitewide” due to a “SEMI-ANNUAL SALE.”⁶⁴



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18 78. However, on October 31, 2024, Defendant still advertised “up to \$5000 OFF your
19 order for a limited time!” but under the guise of an “EXCLUSIVE EARLY ACCESS Black Friday
20 Sale.”⁶⁵

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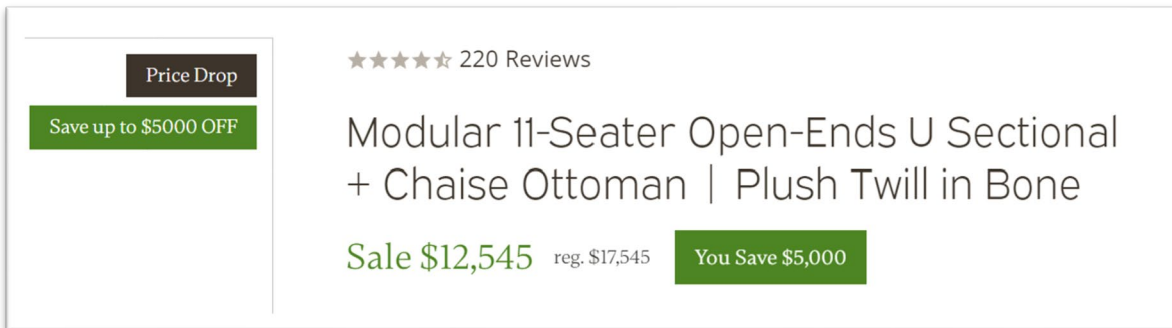
25 ⁶³ *Kobe Wood Modular Shelf 1 Unit*, NUMI, <https://numi.studio/products/kobe-wood-modular-shelf-1-unit> (last visited Oct. 31, 2024).

26 ⁶⁴ *Home Page*, DIORAMA (July 16, 2024)
<https://web.archive.org/web/20240716023331/https://dioramaliving.com/>.

27 ⁶⁵ *Home Page*, DIORAMA, <https://dioramaliving.com/> (last visited Oct. 31, 2024).



79. Additionally, for any given Diorama product, Defendant’s advertisements remain consistent over time. For example, on February 24, 2024, Defendant advertised its “Modular 11-Seater Open-Ends U Sectional + Chaise Ottoman | Plush Twill in Bone” as “Price Drop” and “You Save \$5,000” and “Sale \$12,545 reg \$17,545.”⁶⁶



80. However, on October 31, 2024, Defendant still advertised its “Modular 11-Seater Open-Ends U Sectional + Chaise Ottoman | Plush Twill in Bone” as “Price Drop” and “You Save \$5,000” and “Sale \$12,545 reg \$17,545.”⁶⁷

⁶⁶ *Modular 11-Seater Open-Ends U Sectional + Chaise Ottoman | Plush Twill in Bone*, DIORAMA, (Feb. 24, 2024)

<https://web.archive.org/web/20240224221724/https://dioramaliving.com/products/modular-11-seater-open-ends-u-sectional-chaise-ottoman-bone>.

⁶⁷ *Modular 11-Seater Open-Ends U Sectional + Chaise Ottoman | Plush Twill in Bone*, DIORAMA, <https://dioramaliving.com/products/modular-11-seater-open-ends-u-sectional-chaise-ottoman-bone> (last visited Oct. 31, 2024).

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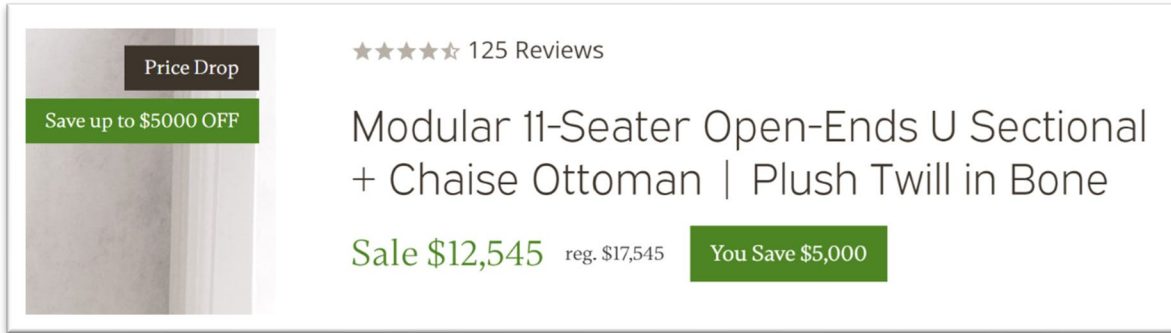
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Price Drop

★★★★☆ 125 Reviews

Save up to \$5000 OFF

Modular 11-Seater Open-Ends U Sectional
+ Chaise Ottoman | Plush Twill in Bone

Sale \$12,545 reg. \$17,545 You Save \$5,000

7 ***Defendant Uses Deceptive Advertising Methods for its Brand “Jackfruit”***

8 81. Defendant uses deceptive advertising methods (e.g., false low stock messages,
9 baseless countdown timers, false limited time messages, and false discount claims) for its brand
10 Jackfruit on “jackfruitfurniture.com.” For example, on July 30, 2024. Defendant advertised “40%
11 OFF” due to a “BEAT THE HEAT semi-annual sale.”⁶⁸

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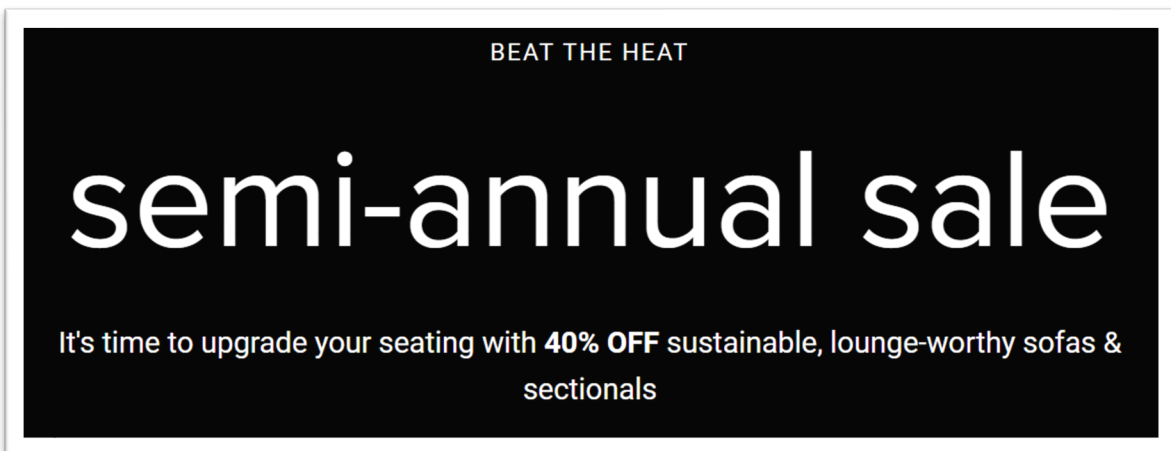
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BEAT THE HEAT

semi-annual sale

It's time to upgrade your seating with 40% OFF sustainable, lounge-worthy sofas &
sectionals

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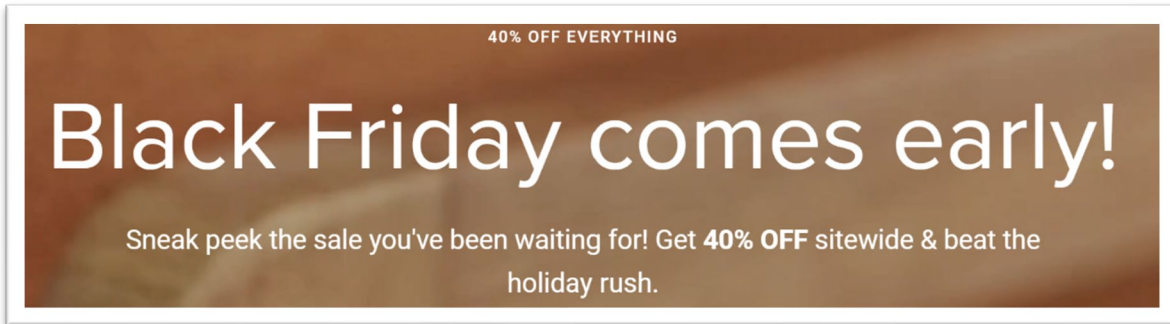
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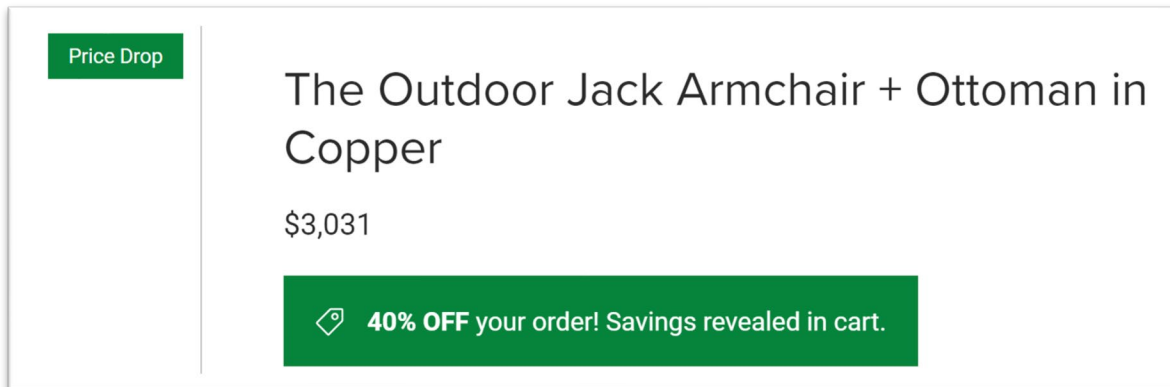
27 ⁶⁸ Home Page, JACKFRUIT, (July 30, 2024)
<https://web.archive.org/web/20240730102308/https://jackfruitfurniture.com/>.

1 82. However, on October 31, 2024, Defendant still advertised “40% OFF” but under
2 the guise of a “Black Friday comes early” sale.⁶⁹



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9 83. Additionally, for any given Jackfruit product, Defendant’s advertisements remain
10 consistent over time. For example, on December 11, 2023, Defendant advertised “The Outdoor
11 Jack Armchair + Ottoman in Copper” with “40% OFF your order!” and “Price Drop” and an
12 original price of “\$3,031.”⁷⁰



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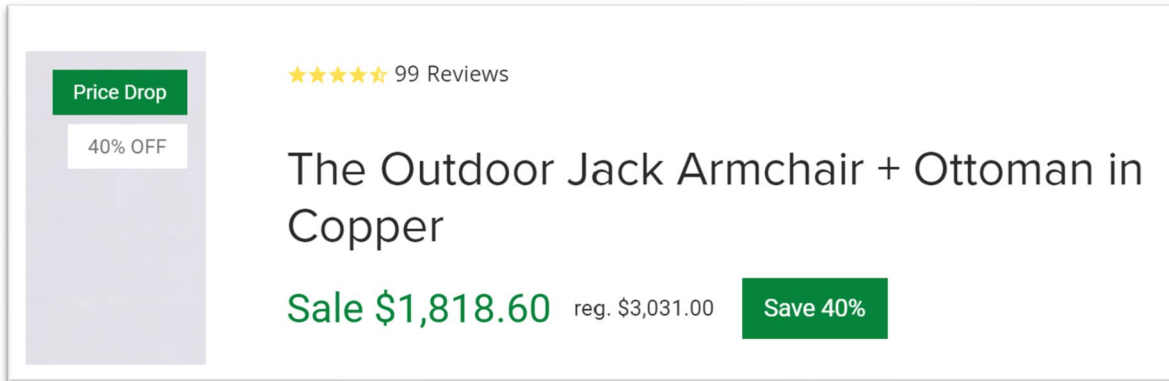
24

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⁶⁹ Home Page, JACKFRUIT, <https://jackfruitfurniture.com/> (last visited Oct. 31, 2024).

26 ⁷⁰ The Outdoor Jack Armchair + Ottoman in Copper, JACKFRUIT (Dec. 11, 2023)
27 <https://web.archive.org/web/20231211060409/https://jackfruitfurniture.com/products/outdoor-jack-armchair-ottoman-in-copper>.

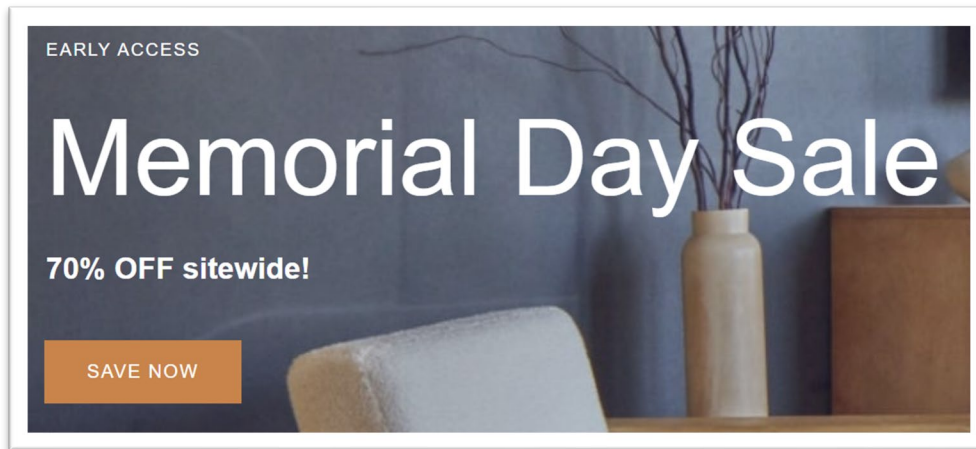
1 84. However, on October 31, 2024, Defendant still advertised “The Outdoor Jack
2 Armchair + Ottoman in Copper” with “40% OFF” and “Price Drop” and an original price of
3 “\$3,031.”⁷¹



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11 ***Defendant Uses Deceptive Advertising Methods for its Brand “Sillou”***

12 85. Defendant uses deceptive advertising methods (e.g., false low stock messages,
13 baseless countdown timers, false limited time messages, and false discount claims) for its brand
14 Sillou on “sillou.com.” For example, on May 2, 2024, Defendant advertised “EARLY ACCESS
15 Memorial Day Sale” and “70% OFF sitewide!”⁷²



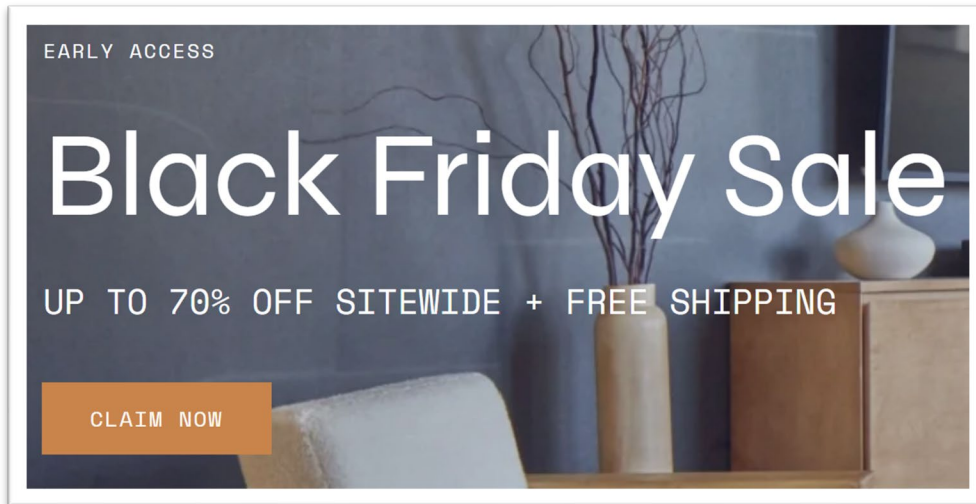
23

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25 ⁷¹ *The Outdoor Jack Armchair + Ottoman in Copper*, JACKFRUIT,
26 <https://jackfruitfurniture.com/products/outdoor-jack-armchair-ottoman-in-copper> (last visited
27 Oct. 31, 2024).

28 ⁷² *Home Page*, SILLOU, (May 2, 2024)
<https://web.archive.org/web/20240502144431/https://sillou.com/>.

86. However, on October 31, 2024, Defendant still advertised “70% OFF SITEWIDE” but under the guise of an “EARLY ACCESS Black Friday Sale.”⁷³



Defendant’s Deceptive Advertising Misled Plaintiffs and Class Members

87. As reasonable consumers, Plaintiffs and Class Members relied on Defendant’s advertisements (e.g., false low stock messages, baseless countdown timers, false limited time messages, and false discount claims) and purchased Defendant’s products because Plaintiffs and Class Members believed that they were “getting a good deal.” However, Plaintiffs and Class Members never received the “good deal” that Defendant advertised. By crafting a false narrative of product scarcity and urgency, Defendant takes advantage of consumers.

88. Indeed, (i) but for Defendant’s deceptive advertising, Plaintiffs and Class Members would not have purchased Defendant’s products; and/or (ii) Defendant’s deceptive advertising (e.g., false low stock messages, baseless countdown timers, false limited time messages, and false discount claims) was a substantial factor in Plaintiffs’ and Class Members’ product buying decisions.

89. Plaintiffs and Class Members performed as required by the applicable contracts and/or warranties by paying for Defendant’s products.

⁷³ Home Page, SILLLOU, <https://sillou.com/> (last visited Oct. 31, 2024).

1 90. Defendant breached the applicable contracts and/or warranties when Defendant:
2 (i) inflated its prices by an amount directly attributable to its deceptive advertising; (ii) failed to
3 provide the advertised discount (as a percentage value or as a dollar amount); and/or (iii) failed
4 to provide products worth the advertised original and/or market value.

5 91. Plaintiffs and Class Members face an imminent threat of future harm. After all,
6 Plaintiffs and Class Members may wish to purchase further products from Defendant. However,
7 Plaintiffs and Class Members cannot rely on the accuracy of Defendant’s advertisements without
8 a permanent injunction requiring that Defendant stop the deceptive advertising practices alleged
9 herein.

10 ***Defendant Suppresses Negative Reviews***

11 92. Under 16 C.F.R. § 465.7, “[i]t is an unfair or deceptive act or practice and a
12 violation of this part . . . [f]or a business to materially misrepresent, expressly or by implication,
13 that the consumer reviews of one or more of the products or services it sells displayed in a portion
14 of its website or platform dedicated in whole or in part to receiving and displaying consumer
15 reviews represent most or all the reviews submitted to the website or platform when reviews are
16 being suppressed (i.e., not displayable) based upon their ratings or their negative sentiment.” *Id.*
17 § 465.7(b).

18 93. On information and belief, Defendant violates 16 C.F.R. § 465.7 by suppressing
19 and/or deleting negative reviews on its websites. For example, a complaint submitted to the Better
20 Business Bureau on July 19, 2024, reported that Defendant “is posting fraudulent reviews and
21 filtering out negative reviews” and “I have spoken to others and found other people with similar
22 experiences.”⁷⁴
23
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26 ⁷⁴ *Complaints: Anabei*, BETTER BUSINESS BUREAU, [https://www.bbb.org/us/ca/rncho-](https://www.bbb.org/us/ca/rncho-cordova/profile/furniture-designers/anabei-1156-90094918/complaints)
27 [cordova/profile/furniture-designers/anabei-1156-90094918/complaints](https://www.bbb.org/us/ca/rncho-cordova/profile/furniture-designers/anabei-1156-90094918/complaints) (last visited Oct. 22,
2024).



Initial Complaint
07/19/2024

Complaint Type: Service or Repair Issues
Status: Unanswered ?

Date of transaction: 01/04/2024 ***** is posting fraudulent reviews and filtering out negative reviews. I have spoken to others and found other people with similar experiences online. I was heavily swayed to purchase the product due to reviews because there was no negative reviews that were easy to find. I tried to post an honest review on their website and they did not post it. I tried to comment an honest review on ***** and they deleted in and blocked me within seconds. I want a full refund from the company for promoting false information about their product. I am happy to send the product back and I have already tried to resolve it directly with the company. They sent me more of their product instead of honoring a return. I do not know what else to do at this point. This is such a scam and I'm trying to do something about it before other people have to deal with the same experience I am

Plaintiff Lorien Terwilliger's Experiences and Injuries

94. Plaintiff Lorien Terwilliger purchased a “Modular Performance 6-Seater Open-Ends U-Sectional | Plush Weave in Ash × 1” from Defendant on December 16, 2023, for \$1,885.60.

95. Defendant advertised that the sectional had an original price and/or market value of \$4,714.00. Defendant further advertised that Plaintiff received a “60%” discount which was worth “-\$2,828.40.” Defendant again promised that “You saved \$2,828.40.” Plaintiff was induced to buy the sectional because Plaintiff relied on Defendant’s advertisements.

96. A screenshot of Plaintiff’s order confirmation email is produced below.

Order summary



Modular Performance 6-Seater Open-Ends U-Sectional | Plush Weave in Ash × 1

Estimated time to ship: End of February

60% OFF THE ASH COLLECTION (-\$2,828.40)

~~\$4,714.00~~
\$1,885.60

Subtotal	\$1,885.60
Shipping	\$0.00
Taxes	\$113.14
<hr/>	
Total	\$1,998.74 USD

You saved \$2,828.40

97. As a reasonable consumer, Plaintiff relied on Defendant’s advertisements and believed that the products were in low stock, worth the original or market price, subject to limited time offers, and/or subject to discounts.

98. As a reasonable consumer, Plaintiff relied on Defendant’s discount claims, and thus believed that the product originally sold for \$4,714.00 but was on sale at \$1,885.60 which equated to a 60% discount. Because of these advertised discounts, Plaintiff was thereafter persuaded to purchase Defendant’s product. After all, Plaintiff purchased the sectional because she believed that she was getting a good deal due to a limited time sale.

99. Plaintiff purchased the sectional in reliance on Defendant’s deceptive advertising because: (i) but for Defendant’s deceptive advertising Plaintiff would not have purchased Defendant’s product; and/or (ii) Defendant’s deceptive advertising (e.g., false low stock messages, baseless countdown timers, false limited time messages, and false discount claims) was a substantial factor in Plaintiff’s product buying decision.

1 100. Plaintiff suffered economic injury because: (i) but for Defendant’s deceptive
2 advertising (e.g., false low stock messages, baseless countdown timers, false limited time
3 messages, and false discount claims), Plaintiff would not have purchased Defendant’s product;
4 (ii) Plaintiff overpaid for the product because Defendant inflated its prices by an amount directly
5 attributable to its deceptive advertising; (iii) Plaintiff did not receive the advertised discount (as a
6 percentage value or as a dollar amount); and/or (iv) Plaintiff did not receive a product worth the
7 advertised original and/or market value.

8 101. As a result of Defendant’s deception and her economic injuries, Plaintiff also
9 suffered emotional injuries of anger and frustration.

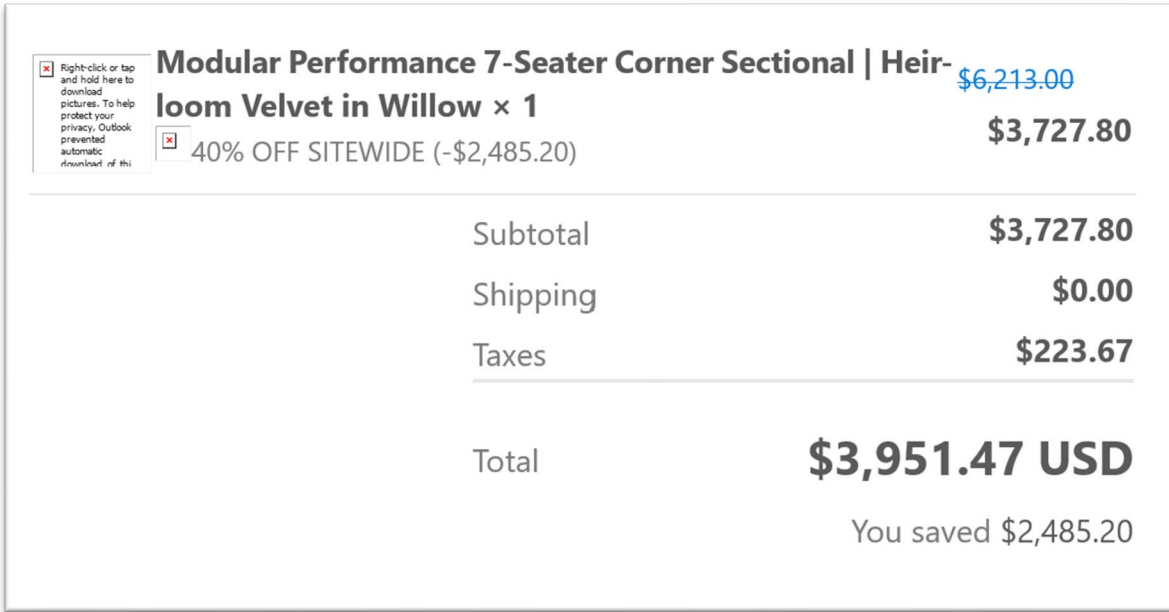
10 102. Furthermore, Plaintiff faces an imminent threat of future harm. After all, Plaintiff
11 may wish to purchase further products from Defendant. However, Plaintiff cannot rely on the
12 accuracy of Defendant’s advertisements without a permanent injunction requiring that Defendant
13 stop the deceptive advertising practices alleged herein.

14 ***Plaintiff Lisa Carlton’s Experiences and Injuries***

15 103. In or around late February 2024, Plaintiff Lisa Carlton purchased a “Modular
16 Performance 7-Seater Corner Sectional | Heirloom Velvet in Willow × 1” from Defendant for
17 \$3,951.47.

18 104. Defendant advertised that the Sectional had an original price and/or market value
19 of \$6,213.00. Defendant further advertised that Plaintiff received a “40%” discount which was
20 worth “-\$2,485.20.” Defendant again promised that “You saved \$2,485.20.” Plaintiff was induced
21 to buy the Sectional because Plaintiff relied on Defendant’s advertisements.
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105. A screenshot of Plaintiff's order email is produced below.



106. On February 28, 2024, Plaintiff emailed Defendant at “support@anabei.com.” Therein, Plaintiff explained that:

a. “Hi - I ordered a sectional from you this weekend and just realized I ordered the wrong fabric. I ordered the willow but needed to order the fabric that is pet friendly. Can I change?? Please advise. Thank you.”

107. The next day, on February 29, 2024, Defendant responded:

a. “We are not able to make changes to an order once it has been processed, so to accomplish this, we will issue you a gift card for the full amount you spent on the order so you can go through checkout again with the correct product(s).”

b. “Once you’ve placed the new order, please let us know so the original order can be canceled. If you change your mind and decide to keep your order as-is, please also let me know so we can put it back in the production queue.”

1 c. “If the new order comes out to be less than your original order, any
2 remaining balance will be refunded to your original payment method
3 within 7 business days.”

4 108. On March 2, 2024, Plaintiff responded:

5 a. “Hi - if the order is no longer in the production queue, meaning it hasn’t
6 been started, I don’t understand why you can’t offer a full refund versus a
7 credit. I misunderstood the fabric descriptions and *was trying to take*
8 *advantage of the Presidents’ Day sale, which at the time looked like it*
9 *was going to be over in a matter of hours but is apparently still going on.*”

10 b. “I had ordered swatches but they didn’t arrive until after I placed my order
11 - again, *to take advantage of the “limited time” sale.*”

12 c. “Is there someone else I can speak with about a full refund versus gift
13 certificate?”

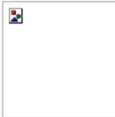

14 109. Defendant declined to refund Plaintiff’s payment of \$3,951.47 and instead
15 converted her payment into store credit.

16 110. Thus, on March 4, 2024, Plaintiff used that store credit to purchase a “Modular
17 Performance 7-Seater Corner Sectional | Plush Weave in Ash × 1” from Defendant for \$2,337.51.

18 111. Defendant advertised that the Sectional had an original price and/or market value
19 of \$5,513.00. Defendant further advertised that Plaintiff received a “60%” discount which was
20 worth “-\$3,307.80.” Defendant again promised that “You saved \$3,307.80.” Plaintiff was induced
21 to buy the sectional because Plaintiff relied on Defendant’s advertisements.

22 112. A screenshot of Plaintiff’s order confirmation email is produced below.
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Order summary

	Modular Performance 7-Seater Corner Sectional Plush	\$5,513.00
	Weave in Ash × 1 Estimated time to ship: Mid May	
 60% OFF THE ASH COLLECTION (-\$3,307.80)		\$2,205.20

Subtotal	\$2,205.20
Shipping	\$0.00
Taxes	\$132.31

Total	\$2,337.51 USD
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You saved \$3,307.80

113. As a reasonable consumer, Plaintiff relied on Defendant’s advertisements and believed that the products were in low stock, worth the original or market price, subject to limited time offers, and/or subject to discounts.

114. As a reasonable consumer, Plaintiff relied on Defendant’s discount claims, and thus believed that the product originally sold for \$5,513.00 but was on sale at \$2,205.20 which equated to a 60% discount. Because of these advertised discounts, Plaintiff was thereafter persuaded to purchase Defendant’s product. After all, Plaintiff purchased the Sectional because she believed that she was getting a good deal due to a limited time sale of a product in limited quantity.

1 115. Plaintiff purchased the Sectionals in reliance on Defendant's deceptive advertising
2 because: (i) but for Defendant's deceptive advertising Plaintiff would not have purchased
3 Defendant's products; and/or (ii) Defendant's deceptive advertising (e.g., false low stock
4 messages, baseless countdown timers, false limited time messages, and false discount claims) was
5 a substantial factor in Plaintiff's product buying decision.

6 116. Plaintiff suffered economic injury because: (i) but for Defendant's deceptive
7 advertising (e.g., false low stock messages, baseless countdown timers, false limited time
8 messages, and false discount claims), Plaintiff would not have purchased Defendant's products;
9 (ii) Plaintiff overpaid for the products because Defendant inflated its prices by an amount directly
10 attributable to its deceptive advertising; (iii) Plaintiff did not receive the advertised discounts (as
11 a percentage value or as a dollar amount); and/or (iv) Plaintiff did not receive a product worth the
12 advertised original and/or market value.

13 117. As a result of Defendant's deception and her economic injuries, Plaintiff also
14 suffered emotional injuries of anger and frustration.

15 118. Furthermore, Plaintiff faces an imminent threat of future harm. After all, Plaintiff
16 may wish to purchase further products from Defendant. However, Plaintiff cannot rely on the
17 accuracy of Defendant's advertisements without a permanent injunction requiring that Defendant
18 stop the deceptive advertising practices alleged herein.

19 **CLASS ACTION ALLEGATIONS**

20 119. Plaintiffs bring this class action under Fed. R. Civ. P. 23(a), 23(b)(2), and 23(b)(3),
21 individually and on behalf of all members of the following class:

22 All individuals residing in the United States who purchased one or
23 more products from CABA Design within the applicable statute of
24 limitations period.

25 120. Excluded from the Class are Defendant, its agents, affiliates, parents, subsidiaries,
26 any entity in which Defendant has a controlling interest, any Defendant officer or director, any
27

1 successor or assign, and any Judge who adjudicates this case, including their staff and immediate
2 family.

3 121. Plaintiffs reserve the right to amend the class definition.

4 122. Certification of Plaintiffs' claims for class-wide treatment is appropriate because
5 Plaintiffs can prove the elements of their claims on class-wide bases using the same evidence as
6 would be used to prove those elements in individual actions asserting the same claims.

7 123. **Ascertainability.** All members of the proposed Class are readily ascertainable from
8 information in Defendant's custody and control.

9 124. **Numerosity.** The Class Members are so numerous that joinder of all Class
10 Members is impracticable. On information and belief, the proposed Class includes at least 100
11 members.

12 125. **Typicality.** Plaintiffs' claims are typical of Class Members' claims as all arise from
13 Defendant's use of deceptive advertising.

14 126. **Adequacy.** Plaintiffs will fairly and adequately protect the proposed Class's
15 common interests. Their interests do not conflict with Class Members' interests. And Plaintiffs
16 have retained counsel—including lead counsel—that is experienced in complex class action
17 litigation to prosecute this action on the Class's behalf.

18 127. **Commonality and Predominance.** Plaintiffs' and the Class's claims raise
19 predominantly common factual and legal questions—which predominate over any questions
20 affecting individual Class Members—for which a class wide proceeding can answer for all Class
21 Members. In fact, a class wide proceeding is necessary to answer the following questions:

- 22 a. if Defendant made false or misleading statements of fact when advertising
23 its products;
- 24 b. if Defendant violated the FTC Act and associated regulations;
- 25 c. if Defendant violated California statutory law;
- 26 d. if Defendant is liable under applicable common law;
- 27

1 e. if Plaintiffs and Class Members are entitled to damages, and if so, what the
2 proper measure of damages is;

3 f. if Plaintiffs and the Class are entitled to injunctive and/or equitable relief.

4 128. **Superiority.** A class action will provide substantial benefits and is superior to all
5 other available means for the fair and efficient adjudication of this controversy. The damages or
6 other financial detriment suffered by individual Class Members are relatively small compared to
7 the burden and expense that individual litigation against Defendant would require. Thus, it would
8 be practically impossible for Class Members, on an individual basis, to obtain effective redress
9 for their injuries. Not only would individualized litigation increase the delay and expense to all
10 parties and the courts, but individualized litigation would also create the danger of inconsistent or
11 contradictory judgments arising from the same set of facts. By contrast, the class action device
12 provides the benefits of adjudication of these issues in a single proceeding, ensures economies of
13 scale, provides comprehensive supervision by a single court, and presents no unusual
14 management difficulties.

15 **FIRST CAUSE OF ACTION**
16 **Breach of Express Contract**
(On Behalf of Plaintiffs and the Class)

17 129. Plaintiffs incorporate by reference all other paragraphs as if fully set forth herein.

18 130. Plaintiffs and Class Members entered into express contracts with Defendant to
19 purchase Defendant's products.

20 131. Defendant advertised and offered products with specific original prices and market
21 values. Defendant advertised and offered those products with discounts of specific dollar values
22 and percentages.

23 132. The original prices, market values, and advertised discounts were all material
24 terms of the express contracts.

25 133. Plaintiffs and Class Members performed their contractual obligations by paying
26 for the items purchased.

1 134. Defendant breached its express contracts by, *inter alia*: (i) inflating its prices by
2 an amount directly attributable to its deceptive advertising; (ii) failing to provide the advertised
3 discounts (as a percentage value or as a dollar amount); and/or (iii) failing to provide products
4 worth the advertised original and/or market value.

5 135. As a direct and proximate cause of Defendant's breaches, Plaintiffs and Class
6 Members suffered economic injury because: (i) but for Defendant's deceptive advertising (e.g.,
7 false low stock messages, baseless countdown timers, false limited time messages, and false
8 discount claims), Plaintiffs and Class Members would not have purchased Defendant's products;
9 (ii) Plaintiffs and Class Members overpaid for their products because Defendant inflated its prices
10 by an amount directly attributable to its deceptive advertising; (iii) Plaintiffs and Class Members
11 did not receive the advertised discounts (as a percentage value or as a dollar amount); and/or (iv)
12 Plaintiffs and Class Members did not receive products worth the advertised original and/or market
13 value.

14 136. Plaintiffs provided notice of such breaches by mailing a notice letter to
15 Defendant's principal place of business.

16 **SECOND CAUSE OF ACTION**
17 **Breach of Implied Contract**
(On Behalf of Plaintiffs and the Class)

18 137. Plaintiffs incorporate by reference all other paragraphs as if fully set forth herein.

19 138. This claim is brought in the alternative to the Breach of Express Contract claim.

20 139. Plaintiffs and Class Members entered into implied contracts with Defendant to
21 purchase Defendant's products.

22 140. Defendant advertised and offered products with specific original prices and market
23 values. Defendant advertised and offered those products with discounts of specific dollar values
24 and percentages.

25 141. The original prices, market values, and advertised discounts were all material
26 terms of the implied contracts.

1 142. Plaintiffs and Class Members performed their contractual obligations by paying
2 for the items purchased.

3 143. Defendant breached its implied contracts by, *inter alia*: (i) inflating its prices by
4 an amount directly attributable to its deceptive advertising; (ii) failing to provide the advertised
5 discounts (as a percentage value or as a dollar amount); and/or (iii) failing to provide products
6 worth the advertised original and/or market value.

7 144. As a direct and proximate cause of Defendant's breaches, Plaintiffs and Class
8 Members suffered economic injury because: (i) but for Defendant's deceptive advertising (e.g.,
9 false low stock messages, baseless countdown timers, false limited time messages, and false
10 discount claims), Plaintiffs and Class Members would not have purchased Defendant's products;
11 (ii) Plaintiffs and Class Members overpaid for their products because Defendant inflated its prices
12 by an amount directly attributable to its deceptive advertising; (iii) Plaintiffs and Class Members
13 did not receive the advertised discounts (as a percentage value or as a dollar amount); and/or (iv)
14 Plaintiffs and Class Members did not receive products worth the advertised original and/or market
15 value.

16 145. Plaintiffs provided notice of such breaches by mailing a notice letter to
17 Defendant's principal place of business.

18 **THIRD CAUSE OF ACTION**
19 **Breach of Express Warranty**
(On Behalf of Plaintiffs and the Class)

20 146. Plaintiffs incorporate by reference all other paragraphs as if fully set forth herein.

21 147. Defendant, as a manufacturer, marketer, distributor, supplier, and/or retailer,
22 issued express material warranties advertising its products as having market values equal to the
23 advertised original prices. These were affirmations of fact about its products and a promise
24 relating to the goods.

25 148. These express warranties were part of the bargain with Plaintiffs and Class
26 Members. Indeed, Plaintiffs and Class Members relied on these warranties.

1 149. Defendant breached its express warranties because its products did not have
2 market values equal to the advertised original prices.

3 150. As a direct and proximate cause of Defendant's breaches, Plaintiffs and Class
4 Members suffered economic injury because: (i) but for Defendant's deceptive advertising (e.g.,
5 false low stock messages, baseless countdown timers, false limited time messages, and false
6 discount claims), Plaintiffs and Class Members would not have purchased Defendant's products;
7 (ii) Plaintiffs and Class Members overpaid for their products because Defendant inflated its prices
8 by an amount directly attributable to its deceptive advertising; (iii) Plaintiffs and Class Members
9 did not receive the advertised discounts (as a percentage value or as a dollar amount); and/or (iv)
10 Plaintiffs and Class Members did not receive products worth the advertised original and/or market
11 value.

12 151. Plaintiffs provided notice of such breaches by mailing a notice letter to
13 Defendant's principal place of business.

14 **FOURTH CAUSE OF ACTION**
15 **Breach of Implied Warranty**
(On Behalf of Plaintiffs and the Class)

16 152. Plaintiffs incorporate by reference all other paragraphs as if fully set forth herein.

17 153. This claim is brought in the alternative to the Breach of Express Warranty claim.

18 154. Defendant, as a manufacturer, marketer, distributor, supplier, and/or retailer,
19 issued implied material warranties advertising its products as having market values equal to the
20 advertised original prices. These were affirmations of fact about its products and a promise
21 relating to the goods.

22 155. These implied warranties were part of the bargain with Plaintiffs and Class
23 Members. Indeed, Plaintiffs and Class Members relied on these implied warranties.

24 156. Defendant breached its implied warranties because its products did not have
25 market values equal to the advertised original prices.

26 157. As a direct and proximate cause of Defendant's breaches, Plaintiffs and Class
27 Members suffered economic injury because: (i) but for Defendant's deceptive advertising (e.g.,
28

1 false low stock messages, baseless countdown timers, false limited time messages, and false
2 discount claims), Plaintiffs and Class Members would not have purchased Defendant's products;
3 (ii) Plaintiffs and Class Members overpaid for their products because Defendant inflated its prices
4 by an amount directly attributable to its deceptive advertising; (iii) Plaintiffs and Class Members
5 did not receive the advertised discounts (as a percentage value or as a dollar amount); and/or (iv)
6 Plaintiffs and Class Members did not receive products worth the advertised original and/or market
7 value.

8 158. Plaintiffs provided notice of such breaches by mailing a notice letter to
9 Defendant's principal place of business.

10 **FIFTH CAUSE OF ACTION**
11 **Quasi-Contract/Unjust Enrichment**
12 **(On Behalf of Plaintiffs and the Class)**

13 159. Plaintiffs incorporate by reference all other paragraphs as if fully set forth herein.

14 160. This claim is brought in the alternative to the contractual claims alleged *supra*.

15 161. Plaintiffs and Class Members conferred a benefit on Defendant by paying
16 Defendant for its products.

17 162. Defendant appreciated or had knowledge of the benefits (i.e., payment) it received
18 from Plaintiffs and Class Members.

19 163. Plaintiffs and Class Members reasonably understood that Defendant: (i) would not
20 use deceptive advertising; (ii) would not inflate its prices by an amount directly attributable to its
21 deceptive advertising; (iii) would provide the advertised discounts (as a percentage value or as a
22 dollar amount); and/or (iv) would provide products worth the advertised original and/or market
23 value.

24 164. Defendant enriched itself by: (i) using deceptive advertising to induce Plaintiffs
25 and Class Members to purchase products; (ii) inflating its prices by an amount directly attributable
26 to its deceptive advertising; (iii) failing to provide the advertised discounts (as a percentage value
27 or as a dollar amount); and/or (iv) failing to provide products worth the advertised original and/or
28 market value.

1 165. Plaintiffs and Class Members have no adequate remedy at law.

2 166. Under principles of equity and good conscience, Defendant should not be
3 permitted to retain the full value of Plaintiffs' and Class Members' payment. Thus, Plaintiffs and
4 Class Members seek all applicable relief.

5 **SIXTH CAUSE OF ACTION**
6 **Intentional Misrepresentation**
7 **(On Behalf of Plaintiffs and the Class)**

8 167. Plaintiffs incorporate by reference all other paragraphs as if fully set forth herein.

9 168. As alleged *supra*, Defendant knowingly made false representations and material
10 omissions of fact to Plaintiffs and Class Members about the products sold and the discounts
11 offered. Such false representations and material omissions of fact include, but are not limited to,
the following:

- 12 a. intentionally misrepresenting that products were in low stock;
- 13 b. intentionally misrepresenting that discounts were subject to countdown
14 timers;
- 15 c. intentionally misrepresenting that discounts were only available for a
16 limited time;
- 17 d. intentionally misrepresenting the existence of discounts;
- 18 e. intentionally misrepresenting the value of discounts;
- 19 f. intentionally misrepresenting the regular, original, and/or market value of
20 products;
- 21 g. intentionally omitting material facts regarding the actual available stock of
22 products;
- 23 h. intentionally omitting material facts regarding the actual duration of
24 discounts;
- 25 i. intentionally omitting material facts regarding the existence of discounts;
- 26 j. intentionally omitting material facts regarding the value of discounts; and
27

1 k. intentionally omitting material facts regarding the regular, original, and/or
2 market value of products.

3 169. Defendant intended that Plaintiffs and Class Members would rely on these
4 representations and omissions and thereafter be induced to purchase Defendant's products.

5 170. Defendant's representations and omissions were substantial factors and proximate
6 causes of Plaintiffs' and Class Members' injuries.

7 171. Plaintiffs and Class Members suffered economic injury because: (i) but for
8 Defendant's deceptive advertising (e.g., false low stock messages, baseless countdown timers,
9 false limited time messages, and false discount claims), Plaintiffs and Class Members would not
10 have purchased Defendant's products; (ii) Plaintiffs and Class Members overpaid for their
11 products because Defendant inflated its prices by an amount directly attributable to its deceptive
12 advertising; (iii) Plaintiffs and Class Members did not receive the advertised discounts (as a
13 percentage value or as a dollar amount); and/or (iv) Plaintiffs and Class Members did not receive
14 products worth the advertised original and/or market value.

15 **SEVENTH CAUSE OF ACTION**
16 **Negligent Misrepresentation**
(On Behalf of Plaintiffs and the Class)

17 172. Plaintiffs incorporate by reference all other paragraphs as if fully set forth herein.

18 173. As alleged *supra*, Defendant negligently made false representations and material
19 omissions of fact to Plaintiffs and Class Members about the products sold and the discounts
20 offered. Such false representations and material omissions of fact include, but are not limited to,
21 the following:

- 22 a. negligently misrepresenting that products were in low stock;
23 b. negligently misrepresenting that discounts were subject to countdown
24 timers;
25 c. negligently misrepresenting that discounts were only available for a limited
26 time;
27 d. negligently misrepresenting the existence of discounts;

- 1 e. negligently misrepresenting the value of discounts;
- 2 f. negligently misrepresenting the regular, original, and/or market value of
- 3 products;
- 4 g. negligently omitting material facts regarding the actual available stock of
- 5 products;
- 6 h. negligently omitting material facts regarding the actual duration of
- 7 discounts;
- 8 i. negligently omitting material facts regarding the existence of discounts;
- 9 j. negligently omitting material facts regarding the value of discounts; and
- 10 k. negligently omitting material facts regarding the regular, original, and/or
- 11 market value of products.

12 174. Defendant knew (or should have known) that such representations were false and
13 such omissions were material. Defendant had no reasonable grounds for believing that such
14 representations were true and such omissions were immaterial.

15 175. Defendant intended that Plaintiffs and Class Members would rely on these
16 representations and omissions and thereafter be induced to purchase Defendant's products.

17 176. Defendant's representations and omissions were substantial factors and proximate
18 causes of Plaintiffs' and Class Members' injuries.

19 177. Plaintiffs and Class Members suffered economic injury because: (i) but for
20 Defendant's deceptive advertising (e.g., false low stock messages, baseless countdown timers,
21 false limited time messages, and false discount claims), Plaintiffs and Class Members would not
22 have purchased Defendant's products; (ii) Plaintiffs and Class Members overpaid for their
23 products because Defendant inflated its prices by an amount directly attributable to its deceptive
24 advertising; (iii) Plaintiffs and Class Members did not receive the advertised discounts (as a
25 percentage value or as a dollar amount); and/or (iv) Plaintiffs and Class Members did not receive
26 products worth the advertised original and/or market value.

27 **EIGHTH CAUSE OF ACTION**

**Violations of California’s False Advertising Law
Cal. Bus. & Prof. Code §§ 17500 *et. seq.*
(On Behalf of Plaintiffs and the Class)**

1
2 178. Plaintiffs incorporate by reference all other paragraphs as if fully set forth herein.

3
4 179. This claim is brought under California’s False Advertising Law (“FAL”), Cal. Bus.
5 & Prof. Code §§ 17500 *et. seq.*

6 180. FAL § 17500 broadly prohibits “any person, firm, corporation or association . . . to
7 make or disseminate or cause to be made or disseminated before the public in this state,
8 or . . . from this state before the public in any state . . . any statement, concerning that real or
9 personal property . . . or concerning any circumstance or matter of fact connected with the
10 proposed performance or disposition thereof, which is untrue or misleading[.]” *Id.* § 17500.

11 181. Defendant’s false advertising is subject to the FAL because such advertising
12 occurred “before the public in this state” and/or “from this state before the public in any state[.]”
13 *Id.* § 17500. Here, Defendant’s false advertising occurred before the public in California and
14 emanated from California to impact the public nationwide.

15 182. FAL § 17501 prohibits “fake former prices” and provides that “[n]o price shall be
16 advertised as a former price of any advertised thing, ***unless the alleged former price was the***
17 ***prevailing market price as above defined within three months*** next immediately preceding the
18 publication of the advertisement or unless the date when the alleged former price did prevail is
19 clearly, exactly and conspicuously stated in the advertisement.” *Id.* § 17501 (emphasis added).

20 183. Defendant violated FAL § 17500 and § 17501 by, *inter alia*:

- 21 a. making and disseminating untrue or misleading advertisements including
22 false low stock messages, baseless countdown timers, false limited time
23 messages, and false discount claims; and
24 b. advertising former prices which were not the prevailing market price
25 and/or were not offered by Defendant within the three months preceding
26 the publication of the advertisements.

1 184. Plaintiffs and Class Members purchased Defendant's products in reliance on
2 Defendant's deceptive advertising because: (i) but for Defendant's deceptive advertising,
3 Plaintiffs and Class Members would not have purchased the products; and/or (ii) Defendant's
4 deceptive advertising (e.g., false low stock messages, baseless countdown timers, false limited
5 time messages, and false discount claims) was a substantial factor in Plaintiffs' and Class
6 Members' product buying decisions.

7 185. Plaintiffs and Class Members suffered economic injury because: (i) but for
8 Defendant's deceptive advertising (e.g., false low stock messages, baseless countdown timers,
9 false limited time messages, and false discount claims), Plaintiffs and Class Members would not
10 have purchased Defendant's products; (ii) Plaintiffs and Class Members overpaid for their
11 products because Defendant inflated its prices by an amount directly attributable to its deceptive
12 advertising; (iii) Plaintiffs and Class Members did not receive the advertised discounts (as a
13 percentage value or as a dollar amount); and/or (iv) Plaintiffs and Class Members did not receive
14 products worth the advertised original and/or market value.

15 186. Plaintiffs and Class Members have no adequate remedy at law. Specifically,
16 injunctive relief is necessary to ensure that Plaintiffs, Class Members, and other consumers can
17 rely on Defendant's future advertisements. Thus, Plaintiffs seek a permanent injunction requiring
18 that Defendant stop the deceptive advertising practices alleged herein.

19 187. In the alternative, Plaintiffs and the Class are entitled to equitable relief, including
20 restitution of all monies paid to or received by Defendant; disgorgement of all profits accruing to
21 Defendant because of its unfair and improper business practices; and any other equitable relief
22 the Court deems proper.

23 **NINTH CAUSE OF ACTION**
24 **Violation of California's Unfair Competition Law**
25 **Cal. Bus. & Prof. Code §§ 17200, *et seq.***
26 **(On Behalf of Plaintiffs and the Class)**

27 188. Plaintiffs incorporate by reference all other paragraphs as if fully set forth herein.
28

1 189. California’s Unfair Competition Law (“UCL”) broadly prohibits “unlawful, unfair
2 or fraudulent business act[s] or practice[s] and unfair, deceptive, untrue or misleading
3 advertising[.]” Cal. Bus. & Prof. Code § 17200. Defendant engaged in unlawful and unfair
4 business practices in violation of the UCL.

5 ***Unlawful Prong***

6 190. Defendant’s conduct was unlawful because it violated, *inter alia*, California’s
7 False Advertising Law (“FAL”), Cal. Bus. & Prof. Code §§ 17500 *et. seq.*, California’s Consumer
8 Legal Remedies Act (“CLRA”), Cal. Civ. Code §§ 1750 *et. seq.*, 15 U.S.C. § 45, 15 U.S.C. § 52,
9 16 C.F.R. § 233, and 16 C.F.R. § 465.7.

10 ***Deceptive Prong***

11 191. As alleged *supra*, Defendant’s conduct was deceptive because it advertised that its
12 products were in low stock, worth the original or market price, subject to limited time offers,
13 and/or subject to discounts. Such advertisements were material and misled reasonable consumers
14 including Plaintiffs and the Class. To their detriment, Plaintiffs and Class Members relied on
15 Defendant’s deceptive advertisements.

16 ***Unfair Prong***

17 192. Defendant’s conduct was unfair because it advertised that its products were in low
18 stock, worth the original or market price, subject to limited time offers, and/or subject to
19 discounts.

20 193. Such conduct violated established public policy by violating *inter alia*,
21 California’s False Advertising Law (“FAL”), Cal. Bus. & Prof. Code §§ 17500 *et. seq.*,
22 California’s Consumer Legal Remedies Act (“CLRA”), Cal. Civ. Code §§ 1750 *et. seq.*, 15 U.S.C.
23 § 45, 15 U.S.C. § 52, 16 C.F.R. § 233, and 16 C.F.R. § 465.7. The unfairness of Defendant’s
24 conduct is tethered to such legislatively declared policies.

25 194. The injuries to Plaintiffs and the Class greatly outweigh any alleged countervailing
26 benefit to consumers or competition under all of the circumstances. There is no public utility to
27

1 advertisements that falsely represent that products are in low stock, worth the original or market
2 price, subject to limited time offers, and/or subject to discounts.

3 195. Defendant's conduct was immoral, unethical, oppressive, unscrupulous, and
4 substantially injurious to consumers. There were reasonably available alternatives to further
5 Defendant's legitimate business interests, other than the misconduct alleged herein.

6 196. For all prongs, Defendant's false advertising was intended to induce detrimental
7 reliance. As reasonable consumers, Plaintiffs and Class Members could not have reasonably
8 avoided their injuries.

9 197. Plaintiffs and Class Members purchased Defendant's products in reliance on
10 Defendant's deceptive advertising because: (i) but for Defendant's deceptive advertising,
11 Plaintiffs and Class Members would not have purchased the products; and/or (ii) Defendant's
12 deceptive advertising (e.g., false low stock messages, baseless countdown timers, false limited
13 time messages, and false discount claims) was a substantial factor in Plaintiffs' and Class
14 Members' product buying decisions.

15 198. Plaintiffs and Class Members suffered economic injury because: (i) but for
16 Defendant's deceptive advertising (e.g., false low stock messages, baseless countdown timers,
17 false limited time messages, and false discount claims), Plaintiffs and Class Members would not
18 have purchased Defendant's products; (ii) Plaintiffs and Class Members overpaid for their
19 products because Defendant inflated its prices by an amount directly attributable to its deceptive
20 advertising; (iii) Plaintiffs and Class Members did not receive the advertised discounts (as a
21 percentage value or as a dollar amount); and/or (iv) Plaintiffs and Class Members did not receive
22 products worth the advertised original and/or market value.

23 199. Plaintiffs and Class Members have no adequate remedy at law. Specifically,
24 injunctive relief is necessary to ensure that Plaintiffs, Class Members, and other consumers can
25 rely on Defendant's future advertisements. Thus, Plaintiffs seek a permanent injunction requiring
26 that Defendant stop the deceptive advertising practices alleged herein.

- 1 A. Certifying this case as a class action on behalf of Plaintiffs and the proposed Class,
2 appointing Plaintiffs as class representative, and appointing their counsel to
3 represent the Class;
- 4 B. Awarding declaratory and other equitable relief as necessary to protect the
5 interests of Plaintiffs and the Class;
- 6 C. Awarding injunctive relief as necessary to protect the interests of Plaintiffs and the
7 Class;
- 8 D. Enjoining Defendant from further unfair and/or deceptive practices;
- 9 E. Awarding Plaintiffs and the Class damages including applicable compensatory,
10 exemplary, punitive damages, and statutory damages, as allowed by law;
- 11 F. Awarding restitution and damages to Plaintiffs and the Class in an amount to be
12 determined at trial;
- 13 G. Awarding attorneys' fees and costs, as allowed by law;
- 14 H. Awarding prejudgment and post-judgment interest, as provided by law;
- 15 I. Granting Plaintiffs and the Class leave to amend this complaint to conform to the
16 evidence produced at trial; and
- 17 J. Granting other relief that this Court finds appropriate.

18
19 **DEMAND FOR JURY TRIAL**

20 Plaintiffs demand a jury trial for all claims so triable.

21 Date: November 1, 2024

22 Respectfully submitted,

23 By: /s/ Andrew G. Gunem

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