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12 **UNITED STATES DISTRICT COURT**  
13 **NORTHERN DISTRICT OF CALIFORNIA**

14 NICOLE LOZA AND LORRAINE  
15 ROMERO, individually and on behalf of all  
16 others similarly situated,

17 Plaintiffs,

18 v.

19 HOBBY LOBBY STORES, INC.,

20 Defendant.

Case No.

**CLASS ACTION COMPLAINT FOR  
DAMAGES AND INJUNCTIVE RELIEF**

**DEMAND FOR JURY TRIAL**

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23 **CLASS ACTION COMPLAINT**  
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1           1.       Hobby Lobby deceives consumers into purchasing certain products through false  
2 advertising. It routinely advertises significant “discounts” on certain products, but these  
3 “discounts” never end. The so-called “sale” price is just the actual price of the item. There is no  
4 discount.

5           2.       By advertising these permanent “discount” or “sale” prices, Hobby Lobby violates  
6 California law and the Federal Trade Commission’s guidelines on discount pricing.

7           3.       Plaintiffs Nicole Loza and Lorraine Romero are both consumers who were harmed  
8 by this practice. Each Plaintiff seeks to represent not just herself, but also a class of consumers  
9 who similarly have been impacted by Hobby Lobby’s misconduct.

10          4.       Plaintiffs bring this lawsuit for themselves and for other consumers that Hobby  
11 Lobby has harmed through this false advertising scheme.

12           **I.       Jurisdiction and Venue**

13          5.       This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(a) and (d)  
14 because Plaintiffs are citizens of a different state than Defendant, there are more than 100 Class  
15 members, and the amount in controversy for the Class exceeds \$5,000,000 exclusive of costs and  
16 interest.

17          6.       This Court has personal jurisdiction over Hobby Lobby because Hobby Lobby is  
18 authorized to do business in this district and conducts substantial business in this district, with  
19 several stores in the District.

20          7.       Venue is proper in this district pursuant to 28 U.S.C. § 1391 with respect to Hobby  
21 Lobby because Plaintiffs purchased the products sold at an allegedly discounted or sale price in  
22 this district, such that a substantial part of the events giving rise to the claim occurred in this  
23 judicial district. Additionally, Hobby Lobby has marketed, advertised, and sold the at-issue  
24 products at its stores within this District.

1           **II.     Parties**

2                   **A.     Plaintiffs**

3           8.       Plaintiff Nicole Loza is a citizen of California, who resides in South San Francisco,  
4 California, 94080. Ms. Loza purchased picture or photo frames and T-shirts at a Hobby Lobby  
5 store in San Mateo, CA in 2023 and 2024. Before purchasing her frames and T-shirts, Ms. Loza  
6 reviewed Hobby Lobby’s promotional materials regarding the sale price and discounted price and  
7 relied upon these representations in her decision to purchase the frames and T-shirts.

8           9.       Plaintiff Lorraine Romero is a citizen of California, who resides in Richmond,  
9 California, 94801. Ms. Romero purchased picture or photo frames at a Hobby Lobby store in  
10 Concord, CA in 2024. Before purchasing her frames, Ms. Romero reviewed Hobby Lobby’s  
11 promotional materials regarding the sale price and discounted price and relied upon these  
12 representations in her decision to purchase the frames.

13          10.      Defendant Hobby Lobby Stores, Inc. is a corporation organized under the laws of  
14 Oklahoma headquartered in Oklahoma City, Oklahoma and registered to do business in California.  
15 Defendant owns and operates close to 1,000 stores nationwide, including over 50 stores within  
16 California several of which are located in this District.

17           **III.    Factual Allegations**

18          11.      Hobby Lobby publishes weekly bulletins (which it refers to as a “Weekly Ad”) on  
19 its website and in its stores wherein Hobby Lobby represents significant discounts or sale prices  
20 against some “marked price” for certain products. *See* <https://www.hobbylobby.com/weekly-ad>.

21          12.      Hobby Lobby knows that these practices are deceptive because it has been the  
22 subject of lawsuits and enforcement actions for these practices.

23          13.      For example, in 2014, Hobby Lobby settled a probe by the New York Attorney  
24 General’s Office into Hobby Lobby offering “never-ending” sales on framing, furniture, and home  
25 décor products for more than 52 consecutive weeks. *See* [https://www.reuters.com/article/us-](https://www.reuters.com/article/us-hobbylobby-settlement-idUSKBN0EN1MN20140612/)  
26 [hobbylobby-settlement-idUSKBN0EN1MN20140612/](https://www.reuters.com/article/us-hobbylobby-settlement-idUSKBN0EN1MN20140612/) (“Hobby Lobby settles NY probe into  
27 alleged bogus sales, *Reuters* (June 12, 2014)).

1 14. Similarly, in 2017, Hobby Lobby agreed with the Attorney General of Virginia to  
2 pay a civil penalty and refrain from advertising discounts compared to “other sellers” in Virginia.  
3 See [https://www.oag.state.va.us/consumer-protection/index.php/news/203-march-6-2017-hobby-](https://www.oag.state.va.us/consumer-protection/index.php/news/203-march-6-2017-hobby-lobby-to-change-advertising-practices-as-part-of-settlement)  
4 [lobby-to-change-advertising-practices-as-part-of-settlement](https://www.oag.state.va.us/consumer-protection/index.php/news/203-march-6-2017-hobby-lobby-to-change-advertising-practices-as-part-of-settlement).

5 15. Plaintiffs are unaware of any similar enforcement measures taken in California to  
6 cease these unfair and deceptive practices, leaving Californians exposed to – and victimized by –  
7 these practices.

8 16. Moreover, prior class action litigation in California concerning the unfair and  
9 deceptive “sale” practices was resolved in such a manner to allow the practices at issue to continue,  
10 leaving consumers – including Plaintiffs – exposed to the same problematic practices.

11 17. Hobby Lobby routinely advertises certain goods to be discounted or on sale but, in  
12 fact and contrary to Hobby Lobby’s representations, such items are *always* at the purported  
13 discounted or sale prices. Such products will be referred to herein as the “Always Discounted  
14 Products” and include, or have included:

- 15 a. Photo frames and framed wall art (advertised at 50% off);
- 16 b. Custom picture framing services (advertised at 50% off);
- 17 c. All furniture (advertised as 30% off);
- 18 d. Party items (advertised as 50% off); and
- 19 e. T-shirts (advertised as 30% off).

20 18. Hobby Lobby never, or very rarely, offers the Always Discounted Products at the  
21 marked price it shows as the basis for the purported percentage discount. For example, attached as  
22 **Exhibit 1** is a collection of Hobby Lobby websites showing the 50% discount pricing for frames  
23 from 2021-2024. Every website capture shows the frames being offered at a 50% off discount and  
24 does not display the frames at the marked price.

25 19. Hobby Lobby publishes its bulletins, store advertisements, and online discount  
26 pricing to attract customers to Hobby Lobby’s stores and Hobby Lobby’s website. Hobby Lobby  
27 knows that showing prices marked at a “discounted” or “sale” price will result in more sales of the  
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1 so-called discounted or sale item. Hobby Lobby intentionally markets to play on consumers' desire  
2 to believe they have made a purchase to save money or that they are receiving a "deal."

3 20. However, Hobby Lobby's purported "discounts" or "sale" prices do not exist.  
4 These prices are simply the prices Hobby Lobby offers the Always Discounted Products and no  
5 basis exists for the alleged full "marked price" other than Hobby Lobby's attempts to deceive  
6 consumers (the "Fake Discount Pricing Scheme").

7 21. Upon information and belief, no Hobby Lobby outlet in California or online  
8 routinely, if at all, offers the Always Discounted Products at the "marked price" listed by Hobby  
9 Lobby. The discounts or sale prices are purely a figment of Hobby Lobby's own creation to dupe  
10 consumers into purchasing the Always Discounted Products.

11 22. Plaintiffs have purchased Always Discounted Products at Hobby Lobby's stores  
12 located in California.

13 **IV. Class Action Allegations as to Consumer Claims**

14 23. Plaintiffs bring this action pursuant to Rules 23(a), 23(b)(2) and/or (c)(4), and  
15 23(b)(3) of the Federal Rules of Civil Procedure on behalf of themselves and all other California  
16 citizens similarly situated.

17 24. Plaintiffs seek to represent the following class:

18 All citizens of California who have purchased the Always Discounted Products in  
19 California (the "California Consumer Class").<sup>1</sup>

20 25. Excluded from the Class is Defendant and any of its affiliates, parents, subsidiaries,  
21 officers, directors, employees, successors, or assignees; governmental entities; and the Court staff  
22 assigned to this case and their immediate family members. Plaintiffs reserve the right to modify  
23 or amend the California Consumer Class definition as appropriate during the course of this  
24 litigation.

25 26. This action has been brought and may properly be maintained on behalf of the Class  
26 proposed herein under the criteria of Rule 23 of the Federal Rules of Civil Procedure.

27 \_\_\_\_\_  
28 <sup>1</sup> For purposes of this section, "Class" refers to the "California Consumer Class."

1           27.     **Numerosity — Federal Rule of Civil Procedure 23(a)(1).** The members of the  
2 Class are so numerous and geographically dispersed that individual joinder of all class members  
3 is impracticable. While Plaintiffs are informed and believe that there are not less than one thousand  
4 members of the Class, the precise number of Class Members is unknown to Plaintiffs, but may be  
5 ascertained from Hobby Lobby’s books and records. Class members may be notified of the  
6 pendency of this action by recognized, Court-approved notice dissemination methods, which may  
7 include U.S. Mail, electronic mail, Internet postings, and/or published notice.

8           28.     **Commonality and Predominance — Federal Rule of Civil Procedure 23(a)(2)**  
9 **and 23(b)(3).** This action involves common questions of law and fact, which predominate over  
10 any questions affecting individual Class members, including, without limitation:

- 11
- 12           a.     whether the Always Discounted Products are ever sold by Hobby Lobby at  
                  the alleged “marked price”;
  - 13           b.     whether Hobby Lobby knew or should have known that its Fake Discount  
14                Pricing Scheme violated California and/or federal law;
  - 15           c.     whether Hobby Lobby had a duty to disclose the fact that no basis exists for  
                  the alleged “marked price”;
  - 16           d.     whether any retailer offers any of the Always Discounted Products at the  
17                Hobby Lobby “marked price” price point;
  - 18           e.     whether Hobby Lobby conceals from consumers the true nature of the  
                  discount;
  - 19           f.     whether Plaintiffs and the Class members are entitled to equitable relief,  
20                including, but not limited to, a preliminary and/or permanent injunction;
  - 21           g.     whether Plaintiffs and the Class members are entitled to damages;
  - 22           h.     whether Hobby Lobby was unjustly enriched through the sale of the Always  
                  Discounted Products; and
  - 23           i.     whether Hobby Lobby should cease advertising the Always Discounted  
24                Products at the “discounted” amounts.

25           29.     **Typicality — Federal Rule of Civil Procedure 23(a)(3).** Plaintiffs’ claims are  
26 typical of the other California Consumer Class members’ claims because Plaintiffs and the Class  
27 members purchased the Always Discounted Products at the discounted rate deceptively marketed  
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1 by Hobby Lobby. Neither the Plaintiffs nor the other Class Members were aware that Hobby  
2 Lobby's stated discounts were false and that the marked price was not a legitimate price that the  
3 Always Discounted Products had been sold at. Plaintiffs and the other members suffered damages  
4 as a direct proximate result of the same wrongful practices in which Hobby Lobby engaged.  
5 Plaintiffs' claims arise from the same practices and course of conduct that give rise to the claims  
6 of the other Class members.

7       30.     **Adequacy of Representation — Federal Rule of Civil Procedure 23(a)(4).** Each  
8 Plaintiff is an adequate Class representative because her interests do not conflict with the interests  
9 of the other members of the Class that she seeks to represent, Plaintiffs have retained counsel  
10 competent and experienced in complex class action litigation, and Plaintiffs intend to prosecute  
11 this action vigorously. The Class's interests will be fairly and adequately protected by Plaintiffs  
12 and Plaintiffs' counsel.

13       31.     **Superiority — Federal Rule of Civil Procedure 23(b)(3).** A class action is  
14 superior to any other available means for the fair and efficient adjudication of this controversy,  
15 and no unusual difficulties are likely to be encountered in the management of this class action.  
16 The damages or other financial detriment suffered by Plaintiffs and the other Class members are  
17 relatively small compared to the burden and expense that would be required to individually litigate  
18 their claims against Hobby Lobby, so it would be impracticable for Class members to individually  
19 seek redress for Hobby Lobby's wrongful conduct. Even if the Class members could afford  
20 litigation, the court system could not. Because of the relatively small size of the individual Class  
21 members' claims (compared to the cost of litigation), it is likely that only a few Class members  
22 could afford to seek legal redress for Hobby Lobby's misconduct. Absent a class action, Class  
23 members will continue to incur damages, and Hobby Lobby's misconduct will continue without  
24 remedy. Individualized litigation creates a potential for inconsistent or contradictory judgments  
25 and increases the delay and expense to all parties and the court system. By contrast, the class  
26 action device presents far fewer management difficulties, and provides the benefits of single  
27 adjudication, economy of scale, and comprehensive supervision by a single court. Class treatment  
28

1 of common questions of law and fact would be a superior method to multiple individual actions or  
2 piecemeal litigation in that class treatment will conserve the resources of the courts and the  
3 litigants, and will promote consistency and efficiency of adjudication.

4 32. **Ascertainability.** For purposes of Rule 23(b)(3) certification, members of each  
5 Class can be identified through objective criteria. Hobby Lobby keeps records of its sales and  
6 customers that can be used to identify Class Members and disseminate notice in accordance with  
7 due process requirements.

8 33. **Declaratory and Injunctive Relief — Federal Rule of Civil Procedure 23(b)(2).**  
9 Hobby Lobby has acted or refused to act on grounds generally applicable to Plaintiffs and the other  
10 Class members, thereby making appropriate final injunctive relief and declaratory relief, as  
11 described below, with respect to the Class members as a whole.

12  
13 **V. Claims for Relief**

14 **COUNT I**

15 **VIOLATION OF THE CALIFORNIA FALSE ADVERTISING LAW, CAL. BUS. &**  
16 **PROF'L CODE § 17500 *ET SEQ***  
17 **(By Plaintiffs individually and for the California Consumer Class)**

18 34. Plaintiffs incorporate the preceding and subsequent allegations as if set forth fully  
19 herein.

20 35. The California False Advertising Law, codified at California Business &  
21 Professions Code section 17500 *et seq.*, (the “FAL”) provides, in relevant part, that it is unlawful  
22 for any corporation, with intent directly or indirectly to dispose of personal property, to make or  
23 disseminate in any “manner or means whatever, including over the Internet, any statement  
24 concerning that . . . personal property . . . which is the untrue or misleading, and which is known,  
25 or which by the exercise of reasonable care should be known, to be untrue or misleading.” Cal. Bus.  
26 & Prof. Code § 17500. The “intent” required by section 17500 is the intent to dispose of property,  
27 and not the intent to mislead the public in the disposition of such property.



1           36.     Additionally, the FAL provides, in relevant part, that “[n]o price shall be advertised  
2 as a former price of any advertised thing, unless the alleged former price was the prevailing market  
3 . . . within three months next immediately preceding the publication of the advertisement or unless  
4 the date when the alleged former price did prevail is clearly, exactly, and conspicuously stated in  
5 the advertisement.” Cal. Bus. & Prof. Code § 17501.

6           37.     Hobby Lobby has violated the FAL through its Fake Discount Pricing Scheme.  
7 Specifically, Hobby Lobby makes false or misleading statements that it is providing the Always  
8 Discounted Products at a discount against a fake “marked price” that Hobby Lobby never or rarely  
9 uses and that no other retailer uses on a regular or routine basis.

10          38.     Hobby Lobby rarely, if ever, offered the Always Discounted Products at a non-  
11 discounted price within the three months immediately preceding the publication of the  
12 advertisements.

13          39.     Hobby Lobby did not clearly, exactly, and conspicuously state in the  
14 advertisements the date on which the alleged former price actually prevailed.

15          40.     Hobby Lobby engaged in this deceptive conduct with the intent to dispose of  
16 personal property, including the intent to increase the sale of the Always Discounted Products.

17          41.     Hobby Lobby knew or reasonably should have known that prices they included on  
18 their products were untrue or misleading.

19          42.     Hobby Lobby’s Fake Discount Pricing Scheme was likely to deceive members of  
20 the public. It is likely that a significant portion of the general consuming public or of targeted  
21 consumers, acting reasonably in the circumstances, could be (or would have been) misled.

22          43.     As a direct and proximate result of Hobby Lobby’s misleading and false  
23 advertisement, Plaintiffs and similarly situated Class members suffered injury in fact and sustained  
24 damages in an amount to be determined at trial.

25          44.     Plaintiffs request that the Court compensate Plaintiffs and all Class Members,  
26 restore to Plaintiffs and Class Members any money Hobby Lobby acquired by false advertising  
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1 (including restitution or disgorgement), and enjoin Defendant from continuing its false and  
2 misleading advertising practices.

3 45. Plaintiffs, individually and for the California Consumer Class, seek all damages  
4 permitted by law, in an amount to be proven at trial.

5 46. Plaintiffs, individually and on behalf of the California Consumer Class, seek an  
6 injunction preventing Hobby Lobby from continuing to mark the Always Discounted Products as  
7 being on “sale” or offered at a “discount” when in fact there is no sale or discount being applied  
8 by Hobby Lobby.

9  
10 **COUNT II**  
11 **VIOLATION OF THE CALIFORNIA UNFAIR COMPETITION LAW (CAL. BUS. &**  
12 **PROF. CODE § 17200 ET SEQ.)**  
13 **(By Plaintiffs individually and for the California Consumer Class)**

14 47. Plaintiffs incorporate the preceding and subsequent allegations as if set forth fully  
15 herein.

16 48. Under the California Unfair Competition Law (the “California UCL”), a plaintiff  
17 can bring an action individually and as a class to enjoin and to seek restitution for unfair  
18 competition. (*See* Ca. Bus. & Prof. § 17200 *et seq.*)

19 49. The California UCL defines unfair competition to include “any unlawful, unfair or  
20 fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising, and any  
21 act prohibited by Chapter 1 of the Part 3 of the Division 7 of the Business and Professions Code.”  
(Cal. Bus. & Prof. § 17200.)

22 50. A cause of action may be brought under the “unlawful” prong of the UCL if a  
23 practice violates another law. Such an action borrows violations of other laws and treats those  
24 violations, when committed pursuant to a business activity, as unlawful practices independently  
25 actionable under the UCL.

26 51. Plaintiffs are “persons” under the UCL, § 17021.

27 52. Defendant is a “person” under the UCL, § 17021.

1 53. Under § 17203, a court may enjoin “any person performing or proposing to perform  
2 an act of unfair competition . . . .” Under that subsection, courts are authorized to “make such  
3 orders as may be necessary to restore to any person in interest any money or property, real or  
4 personal, which may have been acquired by means of such unfair competition.”

5 54. Under the UCL, courts can order restitution without individualized proof of  
6 deception, reliance, and injury if necessary to prevent the use or employment of an unfair practice.

7 55. The UCL encompasses not just advertisements that have deceived or misled  
8 because they are untrue, but also those which may be accurate on some level, but will nonetheless  
9 tend to mislead or deceive.

10 56. Under the UCL, an action can be brought by any person acting for the interests of  
11 themselves or the general public.

12 57. Here, by engaging in false advertising, as well as the false, deceptive, and  
13 misleading conduct alleged above, Defendant has engaged in unlawful business acts and practices  
14 in violation of the UCL. This includes violations of state and federal laws and regulations, such as  
15 15 U.S.C. § 45(a)(1), 16 C.F.R. § 233.1, Cal. Bus. & Prof. Code §§ 17500 and 17501, and Cal.  
16 Civil Code §§ 1770(a)(9) and (a)(13).

17 58. The Federal Trade Commission Act (“FTCA”) prohibits “unfair or deceptive acts  
18 or practices in or affecting commerce[.]” 15 U.S.C. § 45(a)(1). Under FTC regulations, false  
19 pricing schemes similar to the one employed by Defendant are a deceptive practice under the  
20 FTCA.

21 59. As explained below, Defendant’s conduct also violates California false advertising  
22 laws, and the Consumer Legal Remedies Act.

23 60. Also, a business act or practice is “unfair” under the UCL if it offends an established  
24 public policy or is immoral, unethical, oppressive, unscrupulous, or substantially injurious to  
25 consumers.

26 61. Defendant’s conduct also constitutes an “unfair” business act or practice. The Fake  
27 Discount Price Scheme offered false discounts or false comparisons. Defendant’s acts or practices  
28

1 violated established public policy. They also constituted immoral, unethical, oppressive, and  
2 unscrupulous activities that are substantially injurious to consumers.

3 62. The harm to Plaintiffs and Class Members outweighs the utility of Defendant’s  
4 practices. There were reasonably available alternatives to further Defendant’s legitimate business  
5 interests, other than the misleading and deceptive conduct described herein.

6 63. A business act is “fraudulent” within the meaning of the UCL if members of the  
7 public are likely to be deceived.

8 64. Here, members of the public are likely to be deceived by Defendant’s conduct.

9 65. Defendant knew or should have known, through the exercise of reasonable care,  
10 that its representations about the Always Discounted Products were untrue and misleading.

11 66. As a direct and proximate result of Defendant’s actions, Plaintiffs and Class  
12 Members suffered injury in fact and lost money or property.

13 67. Plaintiffs seek restitution and disgorgement of all money received by Defendants  
14 through the conduct described above.

15 68. Plaintiffs also seek a temporary, preliminary, or permanent injunction from this  
16 Court prohibiting Defendant from engaging in the patterns and practices described herein.

17  
18 **COUNT III**  
19 **VIOLATION OF THE CONSUMER LEGAL REMEDIES ACT**  
20 **Cal. Civ. Code §§ 1750-1785 (the “CLRA”)**  
21 **(By Plaintiffs Individually and for the California Consumer Class)**

22 69. Plaintiffs incorporate the preceding and subsequent allegations as if set forth fully  
23 herein.

24 70. This count is brought by Plaintiffs Nicole Loza and Lorraine Romero individually  
25 and for the California Consumer Class.

26 71. The Consumer Legal Remedies Act of 1970, Cal. Civ. Code sections 1750 et seq.  
27 (the “CLRA”) is a California consumer protection statute which allows plaintiffs to bring private  
28 civil actions for “unfair methods of competition and unfair or deceptive acts or practices  
undertaken by any person in a transaction . . . which results in the sale or lease of goods or services

1 to any consumer.” Cal. Civ. Code § 1770(a). The purposes of the CLRA are “to protect consumers  
2 against unfair and deceptive business practices and to provide efficient and economical procedures  
3 to secure such protection.” Cal. Civ. Code § 1760.

4 72. Plaintiffs and members of the California Consumer Class are consumers who  
5 purchased Defendant’s products for personal, family, or household purposes. Accordingly,  
6 Plaintiffs and members of the California Consumer Class are “consumers,” as the term is defined  
7 by Cal. Civ. Code § 1761(d).

8 73. Defendant’s sale of its Always Discounted Products to Plaintiffs and the Class were  
9 “transactions” within the meaning of California Civil Code section 1761(e).

10 74. The products purchased by Plaintiffs and the Class are “goods” within the meaning  
11 of California Civil Code section 1761(a).

12 75. At all relevant times, Defendant was a “person,” as that term is defined in Cal. Civ.  
13 Code § 1761(c).

14 76. At all relevant times, Plaintiffs’ purchases of Defendant’s products, and the  
15 purchases by other California Consumer Class members, constituted “transactions,” as that term  
16 is defined in Cal. Civ. Code § 1761 (e).

17 77. Defendant violated and continues to violate the CLRA by engaging in the following  
18 practices prohibited by California Civil Code section 1770(a) in transactions with Plaintiffs and  
19 the Class which were intended to result in, and did result in, the sale of Defendant’s products: (a)  
20 Advertising goods or services with intent not to sell them as advertised (Cal. Civ. Code §  
21 1770(a)(9)); and (b) Making false or misleading statements of fact concerning reasons for,  
22 existence of, or amounts of price reductions (Cal. Civ. Code § 1770(a)(13)).

23 78. Defendant violated California Civil Code §§ 1770(a)(9) and (a)(13) by representing  
24 that its Always Discounted Products are worth and are ordinarily offered at higher fictitious prices  
25 or are offered at fictitious “% off” sale prices.

26 79. As to § 1770(a)(9), Defendant advertised and represented its Always Discounted  
27 Products with the “intent not to sell” them as advertised because the false prices advertised in  
28

1 connection with products offered misled and continue to mislead customers into believing the  
2 merchandise was previously offered for sale and/or sold at the higher prices for some reasonably  
3 substantial period of time.

4 80. As to section 1770(a)(13), Defendant made false or misleading statements of fact  
5 concerning the “existence of” and the “amounts of price reductions” because, among other things,  
6 (a) no true price reductions existed—or at the very least, any amounts of price reductions were  
7 exaggerated—in that Defendant’s Always Discounted Products were rarely, if ever, previously  
8 offered for sale and/or sold at the higher price for a reasonably substantial period of time.

9 81. Pursuant to California Civil Code section 1782(a), Plaintiffs’ counsel will notify  
10 Defendant in writing by registered mail, return receipt requested, to the place where the transaction  
11 occurred or to Defendant’s principal place of business within California, of the particular  
12 violations of Civil Code section 1770 and demand that it rectify the problems associated with the  
13 actions detailed above and give notice to all affected consumers of Defendant’s intent to act. If  
14 Defendant fails to take necessary and appropriate action to rectify their violations of the CLRA  
15 within thirty (30) days of Plaintiffs’ notice, Plaintiffs will amend this Complaint to seek actual,  
16 punitive, and statutory damages as appropriate against Defendant under the CLRA. At this time,  
17 Plaintiffs seek an injunction for Defendant’s violation of the CLRA to enjoin Defendant’s  
18 methods, acts, and practices of deceiving customers through their false and misleading pricing  
19 scheme as outlined above. The conduct alleged in this Complaint constitutes unfair methods of  
20 competition and unfair and deceptive acts and practices for the purposes of the CLRA, and the  
21 conduct was undertaken by Defendant in transactions intended to result in, and which did result  
22 in, the sale of goods to consumers.

23 82. Plaintiffs and members of the Class suffered injuries caused by Defendant’s  
24 misrepresentations because (a) Plaintiffs and members of the Class would not have purchased the  
25 Always Discounted Products on the same terms if they had known the true facts; and (b) Plaintiffs  
26 and members of the Class paid a price premium due to the mislabeling of Defendant’s Always  
27 Discounted Products.

28



- 1 3. Injunctive relief;
- 2 4. Equitable relief, including but not limited to disgorgement and restitution;
- 3 5. Compensatory, exemplary, statutory, actual, and punitive damages to the extent
- 4 allowed by law and proven at trial;
- 5 6. Attorneys' fees and costs;
- 6 7. Pre-judgment and post-judgment interest, as provided by law; and
- 7 8. Such other relief as may be appropriate under the circumstances.

8 **VII. Demand for Jury Trial**

9 Plaintiffs hereby demand a trial by jury on all issues so triable, except for the issue of  
10 attorney's fees and costs.

11 DATED: November 11, 2024

12 Respectfully submitted,

13 /s/ Stephen R. Basser

14 **BARRACK RODOS & BACINE**

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27 Matthew D. Alison (Additional Counsel for Plaintiffs Appear on Signature Page)



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*Attorneys for Plaintiffs*

*\*Pro hac vice Application forthcoming*

CIVIL COVER SHEET

The JS-CAND 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

NICOLE LOZA and LORRAINE ROMERO, individually and on behalf of all others similarly situated,

(b) County of Residence of First Listed Plaintiff San Francisco, CA (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number) Stephen R. Basser, Barrack Rodos Bacine, 600 West Broadway, Suite 900, San Diego, CA 92101, (619) 230-0800

DEFENDANTS

HOBBY LOBBY STORES, INC.

County of Residence of First Listed Defendant Oklahoma, OK (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff 3 Federal Question (U.S. Government Not a Party)
2 U.S. Government Defendant X 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

Table with columns for Plaintiff (PTF) and Defendant (DEF) citizenship: Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation.

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Large table with categories: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, HABEAS CORPUS, OTHER, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES.

V. ORIGIN (Place an "X" in One Box Only)

- X 1 Original Proceeding 2 Removed from State Court 3 Remanded from Appellate Court 4 Reinstated or Reopened 5 Transferred from Another District (specify) 6 Multidistrict Litigation-Transfer 8 Multidistrict Litigation-Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

28 U.S.C. § 1332(a) and (d)

Brief description of cause:

False advertising

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, Fed. R. Civ. P. DEMAND \$ 5,000,000.00

CHECK YES only if demanded in complaint: JURY DEMAND: X Yes No

VIII. RELATED CASE(S), IF ANY (See instructions):

JUDGE

DOCKET NUMBER

IX. DIVISIONAL ASSIGNMENT (Civil Local Rule 3-2)

(Place an "X" in One Box Only) X SAN FRANCISCO/OAKLAND SAN JOSE EUREKA-MCKINLEYVILLE

DATE 11/11/2024

SIGNATURE OF ATTORNEY OF RECORD

/s/ Stephen R. Basser