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10 **UNITED STATES DISTRICT COURT**  
 11 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

12  
 13 SUSAN COLBY, individually and on  
 14 behalf of all others similarly situated,

15 Plaintiff,

16 v.

17 SKECHERS U.S.A., INC.,

18 Defendant.  
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**Civil Action No.: 2:25-cv-843**

**COMPLAINT – CLASS  
 ACTION**

1. FRAUD
2. NEGLIGENT MISREPRESENTATION
3. BREACH OF CONTRACT
4. UNJUST ENRICHMENT
5. VIOLATION OF CALIFORNIA’S CONSUMER LEGAL REMEDIES ACT
6. VIOLATION OF CALIFORNIA’S FALSE ADVERTISING LAW
7. VIOLATION OF CALIFORNIA’S FALSE ADVERTISING LAW, BUS, & PROF. CODE

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**8. VIOLATION OF  
CALIFORNIA UNFAIR  
COMPETITION LAW**

**JURY TRIAL DEMANDED**

Plaintiff Susan Colby (“Plaintiff”), individually and on behalf of all others similarly situated, brings this action against Defendant Skechers U.S.A., Inc. (“Skechers” or “Defendant”), and alleges based upon personal knowledge with respect to herself and on information and belief derived from, among other things, investigation of counsel and review of public documents as to all other matters:

**NATURE OF THE ACTION**

1. With the sheer volume of online products being offered, consumers rely on accurate pricing to make informed decisions. Unfortunately, many retailers engage in deceptive and misleading practices by advertising products as “sales” or “markdowns” by showing significantly inflated “reference prices” or “regular prices” that are rarely, if ever, actually charged. These fake reference prices fool consumers into thinking they are getting a great deal at

1 the “sale” price, when in fact, they have merely been tricked by the retailer,  
2 and in reality the consumer is paying the same amount, or even more than,  
3 the usual price of the item. The effect of this unlawful tactic is to set  
4 consumers’ perception of the value of a product at a grossly inflated level,  
5 thereby inducing consumers to unwittingly pay more for the product than they  
6 might normally pay. Furthermore, researchers have found that when  
7 consumers believe that the supposedly reduced price will end soon, they are  
8 more likely to buy now, rather than wait or comparison shop, and buy  
9 someplace else.<sup>1</sup> But in many instances, the reference price is not a true  
10 discount.

14 2. Highlighting how these false sales have become a true problem in the  
15 marketplace, the Federal Trade Commission (“FTC”) created a rule  
16 prohibiting the practice. 16 C.F.R. § 233.1. The FTC identified this practice  
17 as a form of “deceptive pricing” that denies consumers the value of the  
18 bargain that they thought they were receiving.

21 3. Skechers has engaged in just such a deceptive pricing scheme. Skechers  
22 advertises perpetual or near perpetual discounts on many of its products,  
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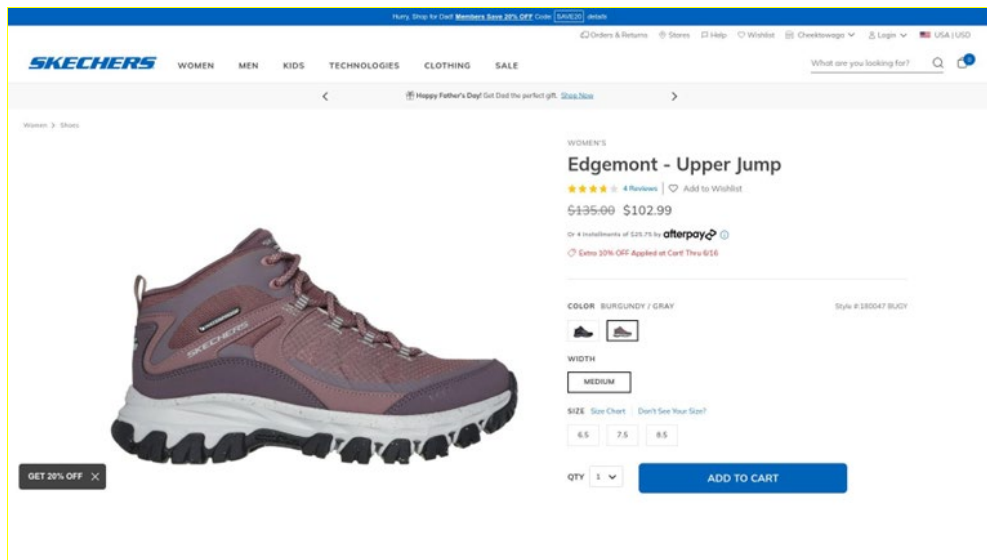
25 <sup>1</sup> Patrick Coffee, Thought You Saved \$60 on that Vacuum Cleaner? Think  
26 Again, Wall St. J. (Aug. 24, 2023), available at:  
27 [https://www.wsj.com/articles/thought-you-saved-60-on-that-vacuum-  
cleaner-think-again-c89ce344](https://www.wsj.com/articles/thought-you-saved-60-on-that-vacuum-cleaner-think-again-c89ce344) (Last accessed January 27, 2024).

1 supposedly offering discounts of more than 40% off Skechers’ self-created,  
2 fictitious reference prices. Skechers represents to consumers that its reference  
3 price is the “regular” or “normal” price of the item, which functions as a new  
4 and inflated reference point from which consumers discount their “savings”  
5 on various products.  
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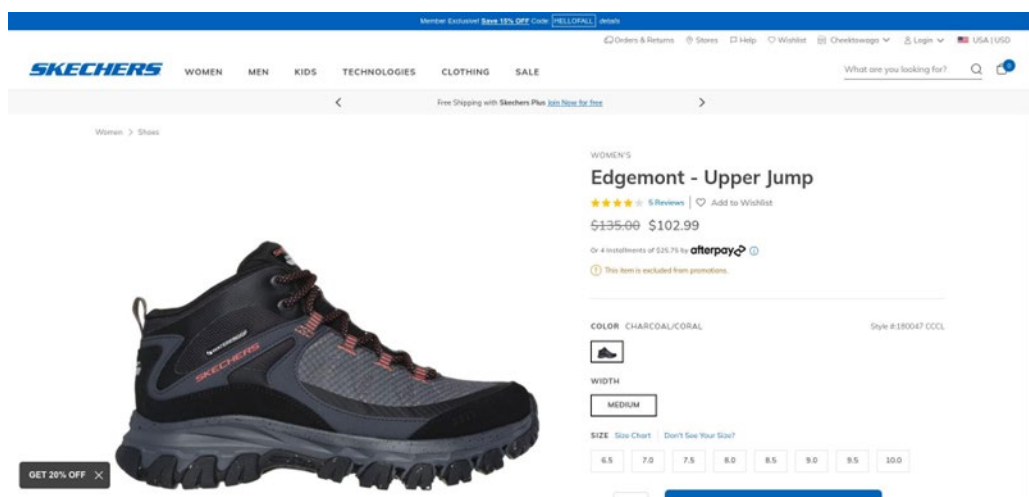
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8 4. Skechers’ reference prices are false because Skechers rarely, if ever,  
9 offers the products for the reference price. Instead, the inflated reference  
10 prices allow Skechers to continually advertise “sale” events and product  
11 discounts in order to induce consumers into purchasing products. In reality,  
12 the “sale” price is the price at which Skechers regularly sells the product, but  
13 the consumer has been tricked into thinking she found a great discount.  
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16 5. To illustrate, below is a June 12, 2024 screengrab from Skechers’  
17 website for Edgemont – Upper Jump “on sale” for \$102.99 from an original  
18 price of \$135.  
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6. Below is a screengrab of the same product, taken from Skechers' website more than three months later, on September 15, 2024, which still reveals the inflated reference price of \$135 and false discount price of \$102.99.



7. Skechers' practice of falsely inflating reference prices in order to give

1 the illusion of higher value, bigger discounts, and a false sense of time  
2 pressure, constitutes false advertising, and is an unfair and deceptive practice  
3 under California’s Consumer Legal Remedies Act (“CLRA”) Cal. Civ. Code  
4 §§ 1750 *et seq.*

6 8. Accordingly, Plaintiff, on behalf of herself and the Classes (as defined  
7 below) now seeks to hold Skechers accountable for its unfair, deceptive, and  
8 unlawful policy of displaying false or misleading discount or “sale” prices.  
9 Plaintiff seeks to bring claims on behalf of a Nationwide Class and a  
10 California Subclass (collectively “Classes”) of consumers who purchased  
11 falsely discounted products on Skechers’ website and is seeking, among other  
12 things, to recover damages and injunctive or declaratory relief ordering  
13 Defendant to disgorge all revenues unjustly received from the proposed  
14 Classes due to its intentional and unlawful practice of using false reference  
15 prices and false discounts.

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20 **PARTIES**

21 9. Plaintiff Susan Colby is an individual citizen of the State of California  
22 and a natural adult person who resides in Fresno County, California.

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24 10. Skechers U.S.A., Inc. is a Delaware corporation with  
25 headquarters located at 228 Manhattan Beach Blvd., Manhattan Beach,  
26 California 90266. In the third quarter of 2024, Skechers announced record-

1 breaking quarterly sales of \$2.35 billion.<sup>2</sup>

2 **JURISDICTION AND VENUE**

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4 11. The Court has subject matter jurisdiction over this action under  
5 the Class Action Fairness Act, 28 U.S.C. § 1332(d)(2). The amount in  
6 controversy exceeds \$5 million, exclusive of interest and costs. Upon  
7 information and belief, the number of class members is over 100, many of  
8 whom have different citizenship from Defendant. Thus, minimal diversity  
9 exists under 28 U.S.C. § 1332(d)(2)(A).  
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11  
12 12. This Court has personal jurisdiction over Defendant because it  
13 can be found in and operates in this District, and generally conducts  
14 substantial business in the State of California. Defendant has sufficient  
15 minimum contacts in California, and/or otherwise intentionally avails itself to  
16 the California market through the operation of its e-commerce website within  
17 the State of California, knowingly and intentionally shipping goods into the  
18 State of California for decades, and a substantial part of the unlawful business  
19 practices which give rise to this action occurred in this District.  
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23 13. This Court may exercise personal jurisdiction over Defendant to  
24 the fullest extent allowed under the Federal Due Process Clause. Defendant  
25 is headquartered in and has certain minimum contacts with the State of  
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27 <sup>2</sup> [https://investors.skechers.com/press-releases/detail/638/skechers-announces-third-quarter-2024-financial-](https://investors.skechers.com/press-releases/detail/638/skechers-announces-third-quarter-2024-financial-results-and)  
28 [results-and](https://investors.skechers.com/press-releases/detail/638/skechers-announces-third-quarter-2024-financial-results-and) (Last accessed Jan. 27, 2025).

1 California. Defendant has and continues to purposefully perform some acts or  
2 consummate some transactions in the State of California, and Plaintiff's  
3 claims arise from, or are connected with, Defendant's transactions. The  
4 assumption of jurisdiction by this Court does not offend traditional notions of  
5 fair play and substantial justice, consideration being given to the quality,  
6 nature, and extent of the activity in the State of California, the relative  
7 convenience of the parties, the benefits and protection of laws of the State of  
8 California afforded the respective parties, and the basic equities of the  
9 situation.

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13 14. Skechers further operates a website, [www.Skechers.com](http://www.Skechers.com), by  
14 which Skechers advertises and sells its goods in California. The website is  
15 regularly viewed by and used to purchase products by consumers in  
16 California.

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18 15. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b)  
19 because a substantial part of the events giving rise to this action occurred in  
20 this District and Defendant is headquartered in this District.

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22 **FACTUAL BACKGROUND**

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24 **I. FALSE REFERENCE PRICING SCHEMES**

25 16. Consumers' reactions to sales and to false sales are well studied  
26 in academic literature. Research shows that reference prices, such as those  
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1 used by Defendant, materially impact consumers' behavior. A reference price  
2 affects a consumer's perception of the value of the transaction, the consumer's  
3 willingness to make the purchase, and the amount of money the consumer is  
4 willing to pay for the product.<sup>3</sup>

6 17. This deceptive practice involves three elements, most easily  
7 shown through an example using a retailer that wants to sell a blue shirt with  
8 a market value of \$35. First, the retailer advertises an inflated "reference  
9 price" or the "strike through price" for that shirt, which the retailer wants the  
10 consumer to believe is that shirt's normal price. For this example, that price  
11 is \$50. The problem is that the retailer has not actually sold the shirt for \$50,  
12 nor could it do so because the market will not bear such an inflated price when  
13 other similar blue shirts are sold for less. Instead that \$50 price is fictitious,  
14 created by the retailer in order to show the consumer the second element in  
15 the fraud: a supposed "discount" off that fictitious reference price. In this  
16 example, that amounts to a 30% discount. Then, in the third element, the  
17 retailer presents the consumer with the "new" discounted price of \$35 for the  
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24 <sup>3</sup> Urbany, Joel E., William O. Bearden and Dan Weilbaker (1988), "The  
25 Effect of Plausible and Exaggerated Reference Prices on Consumer  
26 Perceptions and Price Search," *Journal of Consumer Research*, 15 (June), 95–  
27 110; Chandrashekar, Rajesh (2004), "The Influence of Redundant  
28 Comparison Prices and Other Price Presentation Formats on Consumers'  
Evaluations and Purchase Intentions," *Journal of Retailing*, 80 (1), 53–66.

1 blue shirt, which the retailer wanted to sell the shirt for all along. As part of  
2 this scheme, the retailer wants the consumer to believe that the shirt is worth  
3 \$50 and that the consumer is getting a deal by actually paying \$15 less, which  
4 induces the consumer to make a purchase under the false belief that she is  
5 getting a bargain on a more valuable shirt (30% off a \$50 product in this  
6 example) and creates a false sense of urgency that the purported “discount”  
7 or “sale” will end and the consumer will have to pay the “reference price” for  
8 the shirt. Using this deception, retailers can even falsely induce consumers to  
9 pay prices above the market price, for example \$40 for the blue shirt, because  
10 the consumer still believes she is getting a deal, i.e., a 20% markdown.  
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14 18. Accurate reference prices play an important role in consumers’  
15 ability to compare products because they allow consumers to make informed  
16 decisions by comparing one retailer’s prices to another. This is especially true  
17 where the consumer is comparing similar, though not identical, products such  
18 as two white T-shirts. In such circumstances, reference prices increase a  
19 consumer’s interest in the product by increasing the consumer’s estimate of  
20 savings offered by one retailer.<sup>4</sup> “[A] higher plausible reference price . . .  
21 consistently makes the offer appear to be a better value than if no reference  
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27 <sup>4</sup> Blair, Edward A. and E. Laird Landon, Jr. (1981), "The Effects of Reference  
28 Prices in Retail Advertisements," *Journal of Marketing*, 45 (Spring), 61-69.

1 price appears.”<sup>5</sup> Therefore, when a retailer advertises its products with  
2 inflated reference prices, consumers are harmed because they are denied the  
3 ability to accurately compare prices across the market, and they imbue the  
4 advertised product with a false sense of value that they would not have  
5 developed if the inflated reference price had not been listed.  
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8 19. Unsurprisingly, research shows that consumers prefer to get a  
9 bargain. Indeed, “shoppers sometimes expend more time and energy to get a  
10 discount than seems reasonable given the financial gain involved,” and “often  
11 derive more satisfaction from finding a sale price than might be expected on  
12 the basis of the amount of money they actually save.”<sup>6</sup> The fear of losing such  
13 a discount, because of the false impression given the retailer that the discount  
14 or sale price will not last forever, often induces the consumer to purchase  
15 quickly, without performing comparison shopping.  
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18 20. Studies also show that consumers are driven by internal and  
19 external reference prices.<sup>7</sup> Internal reference prices are a consumer’s price  
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23 <sup>5</sup> Urbany, The Effect of Plausible and Exaggerated Reference Prices on  
Consumer Perceptions and Price Search, *supra* n. 1 at 106.

24 <sup>6</sup> Darke, Peter and Darren Dahl. “Fairness and Discounts: The Subjective  
25 Value of a Bargain.” *Journal of Consumer Psychology* 13, No. 3 (2003): 328–  
338, at 328.

26 <sup>7</sup> Mayhew, Glenn E. and Russell S. Winer. “An Empirical Analysis of Internal  
27 and External Reference Prices using Scanner Data.” *Journal of Consumer  
28 Research* 19, No. 1 (1992): 62-70, at 68.

1 expectations based on past experiences, stored in their memory. External  
2 reference prices are prices encountered during the shopping experience, such  
3 as suggested retail prices or sale tags.<sup>8</sup> Research suggests that consumers  
4 adjust their internal value expectations (i.e., internal reference prices) to align  
5 with external reference prices they encounter.<sup>9</sup> In addition, for infrequently  
6 purchased items, or unique items, consumers may lack an actual internal  
7 reference price simply because they have not priced the product previously,  
8 and in such situations, consumers rely more heavily on the external reference  
9 prices.  
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13 21. Retailers, including Defendant, understand that consumers are  
14 vulnerable to perceived bargains. Thus, Skechers' has a substantial financial  
15 interest in exploiting consumers' well-known behavioral tendencies by  
16 inducing consumers into believing they are receiving a bargain—even when  
17 they are not. The phenomena of people disproportionately relying on an initial  
18 piece of information when making a decision, known as “anchoring,”<sup>10</sup> is  
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22 <sup>8</sup> *Id.* at 62.

23 <sup>9</sup> Grewal, Dhruv, Kent B. Monroe, and Ramayya Krishnan. “The Effects of  
24 Price-Comparison Advertising on Buyers’ Perceptions of Acquisition Value,  
25 Transaction Value, and Behavioral Intentions.” *The Journal of Marketing* 62  
(1998): 46-59, at 48.

26 <sup>10</sup> *See* Program on Negotiation, Anchoring Effect, HARV. L. SCH.,  
27 <http://www.pon.harvard.edu/tag/anchoring-effect> (“[T]he anchoring effect,  
28 [is] the tendency for the first offer to “anchor” the bargaining that follows in  
its direction, even if the offer recipient thinks the offer is out of line.”).

1 especially relevant in this context. Especially when shopping online,  
2 consumers often encounter reference prices as the first, if not the only, insight  
3 into a product's value besides the sale price itself. Thus, consumers use the  
4 reference price as a baseline upon which to calculate a product's true value.  
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6 22. Deceptive and misleading pricing such as that employed by  
7 Defendant causes consumers to pay more than they otherwise would have  
8 paid for products. It also misleadingly resets consumers' true value  
9 expectations by falsely representing the value of products in order to trick  
10 consumers into paying more than the products are actually worth.  
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12 23. In addition to harming consumers, employing false reference  
13 pricing disrupts the integrity and fairness that underlies retail markets. When  
14 unethical retailers use misleading reference prices, they gain an unfair  
15 advantage over honest competitors offering similar products. In the forgoing  
16 example, if the dishonest retailer is selling a blue shirt that is purportedly  
17 valued at \$50 for just \$35, and the honest retailer is selling a similar \$35 blue  
18 shirt for \$35, the online consumer, who cannot otherwise evaluate the true  
19 value of the shirt, is more likely to buy the supposedly more valuable \$50  
20 shirt, rather than the supposedly less valuable \$35 shirt. If such unlawful  
21 advertising practices remain unchecked, businesses that adhere to honest  
22 practices will continue to be unfairly disadvantaged.  
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1 24. Defendant knew or should have known that the use of false  
2 reference prices was misleading consumers to believe that they were  
3 receiving a “sale” when, in fact, they were not. Moreover, Skechers intended  
4 for reasonable consumers to understand the “sale” prices to be new prices that  
5 Skechers had reduced from its “regular” or “former” prices. Defendant  
6 intentionally failed to disclose to Plaintiff and members of the Classes the  
7 truth about its reference prices, i.e. that the prices were fabricated, and  
8 Defendant never offered the items at the reference prices during the relevant  
9 period. Defendant intentionally sought to convey to consumers that they were  
10 receiving a true markdown.

11 25. Defendant intentionally enacted a broad pricing scheme designed  
12 to mislead customers into believing that the reference prices were the prices  
13 at which the advertised product was formerly listed and the prevailing market  
14 rate of the advertised product.

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20 **II. FALSE REFERENCE PRICING VIOLATES BOTH**  
21 **FEDERAL LAW AND STATE LAW**

22 26. It is well-established that false reference pricing violates federal  
23 and state law. Even so, retailers, including Defendant, continue to use the  
24 tactic because they know they will be able to increase sales and profits by  
25 tricking consumers into making purchase decisions based on the falsely  
26 inflated reference prices. Though the information available to consumers  
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1 varies between different types of products, consumers frequently lack full  
2 information about products and, as a result, often use information from  
3  
4 retailers to make purchase decisions.

5 27. California law prohibits false reference pricing practices like  
6 those used by Defendant. *See* Cal. Bus. & Prof. Code § 17501 (expressly  
7 prohibiting false former pricing schemes); *see also* Cal. Civ. Code §  
8 1770(a)(9) (prohibiting a business from “[a]dvertising goods or services with  
9 intent not to sell them as advertised”), and Cal. Civ. Code § 1770(a)(13)  
10 (prohibiting a business from “[m]aking false or misleading statements of fact  
11 concerning reasons for, existence of, or amounts of price reductions”).  
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14 28. The Ninth Circuit Court of Appeals recognizes the harm that can  
15 come from advertising false and deceptive reference prices. In *Hinojos v.*  
16 *Kohl’s Corp.*, 718 F.3d 1098 (9th Cir. 2013), the court found that “[m]ost  
17 consumers have, at some point, purchased merchandise that was marketed as  
18 being ‘on sale’ because the proffered discount seemed too good to pass up.  
19 Retailers, well aware of consumers’ susceptibility to a bargain, therefore have  
20 an incentive to lie to their customers by falsely claiming that their products  
21 have previously sold at a far higher ‘original’ price in order to induce  
22 customers to purchase merchandise at a purportedly marked- down ‘sale’  
23 price. Because such practices are misleading—and effective—the California  
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1 legislature has prohibited them.” *Id.* at 1101.

2 29. The FTC also recognizes the fraudulent nature of fictitious and  
3 artificial sale pricing. The FTC’s rules have long included “Part 233—Guides  
4 Against Deceptive Pricing” which states in relevant part:  
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6 One of the most commonly used forms of bargain  
7 advertising is to offer a reduction from the  
8 advertiser’s own former price for an article. If the  
9 former price is the actual, bona fide price at which  
10 the article was offered to the public on a regular  
11 basis for a reasonably substantial period of time, it  
12 provides a legitimate basis for the advertising of a  
13 price comparison. Where the former price is  
14 genuine, the bargain being advertised is a true one.  
15 If, on the other hand, the former price being  
16 advertised is not bona fide but fictitious  
17 -- for example, where an artificial, inflated price  
18 was established for the purpose of enabling the  
19 subsequent offer of a large reduction -- the  
20 “bargain” being advertised is a false one; the  
21 purchaser is not receiving the unusual value he  
22 expects. In such cases, the “reduced price” is, in  
23 reality, probably just the seller’s regular price. 16  
24 C.F.R § 233.1(a).

25 The FTC guidance provides several useful examples of such deceptive sales:

26 An advertiser might use a price at which he never  
27 offered the article at all; he might feature a price  
28 which was not used in the regular course of  
business, or which was not used in the recent past  
but at some remote period in the past, without  
making disclosure of that fact; he might use a price  
that was not openly offered to the public, or that was  
not maintained for a reasonable length of time, but  
was immediately reduced. 16 C.F.R § 233.1(d).

1           **III. DEFENDANT USED FALSE REFERENCE PRICING TO**  
2           **DECEIVE ITS CUSTOMERS**

3           30.       Using deceptive pricing tactics, Defendant lures consumers by  
4 advertising its products at seemingly discounted “sale” prices compared to  
5 significantly marked-up reference prices. These fictitious reference prices are  
6 never actually charged, making the “discounts” misleading.  
7

8           31.       Defendant’s advertised discounts are fictitious because the  
9 reference prices do not represent a bona fide price at which Defendant  
10 previously sold, or offered to sell, the products on a regular basis, for a  
11 commercially reasonable period of time, as required by the FTC. In addition,  
12 the advertised reference prices were not the prevailing market retail price  
13 within the three months (90 days) immediately preceding the publication of  
14 the advertised former reference price, as required by California law.  
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17           32.       As a direct result of Defendant’s actions, all consumers who  
18 purchased products that were advertised with false reference prices and/or  
19 misleading discounts on Defendant’s website have been deceived and have  
20 been undeniably harmed, in that they would not have purchased these  
21 products but for the misleading pricing. They have suffered an economic  
22 injury by being misled into paying more than the products were actually  
23 worth.  
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26           33.       Defendant’s false pricing scheme has directly harmed all  
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1 customers who were tricked into buying discounted products on its website.  
2 By creating a false perception of significant savings, Skechers fraudulently  
3 inflated demand for its products. This has shifted the demand curve, allowing  
4 Skechers to charge higher prices and generate more sales than would have  
5 been possible had it used honest pricing practices.  
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8 34. Consumers, like Plaintiff, were deceived by Defendant's  
9 misleading discounts. They did not receive the substantial savings that were  
10 advertised, nor were the products actually worth the inflated reference prices.  
11 Moreover, consumers would not have purchased the products at the purported  
12 "sale" price but for the misleading reference price.  
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14 35. The misleading nature of Defendant's reference prices and  
15 discounts was cleverly disguised and could not be detected by a reasonable  
16 consumer exercising due diligence, particularly because the deception was  
17 hidden over an extended period of time. The only way for a consumer to  
18 detect Defendant' deception would be if the consumer meticulously followed  
19 the price of the product every day for months, especially for retailers like  
20 Defendant, who often sells custom items (i.e., items under its own brand).  
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24 36. Defendant continues to engage in these deceptive practices on its  
25 website by advertising false reference prices and misleading discounts. There  
26 is no indication that it will voluntarily cease these tactics. Even if it were to  
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1 stop temporarily, there is a high risk that it would resume these deceptive  
2 practices in the future.

3  
4 37. Defendant's actions towards consumers and the general public  
5 demonstrate malice, fraud, and/or oppression. Its deceptive practices have had  
6 a significant negative impact on the Plaintiff, the Classes of affected  
7 consumers, and the public at large.

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9 38. The advertised reference prices and discounts for Defendant's  
10 products on Defendant's website are misleading. The "sale" price is often  
11 very close to, if not higher than, the true price for these products. The listed  
12 reference price of Defendant's products is inflated and does not reflect the  
13 actual selling price.  
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16 39. For example, during the 99-day period from February 1, 2024  
17 through May 11, 2024, the following products have been offered at a  
18 "discount," when in fact they were not sold at the reference price at any point  
19 during that time period:  
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| 23 <b>Product Name</b>                     | 24 <b>Reference Price</b> | 25 <b>Days Sold at Reference Price</b> | 26 <b>Days "On Sale"</b> |
|--|---------------------------|--|--------------------------|
| 27 Upper Cut Neo Jogger                    | \$80                      | 0                                      | 98                       |
| 28 Mark Nason: New Wave Cup<br>– The Rally | \$85                      | 0                                      | 98                       |

|    |                               |       |   |    |
|----|-------------------------------|-------|---|----|
| 1  | Relaxed Fit: Slade – Royce    | \$70  | 0 | 98 |
| 2  |                               |       |   |    |
| 3  | Gratis Sport Unwind           | \$70  | 0 | 98 |
| 4  | Skechers Slip-ins: Glide Step | \$90  | 0 | 98 |
| 5  | – Enchanting                  |       |   |    |
| 6  | Arch Fit Vista – Gleaming     | \$85  | 0 | 98 |
| 7  | Virtue – Ambrosia             | \$60  | 0 | 98 |
| 8  |                               |       |   |    |
| 9  | Vapor Foam Lite – Revolve     | \$65  | 0 | 98 |
| 10 | Glide Step – Starlust         | \$80  | 0 | 98 |
| 11 |                               |       |   |    |
| 12 | Skechers GO GOLF Pivot        | \$80  | 0 | 98 |
| 13 | Skechers GO WALK Arch Fit     | \$90  | 0 | 98 |
| 14 | – Iconic                      |       |   |    |
| 15 | GO RUN 7.0 – Driven           | \$100 | 0 | 98 |
| 16 | GO RUN Lite – Aurora Sky      | \$80  | 0 | 98 |
| 17 | On-The-GO Flex – Coastline    | \$70  | 0 | 98 |
| 18 |                               |       |   |    |
| 19 | Massage Fit Lite – Intrigue   | \$95  | 0 | 98 |
| 20 |                               |       |   |    |
| 21 | Arch Fit Uplift – Nova        | \$85  | 0 | 98 |

22

23 40. The reference chart above contains merely a fraction of those

24 products listed as “discounted” on Skechers’ website when, in fact, they were

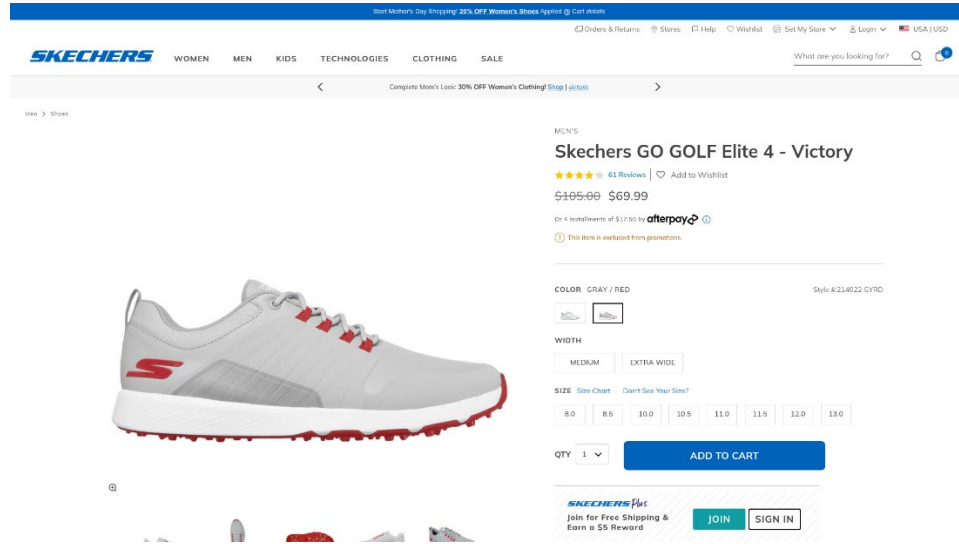
25 not listed any time for the referenced price in the preceding 90 days.

26

27 41. The below screen shot is an example of how Skechers presents

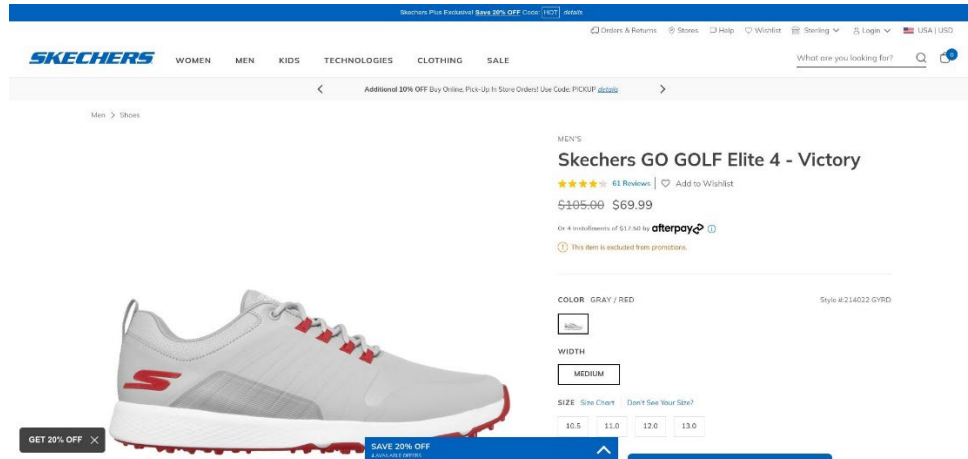
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1 its deceptive pricing to consumers. It shows the Skechers GO GOLF Elite 4 -  
2 Victory listed at a discount price of \$69.99, which reflects approximately 33%  
3 savings off of the “reference” price of \$105. This screenshot is from May 5,  
4 2024.

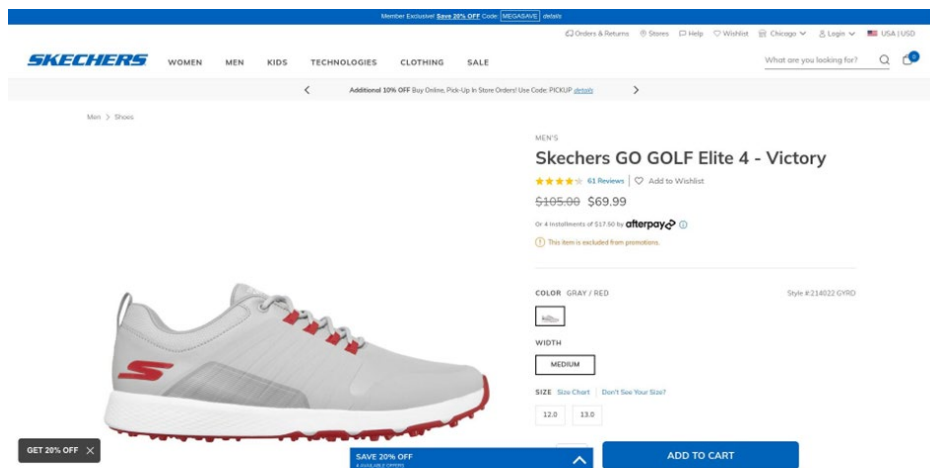


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16 42. Just over two months later, on July 7, 2024, the Skechers GO  
17 GOLF Elite 4 - Victory was listed at a supposedly discounted price of \$69.99,  
18 reflecting approximately 33% savings off of the “reference” price of \$105.  
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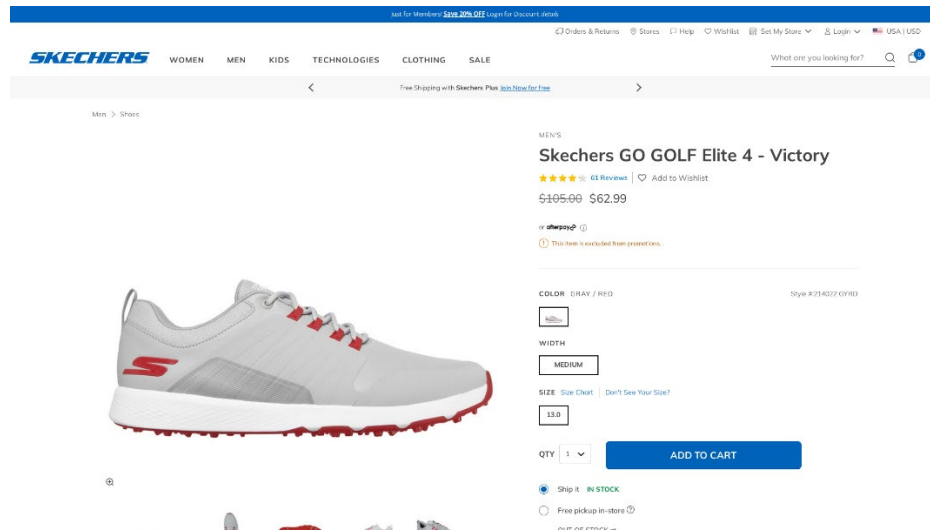


43. Approximately two months later, on September 5, 2024, the Skechers GO GOLF Elite 4 - Victory was still listed at a supposedly discounted price of \$69.99, reflecting approximately 33% savings off of the claimed “reference” price of \$105.



44. And approximately two more months later, on November 13, 2024, Skechers GO GOLF Elite 4 - Victory was listed at a supposedly

1 discounted price of \$62.99, reflecting approximately 40% savings off the  
 2 claimed “reference” price of – still - \$105.



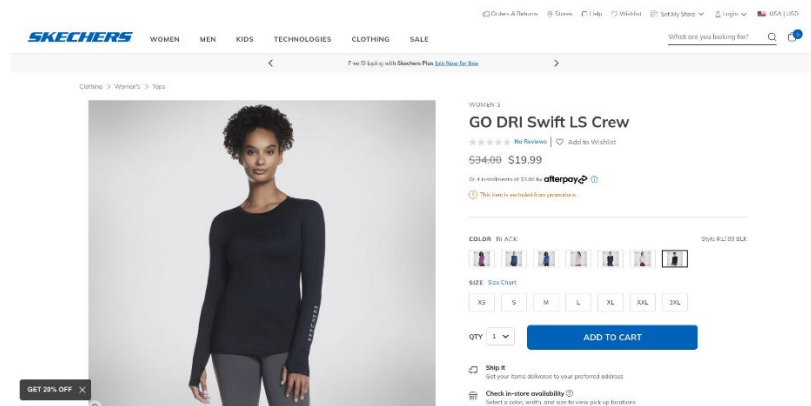
13 45. For a significant and uninterrupted period of time over several  
 14 months, Skechers ran what appeared to be sales on many of its products.  
 15 These supposed discounts were often substantial, reaching more than 50%.  
 16 Even though the exact discount amount might fluctuate slightly, the products  
 17 were advertised as on “sale;” however, all or nearly all the advertised sale  
 18 products are never actually offered for purchase or sold at the reference price.  
 19

20

21 **IV. PLAINTIFF FELL VICTIM TO DEFENDANT’S**  
 22 **DECEPTIVE PRACTICES**

23 46. Plaintiff is, and at all relevant times has been, a resident and  
 24 citizen of the State of California. On or around August 9, 2024, while  
 25 browsing Defendant’s website, Plaintiff saw an advertisement boasting  
 26 significant “savings” on various products.  
 27

1 47. Defendant's website presented an original marked-through price,  
 2 which was the reference price, to the right of the lower "sale price." The below  
 3 image represents what Plaintiff saw when purchasing the shirt:  
 4



48. After seeing the reference price of \$34, Plaintiff specifically  
 chose to purchase the product because Plaintiff believed she was receiving a  
 significant discount on the product she had chosen. Because she was  
 interested in the product and felt that the discounted price would likely not  
 last, and that she was getting a significant bargain on the product, Plaintiff  
 chose to immediately move forward with purchasing it. As a reasonable  
 consumer, she trusted that the products had a value commensurate with the  
 reference price. Thus, the advertised "sale" appeared to be a genuine discount.

49. Relying on the advertised savings, Plaintiff added the products  
 to her cart and completed the purchase. A copy of the receipt is attached hereto  
 as **Exhibit A**.

1 50. Unbeknownst to Plaintiff, Skechers rarely, if ever, offered its  
2 products at the advertised “regular” reference prices, and did not do so for the  
3 product Plaintiff purchased at any time in the 90 days prior to that purchase.  
4 Simply put, Defendant intentionally deceived Plaintiff. The actual value of  
5 the product purchased did not match the inflated reference price Plaintiff was  
6 led to believe was the true value of the hat. Thus, the advertised “sale” wasn't  
7 a deal, or even a sale, at all.

10 51. Defendant’s inflated reference prices and misleading discounts  
11 were significant and material misrepresentations that directly influenced  
12 Plaintiff’s purchase. Plaintiff relied on this false information in good faith.  
13 Had Plaintiff known the truth, she would not have bought the product for the  
14 price that she did.

17 52. Defendant’s misrepresentations were material because a  
18 reasonable consumer relies on such information when making purchasing  
19 decisions.

21 53. As a direct consequence of Defendant’s actions, Plaintiff was  
22 financially harmed. She would not have purchased the product at the same  
23 price absent Defendant’s misrepresentation. The advertised discounts were  
24 illusory, and the products were not worth the reference price listed by  
25 Defendant, as Plaintiff was led to believe.

1 54. Moreover, Plaintiff was damaged because Defendant's false  
2 pricing scheme inflated the true market value of the item Plaintiff purchased.  
3  
4 Even though Defendant's false pricing scheme is pervasive on its website, not  
5 every advertised sale is in fact false, and as such, without substantial effort,  
6 Plaintiff and other consumers cannot know which sales are false and which  
7  
8 are true. Thus, Plaintiff is susceptible to this reoccurring harm because she  
9 cannot be certain that Defendant has corrected the deceptive pricing scheme,  
10 and Plaintiff desires to shop at Defendant's website in the future. Plaintiff  
11  
12 does not have the resources to always (or even regularly) determine whether  
13 Skechers is complying with state and federal law with respect to its pricing  
14  
15 practices by watching the price over the course of several months.

16 55. Plaintiff has the legal right – now and in the future – to expect  
17 truthful and accurate information from Defendant regarding advertised prices  
18  
19 and discounts. Plaintiff, and the other members of the Classes, will be harmed  
20  
21 if, in the future, they are left to guess as to whether Skechers is providing a  
22  
23 legitimate sale, and whether products are actually worth the amount that  
24  
25 Defendant is representing. If Plaintiff were to trust that Defendant has  
26  
27 reformed its pricing practices and were to purchase again from Defendant, he  
28  
29 would have no way of knowing if the advertised discounts were legitimate.  
30  
31 Plaintiff continues to be interested in purchasing products that are sold by

1 Defendant and offered at discounted prices, but he will be unable to trust and  
2 rely on Defendant’s website pricing. Absent injunctive relief, Plaintiff cannot  
3 know whether Defendant’s reference prices represent true former prices, and  
4 the true value of the item, or inflated reference prices employed in order to  
5 deceive customers into believing that a legitimate discount is being offered.  
6 Thus, Plaintiff will be harmed on an ongoing basis and/or will be harmed once  
7 or more in the future.

10 56. The deceptive practices described herein are not limited to the  
11 specific product Plaintiff purchased or categorical group of products. The  
12 misleading advertising and sales tactics employed by Skechers are systematic  
13 and widespread across its entire website, impacting customers nationwide.

16 **V. CLASS DEFINITION AND ALLEGATIONS**

17 57. Plaintiff brings this action pursuant to Rule 23(b)(2) and (b)(3)  
18 of the Federal Rules of Civil Procedure on behalf of herself and on behalf of  
19 all other persons similarly situated.

21 58. Plaintiff proposes the following Class definitions, subject to  
22 amendment as appropriate:

24 **Nationwide Class (the “Nationwide Class” or  
25 “Class”)**

26 All individuals who, within the applicable  
27 limitations period, purchased from the Defendant’s  
28 website one or more products that were advertised  
or promoted by displaying or disseminating a

1 reference price or discount for an item that was not  
2 advertised for sale at the reference price at any point  
3 in the 90 days preceding their purchase.

4 **California Subclass (“California Subclass” or**  
5 **“Subclass”)**

6 All individuals who, within the applicable  
7 limitations period, purchased from the Defendant’s  
8 website one or more products that were advertised  
9 or promoted by displaying or disseminating a  
reference price or discount for an item that was not  
advertised for sale at the reference price at any point  
in the 90 days preceding their purchase.

10 59. Excluded from the Class and Subclass (collectively “Classes”)  
11 are Defendant, their parents, subsidiaries, affiliates, officers and directors, and  
12 judicial officers and their immediate family members and associated court  
13 staff assigned to this case.

14 60. Plaintiff reserves the right to modify or amend the definitions of  
15 the proposed Classes before the Court determines whether certification is  
16 appropriate.

17 61. The proposed Classes meet the criteria for certification under  
18 Fed. R. Civ. P. 23(a), (b)(2), and (b)(3).

19 62. **Numerosity:** This action is appropriately suited for a class  
20 action. The members of the Classes are so numerous that the joinder of all  
21 members is impracticable. Upon information and belief, the proposed Classes  
22 contain well over 100 members, and likely thousands of individual purchasers  
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1 who have been damaged by Defendant's conduct as alleged herein, the  
2 identity of whom is within the knowledge of Defendant and can be easily  
3  
4 determined through Defendant's records.

5       **63. Commonality:** This action involves questions of law and fact  
6 common to the Classes. The common legal and factual questions include, but  
7  
8 are not limited to, the following:

- 9       a. Whether Defendant made false or misleading statements of fact  
10       in its advertisements;
- 11       b. Whether Defendant's policies and actions regarding its  
12       advertising were unfair, deceptive, or misleading;
- 13       c. The accuracy of Defendant's advertised reference prices and  
14       discounts;
- 15       d. Whether Defendant breached their contract with Plaintiff and the  
16       Class members;
- 17       e. Whether Defendant were unjustly enriched as a result of its  
18       actions with respect to reference pricing and discounts  
19       advertised;
- 20       f. Whether the alleged conduct of Defendant violates California  
21       Civil Code §§ 1750 *et seq.*, California Business & Professions  
22       Code §§ 17500 *et seq.*, California Business & Professions Code  
23       §§ 17501 *et seq* and/or California Business & Professions Code  
24       §§ 17200 *et seq.*
- 25       g. Whether Plaintiff and the members of the Classes have suffered  
26       injury and have lost money or property as a result of such false  
27       or misleading discounts and reference prices;
- 28       h. Whether Defendant should be enjoined from further engaging in

1 the misconduct alleged herein.

2 i. Whether Plaintiff and the members of the Classes are entitled to  
3 declaratory and injunctive relief and the nature of that relief.

4 64. **Typicality:** Plaintiff's claims are typical of the claims of the  
5 members of the Classes, because, *inter alia*, Plaintiff and all members of the  
6 Classes purchased Defendant's products advertised at a discount on  
7 Defendant's website. Moreover, Plaintiff's claims are typical of the Class  
8 members' claims because Plaintiff is advancing the same claims and legal  
9 theories on behalf of herself and all members of the Classes. In addition,  
10 Plaintiff is entitled to relief under the same causes of action and upon the same  
11 facts as all other members of the proposed Classes.  
12  
13  
14

15 65. **Adequacy:** Plaintiff will fairly and adequately represent and  
16 protect the interests of the members of the Classes and has retained competent  
17 counsel experienced in complex litigation and class action litigation. Plaintiff  
18 has no interests antagonistic to those of the members of the Classes and  
19 Defendant has no defenses that are unique to Plaintiff.  
20  
21

22 66. **Superiority:** A class action is superior to other methods for the  
23 fair and efficient adjudication of this controversy. The damages or other  
24 financial detriment suffered by individual class members is relatively small  
25 compared to the burden and expense that would be created by individual  
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1 litigation of their claims against Defendant. It would be virtually impossible  
2 for a member of the Classes, on an individual basis, to obtain effective redress  
3  
4 for the wrongs done to him or her. Further, even if the members of the Classes  
5 could afford such individualized litigation, the court system could not.  
6 Individualized litigation would create the danger of inconsistent or  
7  
8 contradictory judgments arising from the same set of facts. Individualized  
9  
10 litigation would also increase delay and expense to all parties and the court  
11  
12 system arising from such individual claims. By contrast, the class action  
13  
14 device provides the benefits of adjudication of these issues in a single  
15  
16 proceeding, economies of scale, and comprehensive supervision by a single  
17  
18 court, and presents no management difficulties under the circumstances here.

16 67. Plaintiff seeks monetary damages, including compensatory  
17  
18 damages on behalf of the Classes, and other equitable relief on grounds  
19  
20 generally applicable to the Classes as a whole and to the public. Unless a Class  
21  
22 is certified, Skechers will be allowed to profit from its unfair and unlawful  
23  
24 practices, while Plaintiff and the members of the Classes will have suffered  
25  
26 damages. Unless a Class-wide injunction is issued, Skechers will likely  
27  
28 continue to benefit from the violations alleged, and the members of the  
Classes and the general public will likely continue to be victimized.

68. Skechers has acted and refused to act on grounds generally

1 applicable to the Classes, making final injunctive relief appropriate with  
2 respect to the Classes as a whole.

3  
4 69. All applicable statutes of limitations have been tolled by the  
5 delayed discovery doctrine. Plaintiff and members of the Classes could not  
6 have reasonably discovered Defendant's practice of running perpetual and/or  
7 extended sales, based on deceptive reference prices and deceptive sale prices,  
8 at any time prior to commencing this class action litigation.

9  
10 70. A reasonable consumer viewing Skechers' website on multiple  
11 occasions would simply believe that a product just happens to be on sale when  
12 the consumer is on the website. Short of visiting and checking the website for  
13 months continuously or creating automated means of recording the price over  
14 a substantial period of time, a reasonable consumer would not suspect that  
15 Defendant's sales and pricing practices were false or misleading. Nor would  
16 a reasonable consumer be able to ascertain the true value of the products being  
17 sold absent extensive investigation, which reasonable consumers would not  
18 be on notice to have to do.

19  
20  
21  
22 71. Plaintiff did not learn of Defendant's deceptive practices alleged  
23 herein until shortly before retaining counsel in this action.

24  
25 72. As a result, any and all applicable statutes of limitations  
26 otherwise applicable to the allegations herein have been tolled.  
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**CAUSES OF ACTION**

**COUNT I**  
**FRAUD – INTENTIONAL MISREPRESENTATION AND**  
**OMISSION**  
**(On behalf of Plaintiff and the Class)**

73. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1–72 as if fully set forth herein.

74. Defendant made false and misleading statements of fact and material omissions concerning the existence reference prices and the amounts of price reductions. These representations were false because the false reference prices advertised in connection with products offered on the website misled, and continue to mislead, consumers into believing the products were previously sold on the website at the higher reference prices, when in fact they were not. Defendant knew that these representations were false at the time that it made them and/or acted recklessly in making the misrepresentations.

75. Defendant had a duty to accurately disclose the truth about its pricing information, including that the reference prices advertised on the website were not truly former prices and that the “discount” price advertised was not truly a discount. Reasonable consumers were likely to be deceived, and were deceived, by Defendant’s failure to disclose material information.

76. Defendant knew that the items Plaintiff and the members of the Class purchased had rarely, if ever, been offered or sold on the website at the

1 higher reference price in the recent past.

2 77. Defendant's representations were made with the intent that  
3 Plaintiff and the members of the Class would rely on the false representations  
4 and spend money they otherwise would not have spent, purchase items they  
5 otherwise would not have purchased, and/or spend more money for an item  
6 than they otherwise would have absent the deceptive pricing scheme.  
7  
8

9 78. Defendant employed this scheme in order to incentivize  
10 consumers with the sole intent of maximizing profits to the detriment of those  
11 same consumers.  
12

13 79. Defendant intended that Plaintiff, and all members of the Class,  
14 rely on its false representations. Plaintiff and all members of the Class  
15 reasonably relied on Defendant's representations. Absent Defendant's  
16 misrepresentations, Plaintiff and the members of the Class would not have  
17 purchased the items from Defendant, or, at the very least, they would not have  
18 paid as much for the items as they ultimately did. Plaintiff's and the Class  
19 members' reliance was a substantial factor in causing their harm.  
20  
21

22 80. Had the true reference price not been omitted, Plaintiff and the  
23 members of the Class reasonably would have behaved differently. Among  
24 other things, they would not have purchased the items they purchased from  
25 Defendant or, at the very least, would not have paid as much for the items as  
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28

1 they ultimately did.

2 81. As a direct and proximate result of the above, Plaintiff and the  
3 members of the Class have suffered damages because: (a) they would not have  
4 purchased Defendant's products if they had known that the representations  
5 were false, and/or (b) they overpaid for the products because the products  
6 were sold at a premium price due to the misrepresentations.  
7  
8

9 82. Plaintiff and the members of the Class are also entitled to  
10 punitive or exemplary damages. Defendant, through senior executives and  
11 officers, undertook the illegal acts intentionally or with conscious disregard  
12 of the rights of Plaintiff and the Class, and did so with fraud, malice, and/or  
13 oppression.  
14  
15

16 83. Based on the allegations above, Defendant's actions were  
17 fraudulent because Defendant intended to and did deceive and injure Plaintiff  
18 and the members of the Class. Based on the allegations above, Defendant's  
19 conduct was made with malice because Defendant acted with the intent to  
20 cause and did cause injury to Plaintiff and all members of the Class, and  
21 because Defendant willfully and knowingly disregarded the rights of Plaintiff  
22 and all members of the Class.  
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**COUNT II**  
**NEGLIGENT MISREPRESENTATION**  
**(On behalf of Plaintiff and the Class)**

84. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 – 83 as if fully set forth herein.

85. As alleged more fully herein, Defendant made false or misleading statements and/or material omissions of fact concerning the existence of and the amounts of price reductions because Defendant falsely represents the products as on sale, when in truth the reference price was a fictitious price, rendering the purported “sale” a fictitious discount. When Defendant made these misrepresentations, it knew or should have known that they were false. Defendant had no reasonable grounds for believing that these representations were true when made.

86. By choosing to advertise a reference price, Defendant had a duty to accurately disclose the truth about its pricing, including the fact that the reference prices advertised and published on the website were not truly former prices and that the “discount” price advertised was not a true discount.

87. Defendant knew its sales were falsely advertised with a false reference price. Defendant also knew or should have known that the reference prices were not the prevailing market prices or true value of the products. Defendant further knew that the items Plaintiff and the Class purchased had

1 rarely, if ever, been offered or sold on the website at the false reference price.

2 88. Defendant had no good faith or reasonable basis to believe that  
3 its representations were true when made.  
4

5 89. Defendant's representations were made with the intent that  
6 Plaintiff and the members of the Class rely on the false representations and  
7 spend money they otherwise would not have spent, purchase items they  
8 otherwise would not have purchased, and/or spend more money for an item  
9 than they otherwise would have absent the deceptive pricing scheme.  
10

11 90. Class-wide reliance can be inferred because Defendant's  
12 misrepresentations were material, i.e. a reasonable consumer would consider  
13 them important in deciding whether to buy Defendant' products.  
14

15 91. Defendant's misrepresentations were a substantial factor and  
16 proximate cause in causing damage and losses to Plaintiff and the members  
17 of the Class.  
18

19 92. Defendant engaged in this fraud to the Plaintiff and the Class  
20 members' detriment to increase Defendant's own sales and profits.  
21

22 93. Plaintiff and the members of the Class reasonably relied on  
23 Defendant's representations. Absent Defendant's misrepresentations,  
24 Plaintiff and the members of the Class would not have purchased the items  
25 they purchased from Defendant, or, at the very least, they would not have paid  
26  
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1 as much for the items as they ultimately did. Plaintiff and the Class members’  
2 reliance was a substantial factor in causing them harm.

3  
4 94. Had the omitted information been disclosed, Plaintiff and the  
5 members of the Class reasonably would have behaved differently. Among  
6 other things, they would not have purchased the items they purchased from  
7 Defendant or, at the very least, would not have paid as much for the items as  
8 they did.

9  
10 95. As a direct and proximate result of the above, Plaintiff and the  
11 members of the Class have suffered damages because they would not have  
12 purchased Defendant’s products if they had known that the representations  
13 were false, and/or they overpaid for the products because the products were  
14 sold at a price premium due to the misrepresentations.  
15  
16

17 **COUNT III**  
18 **BREACH OF CONTRACT**  
19 **(On behalf of Plaintiff and the Class)**

20 96. Plaintiff repeats and realleges each and every allegation  
21 contained in paragraphs 1–95 as if fully set forth herein.

22 97. Defendant offered products for sale to Plaintiff and the members  
23 of the Class under the terms advertised on Defendant’s website.

24 98. The terms of Defendant’s offer provided that Defendant would  
25 sell Plaintiff and the members of the Class products that have a market value  
26  
27  
28

1 equal to the reference prices displayed. The terms also required that  
2 Defendant provide Plaintiff and the members of the Class with the discount  
3 listed on Defendant's website.  
4

5 99. The specific discount was a material term of each contract.

6 100. The terms of the offer also provided that Plaintiff and the  
7 members of the Class would pay Defendant for the products purchased.  
8

9 101. Plaintiff and the members of the Class accepted Defendant's  
10 offer and paid Defendant for the products they ordered, thereby satisfying all  
11 conditions of their contracts.  
12

13 102. Defendant breached the contracts with Plaintiff and the members  
14 of the Class by failing to provide products that had a market value equal to  
15 the reference price displayed on its website, and by failing to provide the  
16 promised discount.  
17

18 103. As a direct and proximate result of Defendant's breaches,  
19 Plaintiff and the members of the Class were deprived of the benefit of their  
20 bargained-for exchange, and have suffered damages in an amount to be  
21 established at trial.  
22

23  
24 **COUNT IV**  
25 **UNJUST ENRICHMENT**  
26 **(On behalf of Plaintiff and the members of the Class)**

27 104. Plaintiff repeats and realleges each and every allegation  
28

1 contained in paragraphs 1–103 as if fully set forth herein.

2 105. Plaintiff brings this claim in the alternative to the contract-based  
3  
4 claims, including his breach of contract claim.

5 106. Plaintiff brings this claim individually and on behalf of the  
6  
7 members of the Class against Defendant.

8 107. Plaintiff and the members of the Class conferred a benefit on  
9  
10 Defendant, which Defendant knew about, when it initiated its false pricing  
11  
12 scheme.

13 108. Plaintiff and members of the Class were, and many continue to  
14  
15 be, consumers of Defendant’s products. They reasonably believed that  
16  
17 Defendant would not falsely advertise discounted products. Plaintiff and  
18  
19 members of the Class suffered financial losses when they were deceived into  
20  
21 purchasing products that they reasonably believed to be on sale. By inflating  
22  
23 the reference price and then offering a “sale,” Defendant creates a false sense  
24  
25 of urgency, a misleading perception of value, and a misleading perception of  
26  
27 savings, tricking customers into paying more than they should or would for  
28  
29 Defendant’s product. Customers who rely on advertised sales to make  
30  
31 informed decisions are deceived into paying a premium for the product and  
32  
33 do not receive a product worth as much as Defendant represented the product  
34  
35 to be worth.

1 109. This deceptive practice undermines fair competition and allows  
2 Defendant to profit unfairly. Defendant has accepted and retained these  
3 benefits as a result of its sales of merchandise offered at a false discounted  
4 price, making Defendant's retention of them unjust.  
5

6 110. By its wrongful acts and omission described herein, including  
7 engaging in deceitful and misleading advertising practices by using false  
8 discounts to lure in consumers to purchase products they would not have  
9 otherwise purchased or for amounts they would not have otherwise paid,  
10 Defendant was unjustly enriched at the expense of Plaintiff and the members  
11 of the Class.  
12

13 111. Plaintiff's and the Class members' detriment, and Defendant's  
14 enrichment, were related to and flowed from the wrongful conduct alleged in  
15 this Complaint.  
16

17 112. Defendant has profited from its unlawful, unfair, misleading, and  
18 deceptive practices at the expense of Plaintiff and the members of the Class.  
19 It would be inequitable for Defendant to retain the profits, benefits, and other  
20 compensation obtained from its wrongful conduct described herein.  
21

22 113. Plaintiff and the members of the Class have been damaged as a  
23 direct and proximate result of Defendant's unjust enrichment.  
24

25 114. Plaintiff and the members of the Class are entitled to recover  
26  
27  
28

1 from Defendant all amounts wrongfully collected and improperly retained by  
2 Defendant.

3  
4 115. As a direct and proximate result of Defendant’s wrongful  
5 conduct and unjust enrichment, Plaintiff and the members of the Class are  
6 entitled to restitution of, disgorgement of, and/or imposition of a constructive  
7 trust upon all profits, benefits, and other compensation obtained by Defendant  
8 for its inequitable and unlawful conduct.  
9

10  
11 **COUNT V**  
12 **VIOLATION OF CALIFORNIA’S CONSUMER LEGAL REMEDIES**  
13 **ACT (“CLRA”)**  
14 **Cal. Civ. Code §§ 1750 *et seq.***  
15 **(On behalf of Plaintiff and the California Subclass)**

16 116. Plaintiff repeats and realleges each and every allegation  
17 contained in paragraphs 1–115 as if fully set forth herein.

18 117. Plaintiff brings this claim individually and on behalf of the  
19 members of the California Subclass against Defendant.

20 118. Plaintiff and all members of the California Subclass are  
21 “persons” and “consumers” as defined in Cal. Civ. Code § 1761(d).

22 119. Defendant is a “person” as defined in Cal. Civ. Code § 1761(c).

23  
24 120. The products purchased by Plaintiff and the members of the  
25 California Subclass from Defendant are “goods” as defined by Cal. Civ. Code  
26 § 1761(a).  
27  
28

1 121. Plaintiff's and the California Subclass members' purchases from  
2 Defendant constitute "transactions," as defined by Cal. Civ. Code § 1761(e).  
3

4 122. The CLRA prohibits "unfair methods of competition and unfair  
5 or deceptive acts or practices undertaken by any person in a transaction  
6 intended to result or which results in the sale or lease of goods or services to  
7 any consumer." Cal. Civ. Code § 1770.  
8

9 123. As alleged herein, Defendant engaged in unfair and deceptive  
10 acts or practices insofar as they made and disseminated false and misleading  
11 statements of facts in its advertisements to class members by using false  
12 reference prices and advertising fake discounts in violation of the CLRA. *See*  
13 *Id.*  
14

15  
16 124. Defendant's conduct as described herein was and is in violation  
17 of the CLRA. Defendant's conduct violates at least the following enumerated  
18 CLRA provisions:  
19

20 a. Cal. Civ. Code § 1770(a)(5): Representing that goods or  
21 services have characteristics, uses, benefits, or quantities  
22 that they do not have or that a person has a sponsorship,  
23 approval, status, affiliation, or connection that the person  
does not have;

24 b. Cal. Civ. Code § 1770(a)(9): Advertising goods or  
25 services with intent not to sell them as advertised; and

26 c. Cal. Civ. Code § 1770(a)(13): Making false or  
27 misleading statements of fact concerning reasons for,  
28 existence of, or amounts of price reductions.

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125. Defendant has violated Section 1770(a)(5) by representing that products offered for sale on its website have characteristics or benefits that they do not have. Specifically, Defendant represents that the value of their products is greater than it actually is by advertising inflated reference prices and false discounts.

126. Defendant has violated Section 1770(a)(9) by advertising its products as being offered at a discount, when in fact Defendant do not intend to sell the products at a discount.

127. Defendant has violated Section 1770(a)(13) by misrepresenting the regular reference price of products on the Skechers' website and by advertising false discounts and savings.

128. Defendant's practice of misrepresenting, actively concealing, and/or failing to disclose the true prices of the products listed on its website violated and continues to violate the CLRA.

129. Defendant's misrepresentations were likely to deceive, and did deceive, Plaintiff and reasonable consumers. Defendant knew, or should have known, that these statements were inaccurate and misleading.

130. Defendant's misrepresentations were intended to induce reliance, and Plaintiff reasonably relied on them when making his purchase. Defendant's misrepresentations were a substantial factor in Plaintiff's

1 purchase decision.

2 131. Defendant's deceptive practices significantly impacted Plaintiff  
3 and the members of the California Subclass. The misleading information  
4 presented was material, meaning a reasonable person would consider it  
5 heavily when deciding to buy products. This false information directly caused  
6 financial harm. Plaintiff and the members of California Subclass ended up  
7 purchasing goods they otherwise would not have purchased or spending more  
8 than the products' true value.  
9

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12 132. Class-wide reliance can be inferred because Defendant's  
13 misrepresentations were material, in that a reasonable consumer would  
14 consider them important when deciding whether to buy a product and how  
15 much to pay for a product.  
16

17 133. Defendant's misrepresentations were a substantial factor and  
18 proximate cause in causing damages and losses to Plaintiff and the members  
19 of the California Subclass.  
20

21 134. Plaintiff and the members of the California Subclass were injured  
22 as a direct and proximate result of Defendant's conduct because they would  
23 not have purchased the products if they had known the truth, and/or they  
24 overpaid for the products because the products were sold at a price premium  
25 due to the misrepresentation.  
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1 135. Accordingly, pursuant to Cal. Civ. Code § 1780(a)(2), Plaintiff,  
2 on behalf of himself and all other members of the California Subclass, seeks  
3 injunctive relief.  
4

5 136. The practices outlined above have caused significant harm to  
6 Plaintiff, the California Subclass, and the public at large. Plaintiff and the  
7 California Subclass members' injuries were proximately caused by  
8 Defendant's unlawful and deceptive business practices. These unlawful and  
9 unfair practices are ongoing and will likely continue unless stopped.  
10 Therefore, Plaintiff seeks a permanent injunction to prevent Defendant from  
11 engaging in such deceptive tactics. Additionally, Plaintiff seeks compensation  
12 for attorney fees and costs incurred. Finally, under the CLRA, Plaintiff seeks  
13 a public injunction to protect the general public from Defendant' misleading  
14 advertising and omissions.  
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18 137. Pursuant to Cal. Civ. Code § 1782(a), on September 20, 2024,  
19 Plaintiff's counsel served Defendant with notice of its CLRA violations by  
20 certified mail, return receipt requested. Defendant acknowledged receipt of  
21 the CLRA demand notice on October 4, 2024.  
22  
23

24 138. Defendant has failed to provide appropriate relief for their CLRA  
25 violations within 30 days of its receipt of Plaintiff's demand notice.  
26 Accordingly, pursuant to §§ 1780 and 1782(b) of the CLRA, Plaintiff is  
27  
28

1 entitled to recover actual damages, punitive damages, attorneys’ fees and  
2 costs, and any other relief the Court deems proper.  
3

4 **COUNT VI**  
5 **VIOLATION OF CALIFORNIA’S FALSE ADVERTISING LAW**  
6 **(“FAL”)**

7 **Cal. Bus. & Prof. Code §§ 17501 *et seq.***  
8 **(On behalf of Plaintiff and the California Subclass)**

9 139. Plaintiff repeats and realleges each and every allegation  
10 contained in paragraphs 1–138 as if fully set forth herein.

11 140. Plaintiff brings this claim individually, and on behalf of the  
12 members of the California Subclass against Defendant.

13 141. Defendant has violated Section 17501 of the California Business  
14 and Professions Code.

15 142. Defendant has engaged in false or misleading advertising in  
16 violation of the FAL. Defendant advertised, and continues to advertise,  
17 reference prices and “sale” prices that are false, misleading and/or have the  
18 tendency and likelihood to deceive reasonable consumers. *Brady v. Bayer*  
19 *Corp.*, 26 Cal. App. 5th 1156, 1173 (2018) (“these laws prohibit ‘not only  
20 advertising which is false, but also advertising which[,] although true, is either  
21 actually misleading or which has a capacity, likelihood or tendency to deceive  
22 or confuse the public.’”). To state a claim under the FAL “‘it is necessary only  
23 to show that ‘members of the public are likely to be deceived.’” *Id.* (citations  
24  
25  
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28

1 omitted).

2 143. Defendant engaged in deceptive advertising practices within  
3 California and nationwide. These practices involved promoting its products  
4 through online platforms that contained untrue or misleading statements about  
5 the advertised goods. Notably, Defendant knew, or should have known with  
6 reasonable diligence, the information they disseminated was inaccurate.  
7

8  
9 144. As alleged more fully above, Defendant advertises reference  
10 prices on its website along with discounts.  
11

12 145. The reference prices advertised by Defendant were not the  
13 prevailing market prices for the products within three months preceding  
14 publication of the advertisement.  
15

16 146. Defendant's reference price advertisements do not state clearly,  
17 exactly, and conspicuously when, if ever, the former reference prices  
18 prevailed. Indeed, the advertisements do not indicate whether or when the  
19 purported former reference prices were offered at all.  
20

21 147. The deceptive advertising practices employed by Defendant led  
22 Plaintiff and the members of the California Subclass to make decisions based  
23 on inaccurate information. Defendant's misrepresentations were intended to  
24 induce reliance, and Plaintiff reasonably relied on these misrepresentations  
25 when making his purchase decision.  
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1 148. Class-wide reliance can be inferred because Defendant's  
2 misrepresentations were material.

3  
4 149. Defendant's misrepresentations were a substantial factor and  
5 proximate cause in damages to Plaintiff and the members of the California  
6 Subclass.

7  
8 150. Plaintiff and the members of the California Subclass were injured  
9 as a direct and proximate result of Defendant' conduct because they would  
10 not have purchased the products if they had known the truth, and/or they  
11 overpaid for the products because the products were sold at a price premium  
12 due to the misrepresentation.  
13

14  
15 **COUNT VII**  
16 **Violation of California's False Advertising Law, Bus & Prof. Code**  
17 **§§17500 *et seq.***  
18 **(On behalf of Plaintiff and the California Subclass)**

19 151. Plaintiff repeats and realleges each and every allegation  
20 contained in paragraphs 1–150 as if fully set forth herein.

21 152. Plaintiff brings this claim individually and on behalf of the  
22 California Subclass.

23 153. Defendant has violated Section 17500 of the California Business  
24 and Professions Code.

25  
26 154. As alleged more fully above, Defendant has made and  
27 disseminated false and misleading statements of facts in advertisements to  
28

1 Plaintiff and the California Subclass members by advertising false reference  
2 prices and false discounts regarding its products.

3  
4 155. Defendant's representations were likely to deceive, and did  
5 deceive, Plaintiff and reasonable consumers. Defendant knew, or should have  
6 known, that these statements were inaccurate and misleading.

7  
8 156. Defendant's misrepresentations were intended to induce  
9 reliance, and Plaintiff reasonably relied on the statements when purchasing  
10 the products. Defendant's misrepresentations were a substantial factor in  
11 Plaintiff's purchase decision.

12  
13 157. Class-wide reliance can be inferred because Defendant's  
14 misrepresentations were material in that they concerned the price of the  
15 product.

16  
17 158. Defendant's misrepresentations were a substantial factor and  
18 proximate cause in damages to Plaintiff and the members of the California  
19 Subclass.

20  
21 159. Plaintiff and the members of the California Subclass were injured  
22 as a direct and proximate result of Defendant's conduct because they would  
23 not have purchased the products if they had known the truth, and/or they  
24 overpaid for the products because the products were sold at a price premium  
25 due to the misrepresentation.  
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1 164. Defendant’s actions and omissions have violated, and continue  
2 to violate, the “unlawful” prong of the UCL by creating misleading  
3 advertisements with inflated reference prices and false discounts.  
4 Additionally, Defendant has engaged in deceitful practices as outlined in Cal.  
5 Civ. Code §§ 1705, 1709, and 1713. Further, Defendant engaged in unlawful  
6 conduct by violating the Federal Trade Commission Act (“FTCA”), which  
7 prohibits “unfair or deceptive acts or practices in or affecting commerce” and  
8 prohibits the dissemination of false advertisements. 15 U.S.C. § 45(a)(1), 15  
9 U.S.C. § 52(a). As the FTC’s regulations make clear, Defendant’s false  
10 pricing scheme violates the FTCA. 16 C.F.R. §§ 233.1, *et seq.*

14 165. As further alleged herein, Defendant’s conduct also violates the  
15 “deceptive” prong of the UCL in that Defendant’ representations that its  
16 products were on sale, that the sale was limited in time, that the products had  
17 a specific regular price, and that the customers were being offered discounts  
18 from a higher value, were false and misleading.

21 166. Defendant’s material misrepresentations, omissions, and lack of  
22 disclosure are likely to mislead reasonable and potential customers, along  
23 with the general public. These practices are inherently deceptive and mislead  
24 consumers.

26 167. Plaintiff and the members of the California Subclass relied upon  
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1 Defendant's misrepresentations and omissions, as set forth above.

2 168. Defendant's misrepresentations and omissions are significant  
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4 because a reasonable consumer would consider this information when making  
5 purchasing decisions. Plaintiff reasonably relied upon this misleading  
6 information and would have acted differently if he had been presented with  
7 accurate details. Similarly, class-wide reliance can be inferred because  
8 Defendant's misrepresentations were material in that they concerned the price  
9 of the product.  
10

11  
12 169. Defendant's conduct, as alleged above, was immoral, unethical,  
13 oppressive, unscrupulous, and substantially injurious to consumers.

14 170. Defendant violated the "unfair" prong of the UCL by falsely  
15 representing that that its products were on sale, that the sale was limited in  
16 time, that the products had a regular reference price higher than the sale price,  
17 and that the customers were receiving discounts.  
18

19  
20 171. Defendant violated established public policy by violating the  
21 CLA, the FAL, and the FTCA.

22 172. Defendant's misrepresentations and omissions resulted in it  
23 receiving more money from Plaintiff and the members of the California  
24 Subclass than it rightfully deserved. This money is subject to restitution. As  
25 a direct consequence of Defendant's unfair, unlawful, and deceptive  
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1 practices, Plaintiff and the members of the California Subclass suffered  
2 financial losses.

3  
4 173. Plaintiff and the members of the California Subclass were injured  
5 as a direct and proximate result of Defendant's conduct because they would  
6 not have purchased the products if they had known the truth, and/or they  
7 overpaid for the products because the products were not worth the "regular"  
8 reference price represented by Defendant.

9  
10 174. The harm to Plaintiff and the members of the California Subclass  
11 greatly outweighs the public utility of Defendant's conduct. False statements  
12 in connection with the sale of consumer products harms consumers and  
13 injures competition. There is no public utility to misrepresenting the price of  
14 a consumer product. This injury was not outweighed by any countervailing  
15 benefits to consumers or competition.

16  
17 175. Plaintiff and the members of the California Subclass could not  
18 have reasonably avoided the injury caused by Defendant.

19  
20 176. Without an injunction, Defendant will continue to harm Plaintiff,  
21 the members of the California Subclass, and prospective consumers at large.  
22 Defendant's misrepresentations and omissions are ongoing, and even if it  
23 were to stop temporarily, there is a risk of it repeating these deceptive  
24 practices.  
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1 177. Plaintiff, on behalf of himself and all members of the California  
2 Subclass, seeks public injunctive relief under the UCL to safeguard the  
3 general public from Defendant's deceptive discount advertising and  
4 misleading omissions.  
5

6 178. Defendant's actions have caused substantial harm to Plaintiff, the  
7 California Subclass, and the public. These practices are ongoing and are likely  
8 to continue unless stopped.  
9

10 179. Therefore, Plaintiff seeks a permanent injunction to prevent  
11 Defendant from engaging in such unlawful, unfair, and fraudulent business  
12 practices. Additionally, Plaintiff seeks restitution for the California Subclass  
13 in an amount to be determined at trial, as well as attorney fees and costs under  
14 Cal. Code Civ. Proc. § 1021.5. Further Plaintiff, on behalf of the members of  
15 the California Subclass, requests that he be awarded all relief as may be  
16 available by law, pursuant to Cal. Bus. Prof. Code § 17203.  
17  
18  
19

20 **PRAYER FOR RELIEF**

21 WHEREFORE, Plaintiff respectfully requests that the Court enter  
22 judgment against Defendant as follows:  
23

24 A. Certifying this action as a class action under Rule 23(b)(2) and  
25 (b)(3) of the Federal Rules of Civil Procedure and naming Plaintiff as a  
26 representative of the Classes and Plaintiff's undersigned attorneys as Class  
27  
28

1 Counsel to represent the Classes;

2 B. For an Order declaring that Defendant’ conduct violated the laws  
3  
4 referenced herein;

5 C. For an Order finding in favor of Plaintiff and the Classes on all  
6  
7 counts asserted herein;

8 D. For an Order awarding actual, statutory, treble, and punitive  
9  
10 damages as applicable;

11 E. For an Order awarding pre-judgment and post-judgment interest  
12  
13 on all amounts awarded;

14 F. For injunctive relief as pleaded or as the Court may deem proper;

15 G. For disgorgement and restitution to Plaintiff and the members of  
16  
17 the Classes of all monies received or collected from Plaintiff and the members  
18  
19 of the Classes and all other forms of equitable relief;

20 H. For an Order awarding reasonable attorneys’ fees and expenses  
21  
22 and costs of suit; and

23 I. For such other and further relief as the Court may deem proper.

24 **DEMAND FOR JURY TRIAL**

25  
26 Plaintiff hereby demands trial by jury as to all triable issues.

27 Dated: January 30, 2025

Respectfully submitted,

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