# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

DENISE FAHEY-RAMIREZ, individually and on behalf of all others similarly situated,	Case No CLASS ACTION COMPLAINT
Plaintiff, v.	JURY TRIAL DEMANDED
NESPRESSO USA, Inc.,	
Defendant.	

Plaintiff Denise Fahey-Ramirez, individually and on behalf of all others similarly situated, by her attorneys, files this Class Action Complaint ("Complaint") against Defendant Nespresso USA, Inc. ("Nespresso" or "Defendant"). The following allegations are based on personal knowledge as to Plaintiff's own conduct and on the investigation conducted by her counsel as to all other allegations.

#### **INTRODUCTION**

- 1. Nespresso's Vertuo Next coffee machines (the "Devices") are, as one Nespresso customer elegantly has put it, "pure garbage." 1
- 2. The Devices, marketed for the past four years as the most versatile model for the popular Nespresso Vertuo brewing system, that re-invented single serve coffee,<sup>2</sup> are notoriously defective. Specifically, the Devices develop serious water leakages that

<sup>1</sup> https://www.reddit.com/r/nespresso/comments/r3fp2s/the\_vertuo\_next\_is\_a\_waste\_of\_money/ (last accessed February 26, 2025)

<sup>&</sup>lt;sup>2</sup> https://www.nespresso.com/us/en/choose-your-technology-vertuo

impede both the storing and utilization of liquids for the coffee brewing process (the "Leakage Defect").

- 3. Upon information and belief, the Leakage Defect is exhibited after ordinary use of the Devices.
- 4. At a price ranging from \$179.00 to \$209.00, depending on the color and finish, reliability of the machine is far from the "ultimate coffee experience" Nespresso claims promises for its Devices.<sup>3</sup>
- 5. Nespresso described and marketed the Devices as the "next generation of Vertuo Technology." But in several ways, the Devices seems to be a step backwards from Nespresso's other, more reliable models of coffee makers.
- 6. Since its introduction to the US market in 2020, consumers have been reporting the Devices have been failing after limited use. On Nespresso-focused online communities, the consensus is that the Devices are defective, failure-prone machines that should be avoided at all costs.
- 7. Nespresso's knowledge of the Leakage Defect has not stopped it from aggressively marketing and selling the Devices.
- 8. Nespresso also continues to capitalize on its "eco-friendly" image to sell the Devices. The veneer of eco-friendliness is an integral part of Nespresso's overall marketing strategy. Nespresso touts the Devices as built with 54% recyclable materials<sup>4</sup>,

<sup>3</sup> https://www.nespresso.com/us/en/vertuo-coffee-machines (last accessed February 26, 2025)

<sup>&</sup>lt;sup>4</sup> https://www.nespresso.com/us/en/choose-your-technology-vertuo (last accessed February 26, 2025)

indicating that purchasing a Device is a sustainable choice for an eco-conscious consumer—something for which purchasers will pay a premium. Nespresso's marketing efforts are belied by the fact that Nespresso has now spent years churning out thousands of machines that it knows are defective and will end up in landfills.

- 9. Despite years of consumer complaints, Nespresso continues to blame consumer error and/or misuse for the manifestation of the Leakage Defect.
- 10. However, thousands of customer complaints over several years paint a clear picture: for a significant number of customers, the Devices break—often repeatedly—within a short time after purchase, or shortly after the expiration of the machine's one-year warranty, regardless of the care taken by the consumer.
- 11. Nespresso has never made a public statement acknowledging or addressing the defective nature of the Devices, nor has Nespresso adequately remedied the Leakage Defect.
- 12. Furthermore, consumers who purchase the Devices also are forced to buy and use Nespresso-brand Vertuo Line coffee capsules, which are the only coffee capsules that will work in the Devices as designed.
- 13. Nespresso's Vertuo Line coffee capsules do not work in any other coffee system. Therefore, consumers who have invested money into purchases of the proprietary, machine specific coffee capsules often have hundreds of dollars' worth of coffee capsules that require an operational Nespresso Vertuo machine to use.

- 14. As a result, customers are faced with a "sunk cost"—which can, and often does, exceed the costs of the Devices themselves—that deters customers from replacing their broken Devices with products from any other manufacturers.
- Plaintiff brings this consumer class action alleging that Nespresso misled 15. consumers about the quality and functionality of the Devices, which it designed, manufactured, marketed, sold, and distributed to thousands of consumers in New York and throughout the United States.
- 16. The Leakage Defect constitutes a material defect that prevents the Devices from being used as portrayed in Nespresso's advertising materials, and Nespresso concealed, failed to disclose, or otherwise engaged in deceptive marketing with respect to this defect. As a result, many consumers purchased Devices that became unusable after months, or even days, of use.
- 17. Nespresso uniformly represented to consumers that it had years of experience in the manufacture of coffee brewing machines and was in effect an expert in the manufacture, design, and use of coffee machines.
- 18. Indeed, when promoting the Devices, Nespresso represented that "worldclass team of Nespresso engineers and designers created the most intelligent, elegant and ergonomic system on the market today."5
- 19. Plaintiff and Class members saw or heard these representations from Nespresso about the Devices prior to purchasing their machines.

<sup>5</sup> https://nestle-nespresso.com/sites/site.prod.nestle-nespresso.com/files/Nespresso%20-%20VertuoLine%20Factsheet.pdf (last accessed February 26, 2025)

- 20. The existence of the Leakage Defect renders the Devices unfit for their intended purpose as coffee makers and unable to satisfy the representations Nespresso made in its marketing materials and warranties.
- 21. There are hundreds of customer posts on Nespresso's own website complaining of defective Devices. These posts date back to at least 2020, the year the Vertuo Next model was introduced.
- 22. Nespresso's Devices are covered by a one-year limited warranty (the "Limited Warranty"), which warrants that Nespresso products are free of defects in material and workmanship and that Nespresso will repair or replace any defective product at no charge to the owner.
- 23. The Leakage Defect manifests both inside and outside of the warranty period. Nespresso has failed to fix the Leakage Defect during the warranty period and routinely refuses to replace or fix the Devices free of charge outside of the unconscionably short warranty period.
- 24. Nespresso concealed from and/or failed to disclose to Plaintiff and the Class the defective nature of the Devices and failed to remove the Devices from the marketplace or take adequate action to remedy the Leakage Defect. Rather, Nespresso sold the Devices even though it knew, or was reckless in not knowing, that the Leakage Defect impacted the basic functioning of the Devices and would ultimately result in Plaintiff's and Class members' inability to use their Devices for their intended purpose.
- 25. The existence of the Leakage Defect is not discernible to consumers before they purchase and begin using the Devices.

- 26. Nespresso's knowledge of the Leakage Defect is evident from, among other things, the avalanche of complaints—including those lodged on Nespresso's own website, and the websites of its authorized third-party retailers.
- 27. As a result of Nespresso's unlawful, unfair, fraudulent, misleading, and deceptive practices, Plaintiff and other consumers have purchased Nespresso's products under the false pretenses that the Devices were high quality, eco-friendly machines that would operate to fulfill their essential purpose of brewing coffee.
- 28. Had Plaintiff and the Class known the facts regarding the Leakage Defect in the Devices, they would have paid substantially less for the Devices or not purchased them at all.
- 29. As a consequence of Nespresso's false and misleading statements, their active concealment of the Leakage Defect, and their failure to repair or otherwise address the Leakage Defect, Plaintiff and the Class have suffered injury in fact and actual damages in that the Devices they purchased are unreliable and/or unusable for their intended purposes, as well as incurring the expense and inability to use the Device specific, and proprietary, coffee pods.
- 30. As a direct and proximate result of the Leakage Defect, Plaintiff and the Class have also suffered or will suffer damages in the form of, *inter alia*: out-of-pocket expenditures for the replacement and attempted repairs of the Devices; diminished value of the Devices; out-of-pocket expenditures for Device specific coffee pods; and the failure to receive the benefit of the bargain in their purchases of the Devices.

- 31. Accordingly, Plaintiff seeks redress for Nespresso's breaches of warranties and violations of the Magnusson-Moss Warranty Act and Florida Deceptive and Unfair Trade Practices Act, and under common law.
- 32. In furtherance of the public interest, and to remedy Nespresso's wrongful conduct, Plaintiff brings this action as a class action, and asserts claims on behalf of herself and a class of similarly situated persons seeking money damages and equitable relief for Nespresso's conduct described herein.
- 33. Because of the relatively small size of the typical individual Class members' claims, it is unlikely that individual Class members could afford to seek recovery on their own. This is especially true in light of the size and resources of Nespresso. A class action is, therefore, the only reasonable means by which Class members can obtain relief.

#### **PARTIES**

- 34. At all times relevant herein Plaintiff Denise Fahey-Ramirez, was a citizen of the United States residing in Boynton Beach, Florida. Plaintiff purchased a Device for her personal use on or around December 21, 2021 for \$163.71 online via Amazon.com.
- 35. Defendant Nespresso USA, Inc. is a Delaware corporation, with a principal place of business at 111 West 33rd Street, 5th Floor, New York, New York 10120, United States. Upon information and belief, Nespresso USA, Inc. is a subsidiary of Nestle Holdings, Inc., which is a wholly owned corporate subsidiary of NIMCO US, Inc., which is a wholly owned corporate subsidiary of Nestle US Holdco Inc, which is a wholly owned corporate subsidiary of the Societe des Produits Nestle S.A., which is a

wholly owned subsidiary of Nestle S.A., a publicly traded Swiss corporation. Nespresso's parent company Nestle S.A. is the largest publicly held food company in the world.

36. Defendant Nespresso utilizes the website www.nespresso.com, related webpages, in-person "Boutique" stores, as well as authorized resellers, to market and sell its machines and related products directly to consumers throughout the United States, including to consumers in New York. Nespresso is registered to do business in New York and other states across the country.

#### **JURISDICTION AND VENUE**

- 37. This Court has personal jurisdiction over Nespresso because: its principal place of business is in this District; the acts and omissions giving rise to Plaintiff's claims occurred in and emanated from this District; Nespresso is authorized to do business here and systematically and continuously conducts business in this District; and Nespresso otherwise intentionally avails itself of the markets in this state through the promotion, marketing, and sale of its products in this District.
- 38. This Court has subject matter jurisdiction over all of Plaintiff's claims under 28 U.S.C. § 1332(d). This is a class action, the matter in controversy exceeds the sum of \$5,000,000 exclusive of interest and costs, and Plaintiff and the Class members are citizens of states different from Defendant.
- 39. Venue is proper in this District under 28 U.S.C. § 1391 because a substantial part of the events giving rise to the claim occurred in this District and Nespresso maintains its principal place of business within this District.

### **FACTS**

#### I. Nespresso's Coffee Brewing Systems and Business Model

- 40. Nespresso has sold coffee machines, compatible coffee-filled capsules, and various coffee-related accessories since the 1970s.<sup>6</sup>
- 41. The cost of the coffee inside the capsules is far more expensive than the equivalent "loose" coffee grounds that would be used to make the same size beverage.
- 42. Nespresso's Vertuo Line ("VL") brewing system is still under patent. As a result, the Devices only use Nespresso capsules, and the capsules only work with Nespresso products.
- 43. Nespresso sells the majority of its VL capsules directly to consumers through its website and Nespresso storefronts known as "Boutiques."
- 44. Nespresso began selling VL coffee capsules and machines to consumers around 2014.
- 45. Nespresso makes several different models of machines that use VL capsules, including the far more expensive Vertuo, Vertuo Latissima, and Evoluo; the marginally less expensive VertuoPlus, and Vertuo Pop+; and—the model of machine that is the focus of this litigation—the Vertuo Next.
- 46. According to Nespresso, a key feature is that the Vertuo brewing system works differently compared to a standard drip coffee brewer.

<sup>6</sup> https://whichnespresso.com/nespresso-originalline-vs-vertuoline-whats-the-difference/(last accessed February 26, 2025)

- 47. Nespresso claims a "world-class team of *Nespresso* engineers and designers created the most intelligent, elegant and ergonomic system on the market today."<sup>7</sup>
- 48. Mechanically, the Vertuo Line brewing systems function by spinning the coffee capsules and injecting water into the capsule at the same time. The machine reads the barcode on the capsule to adjust the extraction parameters and produce the appropriate size of coffee based on how the pod is labeled.

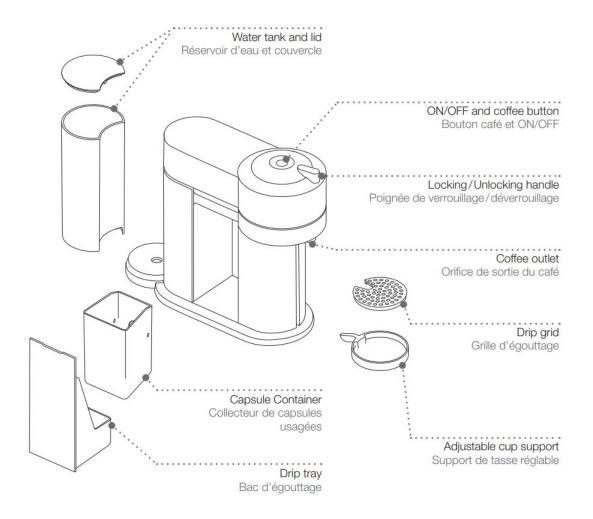
#### **II.** The Vertuo Next Model

- 49. The Device debuted in 2020 and has been one of the best-selling models of the Vertuo Line since its introduction, being featured in advertisements with Hollywood A-Listers such as George Clooney.
- 50. The Device's normal brewing cycle is started when the single button on top of the machine is pressed. Other cycles for cleaning and descaling may also be run but require different patterns of pressing the button in order to get to these cycles.
- 51. Nespresso distinguishes the Devices from the other Vertuo Line machines by promoting that it physically has a small footprint, is capable of make carafe-size coffees, and is purportedly made out of 54% recycled plastic.<sup>8</sup>

<sup>&</sup>lt;sup>7</sup> https://nestle-nespresso.com/sites/site.prod.nestle-nespresso.com/files/Nespresso%20-

<sup>%20</sup>VertuoLine%20Factsheet.pdf (last accessed February 26, 2025)

<sup>&</sup>lt;sup>8</sup> https://www.nespresso.com/us/en/nespresso-machine-comparison?vertuo=VERTUONEXT%2CVERTUO%2CVERTUOPLUS (last visited February 26, 2025) (noting differentiating features of the current available models of Vertuo Line machines)



# III. The Leakage Defect

- 52. Contrary to Nespresso's representations, the Devices are designed and manufactured with an inherent defect that results in water leakage and compromises the ability of the machines to operate as intended.
- 53. Specifically, the Devices are incapable of retaining the water used to brew coffee and delivering liquid from the Devices' reservoir to the customer's cup.
- 54. Consequently, when the Leakage Defect manifests, use of the Device is made difficult and inefficient—if not impossible—because the leakage of water prevents

the machine from successfully and fully completing the production of coffee. Since the Leakage Defect impairs the central purpose of the machine, it renders the device partially or wholly unusable.

- 55. The Device is prone to early failure. According to Plaintiff and scores of other Device owners who have experienced the Leakage Defect, the problems can manifest immediately during the customer's first attempt at brewing a coffee.
- 56. Consequently, the Devices are not fit for their intended purpose and cannot perform in accordance with Nespresso's marketing materials and warranties.



Hi everyone,

I purchased my vertuo next premium in early December, no issues ever and cleaned regularly with no issues.

Tonight I noticed leaking right underneath it, it's not coming from the drip tray or from the water tank.

Has anyone else had these issues? I think I'm going to call Nespresso tomorrow morning.



Hello everyone!

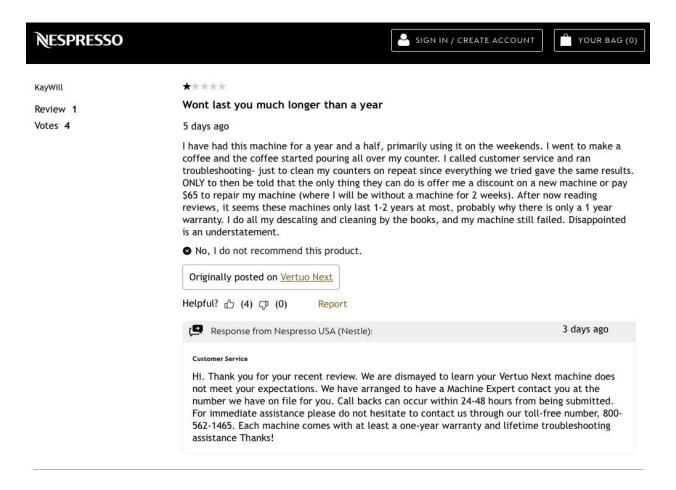
I got my Nespresso Vertuo Next a month ago and everything was cool, but today it started making just 1/4 of a cup. I push the button, it starts brewing and brews for 10-15 seconds and then just stops and red light blinks two times. Did anybody fix the same problem?

### Nespresso Vertuo Next Leaking



Been having trouble with the machine for the past couple days. Lift up the machine this morning to find a puddle of coffee underneath. Based on several other posts I've read, seems like I've gotta contact customer service and get it replaced.

When the machine works, I love it. But it seems like it's just a constant headache with this thing. This one is actually a replacement for another one that had an issue less than 2.5 months ago. You'd think for as much as these cost, they'd be made slightly better. Extremely disappointing. I would never recommend this specific model to anyone.



# 4th Machine's a charm?

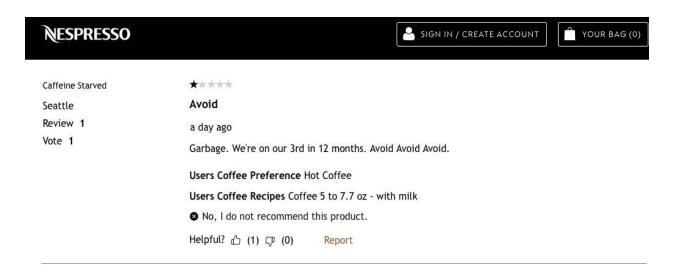
🤗 r/nespresso · Posted by u/Hardmill 2 years ago

Got the Next for Christmas in 2020.

Lasted about 11 months, then wouldn't read the barcodes anymore. Cleaned every which way, tried all the tricks, nothing. I'd waste 3 pods trying to get one cup of coffee.

Got a replacement. Lasted until July 2021, same issue.

New replacement lasted until December, started having the same issue, then bricked. Plug it in, get a flashing orange light, spit out about 1 oz, then go solid white and not respond to anything.



57. Nespresso's ongoing silence regarding the Leakage Defect has led numerous customers to speculate as to the cause. In many reviews, on Nespresso's website, customers point to the basic design of the machine as the source of the issue.

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6 days ago

We bought 2 of these over the past 3 years and they consistently break- conveniently always after the one year warranty but before 2 years of use. Obviously some flaw in the design since ours will always start leaking somewhere. And then to make up for it- Nespresso gives you a 35% discount which... surprise... you can only use on 3 of their machines including this hunk of junk.

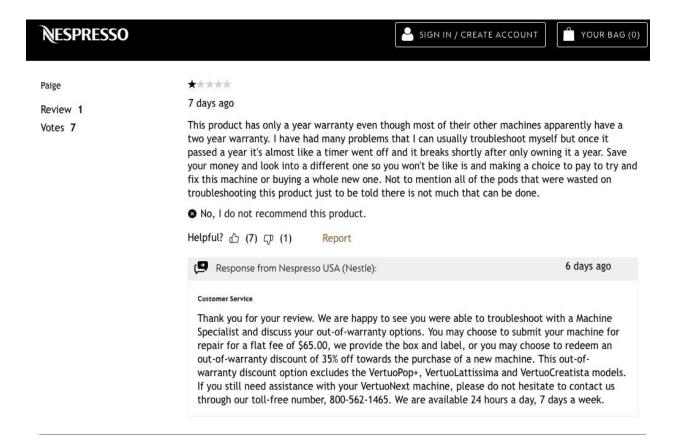
- -



#### Avoid this model!

#### 9 days ago

I had this machine replaced by Nespresso before I owned it for a year because it was malfunctioning. Shortly after my original machine was replaced the same thing happened to my sister in law. Now with the 2nd machine, it's been a little over a year and it stopped working as well. This model is a lemon. Don't buy it - save yourself money, time, and a headache.



58. Similar complaints from customers were also expressed on authorized retailer sites such as Amazon.com:



## ★☆☆☆☆ Important..Read this before you buy ZERO STARS IF POSSIBLE

Reviewed in the United States on February 14, 2022

Size: Machine Only | Color: White | Verified Purchase

Here is the short answer to your question. No.. You should not buy this machine. The machine has a Flaw in the design. There is a drain hole on the top which passes through the same cavity as the bar code sensor. The geniuses who designed this beast choose to put a friction connection between the plastic molded drain and the hose. This connection is not a barbed hose, it is a rectangle boot. Why would you use a square connection to attach to a round hole? no idea.. But you will! The connection leaks on to the Barcode sensor lens (and then out the bottom of your machine) poof! dirty and uncleanable problem (unless you take apart the machine like I did - I am on my third machine replaced under warranty and I am not buying another one or one every year to drink this great over priced coffee. ) This machine will eventually give you the error of two yellow/orange blinking light followed by a white - No coffee for you!!!!!. Its reads in the troubleshooting manual as "needed cleaning" but if you use the APP it will tell you its an UNREDABLE BAR CODE ERROR.

Another problem I found is the plastic cup the bar-code sensor sits behind both scuffs/whitens due to the spinning action and cracks internally making is suspect its ability to allow the sensor to read the bar code.

Its amazing how mush these machines leak., I have included a few pictures of the inside of the machine as well and the cracked cup and the connection that leaks.

This system make a great cup of coffee but the machine is doomed to frail. What makes this worse is the company MUST know this problem exists yet still sells the machine. You have been warned



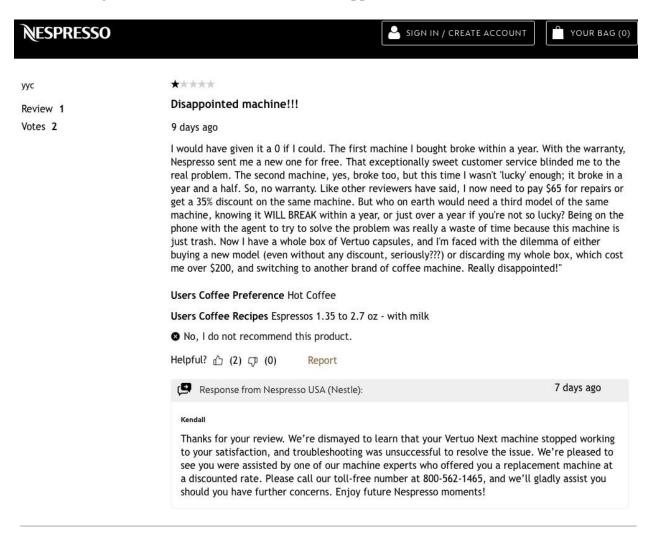
# VI. Nespresso's Knowledge of the Leakage Defect

59. Nespresso has been on notice of the Leakage Defect since at least 2020 through complaints made via reviews on the Nespresso website and inquiries made to Nespresso's customer service department, in addition to complaints made on other internet groups and forums.

- 60. Lengthy customer critiques about the quality of the Devices can be seen in any online forum or group discussing Nespresso products. There are hundreds—if not thousands—of product reviews and posts in online Nespresso customer communities (such as Reddit's r/Nespresso community) detailing the consistent problems caused by the Leakage Defect.
- 61. Given the number of complaints through official Nespresso channels and the widespread discussion about the Leakage Defect online, Nespresso cannot claim ignorance of knowing the existence of the Leakage Defect.
- 62. Despite the widespread and highly visible complaints regarding the Device, Nespresso has failed to adequately respond to the Leakage Defect.
- 63. Instead, in response to the substantial number of Devices that have already manifested the Leakage Defect, Nespresso has offered to replace some customers' machines with the same model, often "refurbished", plagued by the same defect.

  Unsurprisingly, a significant number of the replacement Devices have also become inoperable, further illustrating the inherent and pervasive nature of the Leakage Defect.
- 64. The Leakage Defect manifests both inside and outside of the warranty period. As illustrated above, Nespresso consistently fails to provide a sufficient replacement machine without the Leakage Defect during the warranty period. If the Device fails outside of the warranty period, Nespresso routinely refuses to repair the Leakage Defect or offer a replacement free of charge.
- 65. In either instance, customers are required to jump through multiple hoops to prove to Nespresso what Nespresso already knows: the Devices are defective.

- 66. Although Nespresso has not officially acknowledged the pervasive nature of the Leakage Defect, some customer service representatives from Nespresso have stated to customers that there is a known issue with the Devices.
- 67. Interaction with Nespresso's customer support line is frequently a time-consuming and frustrating process in which Nespresso gathers a significant amount of detailed information regarding the customer and the product issue at hand. Through records of these interactions alone, Nespresso has been made aware of the pervasiveness of the Leakage Defect and their customers' unhappiness.



#### NESPRESSO A SIGN IN / CREATE ACCOUNT



Matt

Votes 6

Madison, Wisconsin Review 1

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Do not purchase this product.

9 days ago

Do not buy this machine. We received it as a gift last Christmas, only use it on the weekends, and it already broke. It leaks water all over the counter and no longer brews coffee. We called and worked to troubleshoot the machine, but they were unable to help. They said we could send it in for a \$65 fee but couldn't be sure that would even help. Then they offered us 35% off a new machine. After reading reviews on this machine and our experience we wanted to go with the Vertuo Pop. They told us we couldn't use our discount because that was a newer product. We would have to purchase the Vertuo Next again. I was also on the phone for over an hour to troubleshoot and then try to order a new machine. All around it has been a pretty terrible experience. If our machine breaks after one year of limited use and the solution is to give us a discount on a machine we do not want to purchase, that's terrible customer service. For the amount of money we spend on the pods and the machine I would expect a better experience.

Users Coffee Preference Hot Coffee

Users Coffee Recipes Coffee 5 to 7.7 oz - no added milk

No, I do not recommend this product.

Helpful? △ (6) ♀ (0) Report



8 days ago

**Customer Relations** 

Thank you for your review, Matt, though we're sorry you were disappointed. We urge you to contact us again, 800.562.1465, to review your concerns once again. We look forward to ensuring your able to continue enjoying your Nespresso coffee.



★☆☆☆☆ This machine is no barista

Reviewed in the United States on May 23, 2022

Color: Chrome Style: Machine Verified Purchase

The first one I had broke down, leaked all over the counter. So I bought this new one. It came with a smashed cover to the water tank, so I never used it. I approached Amazon which sent me to Breville which sent me to Nespresso which didn't reply. Too late to return it, so I will donate it to a charity in hopes that someone will enjoy it (sans water tank cover.) Frankly, the coffee never tasted as good as a coffee shop. My \$\$\$ loss.



★☆☆☆☆ Buy the Vertuo Plus Model!

Reviewed in the United States on November 18, 2023

Color: Black Style: Machine + Milk Frother

My mom bought me this Nespresso as a gift and it was so terrible! I had to talk send it back to Nespresso bc it would flood my counter! Not leak flood! It would randomly just keep dispensing more espresso than the serving size. Sometimes it would just randomly not work! And this was like 2 weeks after owning it. Nespresso's customer service sent me another machine and it was worse! It did everything before and more! I had to call customer service AGAIN. They sent me a 2nd machine but they let me choose a different type of machine. Funny thing the customer service rep I spoke to said they get the most call about the Vertuo next model. But I got the Vertuo plus model and works like a dream! I've had it for a year now and it still makes beautiful espresso and coffee. But I would recommend buying the frother if you like hot drinks other wise your drink will turn cold fast. One plus Nespresso's customer service was amazing they were so nice and professional.

# VII. Nespresso's Deceptive Business Practices Exacerbate the Harm of the Leakage Defect

- a. Nespresso's Deliberate Use of Customized Coffee Capsules
- 68. Once a consumer purchases a Device, that consumer must purchase the expensive, proprietary Vertuo Line capsules as well.
- 69. A consumer's purchases of VL capsules can quickly overtake the initial expense of the machine. Nespresso uses frequent promotions that offer a free coffee mug or similar item if a customer purchases at least 20 sleeves of VL coffee, suggesting that 20 sleeves is a reasonable amount of coffee for a customer to purchase in a single order.
- 70. At the lowest end of Nespresso's price point for capsules, twenty sleeves of VL coffee would total around \$200.9 On the highest end of Nespresso's price spectrum, 20 sleeves could top out over \$400. In comparison, a customer buying a new Device will typically pay anywhere from approximately \$130 to \$200.
- 71. Consequently, a customer who purchases 20 sleeves of Vertuo Line coffee has already invested more in the coffee than the actual Device. Therefore, if that customer's Device breaks, they must choose to either replace or repurchase another Vertuo Line machine, or else lose the money they have already invested on proprietary VL coffee capsules.

<sup>9</sup> As of the date of the filing, Nespresso sells its cheapest and smallest espresso capsules for \$10.00 for a box of ten. A sleeve of 10 capsules of their non-specialty coffee is sold for between \$13.00 to \$13.50. For specialty coffee and larger capsule sizes, the price for a sleeve of ten

capsules can cost up to \$28.00.

72. A customer with a broken Device has significant switching costs if they are inclined to extract themselves from the Nespresso ecosystem, including both the cost to purchase a different brand of coffee maker and the costs of the Vertuo-compatible coffee capsules they had purchased for their Devices.

# b. Greenwashing

- 73. Nespresso claims to pride itself on its image as an environmentally conscious company that provides customers with sustainable options and highlights that image across its website and marketing materials.
- 74. Nespresso is able to sell its products, including the Devices and their accompanying pods, at a price premium—as well as increase Nespresso's total sales—by creating a false impression of environmental sustainability.
- 75. Indeed, in a recent case brought by Nespresso against Williams Sonoma, Nespresso articulated this phenomenon, stating "[i]n today's climate, whether or not a product is environmentally friendly has a material and direct effect on whether consumers purchase the product."<sup>10</sup>
- 76. As part of its touted commitment to sustainability, Nespresso claims it is "Doing Our Bit" by committing to "optimizing resources and minimizing waste." "Every action has an impact." Nespresso further states that it is "committed to a circular model designed to reduce waste while keeping products and materials in use for longer." 12

<sup>&</sup>lt;sup>10</sup> Nespresso v. Williams Sonoma, 1:19-cv-04223 (S.D.N.Y. May 9, 2019) (ECF 1).

<sup>11</sup> https://www.nespresso.com/us/en/circularity (last accessed February 26, 2025)

<sup>&</sup>lt;sup>12</sup> *Id*.

- 77. In 2021, Nespresso released its Creating Shared Value ("CSV") Report for 2014 through 2020, with the theme that "coffee can be a force for good." The CSV report quotes Nespresso CEO Guillaume Le Cunff for the statement, "It is our conviction that coffee can be a force for good because it can shape communities and preserve landscapes for the better, leaving a positive impact on the lives of people and nature." <sup>14</sup>
- 78. In April 2022, Nespresso announced that it had achieved global certification as a B Corporation ("B Corp"). <sup>15</sup> B Corps are certified by B Labs, which describes itself as "the nonprofit network transforming the global economy to benefit all people, communities, and the planet." <sup>16</sup> Per B Labs, B Corp Certification "is a designation that a business is meeting high standards for verified performance, accountability, and transparency of factors from employee benefits and charitable giving to supply chain practices and input materials." <sup>17</sup>
- 79. Nespresso referred to its certification as "a market for the positive impact Nespresso has made in the coffee industry and beyond…" Le Cunff further noted that the certification "reflects a 30-year Nespresso commitment to sustainability, transparency and responsible business." 19

 $<sup>\</sup>frac{\text{13 https://nestle-nespresso.com/sites/site.prod.nestle-nespresso.com/files/Nespresso%20CSV%20Report%20The%20Positive%20Cup%202014-2020%20Achievements\_1.pdf (last accessed February 26, 2025)}{\text{120}}$ 

 $<sup>^{14}</sup>$  *Id.* at 6.

<sup>&</sup>lt;sup>15</sup> https://nestle-nespresso.com/nespresso-achieves-bcorp-certification (last accessed February 26, 2025)

<sup>&</sup>lt;sup>16</sup> https://www.bcorporation.net/en-us/movement/about-b-lab/ (last accessed February 26, 2025)

<sup>17</sup> https://www.bcorporation.net/en-us/certification/ (last accessed February 26, 2025)

<sup>&</sup>lt;sup>18</sup> https://nestle-nespresso.com/nespresso-achieves-bcorp-certification (last accessed February 26, 2025)

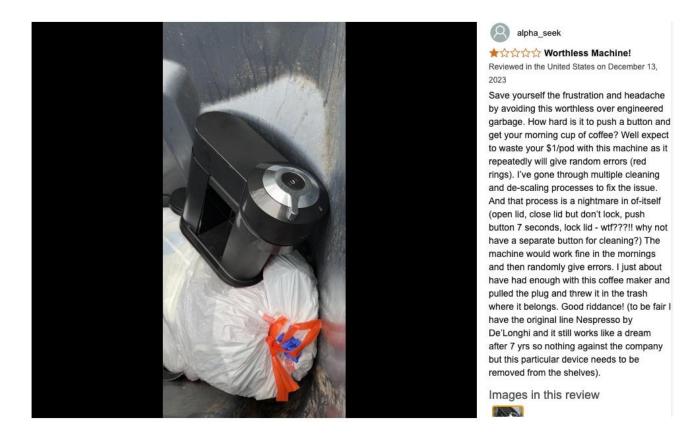
<sup>&</sup>lt;sup>19</sup> *Id*.

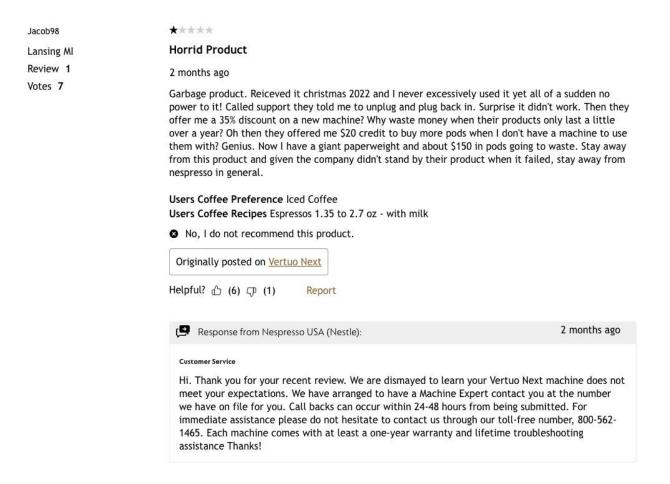
- 80. Nespresso markets, promotes, and sells the Devices as eco-friendly devices—emphasizing the use of recycled materials in their construction—because it knows that this eco-conscious image will drive sales.
- 81. However, Nespresso's claims of environmental sustainability are belied by its practice of making defective coffee brewers that are relegated to landfills shortly after purchase.



Barely works. Had to factory reset, clean and descale 4 times since owning it, over the course of a month or so? Not worth the money, aggravation or time. Nespresso should be embarrassed to charge people for what is seemingly a known issue. I'd return it if I could. I'd rather just throw it away into the trash where it belongs.

7 people found this helpful





- 82. This is a prime example of "greenwashing." Greenwashing, a term coined in the 1980s', occurs when a company engages in deceitful marketing campaigns to exaggerate its environmental protection efforts in order to mislead consumers who prefer to purchase products from environmentally conscious brands.<sup>20</sup>
- 83. Despite its awareness of both 1) the value customers place on environmentally products and 2) the unacceptably short lifespans of the Devices due to the Leakage Defect, Nespresso continues to mislead consumers by lauding the environmental sustainability of the Devices.

<sup>&</sup>lt;sup>20</sup> https://www.businessnewsdaily.com/10946-greenwashing.html (last accessed February 26, 2025)

### VIII. Nespresso Fails to Disclose or Remediate the Leakage Defect.

- 84. At no time has Nespresso made an official statement disclosing the Leakage Defect inherent in its Devices.
- 85. Even though Nespresso knew that the Devices were defective and therefore prone to early failure, Nespresso's company practices indicate that it has attempted to put the blame on the consumers for the faulty product.
- 86. For customers who reach out to Nespresso within the warranty period, after a time-consuming interaction with customer service, many are offered another Device as a replacement. These replacement machines are also plagued by failures.
- 87. Indeed, for many customers, multiple replacement machines suffer failures soon after being received, some within days or weeks.

MaineCoonCatLady

Tallulah Falls, GA Review 1

Votes 7

\*\*\*\*\*

#### Absolute JUNK!

3 months ago

First machine would not turn on after several months use. Called Nespresso, they replaced with a second machine since it was still within the first year warranty. After a few months with second machine, same problem occurred! Called again and no replacement available this time bring first machine warranty was expired! Husband disassembled in an effort to repair. Unrepairable! Solid state board was shorted out due to a design flaw that allows tiny water droplets to drip onto board! Why would this machine be engineered to where the board is in an area where it can come into contact with water! Extremely Poor Design! Machine went in the garbage along with four sleeves of now useless pods! Never again will I purchase Nespresso products! I lost nearly \$400! Went back to the old fashioned way of making coffee with a French press, which is much more economical! Do yourself a favor and don't fall for all the hype from Nespresso!

Users Coffee Preference Both Hot and Iced Coffee Users Coffee Recipes Coffee 5 to 7.7 oz - no added milk

8 No, I do not recommend this product.

Originally posted on Vertuo Next

Helpful? △ (7) ♀ (0) Report

Response from Nespresso USA (Nestle):

3 months ago

#### **Customer Service**

Thank you for your review. We're dismayed to learn that your replacement Vertuo Next isn't working, and that our team wasn't able to assist you. We sincerely apologize for any inconvenience this has caused. Our goal is to ensure complete customer satisfaction and deeply regret when that is not the case. We have documented your experience to your account for review. We would like the opportunity to make this up to you. We would be happy to arrange a callback with a supervisor, who can assist further. Please contact us at 800-562-1465. We're confident that we'll come to a satisfactory resolution.



#### ★☆☆☆☆ 2 machines in 2 months- nothing but problems

Reviewed in the United States on February 9, 2021

Size: Machine + Aero | Color: White | Verified Purchase

We got our first machine and it was great. We loved the coffee and espresso it brewed and loved the selection of pods and drinks we could create.

After about 3 weeks of everyday use we noticed one day that our drink has significantly less liquid than it usually does. We checked around the machine and it was sitting in a puddle of water. We thought maybe it was an error on our part, so we did some trouble shooting. We cleaned the inside of the machine. We made sure the water tank was secure and we could see a bubble rise when attached. We called contacted customer service and they had a tach run through more troubleshooting with us. To no avail, the machine kept leaking from the side. It was not leaking coffee, just water. Upon further research, this is as VERY common issue it seems

We sent it back and received a replacement. Worked wonderfully for about another 3 weeks. We were paranoid and made sure to make sure the water tank was secure. Made sure we were cleaning it often. And again, around the 3/4 week mark the machine is not working again.

This time it was not a leak. It simply was not brewing. Sometimes random sputter of like a teaspoon of espresso came out, but other than those random sputters. No brewing at all.

Went through all the troubleshooting again. The machine did not even respond to us trying to flush the water tank.

We ended up returning the machine for a refund. Looking into reviews here, the nespresso site, and reddit, it seems that this model is nothing but problems.

I am torn between even trying another vertuo line model- maybe the plus or just getting an original line model.

Anyways- save yourself the time and headache- DO NOT GET THE VERTUO NEXT

# **NESPRESSO**





cburton

\*\*\*\*\*

Texas

Save your money and go elsewhere!!!!!!!!!!!

Review 1

8 days ago

Votes 4

HORRIBLE machine. Brewed maybe 10-15 pods and it just quit working. Called customer service and they sent me a repalcement machine. I received it within two days. So kuddos for that. Problem is the replacement was a refurbished machine that also did not work. When i called customer support they did their best to correct the problem and offered to send a replacement machine of lesser value with fewer features. Overall I suggest folks save their money and buy anything other than Nespresso machines. Pods are expensive and the machines are junk.

Users Coffee Preference Hot Coffee

Users Coffee Recipes Espressos 1.35 to 2.7 oz - with milk

8 No, I do not recommend this product.

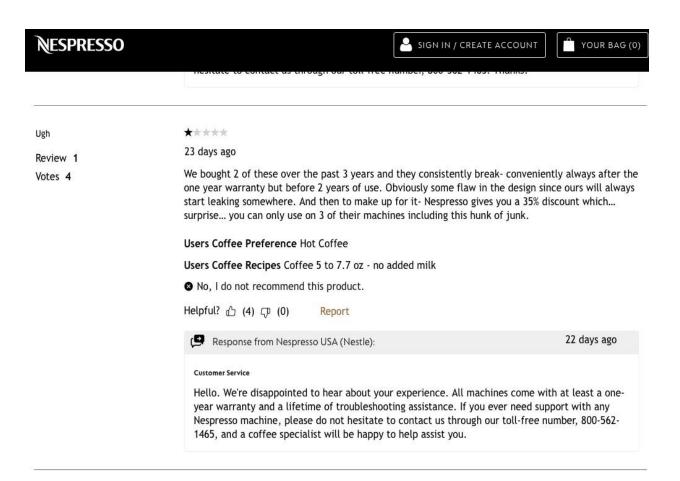
Helpful? △ (4) ♀ (1) Repor

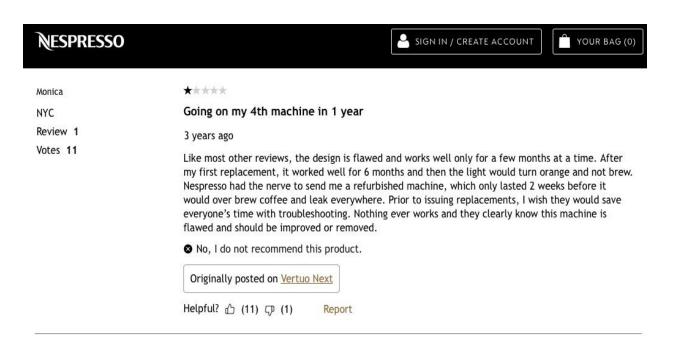
Response from Nespresso USA (Nestle):

6 days ago

#### **Customer Service**

Thank you for your review. We certainly want each in-cup moment to be special and exactly to your liking. We are happy to see you were able to speak with a Machine Specialist and arranged to receive a replacement machine. Please be assured, functionally the VertuoNext and VertuoPlus both perform the same. Both machine models use Centrifusion™ technology which allows the preparation of a smooth coffee with a high-quality aromatic richness, combined with a high intensity and body and finished off by a silky and generous crema. The VertuoNext machine has the added option of being able to brew the Carafe capsules which offer a Pour-Over style serving of 18oz., the Cold Brew Intense, and Alto blends as well. The VertuoPlus cannot brew these capsules. If you need assistance with your new VertuoPlus machine, please do not hesitate to contact us through our toll-free number, 800-562-1465. We are available 24 hours a day, 7 days a week. Thanks!





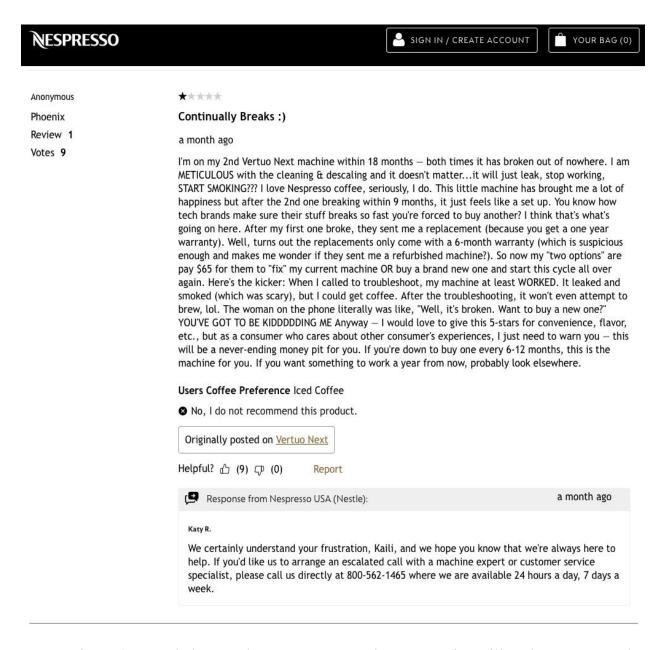
- 88. Nespresso's practice of treating the Devices as disposable is at odds with the environmentally friendly focus of its marketing of both Nespresso products in general and the Devices in particular.
- 89. Nespresso reportedly replaces broken Devices machines under warranty with "refurbished" Devices with only a 6-month limited warranty or provides customers with a small discount on a new machine. As one customer noted, this limited warranty period is unsatisfactory and leaves "customers in a precarious situation should issues persist." The same customer highlighted that Nespresso's approach to warranty replacements "feels like a thinly veiled attempt to encourage customers to spend more money rather than addressing the root cause of the problem."



#### Dont waste your money: Disappointing Durability

#### 21 days ago

I purchased the Nespresso Vertuo Next with high hopes for a convenient and reliable coffee brewing experience, but my overall experience has been nothing short of disappointing. Within less than a year of use, the machine started encountering issues, and the subsequent customer service and warranty process only added to my frustration. First and foremost, the machine's durability is questionable at best. Despite being covered by the warranty, the fact that it broke down in less than a year raises serious concerns about the product's build quality. The promise of a hassle-free coffee experience is shattered when the very machine meant to deliver it fails so quickly. Upon contacting customer service, I was informed that a refurbished machine would be provided as a replacement. While I appreciate the attempt to resolve the issue, the refurbished machine only came with a meager 6-month warranty. This short warranty period suggests a lack of confidence in the longevity of their own product, leaving customers in a precarious situation should issues persist. To add insult to injury, the replacement machine encountered the same problems as the original one. It's disheartening to see that even the supposedly reconditioned unit couldn't stand the test of time. This raises serious questions about the quality control and refurbishment process undertaken by Nespresso. What's more disappointing is the proposed solution from customer service - a discount on a new machine. It's perplexing that after investing in a supposedly premium product and facing repeated issues, the company's response is to offer a discount on yet another machine. This approach feels like a thinly veiled attempt to encourage customers to spend more money rather than addressing the root cause of the problem. In conclusion, my experience with the Nespresso Vertuo Next has been marred by poor durability, an unsatisfactory warranty policy for refurbished units, and a lackluster response from customer service. I expected more from a brand that positions itself as a leader in the coffee industry. Unfortunately, I cannot recommend the Nespresso Vertuo Next to others based on my disappointing and frustrating experience.



90. As noted above, when Nespresso replaces a Device still under warranty, the replacement *does not* have an additional one-year warranty that entitles customers to another replacement. Frustratingly, customers who received replacement Devices that also failed within months of their first use are typically given the same options as a customer whose original machine fails outside the warranty period.

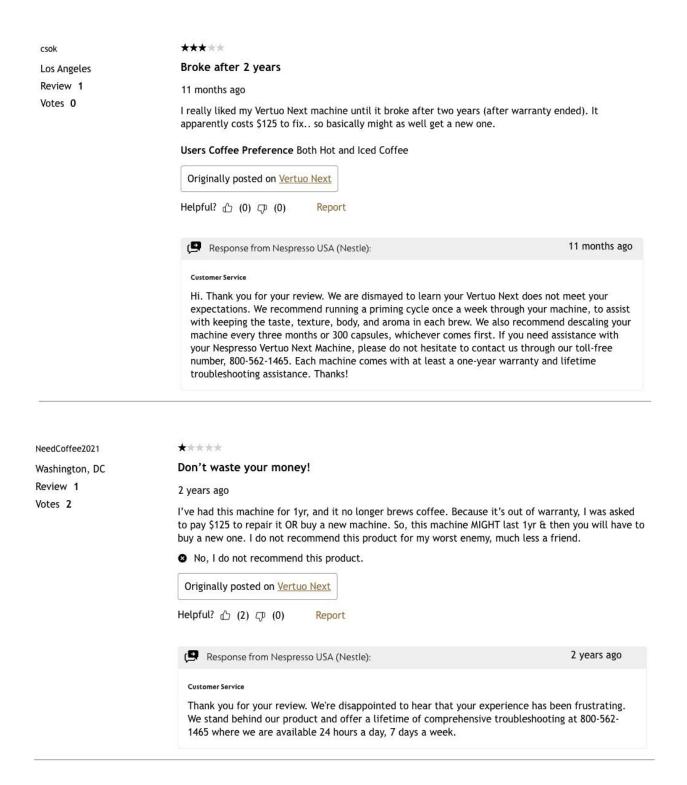


Is it legal for Nespresso to replace a machine within warranty by another one that dies 2 months later, which is now out of warranty, and then claim that because it's now out of warranty, it is my problem? I feel like they replaced a lemon with a lemon and now they're saying it's my problem.

I had a Nespresso Vertuo Plus that I was very happy with. Worked for years until I decided to "upgrade" to Vertuo Next. The Vertuo Next stopped making coffee within the year. After months of frustration, dozens of wasted capsules, and hours wasted with Nespresso on the phone, I got it replaced with another Vertuo Next last November, within the one year warranty. Now the new Vertuo Next stopped making coffee literally 2 months after I got it. Both machines had the red light blinking when I'd press the button to make coffee and wouldn't make coffee. Now Nespresso is taking me through the whole descaling BS, after which, if the machine still doesn't work, because it's out of warranty, they will try to repair it for me at my own expense, or give me a rebate on the next one. Is it legal for Nespresso to replace a machine within warranty by another one that dies 2 months later and claim that they can't do anything about it because it's out of warranty? I'm flabbergasted...

12 Comments	→ Share ···
Amy	<b>★</b> ****
Review 1	Horrible machine
Votes 0	2 years ago
	I bought the machine and it started leaking. They sent me a refurbished machine and within 2 months it started leaking from the bottom of the machine. I was told that the refurbished machine has a 6 month warranty. Then told by another agent that it has no warranty. They want me to send the leaky refurbished machine in for repair or purchase a new machine for 35% off! What a waste of my money!
	⊗ No, I do not recommend this product.
	Originally posted on <u>Vertuo Next</u>
	Helpful? 凸 (0) 口 (0) Report
-	

- 91. If a customer's machine fails after the one-year warranty period has passed, Nespresso offers limited options for obtaining a repair or replacement machine.
- 92. Nespresso has a repair program and may offer to fix an out-of-warranty broken unit. However, Nespresso charges \$125.00 for this repair—essentially the same as purchasing a new Device. This repair pricing suggests that Nespresso is purposefully discouraging customers from opting to repair an out-of-warranty unit.



93. Another option Nespresso reportedly offers customers with an out-of-warranty broken Device is to receive a \$65 credit or a 35% discount toward a new machine.

Philadelphia, Pennsylvania Reviews 2 Votes 6

#### Vertuo-NEXT time I won't purchase a nespresso

2 months ago

I purchased my machine in December 2022. It was lightly used for less than a year. It was in storage in the original packing for a few months while my spouse and I renovated our first home. We began using it again regularly in January 2024 (aka 1 cup each daily). It began acting up in March 2024. I followed the cleaning and descaling videos online which worked but it still wouldn't brew coffee. I contacted customer service and a lovely representative named princess helped me get my machine brewing. It began acting up this past weekend 6/9/24 and would not brew coffee. I figured it needed a deep cleaning and to be descaled. I did just that and ran the cleaning cycle several times before contacting customer service for assistance... if you can even call it that. The first representative was eager to get me to buy a new product and was not interested in troubleshooting when I told him all I had already done to try fix my machine for several hours before contacting customer service. He would not troubleshoot it further and would only offer me 35% off a new machine or a \$65 credit to nespresso. I spent nearly \$200 on this item, UNACCEPTABLE solution! I was so frustrated. I thanked the agent after he confirmed there was nothing else to do and I disconnected my call. I continued to try to trouble shoot and called again later that day when all hope was lost. I was connected with the lovely representative named princess who helped us initially. She was extremely knowledgeable and helped get my machine brewing coffee. She gave me extra cleaning tips to keep my machine working. Unfortunately we woke up this morning and the machine wouldn't brew coffee again but would perform the cleaning cycle. I tried troubleshooting again and without any luck I reluctantly called customer service again this afternoon and spoke with another representative who was able to get my machine brewing. When I asked what would happen if it doesn't work again tomorrow morning? Nespresso again suggested 35% off a new machine or a \$65 credit. I've already invested so much money into this machine and its products why would I purchase a new machine for it to only last another year or so. There is clearly a defect in the Vertuo next line based off of the numerous reviews online from several customers who are experiencing issues in a similar timeframe with little resolve. TERRIBLE EXPERIENCE! My parents have the original nespresso machine and it's still kicking after about 10 years of heavy use (aka 10 nespresso shots a day). So, if you're going to buy from Nespresso buy the original line or prepare yourself for when customer service tells you they won't replace your gently used Vertuo Next machine.

Users Coffee Preference Hot Coffee
Users Coffee Recipes Coffee 5 to 7.7 oz - with milk

No, I do not recommend this product.

Originally posted on Vertuo Next

Helpful? (1) (6) □ (0) Report

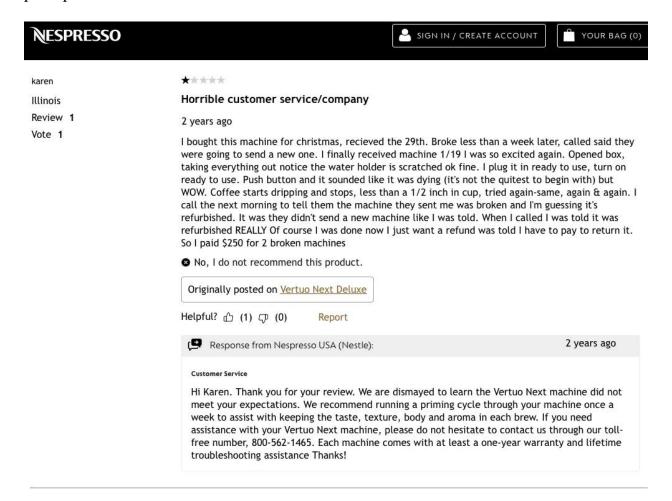
Response from Nespresso USA (Nestle): 2 months ago

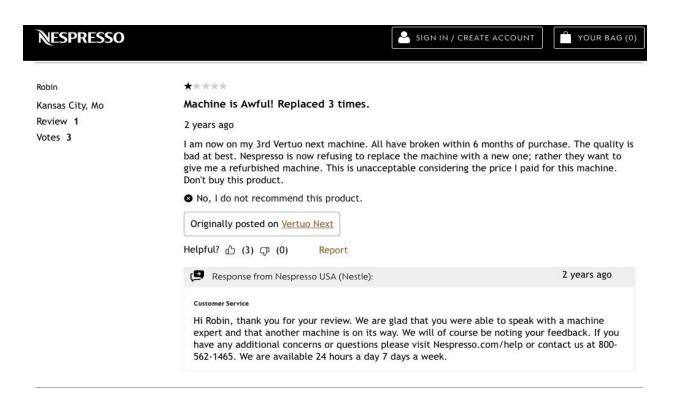
Customer Service

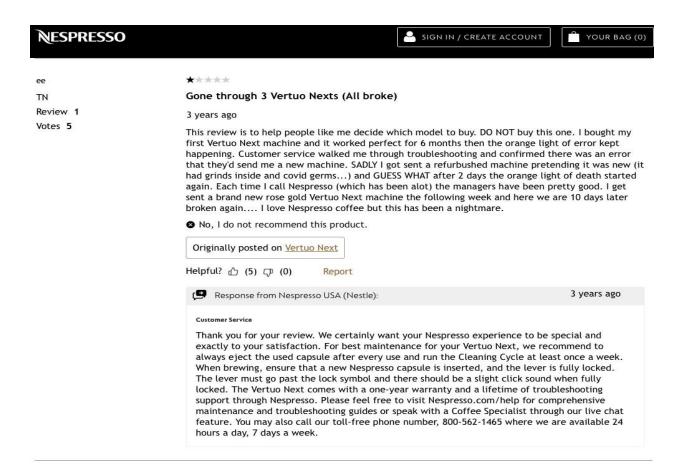
Thank you for your recent review. We are dismayed to learn your Vertuo Next machine does not meet your expectations. We have arranged to have a member of our Machine Expert management team contact you at the number we have on file for you. Call backs can occur within 24-48 hours from being submitted. For immediate assistance please do not hesitate to contact us through our toll-free number, 800-562-1465. Each machine comes with at least a one-year warranty and lifetime troubleshooting assistance. We look forward to speaking with you soon, and resolving this issue.

- 94. In the exceedingly rare circumstance that Nespresso's customer service agrees to replace a broken Device outside of the warranty period, it still does not solve the customer's problem. As discussed above, replacing a defective Device with another defective Device does not make the customer whole.
- 95. Moreover, the necessity for repeated replacements lead to yet another unusable Device, which undermines one of the major selling points of Nespresso and the

Device of being environmentally friendly—an attribute that allows Nespresso to charge a price premium for the Devices.







- 96. Rather than deal fairly with the deluge of customer demands for restitution, Nespresso has recently adopted customer service practices that make obtaining a replacement for a failed Device *more* difficult—despite Nespresso's increasing awareness of the impact of the Leakage Defect.
- 97. One customer on Redditt reported the numerous steps Nespresso Customer Support required them to take before Nespresso would provide a replacement:

Posted by u/tantamle 1 year ago

### Customer support went back on their word.

I have the problematic Nespresso Vertuo machine. After only 2 months, the orange light sometimes appears and I have to press "brew" 10+ times before it finally decides to work.

I called customer service , and they walked me through a factory reset on live video. They said if the problem comes back, call back by today and they will ship a replacement.

The problem returned after a day or two. I called back. Now they say I have to do a clean and buy the descale kit AND do so on live video before they can move forward.

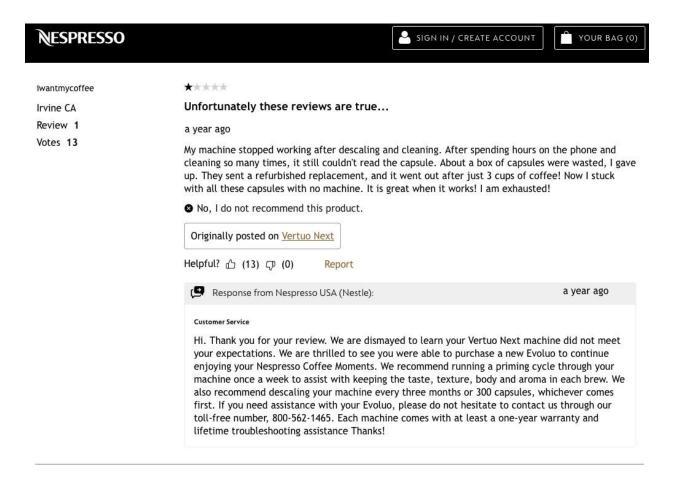
Should I honor their request as a matter of what might be procedural integrity? Or hold them to their initial word?

98. In a comment on the same post, another customer expressed skepticism that the new ritualistic descaling procedures Nespresso Customer Support required to be performed on live video had any impact on addressing the underlying issue with the machines, and suggested that the main purpose of the process was as "a tactic to wear down the customer."

I'm wondering how useful these cleaning and descaling procedures actually are to get a leaking or orange flashing machine to work, and for how long. I know the answer, probably less than 5% and maybe for 1-2 days...

Seems to me like this is a tactic to wear down the customer, especially since these pcedures take quite a bit of time (descaling). The only good thing is that Nespressomight have understood that good care and maintenance of the machine is essential in keeping them in good working conditions. But then again, the three-machine manual they put out is anything but easy to follow.

Just thinking out loud here.



99. As indicated above, some customers are required to join a video call with a customer service representative to prove that they are running the cleaning and descaling procedures as instructed, and that their machine is truly not functioning properly.

Descaling also requires a specialized descaling liquid, which is also required to be purchased from Nespresso.

Posted by u/tantamle 1 year ago

Nespresso wants me to descale my machine before I get a replacement.

And I have to use their official descaler and it has to be on VIDEO.

But they don't sell the descaler really anywhere. You have to order it online.

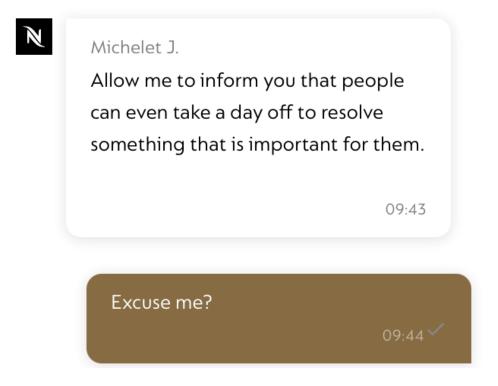
That's just an unnecessary step. My Vertuo machine is new.



100. One customer, who was using chat to contact Nespresso customer support, reported that Nespresso's customer service suggested that, if reaching a solution for his broken machine was important to him, he could take a day off of work so that he could join a video call:

Posted by u/sophiadiasy 4 months ago

Customer service told me to take a day off work to argue about replacing my Vuerto Next



101. Nespresso concealed from and/or failed to disclose to Plaintiff and the Class the defective nature of the Devices and failed to remove the Devices from the marketplace or take adequate action to remedy the Leakage Defect. Rather, Nespresso sold the Devices despite knowing, or recklessly not knowing, that the Leakage Defect would ultimately result in Plaintiff's and Class members' inability to use their Devices for their intended purpose.

### IV. Vertuo Next Machine Product Warranty

102. Nespresso's Limited Warranty for the Device provides:

Nespresso guarantees this product against defects in materials and workmanship for a period of one year. The guarantee period begins on the date of purchase and Nespresso requires presentation of the original proof of purchase to ascertain the date. During the guarantee period, Nespresso will either repair or replace, at its discretion, any defective product at no charge to the owner. Replacement products or repaired parts will be warranted only for the unexpired portion of the original guarantee or six months, whichever is greater. This limited guarantee does not apply to any defect resulting from negligence, accident, misuse, or any other reason beyond Nespresso's reasonable control, including but not limited to: normal wear and tear, negligence or failure to follow the product instructions, improper or inadequate maintenance, calcium deposits or descaling, connection to improper power supply, unauthorized product modification or repair, use for commercial purposes, fire, lightning, flood or other external causes. This guarantee is valid only in the country of purchase or in such other countries where Nespresso sells or services the same model with identical technical specifications. Guarantee service outside the country of purchase is limited to the terms and conditions of the corresponding guarantee in the country of service. Should the cost of repairs or replacement not be covered by this guarantee, Nespresso will advise the owner and the cost shall be charged to the owner. Save in relation to losses that cannot be limited or excluded as a matter of law, performance by Nespresso of the obligations imposed on Nespresso herein shall be the full extent of Nespresso's liability under this guarantee. Except to the extent allowed by applicable law, the terms of this limited guarantee do not exclude, restrict or modify the mandatory statutory rights applicable to the sale of this product and are in addition to those rights. If you believe your product is defective, contact Nespresso for instructions on how to proceed with a repair. Please visit our website at www.nespresso.com for contact details.<sup>21</sup>

103. Nespresso designed, manufactured, warranted, advertised, and sold the Devices to thousands of consumers throughout the United States and, upon information and belief, disseminated marking materials from its headquarters in New York.

<sup>21</sup>https://www.nespresso.com/shared\_res/mos/docs/us/US\_VERTUO\_NEXT\_USER\_MANUAL. pdf (last accessed February 26, 2025).

- 104. Nespresso marketed, promoted, and expressly warranted that the Devices were premium, fully functioning coffee makers.
- 105. Plaintiff and the Class members purchased their Devices to be used for purposes like those portrayed by Nespresso in their marketing materials for the Device.
- 106. Nespresso's Limited Warranty for the Vertuo Next ("The Warranty") expressly runs to the consumer who is the purchaser and end-user of the product. The Warranty acknowledges that the Warranty creates an obligation on the part of Nespresso to the "owner" to "either repair or replace, at its discretion, any defective product at no charge to the owner."
- 107. The Warranty's limitations of remedy are unconscionable and, alternatively, cause the Warranty to fail of its essential purpose. Nespresso drafted the Warranty with knowledge of the Leakage Defect and with knowledge that any replacement or repair it could offer would consist in offering machines that suffered from the Leakage Defect. As alleged below, consumers who receive "repaired" or "replaced" Devices find the machines repeatedly fail just as it did in the originals.
- 108. Moreover, the one-year temporal limitation of the Device's warranty is unconscionable. Indeed, given the nature of the Leakage Defect and the fact that it can manifest any time in the life cycle of the Device, many times the Leakage Defect has manifested, and the machine has failed outside the warranty period. When drafting the machine's warranty and its terms, Nespresso knew or had reason to know that the Leakage Defect would likely manifest outside of the one-year warranty period. Accordingly, given the spontaneous and unidentifiable time that the Leakage Defect will

manifest in consumer's Device, Nespresso's warranty fails for its essential purpose and is unconsumable.

### **PLAINTIFF'S FACTS**

- 109. Plaintiff Denise Fahey-Ramirez purchased the machine for her family's personal use to prepare coffee. She was initially impressed by the quality of coffee produced by the machine, its convenience, and its association with a well-regarded brand such as Nespresso.
- 110. Plaintiff Fahey-Ramirez saw advertisements and representations from Nespresso heralding the Device as being superior to regular coffee machines and that it was environmentally friend, being largely composed of recycled materials.
- 111. Prior to purchasing her Device, Plaintiff Fahey-Ramirez tried the machine owned by a friend. The friend is currently experiencing quality problems with her Device; specifically clogging issues affecting the machine.
- 112. At no point, in advertisements, at the point of sale or otherwise did Nespresso disclose the Leakage Defect to Plaintiff Fahey-Ramirez.
- 113. Immediately after receiving her machine, Plaintiff Fahey-Ramirez and her family reviewed the Device box and the documents included inside the box. Neither of these sources disclosed the Leakage Defect to Plaintiff Fahey-Ramirez.
- 114. One month after purchasing her machine, in or around January 2022, Plaintiff and her husband were preparing coffee using Device. The machine stopped functioning mid-cycle and began leaking hot water and coffee across the counter.

- 115. After the multiple such incidents, Plaintiff contacted Nespresso for reparation or replacement options. Nespresso required Plaintiff to video call them via FaceTime where they provided troubleshooting instructions. The machine appeared to be fixed after troubleshooting but became unusable again after making one cup of coffee.
- 116. Plaintiff Fahey-Ramirez and her family have experienced the Leakage Defect repeatedly. Indeed, the leakages have been so persistent that her countertop hosting the Device has sustained damage. Despite contacting Nespresso approximately seven times and several troubleshooting attempts, the Device consistently becomes unusable after a brief period of functionality.
- 117. Plaintiff purchased a large number of Nespresso's VL coffee pods worth approximately \$200. As noted above, the coffee pods used for the Devices are only usable for Nespresso's machines. Due to the Leakage Defect, these coffee pods have been rendered unusable.
- 118. As a result of the Leakage Defect, the machine has become unusable and Plaintiff was forced to replace the coffee machine with a competitor's product using her own funds.
- 119. On or about February 13, 2025, Plaintiff sent a pre-suit notice letter to Defendant on behalf of herself and the proposed class detailing the Leakage Defect. Plaintiff's letter further detailed Defendant's breach of express and implied warranties and Defendant's violations of various state consumer protection statutes. The Defendant has not responded to Plaintiff's letter as of this filing.

### **CLASS ACTION ALLEGATIONS**

- 120. Plaintiff brings this lawsuit on behalf of herself and all similarly situated individuals and entities, pursuant to Federal Rule of Civil Procedure 23(a), 23(b)(2), 23(b)(3), and/or 23(c)(4).
- 121. The "Nationwide Class" consists of all citizens of the United States who, during the applicable statute of limitations, purchased a Device which experienced the Leakage Defect; for which did not receive a replacement from Nespresso; or if received a replacement, said replacement also experienced the Leakage Defect.
- 122. The "Florida Subclass" consists of all citizens of State of Florida who, during the applicable statute of limitations, purchased a Device which experienced the Leakage Defect; for which did not receive a replacement from Nespresso; or if received a replacement, said replacement also experienced the Leakage Defect.
- 123. Excluded from the Class are: (a) any Judge presiding over this action and members of their families; (b) Nespresso and their subsidiaries and affiliates; and (c) all persons who properly execute and file a timely request for exclusion from the Class.
- 124. *Numerosity*: Members of the Class are so numerous that their individual joinder is impracticable. Moreover, the Class is composed of an easily ascertainable, self-identifying set of individuals and entities who purchased Devices. The precise number of Class members can be ascertained through discovery, which includes Nespresso's records. Plaintiff estimates the number of Class members to be in at least the tens of thousands. The disposition of their claims through a class action will benefit both the parties and this Court.

- 125. <u>Commonality</u>: There are questions of law and fact common to the Class that will materially advance the litigation, and these common questions predominate over any questions affecting only individual Class members. Among the questions common to the Class are:
  - Whether the Devices suffer from a design defect that causes the machines to fail prematurely;
  - The origins and implementation of, and the justifications for, if any,
     Nespresso's policies and technology relating to the Leakage Defect and its manifestation in the Devices;
  - 3. When Nespresso became aware of the Leakage Defect in the Devices and how it responded to that knowledge;
  - 4. Whether Nespresso actively concealed and/or failed to notify consumers of the Leakage Defect in the Devices;
  - 5. Whether Nespresso knew of the Leakage Defect but failed to disclose the problem and its consequences to their customers;
  - 6. Whether a reasonable consumer would consider the Leakage Defect and its consequences to be material;
  - Whether Nespresso's conduct violates the Florida Deceptive and Unfair
     Trade Practices Act;
  - 8. Whether Nespresso's conduct violated the Magnuson-Moss Warranty Act;

- 9. Whether Nespresso's sale of Devices containing the Leakage Defect is unfair, false, misleading, or deceptive acts in the conduct of any trade or commerce;
- 10. Whether Nespresso breached the implied warranty of merchantability by selling the Devices containing the Leakage Defect;
- 11. Whether Plaintiff and the other Class members overpaid for their Devices as a result of the Leakage Defect alleged herein;
- 12. Whether Plaintiff and Class Members would have purchased their Devices, and whether they would have paid a lower price for them, had they known that they contained the Leakage Defect at the time of purchase;
- 13. Whether Plaintiff and the Class are entitled to compensatory damages, including, among other things: (i) compensation for all out-of-pocket monies expended by members of the Class for replacement or repair of the Devices; (ii) the failure of consideration in connection with and/or difference in value arising out of the variance between the Devices as merchantable in the absence of the Leakage Defect, and as actually manufactured and sold possessing the Leakage Defect; and, (iii) whether Plaintiff and the Class are entitled to all costs associated with repair and replacement of their Devices; and
- 14. Whether Plaintiff and the other Class members are entitled to equitable relief, including, but not limited to, restitution or injunctive relief.

- 126. Typicality: Plaintiff's claims are typical of the claims of the members of the Class, as all such claims arise out of Nespresso's conduct in designing, manufacturing, marketing, advertising, warranting, and selling the Devices. All of Plaintiff's claims are typical of the claims of the Class because Plaintiff and all Class members were injured in the same manner by Nespresso's uniform course of conduct described herein. Plaintiff and all Class members have the same claims against Nespresso relating to the conduct alleged herein, and the same events giving rise to Plaintiff's claims for relief are identical to those giving rise to the claims of all Class members. Plaintiff and all Class members sustained monetary and economic injuries including, but not limited to, ascertainable losses arising out of Nespresso's wrongful conduct as described herein. Plaintiff is advancing the same claims and legal theories on behalf of herself and all absent Class members.
- 127. <u>Adequate Representation</u>: Plaintiff will fairly and adequately protect the interests of the members of the Class and has no interests antagonistic to those of the Class. Plaintiff has retained counsel experienced in the prosecution of complex class actions including, but not limited to, consumer class actions involving, *inter alia*, breach of warranties, product liability, product design defects, and state consumer fraud statutes.
- 128. **Predominance:** This class action is appropriate for certification because questions of law and fact common to the members of the Class predominate over questions affecting only individual members.
- 129. <u>Superiority</u>: A class action is superior to other available methods for the fair and efficient adjudication of this controversy, since individual joinder of all members

of the Class is impracticable. Given the amount at issue for each Class member, individual suits would not be economically viable; however, should individual Class members bring separate actions, this Court would be confronted with a multiplicity of lawsuits burdening the judicial system while also creating the risk of inconsistent rulings and contradictory judgments. In contrast to proceeding on a case-by-case basis, in which inconsistent results will magnify the delay and expense to all parties and the court system, this class action presents far fewer management difficulties while providing unitary adjudication, economies of scale and comprehensive supervision by a single court.

### **CAUSES OF ACTION**

### **Count I**

Breach of Express Warranty Magnuson-Moss Warranty Act (Asserted on behalf of the Nationwide Class)

- 130. Plaintiff alleges and incorporates by reference the allegations in the preceding paragraphs.
  - 131. Plaintiff brings this claim on behalf of herself and the Nationwide Class.
  - 132. The Devices are "consumer products" as defined in 15 U.S.C. § 2301(1).
- 133. Plaintiff and Nationwide Class Members are "consumers" as defined in 15 U.S.C. § 2301(3).
- 134. Nespresso is a "supplier" and "warrantor" as defined in 15 U.S.C. § 2301(4)–(5).

- 135. Nespresso provided Plaintiff and Nationwide Class Members with "written warranties" within the meaning of 15 U.S.C. § 2301(6).
- 136. Nespresso has breached its express warranties by refusing to honor the express warranty to replace or repair, free of charge, any defective component, including the hardware causing the Leakage Defect.
- 137. At the time the Devices were sold, Nespresso knew that they possessed the Leakage Defect and offered an express warranty with no intention of honoring said warranty with respect to the known Leakage Defect.
  - 138. Additionally, pursuant to 15 U.S.C. § 2304(d)(1):
    - the warrantor may not assess the consumer for any costs the warrantor or his representatives incur in connection with the required remedy of a warranted product . . . [I]f any incidental expenses are incurred because the remedy is not made within a reasonable time or because the warrantor imposed an unreasonable duty upon the consumer as a condition of securing remedy, then the consumer shall be entitled to recover reasonable incidental expenses which are so incurred in any action against the warrantor.
- 139. At no time has Nespresso offered a permanent or adequate repair or replacement of the hardware causing the Leakage Defect that would permanently prevent manifestation of the Leakage Defect. Nespresso's failure to provide a permanent repair or replacement for the Leakage Defect violates 15 U.S.C. § 2304(d)(1).
- 140. Nespresso was notified of its breach of warranty and afforded a reasonable opportunity to cure its breach of the express warranty but failed to do so despite Plaintiff's multiple requests.

141. As a direct and proximate result of Nespresso's breach of its express written warranties, Plaintiff and Nationwide Class Members have been damaged in an amount to be proven at trial.

### **Count II**

### Breach of Implied Warranty Magnuson-Moss Warranty Act (Asserted on behalf of the Nationwide Class)

- 142. Plaintiff alleges and incorporates by reference the allegations in the preceding paragraphs.
- 143. Plaintiff and Nationwide Class Members are "consumers" as defined in 15 U.S.C. § 2301(3).
- 144. Nespresso is a "supplier" and "warrantor" as defined in 15 U.S.C. § 2301(4)–(5).
  - 145. The Devices are "consumer products" as defined in 15 U.S.C. § 2301(1).
- 146. Nespresso extended an implied warranty to Plaintiff and Nationwide Class Members by operation of 15 U.S.C. § 2301(7), and this implied warranty covers defects in its Devices, including the hardware causing the Leakage Defect.
- 147. Nespresso breached this implied warranty by selling/leasing defective Devices that were neither merchantable nor fit for their intended purpose.
- 148. As a direct and proximate result of Nespresso's breach of the implied warranty under the Magnuson-Moss Act, Plaintiff, and the Nationwide Class, have been damaged in an amount to be proven at trial.

## **Count III Breach of Implied Warranty**

### (Asserted on Behalf of the Nationwide Class; Asserted Alternatively on the Florida Subclass)

- 149. Plaintiff and the Class incorporate by reference each preceding and succeeding paragraph as though fully set forth at length herein.
- 150. A warranty that the Devices were in merchantable condition is implied by law.
- 151. These Devices, when sold and at all times thereafter, were not in merchantable condition and are not fit for the ordinary purpose for which coffee makers are used. Specifically, the Devices are inherently defective because they fail to retain and deliver water—an essential ingredient to the brewing of coffee.
- 152. Nespresso was provided notice of these issues by numerous informal and formal complaints filed against it, including the instant Complaint and the various complaints detailed herein, and by numerous communications sent by Plaintiff and other Class members.
- 153. As a direct and proximate result of Nespresso's breach of the warranties of merchantability, Plaintiffs and the other Class members have been damaged in an amount to be proven at trial.

#### **Count IV**

### Breach of Express Warranty (Asserted on Behalf of the Nationwide Class; Asserted Alternatively on the Florida Subclass)

154. Plaintiff and the Class incorporate by reference each preceding and succeeding paragraph as though fully set forth at length herein.

- 155. Nespresso expressly warranted that the Devices were of high quality and, at a minimum, would actually work properly. Nespresso also expressly warranted that it would repair and/or replace defects in material and/or workmanship free of charge that occurred during the Limited Warranty.
- 156. Nespresso breached these warranties by selling to Plaintiff and Class members the Devices which Defendant knows: are not of high quality, fail prematurely, and/or fail to function properly.
- 157. As a result of the Nespresso's actions, Plaintiff and Class members have suffered economic damages including but not limited to loss of use, substantial loss in value and resale value of the Devices, and other related damage.
- à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, Nespresso's warranty limitations are unenforceable because they knowingly sold a defective product without informing consumers about the manufacturing and/or material defect. Furthermore, Nespresso continues to charge Class members for replacing defective machines—if Nespresso replaces them at all—when in fact such replacements are necessary because of the defective nature of Nespresso's Devices.
- 159. The time limits contained in Nespresso's warranty period are also unconscionable and inadequate to protect Plaintiff and members of the Class.

- 160. Among other things, Plaintiff and Class members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored Nespresso.
- 161. A gross disparity in bargaining power existed between Nespresso and Class members, and Nespresso knew or should have known that the Devices were defective at the time of sale and would fail well before their useful lives.
- 162. Plaintiff and Class members have complied with all obligations under the warranties, or otherwise have been excused from performance of said obligations as a result of Nespresso's conduct described herein.

# Count V Unjust Enrichment/Restitution (Asserted on behalf of the Nationwide Class)

- 163. Plaintiff alleges and incorporates by reference the allegations in the preceding paragraphs.
- 164. Plaintiff asserts a claim for unjust enrichment on behalf of the Nationwide Class.
- 165. Nespresso has been unjustly enriched as a result of the conduct described in this Complaint.
- 166. Nespresso received a benefit from Plaintiff and other members of the Nationwide Class in the form of payment for Nespresso machines purchased by Class members.
- 167. Retention of these benefits by Nespresso would be unjust and inequitable because Nespresso received these benefits by engaging in a false, deceptive, and

misleading scheme to market the Device as a premium, fully functional and environmentally sustainable coffee maker, and engaging in the unlawful, unjust, and wrongful acts and practices described in this Complaint.

- 168. The benefits (or at least some portion the benefits) that Nespresso received were not legitimately earned and came at the expense of Plaintiff and the other members of the Nationwide Class.
- 169. Nespresso knows that its scheme is unjust, inequitable, and wrongful, but systematically engaged in this scheme to gain unfair advantages and reap unearned financial benefits.
- 170. Nespresso is guilty of malice, oppression, and/or fraud through its willful and conscious disregard for the rights of Plaintiff and other Nationwide Class members.
- 171. Plaintiff and the Nationwide Class are entitled to restitution and disgorgement of all amounts unjustly retained by Nespresso, as well as other appropriate relief.

#### **Count VI**

# Florida Deceptive and Unfair Trade Practices Act ("FDUTPA) (Asserted on behalf of the Florida Subclass)

- 172. Plaintiff alleges and incorporates by reference the allegations in the preceding paragraphs.
- 173. Plaintiff brings this claim individually and on behalf of the Florida Subclass.
- 174. Plaintiff and Florida Subclass Members who purchased Devices are "consumers" under FDUTPA.

- 175. Nespresso's practices, acts, policies and course of conduct violated FDUTPA's prohibition on unfair and deceptive conduct in that:
  - a. Based on their own knowledge of the Device's design and numerous complaints Defendant knew that the Devices were defective.
  - b. At the time of sale, Defendant knowingly and intentionally omitted and concealed material information regarding the Device by failing to disclose the Leakage Defect to Plaintiff and Florida Subclass Members. Nespresso had a duty to notify Plaintiff at the point of sale about the Leakage Defect but failed to make any disclosure whatsoever.
  - c. Thereafter, Defendant failed to disclose the Leakage Defect to Plaintiff and the Florida Subclass Members, either through warnings or notices, and/or actively concealed the Leakage Defect.
- 176. Furthermore, Nespresso engaged in materially misleading and deceptive acts by continuing to sell the Device to the consuming public and to represent that these devices were in good working order, merchantable, and not defective, despite Nespresso's knowledge that the Devices would not perform as intended, represented, and warranted and that the Leakage Defect would cause purchasers to incur significant out-of-pocket costs and expenses.
- 177. Nespresso's acts and omissions are unfair in that they (1) offend public policy; (2) are immoral, unethical, oppressive, or unscrupulous; and (3) cause substantial injury to consumers. Nespresso has, through knowing, intentional, material omissions, concealed the true defective nature of the Device.

- 178. Nespresso's acts and omissions are also unfair in that they cause substantial injury to consumers far in excess of any conceivable benefit; and, due to the hidden nature of the Leakage Defect, results in injuries that could not have been reasonably avoided by consumers.
- 179. Nespresso's acts and omissions are deceptive in that Nespresso has, through knowing, intentional, material omissions, concealed the true defective nature of the Device. In making these misrepresentations of fact and/or material omissions to prospective customers while knowing such representations to be false, Nespresso has misrepresented and/or knowingly and intentionally concealed material facts in breach of its duty not to do so.
- 180. Members of the public were deceived by Nespresso's failure to disclose and could not discover the Leakage Defect themselves before suffering their injuries. But for Nespresso's deception, Plaintiff and the Florida Subclass Members would not have bought their defective devices, or would have paid less for them.
- 181. As a direct and proximate result of these unfair acts or practices, Plaintiff and Florida Subclass Members have been damaged because: they purchased Devices that they otherwise would not have, paid more for devices than they otherwise would, paid for repairs and replacements, and are left with devices of diminished value and utility because of the Leakage Defect. Meanwhile, Nespresso has sold more Devices than it otherwise could have and charged inflated prices for devices, thereby unjustly enriching itself.

### PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for a judgment against Defendant Nespresso as follows:

- A. Entering judgment in favor of Plaintiff against Nespresso;
- B. Certification of the proposed Class pursuant to Federal Rule of Civil Procedure23;
- C. Appointment of Plaintiff as Class Representative for the Class;
- D. Appointment of Plaintiff's counsel as Class Counsel;
- E. A declaration that Nespresso violated the Florida Deceptive and Unfair Trade

  Practices Act;
- F. A declaration that Nespresso was unjustly enriched by its conduct as described herein;
- G. Monetary damages;
- H. Statutory damages in the alternative;
- I. Restitution;
- J. Disgorgement of all monies received by Nespresso as a result of the unlawful, unjust, unfair, and deceptive acts and practices described herein;
- K. Penalties as provided by law;
- L. Treble damages;
- M. A permanent injunction enjoining Nespresso from continuing the unlawful, unjust, unfair, and deceptive acts and practices described herein;
- N. Pre-judgment and post-judgment interest;
- O. Reasonable attorneys' fees and expenses; and

P. Such other further relief that the Court deems just and equitable.

### **JURY DEMAND**

Plaintiff hereby demands a trial by jury on all issues so triable.

Dated: February 27, 2025 Respectfully submitted,

/s/ Nicholas A. Migliaccio

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