Ca	ase 5:25-cv-01009	Document 1	Filed 04	4/24/25	Page 1 of 28	3 Page ID #:1	
1 2 3 4 5 6 7 8 9 10 11	CROSNER LEG Michael T. Houc mhouchin@cross Craig W. Straub craig@crosnerleg Zachary M. Cross zach@crosnerleg 9440 Santa Mon Beverly Hills, C. Tel: (866) 276-7 Fax: (310) 510-6 Attorneys for Pla	thin (SBN 305 nerlegal.com (SBN 249032) gal.com iner (SBN 272 gal.com ica Blvd. Suite A 90210 637 6429 <i>uintiff and the J</i>) 295) 2301 Proposed	DISTRI	CT COURT		
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13		JNG, individually, all others similarly	•	Case N	o. 5:25-cv-0	1009	
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CROSNER LEGAL, P.C.

INTRODUCTION

1. Plaintiff Derrick Young ("Plaintiff") on behalf of himself, all others similarly situated, and the general public, by and through his undersigned counsel, hereby brings this action against Flagstone Foods, LLC ("Defendant"), and upon information and belief and investigation of counsel, alleges as follows:

2. This is a California consumer class action for violations of the Consumers Legal Remedies Act, Cal. Civ. Code §§ 1750, *et seq.* ("CLRA"), Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200, *et seq.* ("UCL"), and for breach of express warranty.

3. Defendant manufactures, distributes, advertises, markets, and sells Emerald Nuts products. The packaging prominently displays on the front of the label the claim that these Products¹ contain "No Artificial Flavors, Preservatives, or Synthetic Colors."

4. This statement is false. Each of the Products are made with manufactured citric acid— an artificial preservative ingredient used in food and beverage products.

5. Defendant's packaging, labeling, and advertising scheme is intended
to give consumers the impression that they are buying a premium product that
contains no artificial preservatives.

6. Plaintiff, who purchased the Products in California, was deceived by
Defendant's unlawful conduct and brings this action on his own behalf and on
behalf of California consumers to remedy Defendant's unlawful acts.

JURISDICTION AND VENUE

7. This Court has original jurisdiction over this action pursuant to 28 U.S.C. § 1332(d) because this is a class action in which: (1) there are over 100

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¹ "Products" means all Emerald Nuts products labeled as containing "No Artificial... Preservatives" that include citric acid as an ingredient.

members in the proposed class; (2) members of the proposed class have a different citizenship from Defendant; and (3) the claims of the proposed class members exceed \$5,000,000 in the aggregate, exclusive of interest and costs.

4 8. This Court has personal jurisdiction over Defendant because 5 Defendant conducts and transacts business in the State of California, contracts to supply goods within the State of California, and supplies goods within the State of 6 7 California. Defendant, on its own and through its agents, is responsible for the 8 distribution, marketing, labeling, and sale of the Products in California, 9 specifically in this judicial district. The marketing of the Products, including the decision of what to include and not include on the labels, emanates from 10 11 Defendant. Thus, Defendant has intentionally availed itself of the markets within 12 California through its advertising, marketing, and sale of the Products to consumers in California, including Plaintiff. The Court also has specific 13 jurisdiction over Defendant as it has purposefully directed activities towards the 14 forum state, Plaintiff's claims arise out of those activities, and it is reasonable for 15 Defendant to defend this lawsuit because it has sold deceptively advertised 16 Products to Plaintiff and members of the Class in California. By distributing and 17 selling the Products in California, Defendant has intentionally and expressly aimed 18 19 conduct at California which caused harm to Plaintiff and the Class that Defendant 20 knows is likely to be suffered by Californians.

9. Venue is proper pursuant to 28 U.S.C. § 1391(b) because a substantial
 part of the events or omissions giving rise to the claim occurred in this District.
 Plaintiff purchased the Products within this District.

PARTIES

25 10. Defendant Flagstone Foods, LLC is a Delaware limited liability
26 company that maintains its principal place of business in Minneapolis, Minnesota.
27 At all times during the class period, Defendant was the manufacturer, distributor,
28 marketer, and seller of the Products.

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11. Plaintiff Derrick Young is a resident of San Bernandino County,California. Plaintiff purchased the Products during the class period in California.Plaintiff relied on Defendant's deceptive advertising and labeling claims as setforth below.

FACTUAL ALLEGATIONS

"NO ARTIFICIAL...PRESERVATIVES" IS PROMINENTLY DISPLAYED ON THE FRONT LABELS OF THE PRODUCTS

12. The front labels for each of the Products prominently state that the Products contain "No Artificial...Preservatives" thereby misleading reasonable consumers into believing that the Products are free from artificial preservative ingredients. However, each of the Products contain an artificial preservative called manufactured citric acid. Below is an example of a label for one of the Products:



INGREDIENTS

CASHEWS, PEANUT OIL, SEASONING (SALT, RICE FLOUR, MALTODEXTRIN, BLACK PEPPER, YEAST EXTRACT, SPICE, ONION POWDER, GARLIC POWDER, CITRIC ACID, NATURAL FLAVOR).

THE MANUFACTURED CITRIC ACID IN THE PRODUCTS IS ARTIFICIAL

13. Defendant uses artificial manufactured citric acid in the Products.² Commercial food manufactures, including Defendant, use a synthetic form of citric acid that is derived from heavy chemical processing.³ Commercially produced citric acid is manufactured using a type of black mold called *Aspergillus niger* which is modified to increase citric acid production.⁴ Consumption of manufactured citric acid has been associated with adverse health events like joint pain with swelling and stiffness, muscular and stomach pain, as well as shortness of breath.⁵ Defendant does not use natural citric acid extracted from fruit in the Products. This is because "[a]proximately 99% of the world's production of [citric

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 ² Iliana E. Sweis, et al., Potential role of the common food additive manufactured citric acid in eliciting significant inflammatory reactions contributing to serious disease states: A series of four case reports, TOXICOL REP. 5:808-812 (2018), available at <u>https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6097542/</u> and attached as <u>Exhibit A</u>.

 ³ A. Hesham, Y. Mostafa & L. Al-Sharqi, *Optimization of Citric Acid Production* by *Immobilized Cells of Novel Yeast Isolates*, 48 MYCOBIOLOGY 122, 123 (2020), available at https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7178817/

 ⁴ Id; Pau Loke Show, et al., Overview of citric acid production from Aspergillus niger, FRONTIERS IN LIFE SCIENCE, 8:3, 271-283 (2015), available at https://www.tandfonline.com/doi/full/10.1080/21553769.2015.1033653

⁵ Sweis, *et al.*, <u>Exhibit A</u>.

⁴ CLASS ACTION COMPLAINT

Case 5:25-cv-01009 acid] is carried out using the fungus Aspergillus niger since 1919."⁶ As explained 1 2 by a study published in the *Toxicology Reports Journal*: 3 Citric acid naturally exists in fruits and vegetables. However, it is not the naturally occurring citric acid, but the 4 manufactured citric acid (MCA) that is used extensively as a 5 food and beverage additive. Approximately 99% of the world's production of MCA is carried out using the fungus Aspergillus 6 niger since 1919. Aspergilus niger is a known allergen.⁷ 7 8 A technical evaluation report for citric acid, compiled by the United 14. 9 States Department of Agriculture Marketing Servies ("USDA AMS") further 10 explains that it is not commercially feasible to use natural citric acid extracted from 11 fruits: 12 "Traditionally by extraction from citrus juice, [is] no longer 13 commercially available. It is now extracted by fermentation of a carbohydrate substance (often molasses) by citric acid bacteria, 14 Aspergillus niger (a mold) or Candida guilliermondii (a yeast). 15 Citric acid is recovered from the fermentation broth by a lime and 16 sulfuric acid process in which the citric acid is first precipitated as a calcium salt and then reacidulated with sulfuric acid."8 17 18 As one of the USDA AMS reviewers commented: 15. 19 "[Citric acid] is a natural[ly] occurring substance that commercially goes through numerous chemical processes to get 20 to [its] final usable form. This processing would suggest that it 21 be classified as synthetic."9 22 23 24 25 26 6 Id. 27 7 Id. 28 ⁸ Exhibit B at page 6. ⁹ Exhibit B at page 5 (emphasis added)

16. When asked "Is this substance Natural of Synthetic?" USDA AMS reviewers state: "synthetic."¹⁰

17. Manufactured citric acid contains residues of synthetic chemicals. The *Toxicology Reports Journal* article explains that "the potential presence of impurities or fragments from the *Aspergillus niger* in [manufactured citric acid] is a significant difference that may trigger deleterious effects when ingested."¹¹ The article further explains:

Given the thermotolerance of A. niger, there is great potential that byproducts of A. niger remain in the final [manufactured citric acid] product. Furthermore, given the pro-inflammatory nature of A. niger even when heat-killed, repetitive ingestion of [manufactured citric acid] may trigger sensitivity or allergic reactions in susceptible individuals. Over the last two decades, there has been a significant rise in the incidence of food allergies.¹²

14 18. The Food and Drug Administration ("FDA") explains that the 15 "Solvent extraction process for citric acid" is accomplished via "recovery of citric acid from conventional Aspergillus niger fermentation liquor may be safely used 16 to produce food-grade citric acid in accordance with the following conditions: (a) 17 The solvent used in the process consists of a mixture of n- octyl alcohol meeting 18 19 the requirements of § 172.864 of this chapter, synthetic isoparaffinic petroleum 20 hydrocarbons meeting the requirements of § 172.882 of this chapter, and 21 tridodecyl amine. 12 C.F.R. § 173.280 (emphasis added). Chemical solvents such 22 as n-octyl alcohol and synthetic isoparaffinic petroleum hydrocarbons are used to 23 extract the citric acid that Defendant uses in the Products from aspergillus niger 24 fermentation liquor. See 21 C.F.R § 173.280. The citric acid that Defendant uses

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- ¹⁰ Exhibit B at pages 4-5.
- 28 ¹¹ Sweis, *et al.*, <u>Exhibit A</u>. ¹² *Id*.

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in the Products is produced through chemical solvent extraction and contains
 residues of those chemical solvents.

19. The FDA has determined that manufactured citric acid is not natural; it is artificial. The FDA has sent warning letters to companies stating that certain products labeled as "natural" are misbranded because they contain citric acid as an ingredient. For example, on August 29, 2001, the FDA sent Hirzel Canning Company ("Hirzel") a warning letter regarding its canned tomato products.¹³ With respect to Hirzel's Chopped Tomatoes Onions & Garlic and Chopped Mexican Tomatoes & Jalapenos, the FDA stated that these products could not bear the "All Natural" claim on the label because the products contained a synthetic ingredient, citric acid.¹⁴

20. Similarly, on August 16, 2001, the FDA sent Oak Tree Dairy Farm, Inc. ("Oak Tree") a warning letter regarding its "Oaktree Real Brewed Iced Tea," "Oaktree Fruit Punch," and "Oaktree All Natural Lemonade" products.¹⁵ With respect to Oak Tree's "Oaktree Real Brewed Iced Tea," the FDA stated that this product could not bear the "100% Natural" and "All Natural" claims on the label because the product contained a synthetic ingredient, citric acid.¹⁶

21. The Environmental Protection Agency ("EPA") provides the following simple schematic of the manufacturing process for citric acid which includes the use of synthetic solvents like sulfuric acid:¹⁷

¹³ See <u>Exhibit C</u> attached hereto.

 14 *Id*.

¹⁵ See <u>Exhibit D</u> attached hereto.

 $28 || {}^{16} Id.$

¹⁷ See <u>Exhibit E</u> attached hereto.

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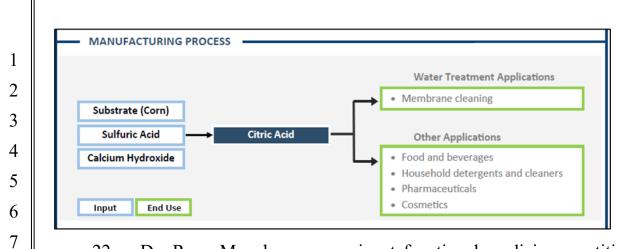
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22. Dr. Ryan Monahan, a prominent functional medicine practitioner, notes that the "[p]resent day process of creating manufactured citric acid involves feeding sugars derived from GMO corn to black mold, which then ferments to form manufactured citric acid."¹⁸ Dr. Monahan also notes that "*Aspergillus niger* is associated with systemic inflammatory issues, including respiratory, gastrointestinal, neurological and musculoskeletal. Due to the potential for fragments of *Aspergillus niger* to make their way into the finished product of manufactured citric acid, this toxic inflammatory substance is likely being ingested by consumers of products containing citric acid. Even with high-heat processing to kill it, research has shown *Aspergillus niger* can still elicit an inflammatory response."¹⁹

Clinical Nutritionist Serge Gregoire, notes that [f]ood manufacturers
leave out that citric acid is derived from genetically modified black mold grown
on GMO corn syrup" and that "[c]ompanies continuously capitalize on an
ignorance-based market."²⁰ Gregoire states, "Citric acid production has become a

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 ¹⁸ Dr. Ryan Monahan, *Citric Acid: A Common Food Additive With An Uncommon Source* (2024) *available at*

26 https://www.peacefulmountainmedicine.com/post/citric-acid-a-common-foodadditive-with-an-uncommon-source

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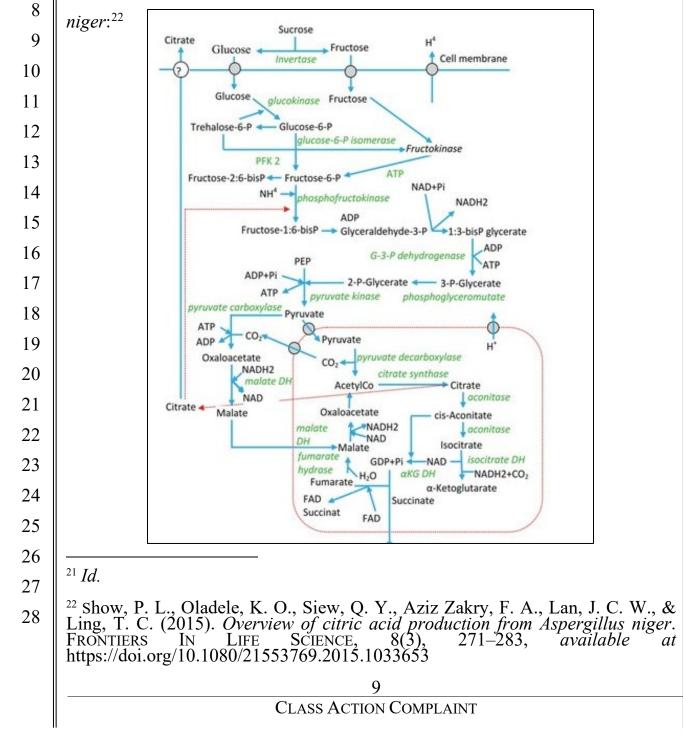
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²⁸ ²⁰ Serge Gregoire, Avoid citric acid: a mold byproduct! (July 13, 2021) *available at* https://www.linkedin.com/pulse/avoid-citric-acid-mold-byproduct-serge-gregoire/

refined and highly prized industrial process." Gregoire note that the Aspergillus
 niger used to produce citric acid is engineered to increase production of citric acid
 which has "resulted in countless generations of genetically modified mutant
 variants, now specialized for industrial-scale economics."²¹

24. Below is a schematic representation of the metabolic reactions involved in citric acid production, the enzymes (italics), the known feedback loops (dashed lines) and their locations within the cellular structure of *Aspergillus*



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25. Dictionary definitions define "artificial" as something made by man. For example, "artificial" is defined as "made by human skill; produced by humans ..."²³ Merriam-Webster's online dictionary states that "artificial" means "humanly contrived ..."²⁴ Cambridge Dictionary states that "artificial" means "made by people, often as a copy of something natural."²⁵

26. Below are images of the chemical process used to create manufactured citric acid for use in food and beverage products – a process that is visibly artificial:



- ²³ *Artificial*, DICTIONARY.COM, *available at* https://www.dictionary.com/browse/artificial
- ²⁴ Artificial, MERRIAM-WEBSTER'S DICTIONARY, available at https://www.merriam-webster.com/dictionary/artificial
 - ²⁵ Artificial, CAMBRIDGE DICTIONARY, available at <u>https://dictionary.cambridge.org/us/dictionary/english/artificial</u>



THE MANUFACTURED CITRIC ACID IN THE PRODUCTS FUNCTIONS AS A PRESERVATIVE

27. Citric acid also acts as a preservative when added to food products, including the Products at issue. The FDA defines a preservative as "any chemical that, when added to food, tends to prevent or retard deterioration thereof, but does not include common salt, sugars, vinegars, spices, or oils extracted from spices, substances added to food by direct exposure thereof to wood smoke, or chemicals applied for their insecticidal or herbicidal properties." 21 C.F.R. §101.22(a)(5). The FDA has listed citric acid as a preservative in its "Overview of Food Ingredients, Additives and Colors" as shown below:²⁶

Types of Ingredients	What They Do	Examples of Uses	Names Found on Product Labels
Preservatives	Prevent food spoilage from bacteria, molds, fungi, or yeast (antimicrobials);	Fruit sauces and jellies, beverages, baked goods,	Ascorbic acid, citric acid, sodium benzoate, calcium propionate, sodium erythorbate, sodium nitrite, calcium
	slow or prevent changes in color, flavor, or texture and delay rancidity	cured meats, oils and margarines, cereals,	sorbate, potassium sorbate, BHA, BHT, EDTA, tocopherols (Vitamin E)
	(antioxidants); maintain freshness	dressings, snack foods, fruits and vegetables	(vitalimi L)
⁶ Overvie	w of Food Ingredie	ents Additives	& Colors, FOOD AND D
° Overvie			
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ADMINISTR	ATION	ava	ilahle
ADMINISTR	ATION	ava	<i>ilable</i> <u>ttp://www.fda.gov/food/food</u> <u>ts-additives-colors</u>

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28. In a warning letter sent to Chiquita Brands International, Inc. and Fresh Express, Inc., the FDA warned that certain products were misbranded under the Federal Food Drug and Cosmetics Act because they "contain the *chemical preservatives ascorbic acid and citric acid* but their labels fail to declare these *preservatives* with a description of their functions. 21 C.F.R. [§] 101.22" (emphasis added).²⁷

29. The Encyclopedia Britanica also classifies citric acid as a preservative because it has antioxidant properties, as shown below²⁸:

Preservatives

Food preservatives are classified into two main groups: <u>antioxidants</u> and <u>antimicrobials</u>. Antioxidants are <u>compounds</u> that delay or prevent the deterioration of foods by oxidative mechanisms. Antimicrobial agents <u>inhibit</u> the growth of spoilage and pathogenic microorganisms in <u>food</u>.

chemical agent	mechanism of action		
Antioxidants			
ascorbic acid	oxygen scavenger		
butylated hydroxyanisole (BHA)	free radical scavenger		
butylated hydroxytoluene (BHT)	free radical scavenger		
citric acid	enzyme inhibitor/metal chelator		
sulfites	enzyme inhibitor/oxygen scavenger		
tertiary butylhydroquinone (TBHQ)	free radical scavenger		
tocopherols	free radical scavenger		

²⁷ See <u>Exhibit F</u> attached hereto.

²⁸ Preservatives, BRITANICA, available at <u>https://www.britannica.com/topic/food-additive/Preservatives#ref502211</u>

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30. The Agricultural Marketing Service of the United States Department 1 2 of Agriculture ("USDA") has also recognized the use of citric acid as a 3 preservative stating that "Citric acid has a wide variety of uses, some of which can provide preservative functions, primarily though lowering the pH of the food."²⁹ 4 The USDA's Food Safety Inspection Service's "Guideline for Label 5 31. Approval" states that "[s]ome common chemical preservatives include BHA, 6 7 BHT, calcium propionate, citric acid, natamycin and sodium propionate."30 8 32. Several academic journals also note the use of citric acid as a 9 preservative.³¹ Indeed, "Citric acid acts as a preservative in many processed foods, keeping them fresh. It does this by slowing or helping prevent the formation of 10 bacteria, mold, yeast, and fungus."³² "Today, citric acid is one of the most common 11 and widely-used preservatives in the world[.]"³³ 12 13 14 15 ²⁹ Citric Acid and Salts, UNITED STATES DEPARTMENT OF AGRICULTURE, 16 available at https://www.ams.usda.gov/sites/default/files/media/Citric%20Acid%20TR%202 17 015.pdf. 18 ³⁰ FSIS Guideline for Label Approval, UNITED STATES DEPARTMENT OF AGRICULTURE, *available at* 19 https://www.fsis.usda.gov/sites/default/files/media file/documents/FSIS-GD-2023-0001.pdf 20 ³¹ K. Kirimura, et al., Citric Acid, COMPREHENSIVE BIOTECHNOLOGY (SECOND 21 EDITION) (2011), available at https://www.sciencedirect.com/science/article/abs/pii/B9780080885049001690? 22 via%3Dihub; K.M.S. Islam, Use of citric acid in broiler diets, WORLD'S POULTRY SCIENCE JOURNAL VOL. 68, ISSUE 1 (Feb. 21, 2012), available at https://www.cambridge.org/core/journals/world-s-poultry-science-23 24 journal/article/abs/use-of-citric-acid-in-broilerdiets/DA15C2C1F90667525BF2414DF3BFF646 ("Citric Acid (CA) is a weak 25 organic acid which is a natural preservative and can add an acidic or sour taste to foods and soft drinks."). 26 ³² What is citric acid, and what is it used for?, MEDICAL NEWS TODAY (July 23, 27 2021), available at https://www.medicalnewstoday.com/articles/citric-acid 28 ³³ Citric Acid: One of the Most Important Preservatives in The World, FBC INDUSTRIES, INC. (Feb. 5, 2019), *available at <u>https://fbcindustries.com/citric-</u> acid-one-of-the-most-important-preservatives-in-the-world/* 13 **CLASS ACTION COMPLAINT**

33. Citric acid functions as a preservative in the Products regardless of
whether Defendant intended to use citric acid as a preservative. Citric acid
functions as a preservative even if it is also added to the Products for some other
use. See 21 C.F.R. §101.22(a)(5) (defining preservatives as "any chemical that,
when added to food, *tends to* prevent or retard deterioration") (emphasis added); *see also* Merriam-Webster's Dictionary (defining "preservative" as "something
that preserves or *has the power of preserving*.") (emphasis added).³⁴

REASONABLE CONSUMERS ARE DECEIVED BY DEFENDANT'S FALSE LABELING STATEMENT AND SUFFERED ECONOMIC INJURY

Plaintiff, 10 34. Consumers, like relied on Defendant's "No 11 Artificial...Preservatives" labeling statement. The "No Artificial...Preservatives" 12 statement on the labels of the Products is material to reasonable consumers. 13 "[F]oods bearing 'free-from' claims are increasingly relevant to Americans, as they perceive the products as closely tied to health ... 84 percent of American 14 15 consumers buy free-from foods because they are seeking out more natural or less processed foods. In fact, 43 percent of consumers agree that free-from foods are 16 healthier than foods without a free-from claim, while another three in five believe 17 the fewer ingredients a product has, the healthier it is (59 percent). Among the top 18 19 claims free-from consumers deem most important are trans-fat-free (78 percent) and preservative-free (71 percent)."35 20

35. Plaintiff and the putative class members suffered economic injury as
a result of Defendant's actions. Plaintiff and putative class members spent money
that, absent Defendant's actions, they would not have spent. Plaintiff and putative

³⁴ Preservative, MERRIAM-WEBSTER'S DICTIONARY, available at
 <u>https://www.merriam-</u>
 webster.com/dictionary/preservative?utm_campaign=sd&utm_medium=serp&ut

20 webster.com/dictionary/preservative?utm_campaign=sd&utm_medium=serp&ut 27 m_source=jsonId

28 ³⁵ 84% of Americans buy "free-from" foods because they believe them to be more natural or less processed, Mintel (Sept. 3, 2015), available at https://www.mintel.com/press-centre/84-of-americans-buy-free-from-foodsbecause-they-believe-them-to-be-more-natural-or-less-processed/

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class members are entitled to damages and restitution for the purchase price of the
 Products that were falsely labeled and advertised. Consumers, including Plaintiff,
 would not have purchased Defendant's Products, or would have paid less for the
 Products, if they had known the Products actually contain an artificial preservative
 ingredient.

PLAINTIFF'S PURCHASE OF THE PRODUCTS

36. Plaintiff Derrick Young purchased one of the Products from a retail store located in San Bernardino County, California. Plaintiff saw and relied on the "No Artificial...Preservatives" claim on the labels of the Products. Plaintiff would not have purchased the Products, or would have paid less for the Products, had he known that the products actually contain an artificial preservative ingredient. As a result, Plaintiff suffered injury in fact when he spent money to purchase the Products he would not have purchased, or would have paid less for, absent Defendant's misconduct. Plaintiff desires to purchase the Products again if the labels of the products were accurate and if the products actually contained "No Artificial...Preservatives" However, as a result of Defendant's ongoing misrepresentations, Plaintiff is unable to rely on the Products' advertising and labeling when deciding in the future whether to purchase the Products.

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NO ADEQUATE REMEDY AT LAW

37. Plaintiff and members of the class are entitled to equitable relief as
no adequate remedy at law exists. The statutes of limitations for the causes of
action pled herein vary. Class members who purchased the Products more than
three years prior to the filing of the complaint will be barred from recovery if
equitable relief were not permitted under the UCL.

38. The scope of actionable misconduct under the unfair prong of the
UCL is broader than the other causes of action asserted herein. It includes
Defendant's overall unfair marketing scheme to promote and brand the Products,
across a multitude of media platforms, including the product labels, packaging,
and online advertisements, over a long period of time, in order to gain an unfair

advantage over competitor products. Plaintiff and class members may also be
entitled to restitution under the UCL, while not entitled to damages under other
causes of action asserted herein (e.g., the CLRA is limited to certain types of
plaintiffs (an individual who seeks or acquires, by purchase or lease, any goods or
services for personal, family, or household purposes) and other statutorily
enumerated conduct).

7 39. A primary litigation objective in this litigation is to obtain injunctive 8 relief. Injunctive relief is appropriate on behalf of Plaintiff and members of the 9 class because Defendant continues to misrepresent the Products as containing "No when the Products actually contain an artificial 10 Artificial...Preservatives" preservative ingredient. Injunctive relief is necessary to prevent Defendant from 11 12 continuing to engage in the unfair, fraudulent, and/or unlawful conduct described 13 herein and to prevent future harm-none of which can be achieved through available legal remedies (such as monetary damages to compensate past harm). 14 Injunctive relief, in the form of affirmative disclosures or halting the sale of 15 unlawful sold products is necessary to dispel the public misperception about the 16 17 Products that has resulted from years of Defendant's unfair, fraudulent, and 18 unlawful marketing efforts. Such disclosures would include, but are not limited to, 19 publicly disseminated statements stating that the Products actually contain an 20 artificial preservative ingredient. An injunction requiring affirmative disclosures to dispel the public's misperception, and prevent the ongoing deception and repeat 21 22 purchases, is also not available through a legal remedy (such as monetary 23 damages). In addition, Plaintiff is currently unable to accurately quantify the damages caused by Defendant's future harm, because discovery and Plaintiff's 24 25 investigation has not yet completed, rendering injunctive relief necessary. Further, 26 because a public injunction is available under the UCL, and damages will not 27 adequately benefit the general public in a manner equivalent to an injunction.

40. It is premature to determine whether an adequate remedy at law exists. This is an initial pleading and discovery has not yet commenced and/or is

at its initial stages. No class has been certified yet. No expert discovery has 1 commenced and/or completed. The completion of fact/non-expert and expert 2 discovery, as well as the certification of this case as a class action, are necessary 3 4 to finalize and determine the adequacy and availability of all remedies, including legal and equitable, for Plaintiff's individual claims and any certified class or 5 subclass. Plaintiff therefore reserves his right to amend this complaint and/or assert 6 7 additional facts that demonstrate this Court's jurisdiction to order equitable 8 remedies where no adequate legal remedies are available for either Plaintiff and/or 9 any certified class or subclass. Such proof, to the extent necessary, will be presented prior to the trial of any equitable claims for relief and/or the entry of an 10 order granting equitable relief. 11

CLASS ACTION ALLEGATIONS

41. Plaintiff brings this action as a class action pursuant to Federal Rules of Civil Procedure 23(b)(2) and 23(b)(3) on behalf of the following Class:

All persons who purchased the Products for personal use in California within the applicable statute of limitations until the date class notice is disseminated.

42. Excluded from the class are: (i) Defendant and its officers, directors,
and employees; (ii) any person who files a valid and timely request for exclusion;
(iii) judicial officers and their immediate family members and associated court
staff assigned to the case; (iv) individuals who received a full refund of the
Products from Defendant.

43. Plaintiff reserves the right to amend or otherwise alter the class
definition presented to the Court at the appropriate time, or to propose or eliminate
subclasses, in response to facts learned through discovery, legal arguments
advanced by Defendant, or otherwise.

44. The Class is appropriate for certification because Plaintiff can prove
the elements of the claims on a classwide basis using the same evidence as would
be used to prove those elements in individual actions alleging the same claims.

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45. <u>Numerosity</u>: Class Members are so numerous that joinder of all
 members is impracticable. Plaintiff believes that there are thousands of consumers
 who are Class Members described above who have been damaged by Defendant's
 deceptive and misleading practices.

46. <u>Commonality</u>: There is a well-defined community of interest in the common questions of law and fact affecting all Class Members. The questions of law and fact common to the Class Members which predominate over any questions which may affect individual Class Members include, but are not limited to:

a. Whether Defendant is responsible for the conduct alleged hereinwhich was uniformly directed at all consumers who purchased the Products;

b. Whether Defendant's misconduct set forth in this Complaint demonstrates that Defendant engaged in unfair, fraudulent, or unlawful business practices with respect to the advertising, marketing, and sale of the Products;

c. Whether Defendant made misrepresentations concerning the Products that were likely to deceive the public;

d. Whether Plaintiff and the Class are entitled to injunctive relief;

e. Whether Plaintiff and the Class are entitled to money damages and/or
restitution under the same causes of action as the other Class Members.

47. <u>Typicality</u>: Plaintiff is a member of the Class that Plaintiff seeks to
represent. Plaintiff's claims are typical of the claims of each Class Member in that
every member of the Class was susceptible to the same deceptive, misleading
conduct and purchased the Products. Plaintiff is entitled to relief under the same
causes of action as the other Class Members.

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48. <u>Adequacy</u>: Plaintiff is an adequate Class representative because Plaintiff's interests do not conflict with the interests of the Class Members Plaintiff seeks to represent; the consumer fraud claims are common to all other members of the Class, and Plaintiff has a strong interest in vindicating the rights of the class; Plaintiff has retained counsel competent and experienced in complex class action litigation and Plaintiff intends to vigorously prosecute this action. Plaintiff has no

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interests which conflict with those of the Class. The Class Members' interests will 1 be fairly and adequately protected by Plaintiff and proposed Class Counsel. 2 Defendant has acted in a manner generally applicable to the Class, making relief 3 4 appropriate with respect to Plaintiff and the Class Members. The prosecution of separate actions by individual Class Members would create a risk of inconsistent 5 and varying adjudications. 6

49. The Class is properly brought and should be maintained as a class action because a class action is superior to traditional litigation of this controversy. A class action is superior to the other available methods for the fair and efficient adjudication of this controversy because:

The joinder of hundreds of individual Class Members is a. impracticable, cumbersome, unduly burdensome, and a waste of judicial and/or litigation resources;

The individual claims of the Class Members may be relatively modest b. compared with the expense of litigating the claim, thereby making it impracticable, unduly burdensome, and expensive to justify individual actions;

c. When Defendant's liability has been adjudicated, all Class Members' claims can be determined by the Court and administered efficiently in a manner 19 far less burdensome and expensive than if it were attempted through filing, discovery, and trial of all individual cases;

This class action will promote orderly, efficient, expeditious, and d. 22 appropriate adjudication and administration of Class claims;

e. Plaintiff knows of no difficulty to be encountered in the management of this action that would preclude its maintenance as a class action;

f. This class action will assure uniformity of decisions among Class Members;

The Class is readily definable and prosecution of this action as a class g. action will eliminate the possibility of repetitious litigation; and

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Class Members' interests in individually controlling the prosecution h. 1 2 of separate actions is outweighed by their interest in efficient resolution by single 3 class action;

50. Additionally or in the alternative, the Class also may be certified because Defendant has acted or refused to act on grounds generally applicable to the Class thereby making final declaratory and/or injunctive relief with respect to the members of the Class as a whole, appropriate.

51. Plaintiff seeks preliminary and permanent injunctive and equitable relief on behalf of the Class, on grounds generally applicable to the Class, to enjoin and prevent Defendant from engaging in the acts described, and to require Defendant to provide full restitution to Plaintiff and the Class members.

Unless the Class is certified, Defendant will retain monies that were 52. taken from Plaintiff and Class members as a result of Defendant's wrongful conduct. Unless a classwide injunction is issued, Defendant will continue to commit the violations alleged and the members of the Class and the general public will continue to be misled.

FIRST CLAIM FOR RELIEF

Violation of California's Consumers Legal Remedies Act Cal. Civ. Code § 1750 et seq.

Plaintiff realleges and incorporates by reference all allegations 53. contained in this complaint, as though fully set forth herein.

Plaintiff brings this claim under the CLRA individually and on behalf 54. of the Class against Defendant. 24

At all times relevant hereto, Plaintiff and the members of the Class 55. 25 were "consumer[s]," as defined in California Civil Code section 1761(d). 26

At all relevant times, Defendant was a "person," as defined in 56. 27 California Civil Code section 1761(c). 28

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57. At all relevant times, the Products manufactured, marketed,
 advertised, and sold by Defendant constituted "goods," as defined in California
 Civil Code section 1761(a).

58. The purchases of the Products by Plaintiff and the members of the Class were and are "transactions" within the meaning of California Civil Code section 1761(e).

59. Defendant disseminated, or caused to be disseminated, through its advertising, false and misleading representations, including the Products' labeling that the Products contain "No Artificial...Preservatives." Defendant failed to disclose that the Products contain an artificial ingredient called citric acid. This is a material misrepresentation and omission as reasonable consumer would find the fact that the Products contain an artificial ingredient to be important to their decision in purchasing the Products. Defendant's representations violate the CLRA in the following ways:

a) Defendant represented that the Products have characteristics, ingredients, uses, and benefits which they do not have (Cal. Civ. Code § 1770(a)(5));

b) Defendant represented that the Products are of a particular standard,
quality, or grade, which they are not (Cal. Civ. Code § 1770(a)(7));

20 c) Defendant advertised the Products with an intent not to sell the
21 Products as advertised (Cal. Civ. Code § 1770(a)(9)); and

d) Defendant represented that the subject of a transaction has been
supplied in accordance with a previous representation when it has not (Cal. Civ.
Code § 1770(a)(16)).

25 60. Defendant violated the CLRA because the Products were prominently
26 advertised as containing "No Artificial...Preservatives," but, in reality, the
27 Products contain an artificial preservative ingredient called citric acid. Defendant
28 knew or should have known that consumers would want to know that the Products
28 contain an artificial ingredient.

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61. Defendant's actions as described herein were done with conscious 1 2 disregard of Plaintiff's and the Class members' rights and were wanton and malicious. 3

62. Defendant's wrongful business practices constituted, and constitute, a continuing course of conduct in violation of the CLRA, since Defendant is still representing that the Products have characteristics which they do not have.

Pursuant to California Civil Code section 1782(d), Plaintiff and the 63. members of the Class seek an order enjoining Defendant from engaging in the methods, acts, and practices alleged herein. Plaintiff also seeks actual damages, punitive damages, attorneys' fees and costs pursuant to the CLRA.

Pursuant to California Civil Code section 1782, Plaintiff notified 64. Defendant in writing by certified mail of the alleged violations of the CLRA and demanded that Defendant rectify the problems associated with the actions detailed above and give notice to all affected consumers of their intent to so act. More than 30 days have passed and Defendant has not taken corrective action.

Pursuant to section 1780(d) of the CLRA, attached hereto is an 65. affidavit showing that this action was commenced in a proper forum.

SECOND CLAIM FOR RELIEF

Violation of California's Unfair Competition Law Cal. Bus. & Prof. Code § 17200 et seq.

Plaintiff realleges and incorporates by reference all allegations 66. 22 contained in this complaint, as though fully set forth herein.

23 Plaintiff brings this claim under the UCL individually and on behalf 67. of the Class against Defendant. 24

The UCL prohibits any "unlawful," "fraudulent," or "unfair" business 25 68. act or practice and any false or misleading advertising. 26

27 69. Defendant committed unlawful business acts or practices by making 28 the representations and omitted material facts (which constitutes advertising within the meaning of California Business & Professions Code section 17200), as

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set forth more fully herein, and by violating California's Consumers Legal 1 Remedies Act, Cal. Civ. Code §§17500, et seq., California's False Advertising 2 Law, Cal. Bus. & Prof. § 17500, et seq., 15 U.S.C. § 45, and by breaching express 3 4 and implied warranties. Plaintiff, individually and on behalf of the other Class 5 members, reserves the right to allege other violations of law, which constitute other unlawful business acts or practices. Such conduct is ongoing and continues to this 6 7 date.

70. Defendant committed "unfair" business acts or practices by: (1) 9 engaging in conduct where the utility of such conduct is outweighed by the harm to Plaintiff and the members of the a Class; (2) engaging in conduct that is immoral, unethical, oppressive, unscrupulous, or substantially injurious to Plaintiff and the members of the Class; and (3) engaging in conduct that 13 undermines or violates the intent of the consumer protection laws alleged herein. There is no societal benefit from deceptive advertising. Plaintiff and the other 14 Class members paid for a Product that is not as advertised by Defendant. Further, Defendant failed to disclose a material fact (that the Products contain an artificial 16 17 preservative) of which they had exclusive knowledge. While Plaintiff and the other Class members were harmed, Defendant was unjustly enriched by its false 18 misrepresentations and material omissions. As a result, Defendant's conduct is 19 20 "unfair," as it offended an established public policy. There were reasonably available alternatives to further Defendant's legitimate business interests, other than the conduct described herein.

23 Defendant committed "fraudulent" business acts or practices by 71. making the representations of material fact regarding the Products set forth herein. 24 Defendant's business practices as alleged are "fraudulent" under the UCL because 25 26 they are likely to deceive customers into believing the Products actually contain no artificial preservatives. 27

72. Plaintiff and the other members of the Class have in fact been deceived as a result of their reliance on Defendant's material representations and

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omissions. This reliance has caused harm to Plaintiff and the other members of the
 Class, each of whom purchased Defendant's Products. Plaintiff and the other Class
 members have suffered injury in fact and lost money as a result of purchasing the
 Products and Defendant's unlawful, unfair, and fraudulent practices.

73. Defendant's wrongful business practices and violations of the UCL are ongoing.

74. Plaintiff and the Class seek pre-judgment interest as a direct and proximate result of Defendant's unfair and fraudulent business conduct. The amount on which interest is to be calculated is a sum certain and capable of calculation, and Plaintiff and the Class seek interest in an amount according to proof.

75. Unless restrained and enjoined, Defendant will continue to engage in the above-described conduct. Accordingly, injunctive relief is appropriate. Pursuant to California Business & Professions Code section 17203, Plaintiff, individually and on behalf of the Class, seeks (1) restitution from Defendant of all money obtained from Plaintiff and the other Class members as a result of unfair competition; (2) an injunction prohibiting Defendant from continuing such practices in the State of California that do not comply with California law; and (3) all other relief this Court deems appropriate, consistent with California Business & Professions Code section 17203.

THIRD CLAIM FOR RELIEF

Breach of Express Warranty

23 76. Plaintiff realleges and incorporates by reference all allegations
24 contained in this complaint, as though fully set forth herein.

25 77. Plaintiff brings this claim for breach of express warranty individually26 and on behalf of the Class against Defendant.

27 78. As the manufacturer, marketer, distributor, and seller of the Products,
28 Defendant issued an express warranty by representing to consumers at the point of purchase that the Products contain "No Artificial…Preservatives."

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reasonably relied on Defendant's 79. and the Class 1 Plaintiff misrepresentations, descriptions and specifications regarding the Products, 2 representation 3 including the that the Products contain "No 4 Artificial...Preservatives."

80. Defendant's representations were part of the description of the goods and the bargain upon which the goods were offered for sale and purchased by Plaintiff and Members of the Class.

81. In fact, the Products do not conform to Defendant's representations
because the Products contain an artificial preservative ingredient called citric acid.
By falsely representing the Products in this way, Defendant breached express
warranties.

82. Plaintiff relied on Defendant's (the manufacturer) representations on the Products' labels and advertising materials which provide the basis for an express warranty under California law.

As a direct and proximate result of Defendant's breach, Plaintiff and 15 83. Members of the Class were injured because they: (1) paid money for the Products 16 that were not what Defendant represented; (2) were deprived of the benefit of the 17 bargain because the Products they purchased were different than Defendant 18 advertised; and (3) were deprived of the benefit of the bargain because the 19 20 Products they purchased had less value than if Defendant's representations about the characteristics of the Products were truthful. Had Defendant not breached the 21 22 express warranty by making the false representations alleged herein, Plaintiff and 23 Class Members would not have purchased the Products or would not have paid as much as they did for them. 24

REQUEST FOR RELIEF

Plaintiff, individually, and on behalf of all others similarly situated, request
for relief pursuant to each claim set forth in this complaint, as follows:

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Declaring that this action is a proper class action, certifying the Class 1 a. as requested herein, designating Plaintiff as the Class Representative and 2 3 appointing the undersigned counsel as Class Counsel; Ordering restitution and disgorgement of all profits and unjust 4 b. enrichment that Defendant obtained from Plaintiff and the Class members as a 5 result of Defendant's unlawful, unfair, and fraudulent business practices; 6 7 Ordering injunctive relief as permitted by law or equity, including c. 8 enjoining Defendant from continuing the unlawful practices as set forth herein, 9 and ordering Defendant to engage in a corrective advertising campaign; Ordering damages in amount which is different than that calculated 10 d. for restitution for Plaintiff and the Class; 11 12 Ordering Defendant to pay attorneys' fees and litigation costs to e. Plaintiff and the other members of the Class; 13 Ordering Defendant to pay both pre- and post-judgment interest on f. 14 any amounts awarded; and 15 Ordering such other and further relief as may be just and proper. 16 g. 17 **JURY DEMAND** Plaintiff hereby demands a trial by jury of all claims in this Complaint so 18 19 triable. 20 21 Dated: April 24, 2025 CROSNER LEGAL, P.C. 22 By: Michael T. Houchin 23 MICHAEL T. HOUCHIN 24 9440 Santa Monica Blvd. Suite 301 Beverly Hills, CA 90210 25 Tel: (866) 276-7637 Fax: (310) 510-6429 26 mhouchin@crosnerlegal.com 27 Attorneys for Plaintiff and the Proposed 28 Class 26