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*Alex Zoueihed*

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

ALEX ZOUEIHED, individually and  
on behalf of all others similarly  
situated,

Plaintiff,

v.

CAMELOT SI, LLC d/b/a SHARPER  
IMAGE, a Michigan limited liability  
company,

Defendants.

CASE NO. 2:25-cv-06438

**CLASS ACTION COMPLAINT  
FOR:**

- 1. Violation of California's  
Unfair Competition Law, Cal.  
Bus. & Prof. Code §§ 17200, *et*  
*seq.*;**
- 2. Violation of California's False  
Advertising Law, Cal. Bus. &  
Prof. Code §§ 17500, *et seq.*;**
- 3. Violation of the California  
Consumer Legal Remedies Act,  
Cal. Civ. Code §§ 1750, *et seq.*;  
and**
- 4. Fraudulent Concealment.**

Filed Concurrently:

1. Plaintiff's CLRA Venue  
Affidavit

(JURY TRIAL DEMANDED)

1 Plaintiff Alex Zoueihed (“Plaintiff” or “Zoueihed”), individually and on  
2 behalf of all others similarly situated, complains and alleges as follows based on  
3 personal knowledge as to himself, on the investigation of his counsel, and on  
4 information and belief as to all other matters. Plaintiff believes that substantial  
5 evidentiary support will exist for the allegations set forth in this complaint, after a  
6 reasonable opportunity for discovery.

### 7 **NATURE OF ACTION**

8 1. This class action aims to hold Camelot SI, LLC d/b/a Sharper  
9 Image (“Sharper Image”) liable for its unlawful, unfair, and fraudulent business  
10 practice of advertising fictitious prices and corresponding phantom discounts on  
11 *nearly every product* sold through its website (<https://www.sharperimage.com/>).  
12 This practice of false reference pricing occurs when a retailer fabricates a fake  
13 regular, original, and/or former reference price, and then offers an item for sale at  
14 a deeply “discounted” price. The result is a sham price disparity that misleads  
15 consumers into believing they are receiving a good deal, thereby inducing them  
16 into making a purchase. Companies like Sharper Image drastically benefit from  
17 employing a false reference pricing scheme and experience increased sales.

18 2. The California legislature prohibits this misleading practice. The law  
19 recognizes the reality that consumers often purchase merchandise marketed as  
20 being “on sale” purely because the proffered discount seemed too good to pass  
21 up. Accordingly, retailers, including Sharper Image, are incentivized to lie to  
22 customers by advertising false sales. The resulting harm is tangible—the bargain  
23 hunter’s expectations about the product he or she purchased is that it has a higher  
24 perceived value, and she may not have purchased the product but for the false  
25 savings.

26 3. The advertised discounts are fictitious because the reference price  
27 does not represent a *bona fide* price at which Sharper Image previously sold a  
28 substantial quantity of the merchandise for a reasonable period of time (or at all) as

1 required by the Federal Trade Commission (“FTC”). In addition, the represented  
2 reference price was not the prevailing market retail price within the three months  
3 immediately preceding the publication of the advertised former reference price, as  
4 required by California law. The deception is magnified for these products because  
5 the representation of the false reference price leads consumers like Plaintiff to  
6 believe they are purchasing a product of substantially higher quality and that they  
7 are purchasing a product that was previously offered for sale at the significantly  
8 higher reference price.

9 4. Through its false and misleading marketing, advertising, and pricing  
10 scheme, Sharper Image violated and continues to violate California law, which  
11 prohibits (1) advertising goods for sale as discounted from former prices that are  
12 false, and (2) misleading statements about the existence and amount of price  
13 reductions. Specifically, Sharper Image violated and continues to violate:  
14 California’s Unfair Competition Law, Business & Professions Code §§ 17200, *et*  
15 *seq.* (the “UCL”); California’s False Advertising Law, Business & Professions  
16 Code §§ 17500, *et seq.* (the “FAL”); the California Consumer Legal Remedies Act,  
17 California Civil Code §§ 1750, *et seq.* (the “CLRA”); and the Federal Trade  
18 Commission Act (“FTCA”), 15 U.S.C. §§ 45, 52.

19 5. Plaintiff brings this action on behalf of himself and other similarly  
20 situated consumers who, like him, have purchased one or more products from  
21 Sharper Image’s online store that were deceptively represented as discounted from  
22 false former reference prices in order to halt the dissemination of this false,  
23 misleading, and deceptive pricing scheme, to correct the false and misleading  
24 perception it has created in the minds of consumers, and to obtain redress for those  
25 who have purchased merchandise tainted by this deceptive pricing scheme.  
26 Plaintiff intends to seek damages, injunctive relief, and other appropriate relief as  
27 a result of Sharper Image’s sales of merchandise offered at a false discount.

28 6. Finally, Plaintiff intends to seek reasonable attorneys’ fees pursuant

1 to California Code of Civil Procedure § 1021.5, as this lawsuit seeks the  
 2 enforcement of an important right affecting the public interest and satisfies the  
 3 statutory requirements for an award of attorneys' fees.

#### 4 **THE PARTIES**

5 7. Plaintiff Alex Zoueihed is a citizen of the State of California and  
 6 resident of Los Angeles County. Plaintiff, in reliance on Sharper Image's false and  
 7 deceptive pricing, purchased a "5000 Lumen Torchier Floor Lamp" (the "Product")  
 8 on March 13, 2025, from Sharper Image's website ([https://www.](https://www.sharperimage.com/)  
 9 [sharperimage.com/](https://www.sharperimage.com/)) for \$164.99.<sup>1</sup>

10 8. Defendant Sharper Image is a Michigan limited liability company  
 11 with its principal place of business in Michigan.

#### 12 **JURISDICTION AND VENUE**

13 9. This Court has subject matter jurisdiction over this action pursuant to  
 14 the Class Action Fairness Act of 2005, 28 U.S.C. § 1332(d)(2), because the total  
 15 matter in controversy exceeds \$5,000,000 and there are over 100 members of the  
 16 proposed class. Further, at least one member of the proposed class is a citizen of a  
 17 State within the United States and at least one defendant is the citizen or subject of  
 18 a foreign state.

19 10. The Central District of California has specific personal jurisdiction  
 20 over Sharper Image. Specific jurisdiction over a non-resident defendant exists  
 21 where: (1) "[t]he non-resident defendant . . . purposefully direct[s] [it]s activities  
 22 or consummate[s] some transaction with the forum or resident thereof; or  
 23 perform[s] some act by which [it] purposefully avails [it]self of the privilege of  
 24 conducting activities in the forum, thereby invoking the benefits and protections of  
 25 its laws;" (2) the claim is one that "arises out of or relates to" the defendant's  
 26 activities in the forum state; and (3) the exercise of jurisdiction comports with "fair  
 27

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28 <sup>1</sup> Plaintiff's total purchase price was \$181.90, which included taxes and shipping costs.

1 play and substantial justice, i.e. it must be reasonable.” *Schwarzenegger v. Fred*  
2 *Martin Motor Co.*, 374 F.3d 797, 802 (9th Cir. 2004). The plaintiff need only  
3 establish the first two prongs, while it is the defendant’s burden to “present a  
4 compelling case” that the exercise of jurisdiction would not be reasonable. *Id.*

5 11. ***Purposeful Availment.*** Under the first prong of the three-part test,  
6 “purposeful availment” includes both purposeful availment and purposeful  
7 direction, which are two distinct concepts. *Id.* Where a case sounds in tort, as here,  
8 courts employ the purposeful direction test. Purposeful direction requires the  
9 defendant have “(1) committed an intentional act, (2) expressly aimed at the forum  
10 state, (3) causing harm that the defendant knows is likely to be suffered in the forum  
11 state.” *Morrill v. Scott Fin. Corp.*, 873 F.3d 1136, 1142 (9th Cir. 2017) (citing  
12 *Schwarzenegger*, 374 F.3d at 802). On information and belief, Sharper Image  
13 regularly sells and ships its products to customers in California, including Plaintiff,  
14 who purchased and received the Product in Los Angeles County, California. In  
15 addition, because Sharper Image does a substantial amount of business in  
16 California, it is knowingly employing a false reference pricing scheme directed at  
17 and harming California residents, including Plaintiff.

18 12. ***Claim Arising Out of Action in the Forum Prong.*** Under the second  
19 prong of the three-part specific jurisdiction test, personal jurisdiction exists where,  
20 as here, the claim “arises out of or relates to” the defendant’s activities in the forum  
21 state. Courts in the Ninth Circuit use a “but for” test to determine whether the claim  
22 “arises out of” the nonresident’s forum-related activities. In other words, the test is  
23 satisfied if the plaintiff would not have suffered loss “but for” defendant’s  
24 activities. *Ballard v. Savage*, 65 F.3d 1495, 1500 (9th Cir. 1995). Here, Sharper  
25 Image’s contact with the forum—knowingly employing a false reference pricing  
26 scheme directed at California residents—is the basis of its violations of various  
27 false advertising statutes. But for Sharper Image’s contact with the forum, Plaintiff  
28 (and the thousands of other individuals who purchased Sharper Image’s

1 deceptively advertised products) would not have suffered harm.

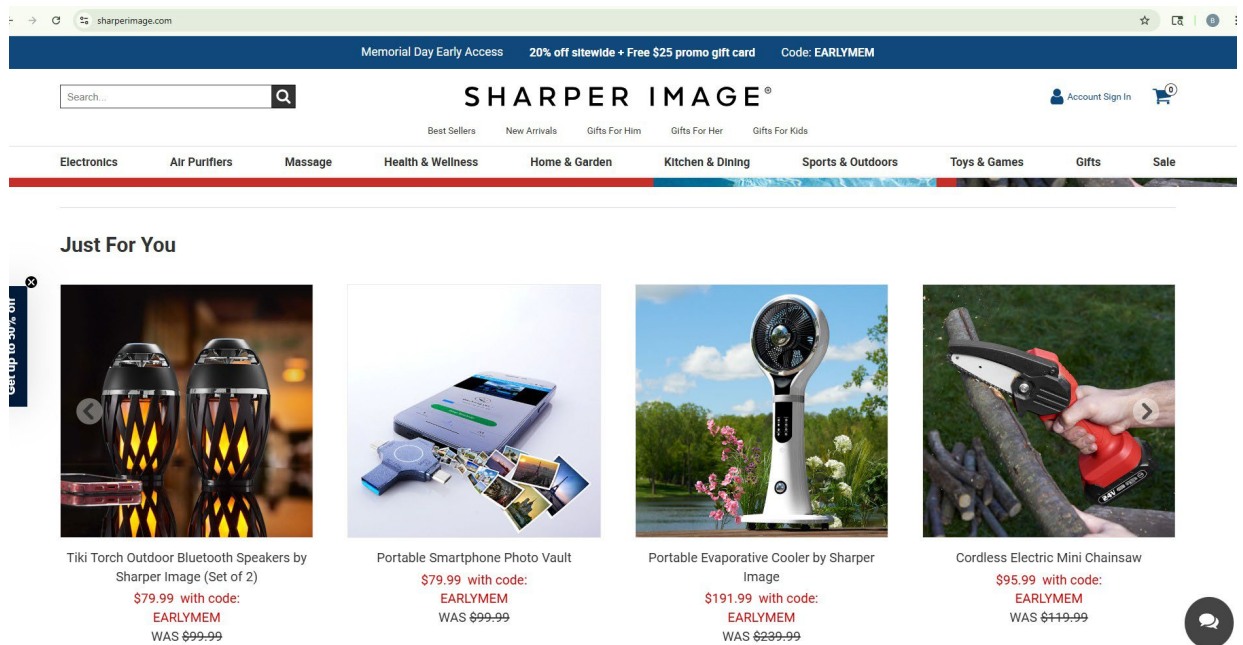
2 13. **Venue.** Venue is proper in the U.S. District Court for the Central  
3 District of California pursuant to 28 U.S.C. § 1391 because Sharper Image:

- 4 a) is authorized to conduct business in this District and has  
5 intentionally availed itself of the laws and markets within this  
6 District;  
7 b) does substantial business within this District;  
8 c) is subject to personal jurisdiction in this District because it has  
9 availed itself of the laws and markets within this District; and  
10 the injury to Plaintiff occurred within this District.

11 **GENERAL ALLEGATIONS**

12 14. Sharper Image, through its website, offers a wide range of goods for  
13 sale to California consumers.

14 15. Unfortunately for consumers, Sharper Image's business model  
15 heavily relies on deceiving customers with fake sales. On a typical day, Sharper  
16 Image prominently displays on its landing page some form of sale where all  
17 products or a select grouping of products are supposedly marked down. All or  
18 nearly all of the products sold by Sharper Image on the site are represented as being  
19 significantly marked down from a substantially higher original or reference price,  
20 which is prominently displayed to the customer as being the supposed original price  
21 (the "Reference Price"), as shown in the following:



16. By doing this, Sharper Image conveys to customers that the products have previously sold at the Reference Price in the recent past, but that now, they are being sold at a substantial discount.

17. However, this Reference Price in the “sale” is almost always—if not always—a falsely inflated price because Sharper Image rarely, if ever, sells its items at the full Reference Price.

18. Indeed, the only purpose of the Reference Price is to mislead customers into believing that the displayed Reference Price is an original, regular, or retail price at which Sharper Image usually sells the item or previously sold the item in the recent past. As a result, Sharper Image falsely conveys to customers that they are receiving a substantial markdown or discount, when in reality, the alleged discount is false and fraudulent.

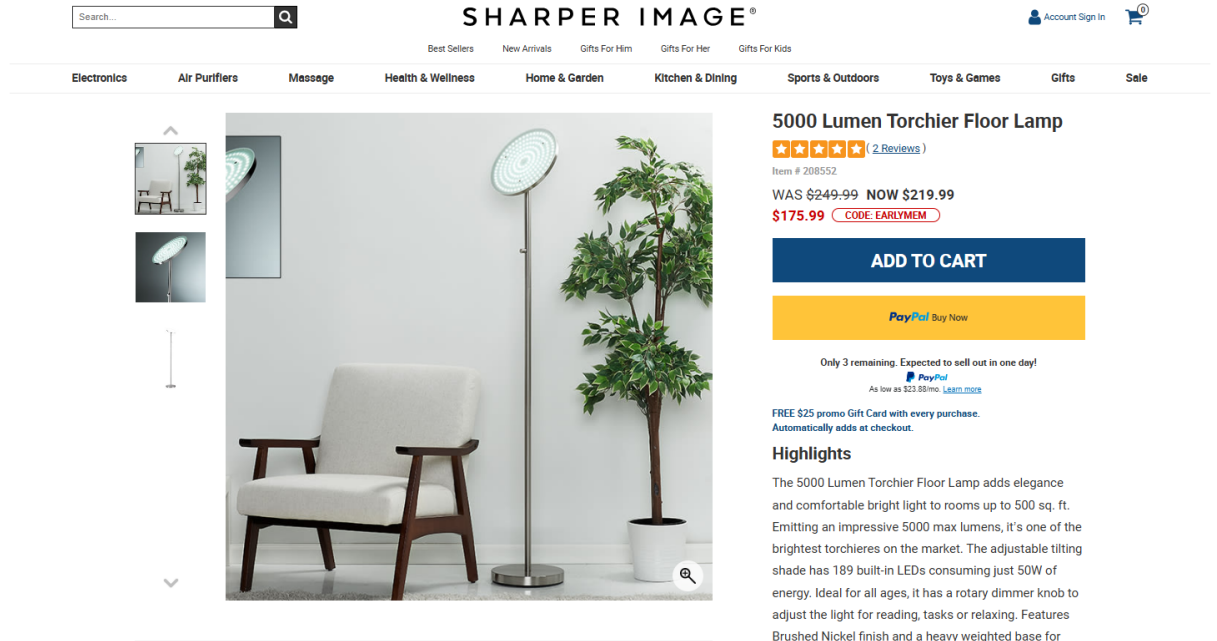
19. On the individual product pages of all (or nearly all) Sharper Image products offered on the site, Sharper Image represents each product as being marked down and includes this representation beside a crossed-out fake Reference Price. For example, for the “5000 Lumen Torchier Floor Lamp” (the exact Product Plaintiff purchased) is currently (as of May 20, 2025) sold for \$175.99, where



1 Sharper Image displayed the following:

2 ~~WAS \$249.99~~ NOW \$219.99

3 **\$175.99 (CODE: EARLYMEM)**



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20. On information and belief, Sharper Image has never sold the “5000 Lumen Torchier Floor Lamp” for either the “was” Reference Price of \$249.99 or the “now” price of \$219.99, and certainly it has not sold the lamp at those prices in the three preceding months. These pricing and advertising practices reflecting high-pressure fake sales are patently deceptive. They are intended to mislead customers into believing that they are getting a bargain by buying products from Sharper Image on sale and at a substantial and deep discount. The truth is that Sharper Image rarely, if ever, sells any of its products at the Reference Price. The Reference Price is, therefore, an artificially inflated price. In turn, the advertised discounts are nothing more than phantom markdowns.

26 **A. Plaintiff’s Purchase of Falsely Advertised Items from Sharper Image**

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21. Plaintiff fell victim to Sharper Image’s false advertising and deceptive pricing practices. On or about March 13, 2025, Plaintiff visited Sharper Image’s website to shop for a lamp. Plaintiff visited the site from his home in Los Angeles



1 County. Plaintiff browsed the site and observed that nearly every item offered had  
2 a Reference Price that was crossed out along with a sale price next to the Reference  
3 Price. Plaintiff found Sharper Image's "5000 Lumen Torchier Floor Lamp" (the  
4 "Product") and added it to his shopping cart. The price of the lamp was listed with  
5 a "WAS" Reference Price of ~~\$249.99~~, a "NOW" price of \$219.99, and the final  
6 price of \$164.99 through the application of a coupon code (there is always a coupon  
7 code available).

8 22. In other words, Plaintiff saw that Sharper Image represented on the  
9 product-description page for the Product that it was supposedly on sale based on a  
10 markdown from a "WAS" Reference Price of \$249.99 to \$164.99 after a coupon, a  
11 purported savings of \$85.

12 23. Plaintiff purchased the Product, but before doing so, relied on the  
13 representation that the Product had in fact been offered for sale, or previously sold,  
14 in the recent past at the stated "WAS" Reference Price of \$249.99, or at least at the  
15 "NOW" price of \$219.99. Plaintiff relied on Sharper Image's representation that  
16 the Product was truly on sale and being sold at a substantial markdown and  
17 discount, and thereby fell victim to the deception intended by Sharper Image.

18 24. Plaintiff purchased the Product at price of \$164.99. The Product that  
19 Plaintiff ordered was shipped to him in Los Angeles County, California.

20 25. On information and belief, the Product that Plaintiff purchased was  
21 not substantially marked down or discounted, or at the very least, any discount he  
22 was receiving had been grossly exaggerated. That is because the Product that  
23 Plaintiff bought had never been offered on Sharper Image's website for any  
24 reasonably substantial period of time—if ever—at the "WAS" Reference Price of  
25 \$249.99 or even at the "NOW" price of \$219.99. In fact, for at least the 90-day  
26 period prior to Plaintiff's purchase (and likely for a longer period), Sharper Image  
27 had not offered the Product for sale at either of those prices.

28 26. On information and belief, the prices were fake prices used in Sharper

Image’s deceptive marketing scheme, which is clear from evidence captured on the “WayBack Machine,” an online tool that allows users to view screenshots of websites at particular points in time. *See* <https://archive.org/web/> (explaining how the WayBack Machine captures screenshots from websites created years ago, and allows users to see snapshots of websites it has navigated and archived at various time periods; the tool archives more than 150 billion web pages that have appeared since 1996, creating a digital footprint of everything that has appeared on any given website at various points in time); *see also Marten Transport, LTD v. Platform Advertising, Inc.*, No. 14-2464-JWL, 2016 WL 1718862, at \*2 (D. Kan. Apr. 29, 2016) (relying on the WayBack Machine as a source of competent evidence).

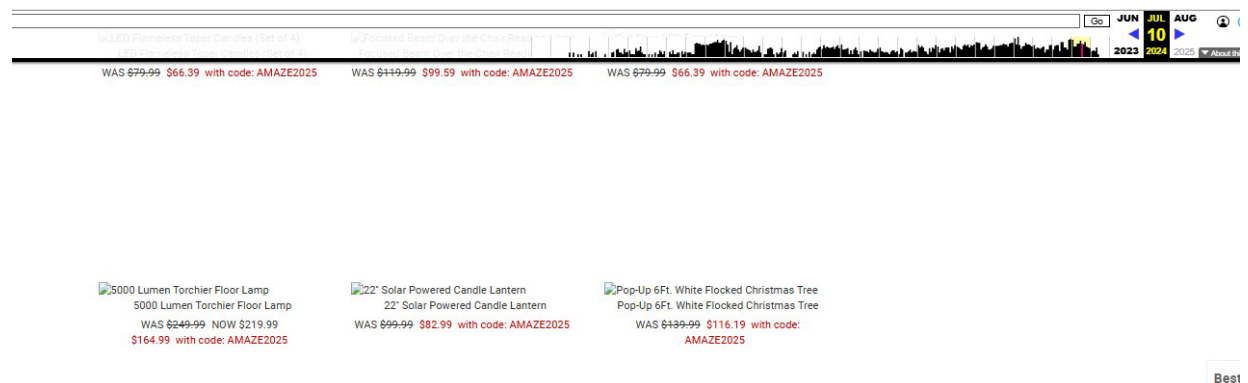
27. More specifically, as shown by the WayBack Machine’s screen capture of Sharper Image’s website at various points in time, Sharper Image has been employing a *reference price scheme on nearly every product for years* (i.e., falsely representing its products are heavily discounted).

28. For example, the Product purchased by Plaintiff (the 5000 Lumen Torchier Floor Lamp) was sold with the following advertised prices:

**July 10, 2024:**

WAS ~~\$249.99~~ NOW \$219.99

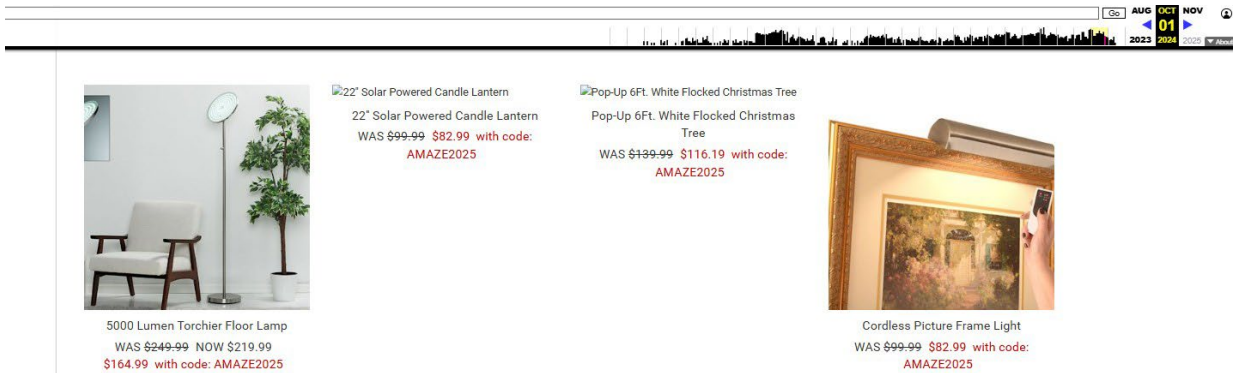
**\$164.99 with code**



**October 1, 2024:**

WAS ~~\$249.99~~ NOW \$219.99

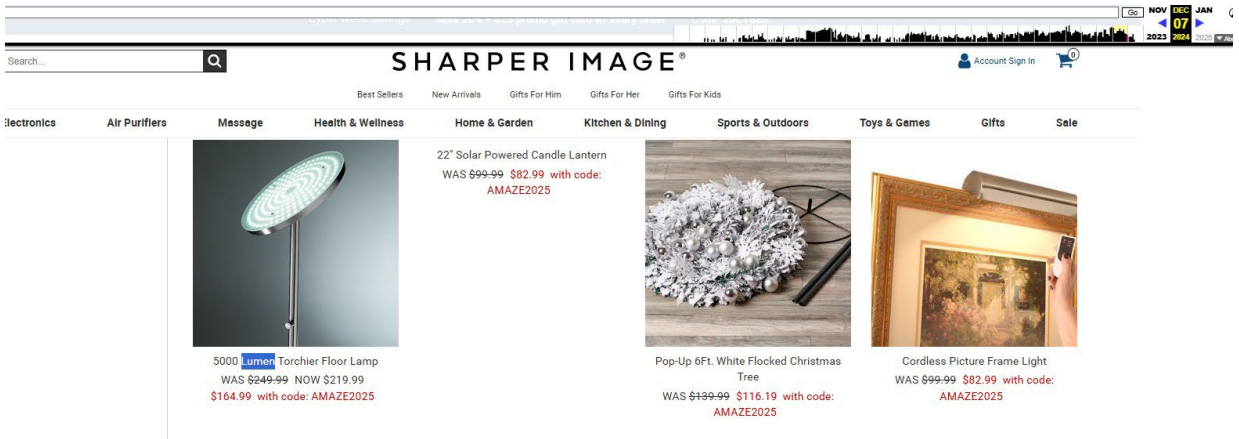
**\$164.99 with code**



**December 7, 2024:**

WAS ~~\$249.99~~ NOW \$219.99

**\$164.99 with code**



**February 14, 2025:**

WAS ~~\$249.99~~ NOW \$219.99

**\$164.99 with code**

Sort by: Bestsellers▼



 Focused Beam Natural Light Floor Lamp

Focused Beam Natural Light Floor Lamp

WAS ~~\$169.99~~ **\$127.49** with code:  
**APRILFOOLS**



5000 Lumen Torchier Floor Lamp  
WAS \$249.99 NOW \$219.99  
**\$164.99 with code: APRILFOOLS**



 Cordless LED Floor Lamp

Cordless LED Floor Lamp

WAS ~~\$129.99~~ **\$103.99** with code:  
**APRILFOOLS**

**April 3, 2025:**

WAS ~~\$249.99~~ NOW \$219.99

**\$171.59 with code**

The screenshot shows the Amazon.com product page for the '5000 Lumen Torchier Floor Lamp'. The page header includes the Amazon logo, a search bar, and navigation links. The product title is '5000 Lumen Torchier Floor Lamp'. Below the title is a star rating of 4.5 stars based on 2 reviews. The item number is 208532. The price is shown as 'WAS \$249.99 NOW \$219.99' with a red '17% off' badge. A red 'CODE: SWING2025' badge is also present. A large blue 'ADD TO CART' button is visible. Below the button is a grey loading bar with a circular arrow icon. A message states 'Only 7 remaining. Expected to sell out in one day!'. At the bottom, a promotional message reads 'FREE \$25 promo Gift Card with every purchase. Automatically adds at checkout.'.

5000 Lumen Torchier Floor Lamp

★★★★★ (2 Reviews)

Item # 208532

WAS \$249.99 NOW \$219.99

**\$171.59** CODE: SWING2025

**ADD TO CART**

Only 7 remaining. Expected to sell out in one day!

FREE \$25 promo Gift Card with every purchase.  
Automatically adds at checkout.


**May 8, 2025:**

WAS ~~\$249.99~~ NOW \$219.99

**\$164.99 with code**

New Arrivals Gifts For Him Gifts For Her Gifts For Kids

Home & Garden Kitchen & Dining Sports & Outdoors Toys & Games Gifts



### 5000 Lumen Torchier Floor Lamp

★★★★★ (2 Reviews)

Item # 208552

WAS ~~\$249.99~~ NOW \$219.99

**\$164.99** CODE: AMAZE2025

**ADD TO CART**

**PayPal** Buy Now

Only 3 remaining. Expected to sell out in one day!

**PayPal**  
As low as \$23.88/mo. [Learn more](#)

FREE \$25 promo Gift Card with every purchase.  
Automatically adds at checkout.

### Highlights

29. As a second example, Sharper Image sells a “Cordless Auto Stop Tire Inflator by Sharper Image.” As demonstrated in the screenshots below, Sharper Image has consistently priced the product with a strikethrough reference price:

**October 1, 2024**

WAS ~~\$99.99~~ **\$79.99**





## Cordless Auto Stop Tire Inflator by Sharper Image

★★★★★ ( 554 Reviews )

Item # 206974

WAS \$99.99 **\$79.99** CODE: FRENZY20

**ADD TO CART**

PayPal

IN STOCK NOW - Ships same day

**January 18, 2025**

WAS \$99.99 **\$77.99**



E®



Gifts For Kids

## Cordless Auto Stop Tire Inflator by Sharper Image

★★★★★ ( 10 Reviews )

Item # 206974

WAS \$99.99 **\$77.99** CODE: SAVEMORE

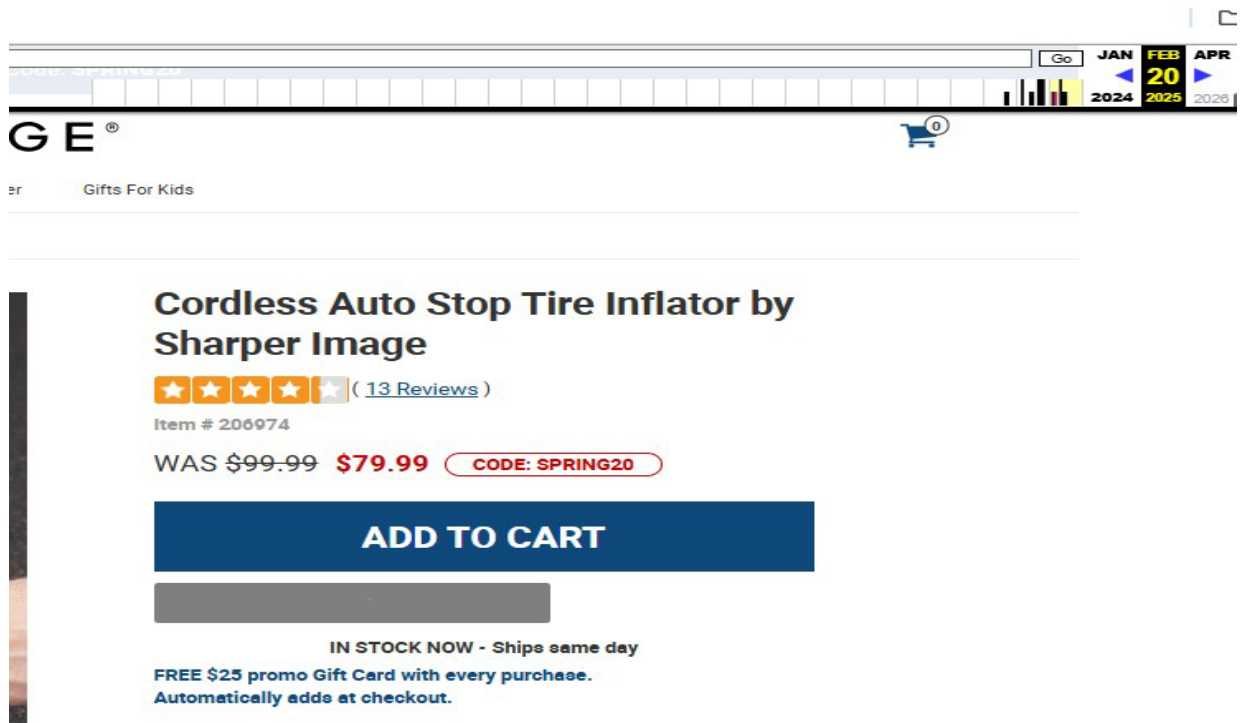
**ADD TO CART**

IN STOCK NOW - Ships same day

FREE \$25 promo gift card with every purchase.  
Automatically adds at checkout.

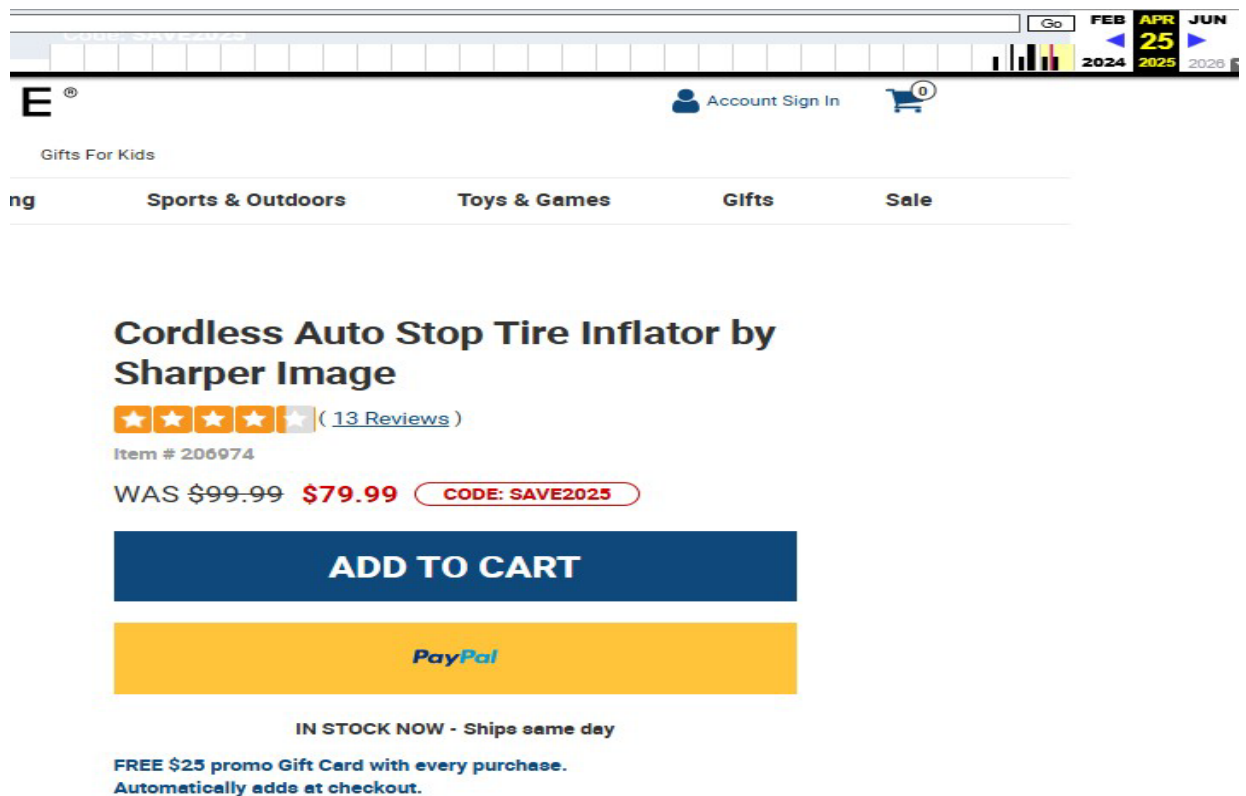
February 20, 2025

WAS ~~\$99.99~~ **\$79.99**



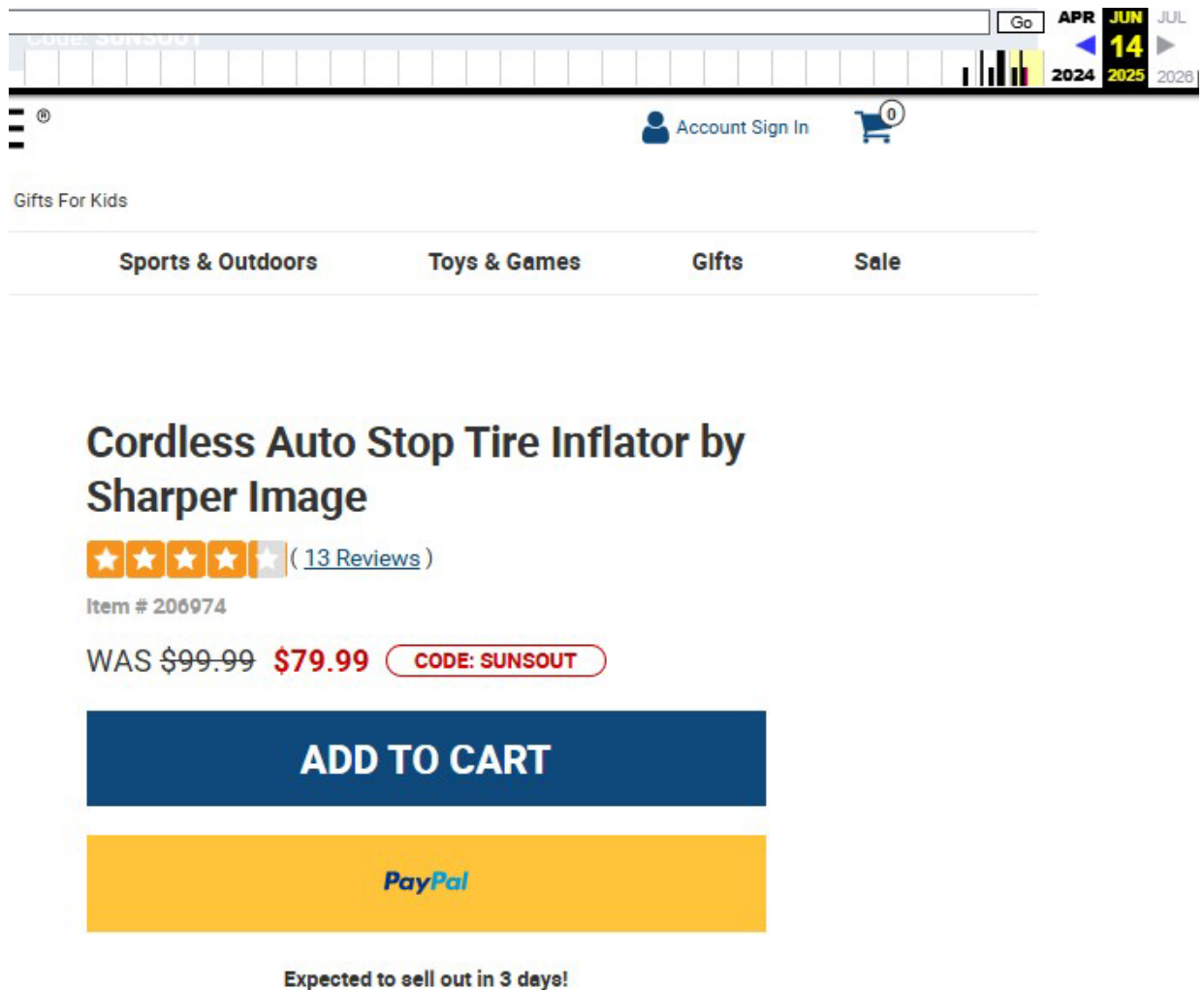
April 25, 2025

WAS ~~\$99.99~~ **\$79.99**



**June 14, 2025**

WAS ~~\$99.99~~ **\$79.99**



30. Upon information and belief, at no point has Sharper Image sold the “Cordless Auto Stop Tire Inflator by Sharper Image” for \$99.99.

31. Besides the “5000 Lumen Torchier Floor Lamp” and the “Cordless Auto Stop Tire Inflator by Sharper Image,” there are hundreds—perhaps thousands—of additional examples of products on Sharper Image’s website that falsely and deceptively use fake Reference Prices.

32. Sharper Image even employs a strikethrough Reference Price scheme on its “new arrivals” as demonstrated in the screenshot below. Surely, the Reference Prices for the “new arrivals” cannot be the prevailing market retail price

within the preceding three months because the products have never been offered at that price.

SHARPER IMAGE®


Account Sign In

Best Sellers New Arrivals Gifts For Him Gifts For Her Gifts For Kids


rs Massage Health & Wellness Home & Garden Kitchen & Dining Sports & Outdoors Toys & Games Gifts

### New Arrivals


Viewing 1-430 of 430 Sort by: Bestsellers




**Cyber Summer Sale**  
**30% OFF**  
Orders Over \$199  
**25% OFF** Orders Over \$149  
**20% OFF** No Minimum  
Use Code: **CYBERSALE**




Wireless Earbuds with Touchscreen Smart Case  
WAS \$79.99 \$63.99 with code: **CYBERSALE**




Atomic Digital Wall Clock with Temperature and Moon Phase  
WAS \$79.99 \$63.99 with code: **CYBERSALE**




Bluetooth Smart Glasses with Detachable Lenses  
WAS \$99.99 \$79.99 with code: **CYBERSALE**




20000mAh Power Bank with Lamp  
WAS \$69.99 \$55.99 with code: **CYBERSALE**




11' Smart Outdoor Umbrella  
WAS \$1,459.99 \$1,021.99 with code: **CYBERSALE**




50W 12V Folding Solar Panel  
WAS \$199.99 \$139.99 with code: **CYBERSALE**




**Need Help Finding the Perfect Product?**  
Try our NEW Shopping Assistant.  
**ASK NOW**




510 sq. in. Smart Grill with Clearview Lid  
WAS \$679.99 \$475.99 with code: **CYBERSALE**



Round Propane Gas Fire Pit Table  
WAS \$599.99 \$419.99 with code: **CYBERSALE**



Human Touch® WholeBody® 8.0 Massage Chair  
WAS \$2,499.00 \$1,749.30 with code: **CYBERSALE**



The Caviar Co. Tasting Duo Lacquer Case  
WAS \$649.99 \$454.99 with code: **CYBERSALE**

1           33. Sharper Image knows that the prices are fake and artificially inflated  
2 and intentionally uses them in its deceptive pricing scheme on its website to  
3 increase sales and profits by misleading Plaintiff and members of the putative class  
4 to believe that they are buying products at a substantial discount. Sharper Image  
5 thereby induces customers to buy products they never would have bought—or at  
6 the very least, to pay more for merchandise than they otherwise would have if  
7 Defendants were simply being truthful about their “sales.”

8           34. Therefore, Plaintiff would not have purchased the 5000 Lumen  
9 Torchier Floor Lamp, or at the very least, would not have paid as much as he did,  
10 had Sharper Image been truthful. Plaintiff was persuaded to make his purchase only  
11 because of the fake sale based on Sharper Image’s fake Reference Price scheme.  
12 Plaintiff is susceptible to this recurring harm because he cannot be certain that  
13 Sharper Image has corrected this deceptive pricing scheme, and he desires to shop  
14 at Sharper Image’s online store in the future. Plaintiff does not have the resources  
15 on his own to determine whether Sharper Image is complying with California law  
16 with respect to its pricing practices.

17       **B. Research Shows That the Use of Reference Price Advertising Schemes**  
18       **Similar to Sharper Image’s Deceptive Pricing Scheme Influences**  
19       **Consumer Behavior and Affects Consumers’ Perceptions of a Product’s**  
20       **Value**

21           35. The effectiveness of Sharper Image’s deceitful pricing scheme is  
22 backed by longstanding scholarly research. In the seminal article entitled  
23 *Comparative Price Advertising: Informative or Deceptive?* (cited in *Hinojos v.*  
24 *Kohl’s Corp.*, 718 F.3d 1098, 1106 (9th Cir. 2013)), Professors Dhruv Grewal and  
25 Larry D. Compeau write that, “[b]y creating an impression of savings, the presence  
26 of a higher reference price enhances subjects’ perceived value and willingness to  
27 buy the product.” Dhruv Grewal & Larry D. Compeau, *Comparative Price*  
28 *Advertising: Informative or Deceptive?*, 11 J. PUB. POL’Y & MKTG. 52, 55 (1992).



1 Therefore, “empirical studies indicate that, as discount size increases, consumers’  
 2 perceptions of value and their willingness to buy the product increase, while their  
 3 intention to search for a lower price decreases.” *Id.* at 56; *see also* ¶ 22, *supra* (using  
 4 a Reference Price to allege a savings of \$11,696). For this reason, the Ninth Circuit  
 5 in *Hinojos* held that a plaintiff making a claim of deceptive pricing (strikingly  
 6 similar to the claim at issue here) had standing to pursue his claim against the  
 7 defendant retailer. In doing so, the Court observed that “[m]isinformation about a  
 8 product’s ‘normal’ price is . . . significant to many consumers in the same way as  
 9 a false product label would be.” *Hinojos*, 718 F.3d at 1106.

10 36. Professors Compeau and Grewal reached similar conclusions in a  
 11 2002 article: “decades of research support the conclusion that advertised reference  
 12 prices do indeed enhance consumers’ perceptions of the value of the deal.” Dhruv  
 13 Grewal & Larry D. Compeau, *Comparative Price Advertising: Believe It or Not*,  
 14 36 J. OF CONSUMER AFFAIRS 287 (2002). The professors also found that  
 15 “[c]onsumers are influenced by comparison prices even when the stated reference  
 16 prices are implausibly high.” *Id.*

17 37. In another scholarly publication, Professors Joan Lindsey-Mullikin  
 18 and Ross D. Petty concluded that “[r]eference price ads strongly influence  
 19 consumer perceptions of value . . . Consumers often make purchases not based on  
 20 price but because a retailer assures them that a deal is a good bargain. This occurs  
 21 when . . . the retailer highlights the relative savings compared with the prices of  
 22 competitors.” Joan Lindsey-Mullikin & Ross D. Petty, *Marketing Tactics*  
 23 *Discouraging Price Search: Deception and Competition*, 64 J. OF BUS. RESEARCH  
 24 67 (2011).

25 38. Similarly, according to Professors Praveen K. Kopalle and Joan  
 26 Lindsey-Mullikin, “research has shown that retailer-supplied reference prices  
 27 clearly enhance buyers’ perceptions of value” and “have a significant impact on  
 28 consumer purchasing decisions.” Praveen K. Kopalle & Joan Lindsey-Mullikin,



1 *The Impact of External Reference Price on Consumer Price Expectations*, 79 J. OF  
2 RETAILING 225 (2003).

3 39. The results of a 1990 study by Professors Jerry B. Gotlieb and Cyndy  
4 Thomas Fitzgerald, came to the conclusion that “reference prices are important  
5 cues consumers use when making the decision concerning how much they are  
6 willing to pay for the product.” Jerry B. Gotlieb & Cyndy Thomas Fitzgerald, *An*  
7 *Investigation into the Effects of Advertised Reference Prices on the Price*  
8 *Consumers Are Willing to Pay for the Product*, 6 J. OF APP’D BUS. RES. 1 (1990).  
9 This study also concluded that “consumers are likely to be misled into a willingness  
10 to pay a higher price for a product simply because the product has a higher reference  
11 price.” *Id.*

12 40. The unmistakable inference to be drawn from this research and the  
13 Ninth Circuit’s opinion in *Hinojos* is that the deceptive advertising through the use  
14 of false reference pricing employed here by Sharper Image is intended to, and does  
15 in fact, influence customer behavior—as it did Plaintiff’s purchasing decision  
16 here—by artificially inflating customer perceptions of a given item’s value and  
17 causing customers to spend money they otherwise would not have, purchase items  
18 they otherwise would not have, and/or spend more money for a product than they  
19 otherwise would have absent the deceptive advertising.

### 20 **CLASS ACTION ALLEGATIONS**

21 41. Plaintiff brings this action on behalf of himself and all persons  
22 similarly situated pursuant to Rule 23(a), (b)(2), and (b)(3) of the Federal Rules of  
23 Civil Procedure and seeks certification of the following class:

24 All persons in the United States who purchased one or more of Sharper  
25 Image’s products from Sharper Image’s website or retail locations  
26 within the statute of limitations period at a discount from a higher  
27 reference price and who have not received a refund or credit for their  
28 purchase(s).

1           42. The above-described class of persons shall hereafter be referred to as  
2 the “Class.” Excluded from the Class are any and all past or present officers,  
3 directors, or employees of Defendants, any judge who presides over this action,  
4 and any partner or employee of Class Counsel. Plaintiff reserves the right to  
5 expand, limit, modify, or amend this class definition, including the addition of one  
6 or more subclasses, in connection with her motion for class certification, or at any  
7 other time, based upon, *inter alia*, changing circumstances and/or new facts  
8 obtained during discovery.

9           43. In the alternative, Plaintiff seeks certification of the following class  
10 (the “California Class”) pursuant to Rule 23(a), (b)(2), and (b)(3) of the Federal  
11 Rules of Civil Procedure:

12           All persons in the State of California who purchased one or more of  
13 Sharper Image’s products from Sharper Image’s website within the  
14 statute of limitations period (the “Class Period”) at a discount from a  
15 higher reference price and who have not received a refund or credit  
16 for their purchase(s).

17           44. **Numerosity**. The Class is so numerous that joinder of all members in  
18 one action is impracticable. The exact number and identities of the members of the  
19 Class is unknown to Plaintiff at this time and can only be ascertained through  
20 appropriate discovery, but on information and belief, Plaintiff alleges that there are  
21 thousands of members of the Class. The precise number of Class members is  
22 unknown to Plaintiff.

23           45. **Typicality**. Plaintiff’s claims are typical of those of other members of  
24 the Class, all of whom have suffered similar harm due to Defendants’ course of  
25 conduct as described in this Complaint. All Class members have been deceived (or  
26 were likely to be deceived) by Sharper Image’s false and deceptive price  
27 advertising scheme, as alleged in this Complaint. Plaintiff is advancing the same  
28 claims and legal theories on behalf of himself and all Class members.

1           46. **Adequacy of Representation.** Plaintiff is an adequate representative  
 2 of the Class and will fairly and adequately protect the interests of the Class. Plaintiff  
 3 has retained attorneys who are experienced in the handling of complex litigation  
 4 and class actions, and Plaintiff and his counsel intend to prosecute this action  
 5 vigorously. Plaintiff has no antagonistic or adverse interests to those of the Class.

6           47. **Existence and Predominance of Common Questions of Law or**  
 7 **Fact.** Common questions of law and fact exist as to all members of the Class that  
 8 predominate over any questions affecting only individual members of the Class.  
 9 These common legal and factual questions, which do not vary among members of  
 10 the Class, and which may be determined without reference to the individual  
 11 circumstances of any member of the Class, include, but are not limited to, the  
 12 following:

- 13           a) Whether, during the Class Period, Defendants advertised false  
 14 Reference Prices on products offered on their website.
- 15           b) Whether, during the Class Period, Defendants advertised price  
 16 discounts from false Reference Prices on products offered on their  
 17 website.
- 18           c) Whether the products listed on Defendants' website during the  
 19 Class Period were offered at their Reference Prices for any  
 20 reasonably substantial period of time prior to being offered at prices  
 21 that were discounted from their Reference Prices.
- 22           d) Does Defendants' deceptive pricing scheme using false Reference  
 23 Prices constitute an "unlawful," "unfair," or "fraudulent" business  
 24 practice in violation of the California Unfair Competition Law, Cal.  
 25 Bus & Prof. Code §§ 17200, *et seq.*?
- 26           e) Does Defendants' deceptive pricing scheme using false Reference  
 27 Prices constitute "unfair, deceptive, untrue or misleading  
 28 advertising" in violation of the California Unfair Competition Law,

1 Cal. Bus & Prof. Code §§ 17200, *et seq.*?

- 2 f) Does Defendants' deceptive pricing scheme using false Reference  
3 Prices constitute false advertising in violation of the California  
4 False Advertising Law under Business & Professions Code §§  
5 17500, *et seq.*?
- 6 g) Whether Defendants' false Reference Prices on products offered on  
7 their website during the Class Period are false representations.
- 8 h) Whether and when Defendants learned that false Reference Prices  
9 on products offered on their website during the Class Period are  
10 false representations.
- 11 i) Whether Defendants had a duty to disclose to their customers that  
12 the Reference prices were fake "original" prices in furtherance of  
13 sham sales.
- 14 j) To what extent did Defendants' conduct cause, and continue to  
15 cause, harm to the Class?
- 16 k) Whether the members of the Class are entitled to damages and/or  
17 restitution.
- 18 l) What type of injunctive relief is appropriate and necessary to enjoin  
19 Defendants from continuing to engage in false or misleading  
20 advertising?
- 21 m) Whether Defendants' conduct was undertaken with conscious  
22 disregard of the rights of the members of the Class and was done  
23 with fraud, oppression, and/or malice.

24 48. **Superiority.** A class action is superior to other available methods for  
25 the fair and efficient adjudication of this controversy because individual litigation  
26 of the claims of all members of the Class is impracticable. Requiring each  
27 individual class member to file an individual lawsuit would unreasonably consume  
28 the amounts that may be recovered. Even if every member of the Class could afford

1 individual litigation, the adjudication of at least thousands of identical claims  
2 would be unduly burdensome to the courts. Individualized litigation would also  
3 present the potential for varying, inconsistent, or contradictory judgments and  
4 would magnify the delay and expense to all parties and to the court system resulting  
5 from multiple trials of the same factual issues.

6 49. By contrast, the conduct of this action as a class action, with respect  
7 to some or all of the issues presented, presents no management difficulties,  
8 conserves the resources of the parties and of the court system, and protects the  
9 rights of the members of the Class. Plaintiff anticipates no difficulty in the  
10 management of this action as a class action. The prosecution of separate actions by  
11 individual members of the Class may create a risk of adjudications with respect to  
12 them that would, as a practical matter, be dispositive of the interests of the other  
13 members of the Class who are not parties to such adjudications, or that would  
14 substantially impair or impede the ability of such non-party Class members to  
15 protect their interests.

16 50. **Ascertainability.** Upon information and belief, Defendants keep  
17 extensive computerized records of their sales and customers through, among other  
18 things, databases storing customer orders, customer order histories, customer  
19 profiles, customer loyalty programs, and general marketing programs. Defendants  
20 have one or more databases through which a significant majority of members of  
21 the Class may be identified and ascertained, and they maintain contact information,  
22 including email addresses and home addresses (such as billing, mailing, and  
23 shipping addresses), through which notice of this action is capable of being  
24 disseminated in accordance with due process requirements.

25 51. The California Class also satisfies each of the class action  
26 requirements set forth above. The allegations set forth above with regards to the  
27 Class, therefore, apply equally to the California Class.

28 **CLAIMS FOR RELIEF**

**First Cause of Action**

**Violation of California’s Unfair Competition Law,**

**Cal. Bus. & Prof. Code §§ 17200, *et seq.***

**(By Plaintiff Against Defendants on Behalf of Himself and the Class)**

52. Plaintiff repeats and re-alleges the allegations contained in every preceding paragraph as if fully set forth herein.

53. California Business and Professions Code §§ 17200 *et seq.*, also known as the California Unfair Competition Law (“UCL”), prohibits acts of “unfair competition,” including any “unlawful, unfair or fraudulent business act or practice” as well as “unfair, deceptive, untrue or misleading advertising.” Cal. Bus. & Prof. Code § 17200.

54. The UCL imposes strict liability. Plaintiff need not prove that Sharper Image intentionally or negligently engaged in unlawful, unfair, or fraudulent business practices—but only that such practices occurred.

**“Unlawful” Actions**

55. A cause of action may be brought under the “unlawful” prong of the UCL if a practice violates another law. Such an action borrows violations of other laws and treats these violations, when committed pursuant to business activity, as unlawful practices independently actionable under the UCL. The violation of any law constitutes an “unlawful” business practice under the UCL.

56. Here, by engaging in false advertising, as well as the false, deceptive, and misleading conduct alleged above, Defendants have engaged in unlawful business acts and practices in violation of the UCL, including violations of state and federal laws and regulations, such as 15 U.S.C. § 45(a)(1), 16 C.F.R. § 233.1, California Business & Professions Code sections 17500 and 17501, and California Civil Code sections 1770(a)(9) and 1770(a)(13).

57. The Federal Trade Commission Act (“FTCA”) prohibits “unfair or deceptive acts or practices in or affecting commerce[.]” 15 U.S.C. § 45(a)(1).



1 Under FTC regulations, false former pricing schemes similar to the ones employed  
2 by Defendants, are deceptive practices that would violate the FTCA:

3 One of the most commonly used forms of bargain advertising  
4 is to offer a reduction from the advertiser's own former price  
5 for an article. If the former price is the actual, bona fide price at  
6 which the article was offered to the public on a regular basis for  
7 a reasonably substantial period of time, it provides a legitimate  
8 basis for the advertising of a price comparison. Where the  
9 former price is genuine, the bargain being advertised is a true  
10 one. *If, on the other hand, the former price being advertised*  
11 *is not bona fide but fictitious – for example, where an*  
12 *artificial, inflated price was established for the purpose of*  
13 *enabling the subsequent offer of a large reduction – the*  
14 *“bargain” being advertised is a false one*; the purchaser is not  
15 receiving the unusual value he expects. In such a case, the  
16 “reduced” price is, in reality, probably just the seller's regular  
17 price.

18 16 C.F.R. §§ 233.1(a) (emphasis added).

19 58. Further, as detailed below in the Second Claim for Relief, Defendants'  
20 conduct also violates California's false advertising laws. Specifically, California  
21 Business & Professions Code section 17500 provides, in relevant part, that it is  
22 unlawful for any corporation, with intent directly or indirectly to dispose of  
23 personal property, to make or disseminate in any “manner or means whatever,  
24 including over the Internet, any statement, concerning that . . . personal property .  
25 . . which is untrue or misleading, and which is known, or which by the exercise of  
26 reasonable care should be known, to be untrue or misleading[.]” Cal. Bus. & Prof.  
27 Code § 17500.

28 59. California law also expressly prohibits false former pricing schemes

1 like the one employed by Defendants. California Business & Professions Code  
 2 section 17501, entitled “Worth or value; statements as to former price,” states as  
 3 follows:

4 No price shall be advertised as a former price of any advertised thing,  
 5 unless the alleged former price was the prevailing market price as  
 6 above defined within three months next immediately preceding the  
 7 publication of the advertisement or unless the date when the alleged  
 8 former price did prevail is clearly, exactly and conspicuously stated in  
 9 the advertisement.

10 Cal. Bus. & Prof. Code § 17501.

11 60. Moreover, as detailed below in the Third Claim for Relief,  
 12 Defendants’ conduct also violates the California Consumer Legal Remedies Act  
 13 (“CLRA”). *See* Cal. Civ. Code §§ 1750, *et seq.* More specifically, Defendants  
 14 violated the CLRA’s provisions prohibiting businesses from “[a]dvertising goods  
 15 or services with intent not to sell them as advertised,” Cal. Civ. Code § 1770(a)(9),  
 16 and “[m]aking false or misleading statements of fact concerning reasons for,  
 17 existence of, or amounts of price reductions[.]” Cal. Civ. Code § 1770(a)(13).

#### 18 **“Unfair” Actions**

19 61. A business act or practice is “unfair” under the UCL if it offends an  
 20 established public policy or is immoral, unethical, oppressive, unscrupulous or  
 21 substantially injurious to consumers, and that unfairness is determined by weighing  
 22 the reasons, justifications, and motives of the practice against the gravity of the  
 23 harm to the alleged victims.

24 62. Here, Defendants’ actions constitute “unfair” business acts or  
 25 practices because, as alleged above, Defendants engaged in a misleading and  
 26 deceptive pricing scheme by advertising and representing false Reference Prices  
 27 and thereby falsely advertising and representing markdowns or “discounts” that  
 28 were false and inflated. Defendants’ deceptive marketing practice gave consumers

1 the false impression that its products were regularly sold on the market for a  
2 substantially higher price in the recent past than they actually were and thus led to  
3 the false impression that Defendants' products were worth more than they actually  
4 were. Defendants' acts and practices therefore offended an established public  
5 policy, and they engaged in immoral, unethical, oppressive, and unscrupulous  
6 activities that are substantially injurious to consumers.

7 63. The harm to Plaintiff and members of the Class outweighs the utility  
8 of Defendants' practices. There were reasonably available alternatives to further  
9 Defendants' legitimate business interests, other than the misleading and deceptive  
10 conduct described in this Complaint.

#### 11 **"Fraudulent" Actions**

12 64. A business act or practice is "fraudulent" within the meaning of the  
13 UCL if members of the public are likely to be deceived.

14 65. Here, members of the public are likely to be deceived by Defendants'  
15 conduct as alleged above. Among other things, Defendants affirmatively  
16 misrepresented the Reference Prices of their products, which thereby misled and  
17 deceived customers into believing that they were buying merchandise from  
18 Defendants at substantially marked-down and discounted prices. Defendants'  
19 deceptive marketing practice gave consumers the false impression that their  
20 products were regularly sold on the market for a substantially higher price in the  
21 recent past than they actually were and led to the false impression that Defendants'  
22 products were worth more than they actually were.

23 66. In addition, Defendants had a duty to disclose the truth about their  
24 pricing deception, including, among other things, that the Reference Prices  
25 advertised and published on their website were not, in fact, prices at which Sharper  
26 Image's products had sold for in the recent past for a reasonably substantial period  
27 of time, but that instead, in reality, Defendants' products rarely (if ever) were  
28 offered at the advertised Reference Prices. Defendants, however, concealed this

1 material information from customers and the general public. Members of the  
2 public, therefore, were also likely to be deceived by Defendants' failure to disclose  
3 material information.

4 67. Because Defendants communicated the same misrepresentation to all  
5 class members—that Sharper Image products were previously sold at various  
6 Reference Prices—the class is entitled to an inference of reliance. *DZ Reserve v.*  
7 *Meta Platforms, Inc.*, --- F.4th ---, No. 22-15916, 2024 WL 1203886, at \*8 (9th  
8 Cir. Mar. 21, 2024).

9 68. Plaintiff and each member of the Class suffered an injury in fact and  
10 lost money or property as a result of Defendants' unlawful, unfair, and/or  
11 fraudulent business practices, and as a result of Defendants' unfair, deceptive,  
12 untrue or misleading advertising.

13 69. Plaintiff, on behalf of himself and the members of the Class, seeks  
14 disgorgement of all moneys received by Defendants through the conduct described  
15 above.

16 70. Plaintiff, on behalf of himself and the members of the Class, seeks a  
17 temporary, preliminary, and/or permanent injunction from this Court prohibiting  
18 Defendants from engaging in the patterns and practices described herein, including  
19 but not limited to, putting a stop to their deceptive advertisements and false  
20 Reference Prices in connection with their sale of Sharper Image products on their  
21 website.

22 71. Injunctive relief is necessary to prevent future harm to consumers,  
23 including Plaintiff, who would like to purchase the products in the future. Every  
24 day, consumers like Plaintiff are misled into believing they are receiving a discount.  
25 Without injunctive relief, Defendants will continue to mislead consumers, and  
26 consumers will purchase products they otherwise would not have purchased  
27 because they will be unable to determine whether they are actually receiving a  
28 discount.

**Second Cause of Action**

**Violation of California's False Advertising Law**

**Cal. Bus. & Prof. Code §§ 17500, *et seq.***

**(By Plaintiff Against Defendants on Behalf of Himself and the Class)**

72. Plaintiff repeats and re-alleges the allegations contained in every preceding paragraph as if fully set forth herein.

73. The California False Advertising Law, codified at California Business & Professions Code sections 17500, *et seq.* (the "FAL") provides, in relevant part, that it is unlawful for any corporation, with intent directly or indirectly to dispose of personal property, to make or disseminate in any "manner or means whatever, including over the Internet, any statement, concerning that . . . personal property . . . which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading[.]" Cal. Bus. & Prof. Code § 17500.

74. Similarly, the FAL provides, in relevant part, that "no price shall be advertised as a former price of any advertised thing, unless the alleged former price was the prevailing market price . . . within three months next immediately preceding the publication of the advertisement or unless the date when the alleged former price did prevail is clearly, exactly, and conspicuously stated in the advertisement." Cal Bus. & Prof. Code § 17501.

75. Here, Defendants routinely disseminated on their website false Reference Prices for the products offered for sale on their website, including to Plaintiff. Such statements of Defendants were untrue, or at the very least, were misleading. Among other things, Defendants rarely, if ever, offered Sharper Image's products on their website at the Reference Prices displayed in connection with their products. Further, Defendants rarely, if ever, offered Sharper Image's products on their website at the Reference Prices within the three months immediately preceding the publication of the Reference Prices. Defendants

1 therefore misled customers, including Plaintiff, into believing that the Reference  
2 Prices are, or were, genuine former prices and that the “sale” prices relative to the  
3 published Reference Prices, in fact, reflected real and substantial discounts.  
4 Defendants’ deceptive marketing practice gave consumers the false impression that  
5 their products were regularly sold for a substantially higher price in the recent past  
6 than they actually were and thus led to the false impression that Defendants’  
7 products were worth more than they actually were.

8 76. Defendants engaged in this deceptive conduct with the intent to  
9 dispose of personal property—namely, with the intent to increase sales of Sharper  
10 Image’s products offered by Defendants on their website and retail locations.

11 77. Defendants knew, or by the exercise of reasonable care should have  
12 known, that their dissemination of Reference Prices for Sharper Image products  
13 sold on their website was untrue and/or misleading. Among other things,  
14 Defendants represented the Reference Prices in connection with Sharper Image  
15 products sold on their website even though they knew, or in the exercise of  
16 reasonable care should have known, that such products had rarely, if ever, sold at  
17 the crossed-out Reference Prices.

18 78. As a direct and proximate result of Defendants’ misleading and false  
19 advertisements, Plaintiff and members of the Class have suffered injury in fact and  
20 have lost money. As such, Plaintiff requests that this Court order Defendants to  
21 restore this money to Plaintiff and all members of the Class, and to enjoin  
22 Defendants from continuing their false and misleading advertising practices in  
23 violation of California law in the future. Otherwise, Plaintiff, members of the Class,  
24 and the broader general public will be irreparably harmed and/or denied an  
25 effective and complete remedy.

26 **Third Cause of Action**

27 **Violation of the California Consumer Legal Remedies Act,**

28 **Cal. Civ. Code §§ 1750, *et seq.***



**(By Plaintiff Against Defendants on Behalf of Himself and the Class)**

79. Plaintiff repeats and re-alleges the allegations contained in every preceding paragraph as if fully set forth herein.

80. The Consumer Legal Remedies Act of 1970, Cal. Civ. Code §§ 1750, *et seq.* (the “CLRA”) is a California consumer protection statute which allows plaintiffs to bring private civil actions for “unfair methods of competition and unfair or deceptive acts or practices undertaken by any person in a transaction . . . which results in the sale or lease of goods or services to any consumer.” Cal. Civ. Code § 1770(a). The purposes of the CLRA are “to protect consumers against unfair and deceptive business practices and to provide efficient and economical procedures to secure such protection.” Cal. Civ. Code § 1760.

81. Plaintiff and each member of the Class are “consumers” as defined by California Civil Code section 1761(d). Defendants’ sale of Sharper Image products on their website to Plaintiff and the Class were “transactions” within the meaning of California Civil Code section 1761(e). The products purchased by Plaintiff and the Class are “goods” within the meaning of California Civil Code section 1761(a).

82. Defendants violated and continue to violate the CLRA by engaging in the following practices prohibited by California Civil Code section 1770(a) in transactions with Plaintiff and the Class which were intended to result in, and did result in, the sale of Sharper Image-branded products:

(1) Advertising goods or services with the intent not to sell them as advertised; and

(2) Making false or misleading statements of fact concerning reasons for, the existence of, or amounts of price reductions.

Cal. Civ. Code §§ 1770(a)(9) & (13).

83. With regards to section 1770(a)(9), Defendants advertised and represented their branded products on their website with the “intent not to sell” them as advertised because, among other things the false Reference Prices

1 advertised in connection with products offered on their website misled and continue  
2 to mislead customers into believing the merchandise was previously offered for  
3 sale and/or sold at the higher Reference Prices for some reasonably substantial  
4 period of time.

5 84. With regards to section 1770(a)(13), Defendants made false or  
6 misleading statements of fact concerning the “existence of” and the “amounts of  
7 price reductions” because, among other things no true price reductions existed—or  
8 at the very least, any price reductions were exaggerated—in that Defendants’  
9 products were rarely, if ever, previously offered for sale and/or sold at the higher  
10 Reference Prices for a reasonably substantial period of time.

11 85. As to this cause of action, at this time, Plaintiff seeks only injunctive  
12 relief at this time. Pursuant to Cal. Civ. Code § 1782, in conjunction with the filing  
13 of this action, Plaintiff’s counsel is notifying Defendants by separate letter of the  
14 particular violations of the CLRA and demanding that it correct or agree to correct  
15 the actions described in this Complaint. If Defendants fail to do so, Plaintiff shall  
16 amend his Complaint as of right (or otherwise seek leave to amend the Complaint)  
17 to include compensatory and monetary damages to which Plaintiff and the Class is  
18 entitled.

#### 19 **Fourth Cause of Action**

#### 20 **Fraudulent Concealment**

#### 21 **(By Plaintiff Against Defendants on Behalf of Himself and the Class)**

22 86. Plaintiff repeats and re-alleges the allegations contained in every  
23 preceding paragraph as if fully set forth herein.

24 87. Defendants uniformly disclosed some facts to Plaintiff and all  
25 members of the Class during the Class Period in connection with their products,  
26 and other items on their website. Namely, Defendants disclosed a Reference Price  
27 for each item by displaying on the product description page for each product a  
28 Reference Price substantially higher than the offered selling price, which is marked

1 down or discounted from the Reference Price by a significant discount.

2 88. Defendants, however, intentionally failed to disclose other facts,  
3 making Defendants' disclosure deceptive. Specifically, Defendants failed to  
4 disclose that Defendants rarely, if ever, previously offered for sale and/or sold their  
5 products at the higher Reference Price for any reasonably substantial period of  
6 time. As a result, Defendants deceived Plaintiff and the Class into believing that  
7 they were purchasing items at a substantial markdown or discount when, in reality,  
8 the false Reference Price and discounting practice artificially inflated the true  
9 market value of the items they purchased.

10 89. As a separate basis for concealment, Defendants uniformly and  
11 intentionally concealed from Plaintiff and all members of the Class that the items  
12 they purchased from Defendants had rarely, if ever, been sold by Defendants in the  
13 recent past at the substantially higher Reference Price displayed on Defendants'  
14 website and/or in the prevailing market. These were facts known only to  
15 Defendants that Plaintiff and the Class could not have discovered.

16 90. Plaintiff and the Class did not know of the concealed facts.

17 91. Defendants intended to deceive Plaintiff and the Class by concealing  
18 the facts described above.

19 92. Had the omitted information been disclosed, Plaintiff reasonably  
20 would have behaved differently. Among other things, Plaintiff would not have  
21 purchased the items she purchased from Defendants, or, at the very least, she would  
22 not have paid as much for the items as he ultimately did.

23 93. The omitted information was material and thus, reliance is presumed  
24 on a class-wide basis. *Davis-Miller v. Auto. Club of S. Cal.*, 201 Cal.App.4th 106,  
25 122 (2011). The omitted information related to the price of the items sold on  
26 Defendants' website and whether Plaintiff was receiving a true and genuine  
27 substantial discount or whether, instead, Plaintiff was being deceived into buying  
28 products through a pricing scheme utilizing fake, artificially inflated former prices.

1 A reasonable person would plainly attach importance to matters affecting pricing  
2 in determining his or her purchasing decision.

3 94. As a direct and proximate result of the above, Plaintiff and the Class  
4 have been harmed and suffered damages in an amount to be proven at trial.

5 95. Defendants undertook these illegal acts intentionally or with  
6 conscious disregard of the rights of Plaintiff and the Class, and did so with fraud,  
7 malice, and/or oppression. Based on the allegations above, Defendants' actions  
8 constituted fraud because Defendants intended to and did deceive and injure  
9 Plaintiff and the Class. Based on the allegations above, Defendants' actions  
10 constituted malice because Defendants acted with the intent to and did cause injury  
11 to Plaintiff and the Class, and also because Defendants' deceptive conduct was  
12 despicable and was done with a willful and knowing disregard of the rights of  
13 Plaintiff and the Class. Based on the allegations above, Defendants' actions  
14 constituted oppression because Defendants' deceptive conduct was despicable and  
15 subjected Plaintiff and the Class to cruel and unjust hardship in knowing disregard  
16 of their rights.

### 17 **PRAYER FOR RELIEF**

18 WHEREFORE, Plaintiff prays for relief and judgment in favor of himself  
19 and the Classes as follows:

#### 20 **On the First Cause of Action for Violations of the Unfair Competition Law**

#### 21 **(Cal. Bus. & Prof. Code §§ 17200, *et seq.*)**

22 A. For an order certifying that the action be maintained as a class action,  
23 that Plaintiff be designated the class representative, and that undersigned counsel  
24 be designated as class counsel.

25 B. For an award of equitable and declaratory relief.

26 C. For pre- and post-judgment interest and costs of suit incurred herein.

27 D. For attorneys' fees incurred herein pursuant to California Code of  
28 Civil Procedure section 1021.5, or to the extent otherwise permitted by law.

1 E. For such other and further relief as the Court may deem just and  
2 proper.

3 **On the Second Cause of Action for Violations of the False Advertising Law**  
4 **(Cal. Bus. & Prof. Code §§ 17500, *et seq.*)**

5 A. For an order certifying that the action be maintained as a class action,  
6 that Plaintiff be designated the class representative, and that undersigned counsel  
7 be designated as class counsel.

8 B. For an injunction putting a stop to the deceptive and misleading  
9 conduct described herein and ordering Defendants to correct their deceptive and  
10 misleading advertising and pricing practices.

11 C. For an award of restitution and disgorgement of moneys paid that  
12 Defendants obtained as a result of their unfair, deceptive, untrue, and misleading  
13 advertising, all as described above.

14 D. For an award of equitable and declaratory relief.

15 E. For pre- and post-judgment interest and costs of suit incurred herein.

16 F. For attorneys' fees incurred herein pursuant to California Code of  
17 Civil Procedure section 1021.5, or to the extent otherwise permitted by law.

18 G. For such other and further relief as the Court may deem just and  
19 proper.

20 **On the Third Cause of Action for Violations of the Consumer Legal**  
21 **Remedies Act (Cal. Civ. Code §§ 1750, *et seq.*)**

22 A. For an order certifying that the action be maintained as a class action,  
23 that Plaintiff be designated the class representative, and that undersigned counsel  
24 be designated as class counsel.

25 B. For an injunction putting a stop to the deceptive and misleading  
26 conduct described herein and ordering Defendants to correct their deceptive and  
27 misleading advertising and pricing practices.

28 C. For pre- and post-judgment interest and costs of suit incurred herein.

1 D. For attorneys' fees incurred herein pursuant to California Civil Code  
2 section 1780, or to the extent otherwise permitted by law.

3 E. For such other and further relief as the Court may deem just and  
4 proper.

5 **On the Fourth Cause of Action for Fraudulent Concealment**

6 A. For an order certifying that the action be maintained as a class action,  
7 that Plaintiff be designated the class representative, and that undersigned counsel  
8 be designated as class counsel.

9 B. For compensatory damages in an amount to be proven at trial.

10 C. For pre- and post-judgment interest and costs of suit incurred herein.

11 D. For attorneys' fees incurred herein pursuant to California Code of  
12 Civil Procedure section 1021.5, or to the extent otherwise permitted by law.

13 E. For such other and further relief as the Court may deem just and  
14 proper.

15 **DEMAND FOR JURY TRIAL**

16 Plaintiff, on behalf of himself and the Class, hereby demands a trial by jury  
17 pursuant to Federal Rule of Civil Procedure 38(b) on all claims so triable.

18  
19 DATED: July 15, 2025

Respectfully submitted,

20 **KJC LAW GROUP, A.P.C.**

21 By: /s/ Kevin J. Cole

22 Attorney for Plaintiff  
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