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E-FILED CASE #: 25-2-19180-0 SEA

2 3 4 5 6 7 8 9 10 SUPERIOR COURT OF WASHINGTON 11 12 13 JULIE ARCAND, for herself, as a private attorney general, and on behalf of all others similarly situated, 14 15 Plaintiff, 16 v. 17 CATALYST BRANDS LLC d/b/a JCPENNEY, 18 Defendant. 19 20 21 22 23 24 25

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FOR KING COUNTY

Case No.

CLASS ACTION COMPLAINT FOR **VIOLATION OF THE CONSUMER** PROTECTION ACT, RCW 19.86, AND THE COMMERCIAL ELECTRONIC **MAIL ACT, RCW 19.190** 

CLASS ACTION COMPLAINT - 1

Plaintiff Julie Arcand, demanding trial by jury as to all issues so triable in a separate document to be filed, alleges as follows, on personal knowledge and investigation of her counsel, against Defendant Catalyst Brands LLC d/b/a JCPenney (hereinafter "Defendant" or "JCPenney"):

#### **INTRODUCTION AND SUMMARY**

- 1. This is a class action against JCPenney for false or misleading email marketing in violation of the Washington Consumer Protection Act ("CPA"), RCW 19.86, and the Washington Commercial Electronic Mail Act, ("CEMA"), RCW 19.190.
- 2. JCPenney operates JCPenney retail stores and its website jcpenney.com, where it advertises, markets, and sells clothing, footwear, accessories, jewelry, home furnishings, beauty products, and other related items throughout Washington and the United States. JCPenney predominately sells private and exclusive products of in-house brands that are only available from JCPenney (e.g., Liz Claiborne, St. John's Bay, Arizona, a.n.a.). JCPenney also sells some products from national brands.
- 3. For years, JCPenney has engaged in a massive false discount advertising scheme across more than 90% of its products on the JCPenney website and in its retail stores.

  JCPenney advertises perpetual or near-perpetual discounts—typically 25% to 70% off—from a false higher list price which is printed on its product tags and displayed on its website.

  JCPenney's advertised discounts are viewed both under the law and by reasonable consumers to refer to discounts from JCPenney's own regular offering prices for those products. However, JCPenney's advertised discounts are false because JCPenney never or almost never offers or sells its products at their list price.
- 4. JCPenney also falsely advertises "free" offers such as "Buy 1 Get 1 Free," "Buy 1 Get 2 Free," or "BOGO Free" where JCPenney represents that it will include one or two more of a given item (or of a specified similar item) for "free" if the consumer pays the list price for the item. JCPenney's advertised "free" offers are viewed both under the law and by reasonable consumers to mean that the consumer is getting the "free" item(s) at no cost in conjunction with the purchase of the first item at no more than that first item's regular price. However, because

the item is "discounted" by up to 70% off the list price at all other times, this means JCPenney is directly recovering all of the cost, or even more than the cost, of the "free" item(s) by increasing the price of the first item, such that the free offer is illusory, and the consumer is not getting any deal at all.

- 5. JCPenney also falsely advertises that the discounts are for a limited time, when in fact the advertised savings are perpetual and never-ending.
- 6. JCPenney's false discount advertising is so pervasive across all of its products and all of its advertising that it is apparent that the heart of JCPenney's marketing plan is to deceive the public.
- 7. An important part of JCPenney's false discount advertising scheme is to send a constant stream of marketing emails to consumers that prominently advertise these false discounts in the subject line. Many of the consumers who receive these emails with deceptive email subject lines include Washington residents.
- 8. For example, JCPenney sends emails with subject lines that advertise false discounts at a specified purported percentage off (e.g., "Shop now! 30% Off Liz Claiborne & St. John's Bay"). The stated discounts in the subject lines are materially false or misleading because, in reality, the discounts are being calculated from inflated and fictitious list prices at which JCPenney has never or almost never offered the products for sale.
- 9. JCPenney also sends emails with subject lines that advertise false "free" offers (e.g., "\*BOGO Free!\* Arizona jeans & pants"). The subject lines are materially false or misleading because, in reality, the "free" items are not actually free; JCPenney directly recovers all of the cost, or even more than the cost, of the "free" item(s) by increasing the price of the first item to the inflated—and otherwise never charged—list price.
- 10. The subject lines of the emails are also materially false or misleading because they advertise the purported savings are for a limited time and indicate that the products will return to the full price after the sale ends (e.g. "Last chance Buy 1 Get 2 FREE towels"), when in fact the advertised savings are perpetual and never-ending.

- Washington residents commercial e-mails that contain *any* false or misleading information in the subject lines of such e-mails." *Brown v. Old Navy, LLC*, 567 P.3d 38, 47 (Wash. 2025) (emphasis in original). This includes false or misleading information about promotions, sales events, or discounts. "CEMA protects consumers by requiring that commercial e-mails communicate honestly about the terms of a given promotion or sale in the subject line." *Id.* (emphasis added). "A violation of CEMA's e-mail regulations is a per se violation of the Consumer Protection Act (CPA)." *Id.* at \*2.
- 12. Ms. Arcand brings this lawsuit individually and on behalf of a class of consumers residing in Washington who also received emails from JCPenney which contained false or misleading discount advertising in the subject line. Ms. Arcand's requested relief includes an injunction to end the unlawful practices alleged herein. Ms. Arcand also requests an award to herself and to each class member of \$500 in statutory damages for each and every violative email received, and an award of attorneys' fees and costs.

#### THE PARTIES

- 13. Plaintiff Julie Arcand is a citizen of the United States of America and an individual and a natural adult person who currently resides and who, at all relevant times in the past resided in, North Bend, King County, Washington.
- 14. Defendant Catalyst Brands LLC is a limited liability company that was formed in January 2025 following a merger between SPARC Group LLC and Penney OpCo LLC d/b/a JCPenney. Catalyst Brands LLC is headquartered in Plano, Texas, at the former JCPenney corporate location. Catalyst Brands LLC also has an office in Seattle, Washington.<sup>1</sup>
- 15. From December 7, 2020, until the January 2025 merger, Penney OpCo LLC owned and managed the retail, website and marketing operations of the JCPenney brand and conducted the unlawful actions described herein that took place between December 7, 2020,

See https://corporate.jcpenney.com/2025/01/08/sparc-group-has-merged-with-jcpenney-to-form-catalyst-brands/ (announcing the merger and stating where Catalyst Brands LLC's headquarters and other offices are located).

and the 2025 merger—including the creation and sending of the violative emails. Catalyst Brands LLC is the successor to Penney OpCo LLC, and Catalyst Brands LLC is liable for all unlawful actions pled herein that were conducted by Penney OpCo LLC from December 7, 2020, until the 2025 merger.

16. Since the January 2025 merger, Catalyst Brands LLC has been directly responsible for the retail, website, and marketing operations of the JCPenney brand—including the creation and sending of the violative emails. Catalyst Brands LLC continues to own and operate the approximately 659 brick-and-mortar JCPenney retail stores throughout the United States, including 15 in Washington. Catalyst Brands LLC also continues to own and operate the JCPenney retail website, and continues to manage the email marketing operations of JCPenney. Catalyst Brands LLC (hereinafter "Defendant" or "JCPenney") continues to be responsible and liable for all of the unlawful actions pled herein that took place after the January 2025 merger, including the continued creation and sending of the violative emails.<sup>2</sup>

#### **JURISDICTION AND VENUE**

- 17. This Court has subject matter jurisdiction over this civil action pursuant to, without limitation, Section 6 of Article IV of the Washington State Constitution (Superior Court jurisdiction, generally), RCW 19.86.090 (Superior Court jurisdiction over Consumer Protection Act claims) and RCW 19.190.090 (Superior Court jurisdiction over Commercial Electronic Mail Act claims).
- 18. This Court has personal jurisdiction over Defendant pursuant to, without limitation, RCW 4.28.185, in that: (1) Defendant is registered to do business in the State of Washington; (2) Defendant has transacted and continues to transact business within the State of Washington; and/or (3) Defendant has committed tortious acts within the State of Washington or has committed tortious acts outside the State of Washington which had an impact within the

Based on publicly available information, Plaintiff's counsel has determined that Penney OpCo LLC was merged into Catalyst Brands LLC in January 2025, and that Catalyst Brands LLC is the relevant defendant in this action. However, the JCPenney website continues to reference Penney OpCo LLC and Penney IP LLC as of the date of the filing of this Complaint. Plaintiff reserves the right to amend this Complaint to add other defendants based on information obtained through discovery.

State of Washington. In addition, Defendant intended, knew, or is chargeable with the knowledge that its out-of-state actions would have a consequence within the State of Washington.

- 19. With regard to the cause of action brought pursuant to the Washington Consumer Protection Act, this Court has personal jurisdiction over Defendant pursuant to RCW 19.86.160. For example, and without limitation, Defendant has engaged and is continuing to engage in conduct in violation of RCW 19.86 which has had and continues to have an impact in Washington State which said chapter reprehends.
- 20. Venue is proper in King County Superior Court because, without limitation, Plaintiff resides in King County; a significant portion of the acts giving rise to this civil action occurred in King County; and/or Defendant intended to and did have a substantial and foreseeable effect on trade or commerce in King County.

#### FACTUAL ALLEGATIONS

- 21. JCPenney operates JCPenney retail stores and the JCPenney website, where it advertises, markets, and sells clothing, footwear, accessories, jewelry, home furnishings, beauty products, and other related items throughout Washington and the United States.
- 22. JCPenney currently operates approximately 659 retail stores throughout the United States, with at least 15 locations in Washington State. The JCPenney website is accessible from Washington State, and consumers in Washington State view the contents of the JCPenney website and purchase goods from JCPenney's website. JCPenney sends marketing emails to consumers throughout the country, including thousands of consumers in Washington State.
- 23. JCPenney predominately sells private and exclusive products of in-house brands that are only available from JCPenney (e.g., Liz Claiborne, St. John's Bay, Arizona, a.n.a.). JCPenney also sells some products from national brands.

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## A. Background Information: JCPenney's Advertised Discounts And "Free" Offers Are False.

- 24. For years, JCPenney has engaged in a massive false discount advertising scheme across over 90% of its products on the JCPenney website and in its retail stores. JCPenney advertises perpetual or near-perpetual discounts—typically 25% to 70% off—from a false higher list price which is printed on its product tags and displayed on its website. JCPenney's advertised discounts are viewed both under the law and by reasonable consumers to refer to discounts from JCPenney's own regular offering prices for those products. However, JCPenney's advertised discounts are false because JCPenney never or almost never offers or sells its products at their list price.
- 25. JCPenney also advertises "free" offers such as "Buy 1 Get 1 Free," "Buy 1 Get 2 Free," or "BOGO Free" where JCPenney represents that it will include one or two more of a given item (or of a specified similar item) for "free" if the consumer pays the list price for the item. JCPenney's advertised "free" offers are viewed both under the law and by reasonable consumers to mean that the consumer is getting the "free" item(s) at no cost in conjunction with the purchase of the first item at no more than that first item's regular price. However, because the item is "discounted" by up to 70% off the list price at all other times, this means JCPenney is directly recovering all of the cost, or even more than the cost, of the "free" item(s) by increasing the price of the first item, such that the free offer is illusory, and the consumer is not getting any deal at all.
- 26. JCPenney also falsely advertises that the purported savings are for a limited time and indicates that the products will return to the full price after the sale ends, when in fact the advertised savings are perpetual and never-ending.
- 27. Plaintiff's allegations concerning JCPenney's false discount advertising are based on a comprehensive investigation by Plaintiff's counsel of JCPenney's pricing practices for a period of over 10 years, including the period December 2020 to the present (which is the period Defendant has conducted the unlawful actions described herein as Catalyst Brands LLC and as the predecessor company Penney OpCo LLC).

- 28. Plaintiff's counsel has been monitoring and scraping the JCPenney website on an automated daily basis with a proprietary software program since March 7, 2014. Plaintiff's counsel has compiled and extracted daily pricing and marketing data from the website for nearly all of the products JCPenney has offered during this time. In total, Plaintiff's counsel has assembled and analyzed an exhaustive historical database of daily prices and time-stamped screenshots of over 245 million daily product offerings for over 900,000 products over this period.
- 29. Plaintiff's counsel's investigation and data shows that JCPenney advertises perpetual discounts for more than 90% of its products, typically ranging from 25% to 70% off.
- 30. The percentage-off and other discounts are *always* false, and JCPenney's list prices to which the discounts are applied are false and inflated. In fact, for the overwhelming majority of the products that JCPenney advertises with a discount or with a "free" offer, JCPenney has *never*—not even for a single day—offered the product at the list price without a discount or "free" offer.
- 31. Plaintiff's counsel also investigated multiple JCPenney retail stores across multiple years in multiple different states, including dozens of store visits in Washington State. Plaintiff's counsel has compared the JCPenney retail store prices and discounts (including the list prices printed on the product tags, the percentage-off and "free" offer signage posted throughout the stores, and the resulting "discounted" prices for JCPenney products), to the JCPenney website prices and discounts for those products (including the list prices and "discounted" prices). Plaintiff's counsel found that JCPenney's list prices, advertised percentage-off and "free"-offer discounts, and the resulting "discounted" prices for its products have been and continue to be substantially the same for its products both online and in-store. Plaintiff's counsel also found that JCPenney's prices and discounts have been and continue to be substantially the same across JCPenney retail stores in different states.
- 32. In fact, JCPenney effectively treats its online and in-store sales channels as the same. Customers can make purchases through the JCPenney website and pick the items up from any JCPenney retail store that same day. JCPenney also encourages its customers, in-

store, to view JCPenney's website for additional colors or styles of the items that the customers are looking at in the retail store.

- 33. Plaintiff's counsel has also investigated and reviewed years of marketing emails sent by JCPenney to its customers. The percentage-off discounts and "free" offers which JCPenney has advertised, and continues to advertise, in the subject lines of its marketing emails are consistent with the discounts and pricing on the JCPenney website and in JCPenney retail stores.
  - B. CEMA Prohibits Sending Washington Residents Commercial Emails With False Or Misleading Subject Lines.
- 34. Washington's Commercial Electronic Mail Act (CEMA) regulates deceptive email marketing.
- 35. CEMA prohibits a person from initiating or conspiring to initiate the transmission to an email address that the sender knows, or has reason to know, is held by a Washington State resident of a commercial email that contains false or misleading information in the email's subject line. RCW 19.190.020(1)(b).
- 36. The Washington Supreme Court has recently confirmed that CEMA "prohibits sending Washington residents commercial e-mails that contain *any* false or misleading information in the subject lines of such e-mails." *Brown v. Old Navy, LLC*, 567 P.3d 38, 47 (Wash. 2025) (emphasis in original). This includes false or misleading information about promotions, sales, or other pricing information. "CEMA protects consumers by requiring that commercial e-mails communicate honestly about the terms of a given promotion or sale in the subject line." *Id.* (emphasis added).
- 37. "CEMA was enacted to protect concrete interests in being free from deceptive commercial e-mails. CEMA's prohibition on sending commercial e-mails with false or misleading subject lines . . . creates a substantive right to be free from deceptive commercial e-mails." *Harbers v. Eddie Bauer, LLC*, 415 F. Supp. 3d 999, 1011 (W.D. Wash. Nov. 27, 2019) (holding that the plaintiff sufficiently pleaded a concrete injury-in-fact for alleged CEMA violations based on her receipt of marketing emails from defendant containing allegedly false

"xx% off" statements in the subject line); *see also Brown*, 567 P.3d at 45 ("CEMA sought to give consumers relief from commercial spam e-mail by requiring accuracy and truthfulness in the subject lines of such e-mails."). "The harms resulting from deceptive commercial emails resemble the type of harms remedied by nuisance or fraud actions." *Harbers*, 415 F. Supp. 3d at 1008.

- 38. An injury occurs any time a commercial email is transmitted that contains false or misleading information in the subject line. *Harbers*, 415 F. Supp. 3d at 1011.
- 39. Under CEMA, it is irrelevant whether the misleading commercial emails were solicited. *Id*.
- 40. "A violation of CEMA's e-mail regulations is a per se violation of the Consumer Protection Act (CPA)." *Brown*, 567 P.3d at 42.
- 41. Generally, a plaintiff pleading a claim under the CPA must plead five necessary elements: (1) an unfair or deceptive act or practice (2) in trade or commerce (3) that affects the public interest, (4) injury to plaintiff's business and property, and (5) causation. Wright v. Lyft, Inc., 189 Wn.2d 718, 728 (2017). However, because a violation of CEMA is a per se violation of the CPA, all five elements are satisfied as a matter of law. Id. at 724; see also Brown, 567 P.3d at 42.
- 42. "Under CEMA, the injury is receiving an e-mail that violates its regulations." *Brown*, 567 P.3d at 42. Accordingly, "CEMA does not require a showing of injury for statutory damages to be awarded because the injury is receiving the e-mail that violates CEMA." *Id.* at 45 (emphasis added); *see also Wright*, 189 Wn.2d at 729 ("[CEMA] does not condition the award of damages on proving either injury or causation. In fact, damages for CEMA violations are *automatic*.") (emphasis in original).
- 43. A person is entitled to \$500 statutory damages "anytime a prohibited message is transmitted." *Harbers*, 415 F. Supp. 3d at 1009; *see also In re Classmates.com Consol. Litig.*, No. C09-45RAJ, 2011 WL 744664, at \*7 (W.D. Wash. Feb. 23, 2011) ("[CEMA] provides statutory damages of \$500 for every email that violates it."). "Unlike the CPA, CEMA's \$500 penalty does not require a showing of actual damages." *Brown*, 567 P.3d at 42.

# C. JCPenney Has Transmitted Numerous Commercial Emails With False Or Misleading Subject Lines In Violation of CEMA.

- 44. JCPenney has transmitted numerous commercial emails with false or misleading subject lines to Ms. Arcand and other Washington residents in violation of CEMA. (As used in this Complaint, allegations that JCPenney "transmitted" or "sent" an email are allegations that JCPenney initiated the transmission of the email, conspired with another to initiate the transmission of the email and/or assisted the transmission of the email.)
- 45. These violative emails have subject lines advertising materially false percentage-off discounts or materially false "free" offers.
  - 1. JCPenney Transmits Emails With Subject Lines Advertising False Discounts.
- 46. JCPenney transmits commercial emails with subject lines advertising large percentage-off discounts (typically between 25-70% off). These email subject lines are materially false or misleading in violation of CEMA and the CPA because the advertised percentage-off discounts are phony and are calculated from inflated, and never-charged, list prices.
- 47. For example, Plaintiff received each of the following violative percentageoff emails while residing in Washington State, on the date, and containing the email subject line, specified below:

<u>Date</u>	Email Subject Line
06/10/2025	Get ready to stun! 25% Off dresses & jumpsuits
05/24/2025	BOGO FREE swim Shorts from \$14.99 50% Off dress shirts
05/11/2025	DOORBUSTERS: 50% Off Clarks sandals + \$14.99 St. John's Bay capris
09/24/2024	40% Off Liz Claiborne in your Weekly Ad!
09/21/2024	40% Off Liz Claiborne + Extra 25% Off!
09/06/2024	Fab for fall! 30% Off Liz Claiborne + FREE shipping over \$49
09/04/2024	Everyday faves: 30% Off St. John's Bay + FREE shipping over \$49

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08/21/2024	Feel-good fall styles, up to 40% off St. John's Bay + FREE shipping over \$49
08/20/2024	Levi's® for less! 30% Off + FREE shipping over \$49
08/11/2024	Sneaker Sale! 25% Off adidas, PUMA & Skechers
08/06/2024	Shop now! 30% Off Liz Claiborne & St. John's Bay
07/28/2024	Lovin' that Liz comfort! Up to 30% Off Liz Claiborne
07/23/2024	Sneaker Sale! 25% Off adidas, PUMA & Skechers
06/22/2024	Go 4th in O 30% Off St. John's Bay
06/21/2024	30% Off St. John's Bay & Liz Claiborne + coupon savings
06/16/2024	Final hours 🏠 DoorBusters: 30% Off haircare, kids' PUMA & adidas
06/15/2024	Run for it! 🎘 25% Off adidas, Reebok, PUMA & more
02/16/2024	OMG: 40% Off Levi's®
11/25/2023	Winning Black Friday: Champion at 50% Off! 🎖
11/23/2023	Black Friday Sale! 40% OFF Levi's® 👖
10/31/2023	Oooh & Liz Claiborne • Levi's® • St. John's Bay, all up to 55% Off

48. The advertised percentage-off discounts in these email subject lines are viewed both under the law and by reasonable consumers to refer to discounts from JCPenney's own regular offering prices for its products. In reality, JCPenney calculated the "% Off" statements from fictitious list prices at which JCPenney never or almost never offered its products. Meanwhile, there was no qualifier or other indicator in the subject line to notify the email recipients that JCPenney had assigned these words and symbols an invented or unusual subjective meaning rather than their ordinary or objective meaning.

## 2. JCPenney Transmits Emails With Subject Lines Advertising False "Free" Offers.

49. JCPenney also sends commercial emails with subject lines advertising "free" offers such as "Buy 1 Get 1 Free," "BOGO Free," "Buy 1 Get 2 Free," and "B1G2 Free." The "free" offers advertised in these email subject lines are materially false or misleading in

violation of CEMA and the CPA because JCPenney inflates the first item's selling price (typically at least doubling it from the true regular price) to recover the cost of the "free" item, such that the "free" offer is phony.

50. For example, Plaintiff received each of the following violative "free" offer emails while residing in Washington State, on the date, and containing the email subject line, specified below:

<u>Date</u>	Email Subject Line
05/26/2025	Last chance B1G2 FREE towels
05/24/2025	BOGO FREE swim 🍣 Shorts from \$14.99 🍣 50% Off dress shirts 🍣
05/23/2025	Really BIG Deal Buy 1 Get 2 FREE towels
04/25/2025	Really BIG Deal Buy 1 Get 2 FREE Curtains
09/15/2024	Last chance Buy 1 Get 2 FREE towels
09/13/2024	REALLY BIG DEAL Buy 1 Get 2 FREE towels
07/26/2024	Buy 1 get TWO Free sandals! 😯

- Advertised "free" offers such as these are viewed both under the law and by reasonable consumers to mean that the consumer is getting the "free" item(s) at no cost in conjunction with the purchase of the first item at no more than that first item's regular price. However, whenever JCPenney makes such a purported "free" offer, JCPenney inflates the first item's selling price to its never otherwise charged list price. Because the item is "discounted" by up to 70% off the list price at all other times, this means JCPenney is directly recovering all of the cost, or even more than the cost, of the "free" item(s) by increasing the price of the first item, such that the free offer is illusory, and the consumer is not getting any deal at all.
- 52. The Federal Trade Commission warns sellers advertising "Free" offers that "such offers must be made with extreme care so as to avoid any possibility that consumers will be misled or deceived." 16 C.F.R. § 251.1(a)(2). "[W]hen the purchaser is told that an article is 'Free' to him if another article is purchased, **the word 'Free' indicates that he is paying**

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nothing for that article and no more than the regular price for the other. Thus, a purchaser has a right to believe that the merchant will not directly and immediately recover, in whole or in part, the cost of the free merchandise or service by marking up the price of the article which must be purchased[.]" 16 C.F.R. § 251.1(b)(1) (emphasis added).

- 53. Accordingly, it is deceptive for a seller making a "Free" offer to "increase[] his regular price of the article required to be bought." 16 C.F.R § 233.4(b). "Regular price" means "the price, in the same quantity [and] quality, ... at which the seller or advertiser of the product or service has openly and actively sold the product or service in the geographic market or trade area in which he is making a 'Free' or similar offer in the most recent and regular course of business, for a reasonably substantial period of time, i.e., a 30-day period." 16 C.F.R. § 251.1(b)(2).
- 54. The above violative emails are only a fraction of the total number of violative emails that JCPenney sent to Washington residents within the applicable limitations period.
- 55. Attached as **Exhibit A** to this Complaint is a non-exhaustive list of 72 violative emails that JCPenney sent within the applicable limitations period to Washington residents. All of these 72 emails contain subject lines which advertise false or misleading percentage-off discounts, false "free" offers, and/or false or misleading limited-time savings. JCPenney also transmitted many other similar violative emails within the applicable limitations period to Washington residents, including Plaintiff.
- 56. As of the date of the filing of this Complaint, Plaintiff is still receiving JCPenney's commercial emails. Plaintiff would like to continue to receive JCPenney's commercial emails, provided that the subject lines of the emails do not contain false or misleading information.
  - D. JCPenney Sent Commercial Emails To Consumers Whom It Knew, Or Had Reason To Know, Resided In Washington.
- 57. JCPenney sent the false and misleading commercial emails to email addresses that JCPenney knew, or had reason to know, were held by Washington residents (i.e., Plaintiff and members of the Class), because JCPenney had a physical Washington address that was CLASS ACTION COMPLAINT - 13

associated with the recipient and/or JCPenney had access to data regarding the recipient indicating that they were in Washington State. JCPenney knew or should have known that Plaintiff and the members of the Class were residents of Washington State.

- 58. JCPenney knows where the overwhelming majority of its customers reside through several methods.
- 59. First, for any person that places an order through the JCPenney website, JCPenney associates that email address with a shipping address and billing address for that order.
- 60. Second, JCPenney encourages online shoppers to create online accounts. Customers save their contact information in their JCPenney accounts, including their email address, shipping address, billing address, and phone number.
- 61. Third, JCPenney aggressively signs up its in-store customers for its Rewards program, which includes signing up customers for an online account if they do not already have one.
- 62. Discovery will show that, at the time JCPenney sent the commercial emails, JCPenney knew or had access to data showing that the email recipient was a Washington resident. Indeed, the vast majority of consumers who received commercial emails from JCPenney signed up to receive those emails either when they placed an order online or when they created an online account. Thus, discovery will show that JCPenney has the physical address for virtually every consumer that it sends commercial emails to.<sup>3</sup>

JCPenney also has other methods by which it could have determined whether the consumers to whom it sent the violative emails resided in Washington. Discovery will show that JCPenney employs methods to track the effectiveness of its marketing emails and to identify consumers who click on links contained in JCPenney's marketing emails, including by identifying their physical location. Discovery will also show that Aéropostale utilizes online tracking technologies to identify and locate the consumers who click on links contained in JCPenney's marketing emails and that visit its website. JCPenney could have used the information obtained through these online tracking technologies to identify which consumers are in Washington.

Additionally, JCPenney knew, or had reason to know, that the email addresses were held by Washington residents because this information was available to JCPenney upon request from the registrant of the internet domain name contained in each recipient's email address. *See* RCW 19.190.020(2). JCPenney also knew or had reason to know that it sent emails to Washington residents due to its large presence in the state and the volume of marketing emails

#### **CLASS ALLEGATIONS**

63. Plaintiff brings this lawsuit on behalf of herself and the members of the following Washington State class (the "Class"):

All residents of the State of Washington who, within the applicable limitations period, received an email from or at the behest of JCPenney that contained in the subject line: (a) a "xx% Off" or similar percentage-off statement and/or (b) a statement advertising a "free" offer.

- 64. Specifically excluded from the Class are Defendant, any entity in which Defendant has a controlling interest or which has a controlling interest in Defendant, Defendant's agents and employees and attorneys, the bench officers to whom this civil action is assigned, and the members of each bench officer's staff and immediate family.
- 65. Numerosity. The number of members of the Class are so numerous that joinder of all members would be impracticable. Plaintiff does not know the exact number of Class members prior to discovery. However, based on information and belief, the Class comprises thousands of individuals. The exact number and identities of Class members are contained in Defendant's records and can be easily ascertained from those records.
- 66. <u>Commonality and Predominance.</u> This action involves multiple common legal or factual questions which are capable of generating class-wide answers that will drive the resolution of this case. These common questions predominate over any questions affecting individual Class members, if any. These common questions include, but are not limited to, the following:
- a. Whether JCPenney sent commercial emails with false or misleading information in the subject lines;
- b. Whether JCPenney initiated the transmission or conspired to initiate the transmission of such commercial emails to recipients residing in Washington State;
  - c. Whether JCPenney should be ordered to pay statutory damages to

it sends to people around the country. *See State v. Heckel*, 122 Wash. App. 60, 69 (2004) (holding as a matter of law that a defendant had a reason to know that he sent emails to Washington residents by sending over 100,000 emails a week to people around the country).

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70. By its conduct and omissions alleged herein, JCPenney has acted and refused to act on grounds that apply generally to the Class members, such that final injunctive relief

71. JCPenney is primarily engaged in the business of selling goods. Each cause of action asserted by Plaintiff against JCPenney in this Complaint arises out of and is limited to communications related to JCPenney's sale of goods.

and/or declaratory relief is appropriate respecting the Class as a whole.

Plaintiff and Class members; and

- d. Whether JCPenney should be enjoined from further engaging in the misconduct alleged herein.
- 67. **Typicality.** Plaintiff's claims are typical of Class members' claims. Defendant transmitted, conspired to transmit, or assisted to transmit emails with false or misleading information in the subject line to Plaintiff and to each Class member. Plaintiff and Class members all bring the same claims and face the same potential defenses.
- 68. **Adequacy.** Plaintiff and her counsel will fairly and adequately protect Class members' interests. Plaintiff has no interests antagonistic to Class members' interests and is committed to representing the best interests of the Class members. Moreover, Plaintiff has retained counsel with considerable experience and success in prosecuting complex class action and consumer protection cases.
- 69. **Superiority.** A class action is superior to all other available methods for fairly and efficiently adjudicating this controversy. Each Class member's interests are small compared to the burden and expense required to litigate each of his or her claims individually, so it would be impractical and would not make economic sense for Class members to seek individual redress for Defendant's conduct. Individual litigation would add administrative burden on the courts, increasing the delay and expense to all parties and to the court system. Individual litigation would also create the potential for inconsistent or contradictory judgments regarding the same uniform conduct. A single adjudication would create economies of scale and comprehensive supervision by a single judge. Moreover, Plaintiff does not anticipate any difficulties in managing a class action trial.

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#### **CAUSES OF ACTION**

### **COUNT I**

#### Violation of the Washington Consumer Protection Act RCW Chapter 19.86

- 72. Plaintiff realleges and incorporates by reference all paragraphs previously alleged herein.
- 73. Plaintiff pleads this count in three separate capacities: in her individual capacity, as a private attorney general, and as a proposed class representative serving on behalf of all others similarly situated.
- 74. The Washington Consumer Protection Act (the "CPA"), RCW 19.86, is Washington's principal consumer protection statute. The CPA's primary substantive provision declares unfair methods of competition and unfair or deceptive acts or practices to be unlawful. RCW 19.86.020.
- 75. The CPA recognizes and incorporates *per se* violations. "Per se CPA violations are predicated on the Legislature's recognition that certain conduct is categorically against the public interest." *Brown v. Old Navy, LLC*, 567 P.3d 38, 46 (Wash. 2025). The Washington Legislature routinely prohibits certain specified conduct but, instead of, or in addition to, creating a new and independent private right of action to enforce the prohibition, the Legislature deems the unlawful conduct to be a *per se* violation of the CPA.
- 76. If a defendant engages in that unlawful conduct, a plaintiff may file a CPA complaint alleging the *per se* violation and seek the remedies available under the CPA and/or the remedies available under the statute which forbids the *per se* violation. *See* Washington Pattern Jury Instruction Civil No. 310.03 (*Per Se* Violation of Consumer Protection Act) and Appendix H (Consumer Protection Act *Per Se* Violations).
- 77. A plaintiff can plead a violation of the CPA by pleading that the CPA was violated *per se* due to a violation of the Washington Commercial Electronic Mail Act ("CEMA"). *See Brown*, 567 P.3d at 42 ("A violation of CEMA's e-mail regulations is a per se violation of the Consumer Protection Act (CPA)."); *see also* RCW 19.190.030(1)(b) ("It is a violation of the consumer protection act, chapter 19.86 RCW . . . to initiate the transmission of CLASS ACTION COMPLAINT 17

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CLASS ACTION COMPLAINT - 18

a commercial electronic mail message that . . . [c]ontains false or misleading information in the subject line.").

- 78. CEMA prohibits a person from initiating the transmission to an email address that the sender knows or has reason to know is held by a Washington State resident of a commercial email that contains false or misleading information in the email's subject line. RCW 19.190.020(1)(b). The Washington Supreme Court has held that this includes subject lines with any false or misleading information. Brown, 567 P.3d at 47 ("[CEMA] prohibits sending Washington residents commercial e-mails that contain any false or misleading information in the subject lines of such e-mails.") (emphasis in original).<sup>4</sup>
- 79. "CEMA was enacted to protect concrete interests in being free from deceptive commercial e-mails. CEMA's prohibition on sending commercial e-mails with false or misleading subject lines . . . creates a substantive right to be free from deceptive commercial emails." Harbers v. Eddie Bauer, LLC, 415 F. Supp. 3d 999, 1011 (W.D. Wash. Nov. 27, 2019) (holding that the plaintiff sufficiently pleaded a concrete injury-in-fact for alleged CEMA violations based on her receipt of marketing emails from defendant containing allegedly false "xx% off" statements in the subject line); see also Brown, 567 P.3d at 45 ("CEMA sought to give consumers relief from commercial spam e-mail by requiring accuracy and truthfulness in the subject lines of such e-mails.").
- 80. Under CEMA, it is irrelevant whether the commercial emails were solicited. *Harbers*, 415 F. Supp. 3d at 1011.
- 81. Generally, a plaintiff pleading a claim under the CPA must plead five necessary elements: (1) an unfair or deceptive act or practice (2) in trade or commerce (3) that affects the public interest, (4) injury to plaintiff's business and property, and (5) causation. Wright v. Lyft,

CEMA also prohibits a person from initiating the transmission from a computer located in Washington State of a commercial electronic mail message which contains false or misleading information in the subject line. RCW 19.190.020(1)(b). Plaintiff is not alleging a CEMA violation under this prong because, as of the filing of this lawsuit, she does not possess information that the offending emails were transmitted from a computer located in Washington State. Plaintiff reserves the right to seek to amend this pleading in the event that she obtains information, through discovery or otherwise, which indicates that the offending emails were transmitted from a computer located in Washington State.

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Inc., 189 Wn.2d 718, 728 (2017). Because Plaintiff alleges a per se CPA violation by alleging a CEMA violation, all of these five elements are satisfied as a matter of law. Id. at 724; see also Brown, 567 P.3d at 42.

- 82. "Under CEMA, the injury is receiving an e-mail that violates its regulations." Brown, 2025 WL 1132243, at \*2. Accordingly, "CEMA does not require a showing of injury for statutory damages to be awarded because the injury is receiving the e-mail that violates CEMA." Id. at 45 (emphasis added); see also Wright, 189 Wn.2d at 729 ("[CEMA] does not condition the award of damages on proving either injury or causation. In fact, damages for CEMA violations are *automatic*.") (emphasis in original).
- 83. A plaintiff who successfully pleads and proves a CEMA violation as a per se violation of the CPA may recover the remedies which the plaintiff chooses to seek that are available under the CPA (e.g., injunctive relief, treble damages, attorneys' fees and costs (RCW 19.86.090)) and/or the remedies available under CEMA (e.g., statutory damages of \$500 per email sent in violation of CEMA and injunctive relief (RCW 19.190.040, RCW 19.190.090)).
- 84. "Unlike the CPA, CEMA's \$500 penalty does not require a showing of actual damages." Brown, 567 P.3d at 42 (emphasis added). A person is entitled to \$500 statutory damages "anytime a prohibited message is transmitted." Harbers, 415 F. Supp. 3d at 1009; see also In re Classmates.com Consol. Litig., No. C09-45RAJ, 2011 WL 744664, at \*7 (W.D. Wash. Feb. 23, 2011) ("[CEMA] provides statutory damages of \$500 for every email that violates it.").
  - 85. JCPenney is a "person" within the meaning of CEMA. RCW 19.190.010(11).
- 86. JCPenney has initiated the transmission, conspired with another to initiate the transmission, and/or assisted the transmission of numerous commercial emails with subject lines containing false or misleading information to Plaintiff and the Class. RCW 19.190.030(1)(b).
- 87. The subject lines of JCPenney's emails contained materially false or misleading information.
- 88. The false or misleading information in the subject lines of JCPenney's emails HATTIS LUKACS & CORRINGTON

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was intended to, or had the capacity to, deceive a substantial portion of the public.

- 89. The emails were electronic mail messages, in that they were emails sent to an email address; the emails also referred to an internet domain, whether or not displayed, to which an email can or could be sent or delivered. RCW 19.190.010(5).
- 90. The emails were "commercial electronic mail messages," in that they were sent for the purpose of promoting goods or services for sale or lease. RCW 19.190.010(2).
  - 91. JCPenney was the original sender of the emails.
- 92. Plaintiff and the Class members each received the emails at their electronic mail addresses, which are the destinations, commonly expressed as a string of characters, at which they receive and to which electronic mail may be sent or delivered. RCW 19.190.010(4).
- 93. JCPenney initiated the transmission, conspired with another to initiate the transmission, and/or assisted the transmission of the emails to one or more email addresses that JCPenney knew, or had reason to know, was held by a Washington State resident, i.e., Plaintiff and members of the Class.
- 94. At all relevant times, JCPenney knew, or had reason to know, that the intended recipients (Plaintiff and members of the Class) were residents of the State of Washington because, without limitation: (1) JCPenney possessed actual knowledge of Plaintiff's and each Class member's state of residence; (2) JCPenney possessed constructive knowledge of Plaintiff's and each Class member's state of residence; (3) information was available to JCPenney upon request from the registrant of the internet domain name contained in each recipient's email address; and/or (4) JCPenney otherwise knew or should have known or had reason to know that Plaintiff and the members of the Class were residents of the State of Washington.
- 95. For example, without limitation, JCPenney knew or had reason to know that it sent emails to Washington residents because the vast majority of consumers who receive commercial emails from JCPenney have provided JCPenney with their shipping address and billing address when they placed an order online and/or when they created an online account.

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CLASS ACTION COMPLAINT - 20

- 96. JCPenney engaged in a pattern and practice of violating CEMA. As a result of JCPenney's acts and omissions, Plaintiff and Class members are entitled to \$500 in statutory damages for each and every email that violated CEMA that was transmitted to them. Plaintiff and Class members are also entitled to recover actual damages, treble damages, and attorneys' fees and costs, pursuant to RCW 19.86.090.
- 97. Treble damages are appropriate under these circumstances because, without limitation, JCPenney's misconduct has been "an ongoing course of conduct affecting thousands of consumers" and thus has a "strong public interest impact." *See Matheny v. Unumprovident Corp.*, 594 F. Supp. 2d 1212, 1225 (E.D. Wash. 2009).
- 98. **Permanent public injunctive relief.** Plaintiff, acting as a private attorney general, seeks public injunctive relief under the CPA to protect the general public from JCPenney's misconduct.
- 99. The Washington Supreme Court treats consumers as "private attorneys general," and has held that consumers' ability to enjoin unlawful conduct is a primary purpose of the CPA:

Private actions by private citizens are ... an integral part of CPA enforcement. Private citizens act as private attorneys general in protecting the public's interest against unfair and deceptive acts and practices in trade and commerce. Consumers bringing actions under the CPA do not merely vindicate their own rights; they represent the public interest and may seek injunctive relief even when the injunction would not directly affect their own private interests."

Scott v. Cingular Wireless, 160 Wash. 2d 843, 161 P.3d 1000, 1006 (2007) (emphasis added).

100. This type of injunctive relief has been referred to as "public injunctive relief." See McGill v. Citibank, N.A., 2 Cal. 5th 945, 393 P.3d 85, 90 (2017) ("[P]ublic injunctive relief ... is relief that has 'the primary purpose and effect of' prohibiting unlawful acts that threaten future injury to the general public.") (quoting Broughton v. Cigna Healthplans of California, 21 Cal. 4th 1066, 988 P.2d 67, 74 (1999)). The Broughton court likewise referred to consumers seeking public injunctive relief as "private attorneys general." See Broughton, 21 Cal. 4th at 1077.

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101. JCPenney's misconduct, which affects and harms the general public, is ongoing in part or in whole and even if such conduct were to cease, it is behavior that is capable of repetition or re-occurrence by JCPenney absent a permanent public injunction. Accordingly, Plaintiff seeks an order enjoining JCPenney from committing the unlawful conduct alleged herein.

- 102. The balance of the equities favors the entry of permanent public injunctive relief against JCPenney. Plaintiff, the members of the Class, honest competing businesses, and the general public will be irreparably harmed from JCPenney's ongoing misconduct absent the entry of permanent public injunctive relief against JCPenney.
- 103. Plaintiff lacks an adequate remedy at law to prevent JCPenney from engaging in the unlawful conduct alleged herein. Plaintiff continues to receive commercial emails from JCPenney, and she wants to continue receiving commercial emails from JCPenney in the future, provided that the subject lines of the emails do not contain false or misleading information. Plaintiff will be harmed if, in the future, she receives commercial emails from JCPenney that have false or misleading information in their subject lines.
- Monetary damages are not an adequate remedy at law for <u>future</u> harm. *Clark v*. Eddie Bauer LLC, 2024 WL 177755, at \*3 (9th Cir. Jan. 17, 2024). Monetary damages are inadequate for future harm for the following reasons, without limitation: First, damages are not an adequate remedy for future harm because they will not prevent JCPenney from engaging in its unlawful conduct. Second, damages for future harm cannot be calculated with certainty and thus cannot be awarded. For example, it is impossible to know how many violative emails JCPenney will send Plaintiff in the future. Third, injunctive relief is necessary (and monetary damages do not provide a plain, adequate and complete remedy) because, without forwardlooking injunctive relief enjoining the unlawful conduct, the courts may be flooded with future lawsuits by Class members, Plaintiff, and the general public for future violations of the law by JCPenney.

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#### **COUNT II**

#### Violation of the Washington Commercial Electronic Mail Act RCW Chapter 19.190

- 105. Plaintiff realleges and incorporates by reference all paragraphs alleged hereinabove.
- 106. Plaintiff pleads this count in three separate capacities: in her individual capacity, as a private attorney general, and as a proposed class representative serving on behalf of all others similarly situated.
- 107. The Washington Commercial Electronic Mail Act ("CEMA"), RCW 19.190, creates an independent private of right of action which can be asserted by, among others, a person who is the recipient of a commercial electronic mail message which contains false or misleading information in the subject line. RCW 19.190.030(1)(b). A plaintiff who successfully alleges and proves such a violation may obtain, among other things, an injunction against the person who initiated the transmission. RCW 19.190.090(1). It is Plaintiff's intent in this count to plead an independent CEMA cause of action only to the extent that it is recognized by law, e.g., when a plaintiff seeks injunctive relief. Wright v. Lyft, Inc., 189 Wn.2d 718, 728 n. 3 (2017) ("we note that a plaintiff may bring an action to enjoin any CEMA violation."); Gragg v. Orange Cab Co., 145 F. Supp. 3d 1046, 1052 (W.D. Wash. 2015).
  - 108. JCPenney has violated CEMA on the grounds alleged in Count I above.
- 109. For the reasons alleged in Count I, Plaintiff seeks, and may obtain, a permanent public injunction against JCPenney.

#### **PRAYER FOR RELIEF**

- A. Plaintiff Julie Arcand, on behalf of herself individually, as a private attorney general, and/or on behalf of the proposed Class, requests that the Court order relief and enter judgment against JCPenney as follows:
- 1. Declare this action to be a proper class action, certify the proposed Class, and appoint Plaintiff and her counsel to represent the Class;
- 2. Permanently enjoin JCPenney from engaging in the unlawful conduct alleged herein, pursuant to, without limitation, RCW 19.86.090; RCW 19.190.090(1);

1	3. Order JCPenney to pay Plaintiff and each member of the Class statutor					
2	damages of \$500 for each and every commercial email that JCPenney transmitted to them that					
3	contained false or misleading information in the subject line in violation of CEMA pursuant to					
4	without limitation, RCW 19.190.020(1)(b), RCW 19.190.030(1)(b), RCW 19.190.040(1);					
5	4. Order JCPenney to pay treble damages pursuant to RCW 19.86.090;					
6	5. Order JCPenney to pay attorneys' fees, costs, and pre-judgment and					
7	post-judgment interest to the extent allowed by law; and					
8	6. Grant such other relief as this Court deems just and proper.					
9						
10	Respectfully submitted on July 1, 2025, by:					
11	HATTIS LUKACS & CORRINGTON					
12	By: Dal A					
13	Daniel M. Hattis					
14	By: Che Cornigton					
15	Che Corrington					
16	Daniel M. Hattis, WSBA No. 50428 dan@hattislaw.com					
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18	Bellevue, WA 98005 Tel: 425.233.8650					
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20	Attorneys for Plaintiff and the Proposed Class					
22	and the Proposed Class					
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