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		DICTRICT COURT					
10	UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF CALIFORNIA						
11 12							
13	ALEXANDRA FAY, individually and	Case No. '25CV1895 LL DDL					
14	on behalf of all others similarly						
15	situated,	CLASS ACTION COMPLAINT					
16	Plaintiff,						
17	V.	Jury Trial Demanded					
18	v.						
19	CITIZEN WATCH COMPANY OF AMERICA, INC.,						
20	AWERICA, INC.,						
21	Defendant.						
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Class Action Complaint

Case 3:25-cv-01895-LL-DDL Document 1 Filed 07/25/25

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I. Summary of the case.

- 1. When a product is advertised as being on sale, this drives purchases. And there is nothing wrong with a legitimate sale. But some companies—like Defendant Citizen Watch—take advantage of consumers with fake sales: deceptive sales that do not provide legitimate discounts off of the true regular prices. To protect consumers, the law prohibits such deceptive sales.
- 2. Citizen Watch makes, markets, and sells watches. On its website, it advertises discounts off of its regular prices. For example, it advertises substantial sales on banners shown on the top of its website:



*Captured July 17, 2022*¹

- 3. These sales seem like great deals. But the truth is that discounts of approximately 20% are almost always available. When one sale ends, Citizen Watch just advertises another. Citizen Watch tricks consumers into thinking they are getting a discount when they are really just paying the regular price.
- 4. Alexandra Fay bought a watch from Citizen Watch's website and she was deceived by its fake sales. She brings this case to protect consumers nationwide who purchased "discounted" Citizen Watch Products.

II. Parties.

- 5. Plaintiff Alexandra Fay is domiciled in San Diego, California.
- 6. The proposed class includes citizens of every state.

¹ From the Internet Archive, https://archive.org/about/.

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III. Jurisdiction and Venue.

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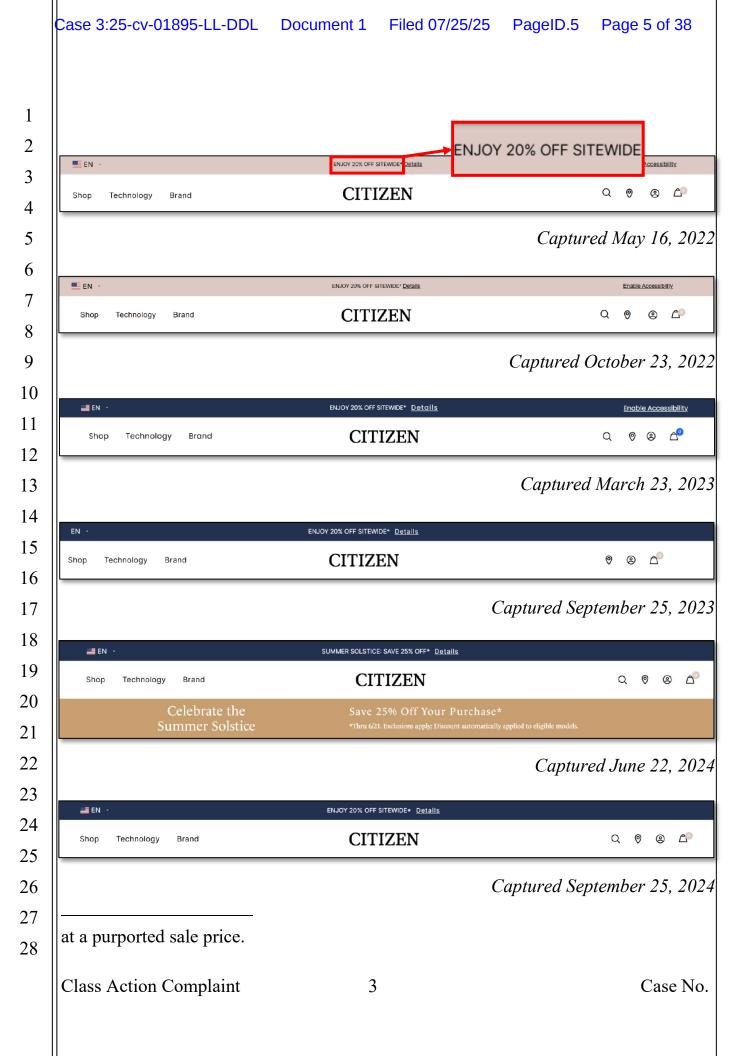
- 7. Defendant Citizen Watch Company of America, Inc. is a California Corporation with its principal place of business at 1000 West 190th Street, Torrance, CA, 90502-1040.
- 8. This Court has subject matter jurisdiction under 28 U.S.C. § 1332(d)(2). The amount in controversy exceeds \$5,000,000, exclusive of interest and costs, and the matter is a class action in which one or more members of the proposed class are citizens of a state different from Defendant.
- 9. The Court has personal jurisdiction over Defendant because Defendant sold Citizen Watch Products to consumers in California, including to Plaintiff.
- 10. Venue is proper under 28 U.S.C. § 1391(b)(1), 28 U.S.C. § 1391(c)(2), and 28 U.S.C. § 1391(d) because Defendant is subject to personal jurisdiction in this District with respect to this action, and would be subject to personal jurisdiction in this District if this District were a separate state, given that Defendant sold Citizen Watch Products to consumers in California and this District, including to Plaintiff. Venue is also proper under 28 U.S.C. § 1391(b)(2) because a substantial part of Defendant's conduct giving rise to the claims occurred in this District, including Defendant's sale to Plaintiff.

IV. Facts.

A. Citizen Watch's deceptive sales.

- 11. Defendant Citizen Watch manufactures, distributes, markets, and sells watches through its website (https://www.citizenwatch.com).
- 12. Citizen Watch almost always advertises substantial sales of its Products. And these sales are prominently advertised across its website. For example, the sales are advertised on banners across the website, as well as on the homepage:²

² Defendant's sales include some limited restrictions and exclusions. Most products—including the Product purchased by Ms. Fay—are almost always available



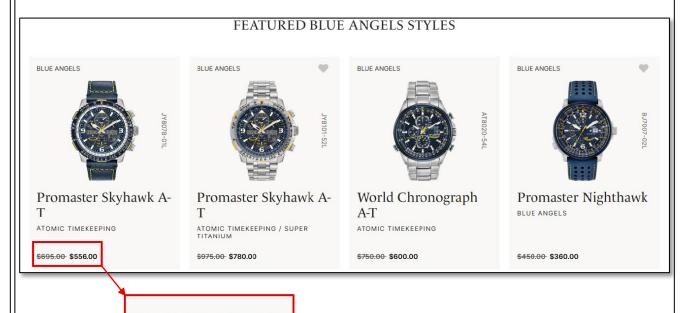


Captured January 24, 2025



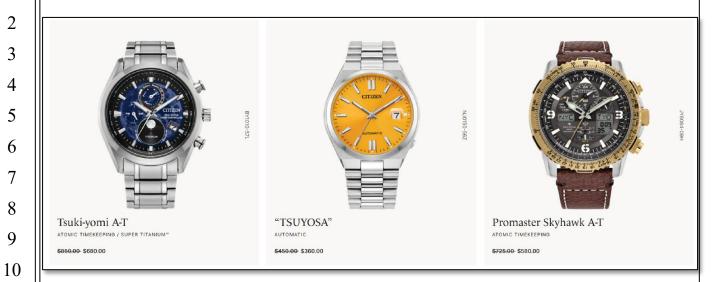
Captured April 20, 2025

13. Pages across Defendant's website also show the purported sales, with allegedly on-sale items shown with a regular price (and purported former price) in strikethrough font, and a supposedly discounted price in bold. For example:



\$695.00 \$556.00

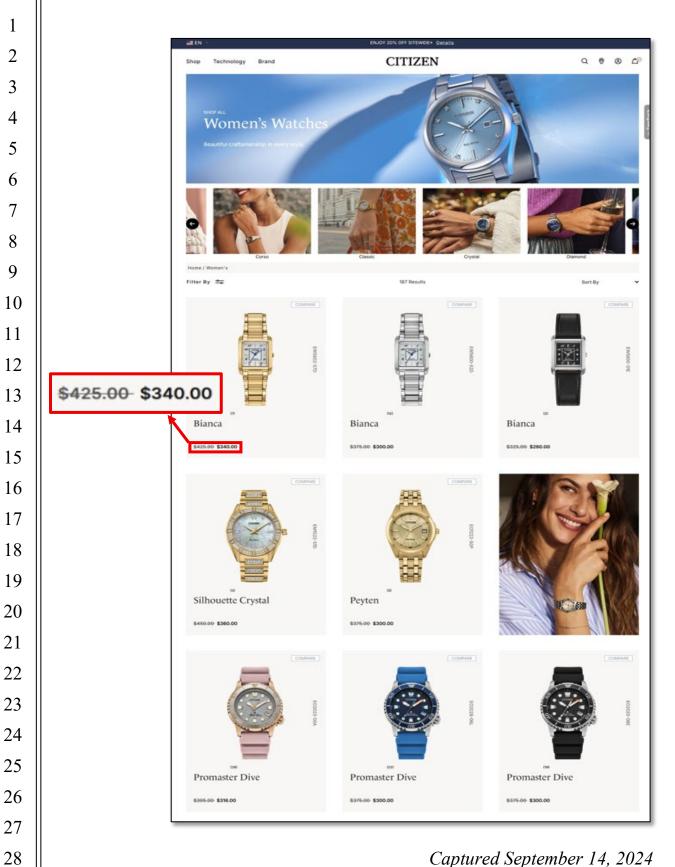
Captured August 19, 2022



Captured February 19, 2024



Captured February 3, 2025



Captured September 14, 2024

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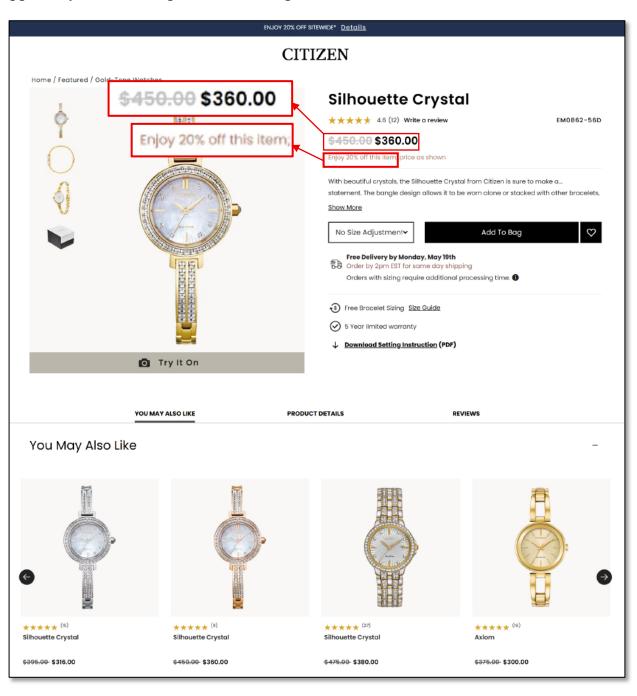
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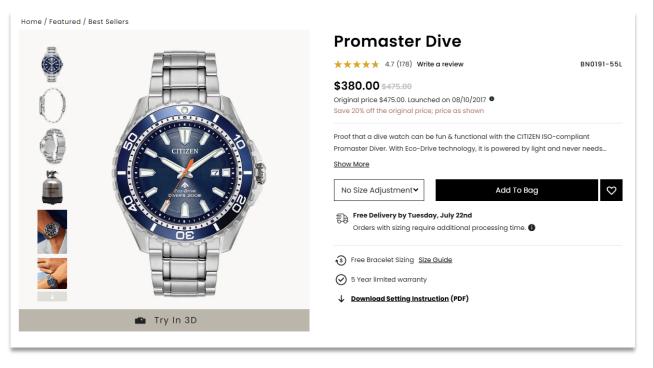
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Defendant's individual product pages also showed the purported sales on 14. the website banner, near the pricing for the product (for example: "Enjoy 20% off this item"), and via a strikethrough regular price (and former price), shown alongside the supposedly discounted price. For example:



Captured May 15, 2025

15. Defendant recently added new language to its product pages. The new language states that consumers are receiving "X% off the original price" for a product. The alleged "original price" is listed below the purported discounted price; and there is now a "pop-up" accessible only by clicking on a small "i" symbol that states that the provided original price reflects "the price at which the product was originally offered on our website." For example, on July 17, 2025, the product page for Defendant's men's Promaster Dive watch looked like this:



Captured July 17, 2025

16. These changes were made very recently. As of at least June 12, 2025, the product pages did not include language about "original" prices. For example, on June 12, 2025, the pricing on the product page for the men's Promaster Dive watch looked like this:

Promaster Dive

BN0191-55L

\$450.00 \$337.50

Father's Day Offer Extended! Enjoy 25% off this item; price as shown

Proof that a dive watch can be fun & functional with the CITIZEN ISO-compliant

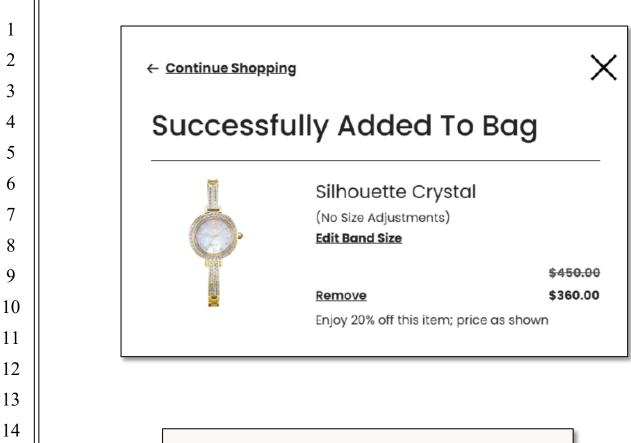
Promaster Diver. With Eco-Drive technology, it is powered by light and never needs a

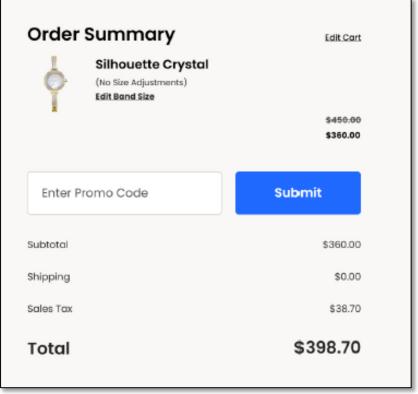
Show More

Captured June 12, 2025

- 17. That Defendant made these changes to its product pages shows that it is aware its prior sale and discounting language was deceptive to reasonable consumers. Plus, even with the recent changes, the sales are advertised on banners across Defendant's website, and on search pages, without any disclaimer concerning "original" prices. And, even on individual product pages, the text is displayed only in small inconspicuous and easy-to-miss font, or else in a hidden pop-up only accessible if a consumer clicks to see it.
- 18. In addition, when a consumer puts an item into their cart to place an order, the cart and the final order page show a specific sale is applied, and show the strikethrough regular price (and former price) and the supposedly discounted price.³ For example:

³ As with individual product pages, the "cart" page now includes a small disclaimer concerning "original" prices. Again, that language was added only recently. Class Action Complaint 9 Case No.





- 20. For all Citizen Watch's sales, reasonable consumers interpret Defendant's sale advertisements and strikethrough prices to mean that they will be getting a discount "off" of the former or regular prices that Defendant formerly and usually charges for its Products. In other words, reasonable consumers believe that the list prices Defendant advertises represent the amount that consumers formerly had to pay on Defendant's website for Defendant's goods, before the sale began, and will again have to pay for Defendant's goods when the sale ends. This creates a sense of value and urgency: buy now, and you will receive something worth more than you pay for it; wait, and you will pay more for the same thing later.
- 21. Reasonable consumers also believe that the list prices Defendant advertises represent the true market value of the Products, and are the prevailing prices for those Products; and that they are receiving discounts from those listed regular prices.
- 22. In truth, however, Defendant almost always offers discounts of approximately 20% off. As a result, the list prices Defendant advertises are not actually Defendant's regular, former, or prevailing prices. And the purported discounts are illusory.
- 23. By definition, reasonable consumers expect a sale to be time limited (otherwise, it is not a sale, it is just the regular price). Defendant further emphasizes the Class Action Complaint 11 Case No.

supposed time-limited nature of its sales by, for example, attributing them to occasions (e.g., Father's Day) or holidays (e.g., Lunar New Year), and displaying expiration dates for its sale (e.g., "Thru 6/12"). For example:

EXTENDED! FATHER'S DAY: SAVE 25% OFF* Details

CITIZEN

Father's Day Offer Extended! Save 25% Off Your Purchase*

*Thru 6/12. Exclusions apply; Prices as marked.

Captured June 11, 2025

PROMASTER 35TH WATCHES PATAGONIA GIFT* Details

CITIZEN

Lunar New Year Savings Event

Save 25% Off Your Purchase*

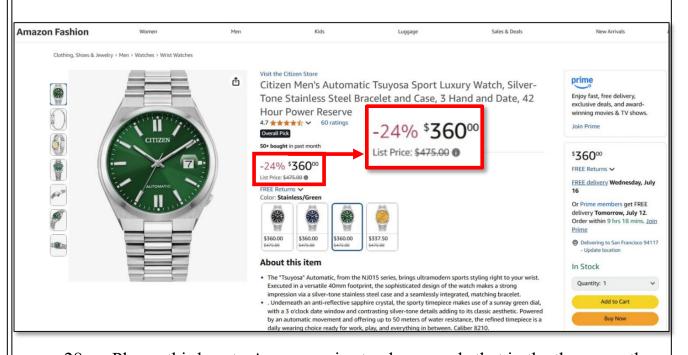
*Thru 2/2. Exclusions apply; Discount automatically applied to eligible models.

Captured February 3, 2025

24. Citizen Watch's fake sales work because reasonable consumers are not fake sale detectives. Reasonable consumers are not monitoring the website every day for months or years. And even a consumer who occasionally checks the website would reasonably believe that there happened to be another legitimate sale. As illustrated above, discovering Defendant's deception required extensive mining of internet archives.

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- B. Defendant's purported regular prices were not the prevailing prices during the 90 days immediately preceding Defendant's advertisement of the purported discounts.
- 25. As explained above, Defendant sells its Products through its website, https://www.citizenwatch.com/. Some Citizen Watch Products are also available through third-party websites and retailers, including Amazon, and Macy's.
- 26. Regularly, Citizen Watch Products are available from third-party websites and retailers for prices below Defendant's listed regular prices. For example, on July 11, 2025, Defendant advertised its "TSUYOSA" watch at a sale price of \$380, with a listed regular price of \$475.
- 27. On the same day, the product was available on Amazon for \$360.00, even less than Defendant's purportedly discounted "sale price":⁴

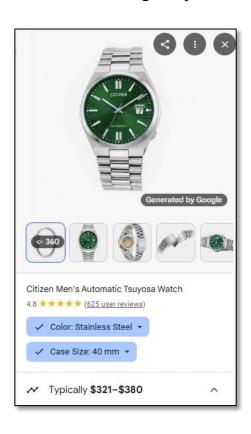


28. Plus, a third-party Amazon price tracker reveals that in the three months prior to July 11, 2025, the price of the Citizen Watch "TSUYOSA" watch on Amazon was on average \$345.63—substantially less than Defendant's advertised regular price

⁴ On that same day, the same product was available on Macy's website for \$380—Defendant's purportedly discounted price.

of \$475, and notably lower than even Defendant's purportedly discounted price of \$380. In fact, in the year prior to July 11, 2025, the Product *never* sold on Amazon for more than \$360.

29. Google Shopping data (which shows the "typical" price for products over the prior three months based on stores across the internet) also shows that the Citizen Watch "TSUYOSA" is typically sold by retailers across the web for between \$321 and \$380—nowhere near Defendant's advertised regular price of \$475:



30. This trend is not limited to this one Citizen Watch Product. As shown in the chart below, Defendant's Products are routinely sold by third-parties like Amazon and Macy's at—or as just shown, below—the purported "sale" price shown on Defendant's website, rather than its advertised regular prices.

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<u>Product</u>	Citizen Watch's advertised regular price (7/11/25)	Citizen Watch's advertised sale price (7/11/25)	Third-party retailers' price (7/11/25)
Surrato AR3120-08L	\$395.00	\$316.00	\$316 (Amazon)
Calendrier BU0082-06P	\$675.00	\$540.00	\$540.00 (Macy's)
Promaster Dive Automatic NY0155-58X	\$725.00	\$580.00	\$580.00 (Amazon)

31. The trend is also not limited to recent months (as shown by the historic pricing data provided above). Indeed, throughout the Class Period, third-party retailers have sold Defendant's Products for prices substantially below Defendant's purported regular prices. For example, on July 18, 2024, Macy's was selling the Citizen Watch "TSUYOSA," discussed above, for \$315:



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Class Action Complaint

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32. In short, as the above shows, Defendant's Products are regularly available from third-party websites and sellers for less than the purported regular prices that Defendant's website advertises. This is not surprising, as prices charged on third-party websites and by third-party retailers converge on Defendant's price, especially since the Products are sold in an e-commerce market and Defendant, the manufacturer, sells the Products directly to consumers through its publicly available website.

Defendant's advertisements are unfair, deceptive, and unlawful. C.

- 33. Section 17500 of California's False Advertising Law prohibits businesses from making statements they know or should know to be untrue or misleading. Cal. Bus. & Prof. Code § 17500. This includes statements falsely suggesting that a product is on sale, when it is not.
- Moreover, section 17501 of California's False Advertising Law 34. specifically provides that "[n]o price shall be advertised as a former price ... unless the alleged former price was the prevailing market price ... within three months next immediately preceding" the advertising. Cal. Bus. & Prof. Code § 17501.
- In addition, California's Consumer Legal Remedies Act prohibits 35. "advertising goods or services with the intent not to sell them as advertised" and specifically prohibits "false or misleading statements of fact concerning reasons for, existence of, or amounts of price reductions." Cal. Civ. Code § 1770(a)(9), (13).
- In addition, the Federal Trade Commission's regulations prohibit false or 36. misleading "former price comparisons," for example, making up "an artificial, inflated price ... for the purpose of enabling the subsequent offer of a large reduction" off that price. 16 C.F.R. § 233.1. They also prohibit false or misleading "retail price comparisons" and "comparable value comparisons," for example, ones that falsely suggest that the seller is "offer[ing] goods at prices lower than those being charged by others for the same merchandise" when this is not the case. 16 C.F.R. § 233.1.
- And finally, California's unfair competition law bans unlawful, unfair, and deceptive business practices. See Cal. Bus. & Prof. Code § 17200.

Here, as described in detail above, Defendant makes untrue and

misleading statements about its prices. Defendant advertises regular prices that are not

its true regular prices, or its former prices, and were not the prevailing market price in

advertises goods or services with the intent not to sell them as advertised, for example,

intent to sell goods having those former prices and/or market values. Defendant makes

amounts of price reductions resulting from those discounts. And Defendant engages in

the three months immediately preceding the advertisement. In addition, Defendant

by advertising goods having certain former prices and/or market values without the

false or misleading statements of fact concerning the reasons for, existence of, and

amounts of price reductions, including the existence of steep discounts, and the

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unlawful, unfair, and deceptive business practices.

- Based on Defendant's advertisements, reasonable consumers expect that 39. the list prices Defendant advertises are the regular prices at which Defendant usually sells its Products, that these are former prices that Defendant sold its Products at before the time-limited discount was introduced, and that they are the prevailing market prices for the Products.
- Reasonable consumers also expect that, if they purchase during the sale, 40. they will receive an item whose regular price and/or market value is the advertised list price and that they will receive the advertised discount from the regular purchase price.
- In addition, sales drive purchases. Consumers are more likely to buy a 41. product—and willing to pay more—if they believe that the product is on sale and that they are getting a product with a higher market value at a substantial discount.
- Consumers who are presented with discounts are substantially more likely 42. to make a purchase. "Nearly two-thirds of consumers surveyed admitted that a promotion or a coupon often closes the deal, if they are wavering or are undecided on

- 43. Similarly, when consumers believe that an offer is expiring soon, the sense of urgency makes them more likely to buy a product.⁷
- 44. Thus, Defendant's false advertising harms consumers by depriving them of their reasonable expectations. In addition, Defendant's advertisements harm consumers by inducing them to make purchases based on the false belief that they are getting a substantial discount. In addition, by this same mechanism, Defendant's advertisements artificially increase consumer demand for Defendant's Products. This puts upward pressure on the prices that Defendant can charge for its Products. As a result, Defendant sells more products and can charge a price premium for its Products, that it would not be able to charge absent the misrepresentations described above. So, due to Defendant's misrepresentations, Plaintiff and the Class paid more for the Products they bought than they otherwise would have, or, in other words, overpaid for them.
 - E. Plaintiff was misled and harmed by Defendant's deceptive practices.
- 45. On or around April 20, 2024, while living in San Diego, Ms. Fay purchased a women's Bianca EW5600-52D watch from Defendant's website. On that day, Defendant advertised a limited-time 25% off sale.

⁵ https://www.invespcro.com/blog/how-discounts-affect-online-consumer-buying-behavior/.

⁶ RetailMeNot Survey: Deals and Promotional Offers Drive Incremental Purchases Online, Especially Among Millennial Buyers (prnewswire.com).

⁷ https://cxl.com/blog/creating-urgency/ (addition of a countdown timer increased conversion rates from 3.4%-10%); Dynamic email content leads to 400% increase in conversions for Black Friday email | Adestra (uplandsoftware.com) (400% higher conversation rate for ad with countdown timer).

46. On April 19, 2024, Defendant advertised a 25% off "Earth Month" sale, and stated that the sale would last through April 30, 2024. Thus, the sale included the date on which Plaintiff made her purchase:



Captured April 19, 2024

- 47. The website also represented, including on the individual product page for the watch she purchased, that the product had a regular and former price of \$375.00, but was on sale for \$281.25 (a 25% discount). This was reiterated in her email confirmation.
- 48. Plaintiff read and relied on the sale, which was important in driving her purchase. In particular, Ms. Fay read and relied on the representations shown above on Defendant's website, specifically that the Product had the regular price listed on the website in strikethrough font (\$375), but was being offered at a discounted sale price from that regular price (\$281.25), and that the sale was limited time and would end on April 30. Based on Defendant's representations described above, Plaintiff reasonably understood that Defendant usually (and formerly, before the promotion Defendant was advertising) sold the Product she was purchasing at the published regular price (shown in strikethrough font), that the regular price was the prevailing price and market value of the Product that she was buying, that she was receiving the advertised discount as compared to the regular price, that the advertised discount was only available for a limited time (during the limited time promotion), and that the Product would go back to retailing for the published regular price when the promotion ended.

- 49. Plaintiff would not have made her purchase, at the price she paid, if she had known that the Product was not really discounted as advertised, and that she would not be receiving the advertised discount. She also overpaid for the Product because the fake sales increased consumer demand and drove up prices.
- 50. Plaintiff faces an imminent threat of future harm. Plaintiff would purchase Products from Defendant again in the future if she could feel sure that Defendant's regular prices were honest and that sales were real. But without a court injunction ordering Defendant to only advertise honest regular prices and honest sales, Plaintiff is unable to rely on Defendant's sales or supposed regular prices in the future, and so cannot purchase Products she would otherwise like to purchase.
 - F. Defendant breached its contract and warranties with Plaintiff and the putative class.
- 51. When Plaintiff and other members of the putative class purchased Citizen Watch Products, they accepted offers that Defendant made. Each offer was to provide Products having a particular listed regular price and market value, and to provide those Products at the discounted price advertised on the website.
- 52. Defendant's website and email receipts list the regular price (the market value) of the items that Defendant promised to provide. Defendant agreed to provide a discount equal to the difference between the regular prices and the prices paid by Plaintiff and putative class members. For example, for Plaintiff, Defendant promised to provide a product with a market value of \$375, and to provide a discount of \$93.75. These were specific and material terms of the contract. These promises were also express warranties: affirmations of fact about the Products and a promise relating to the goods.
- 53. Plaintiff and other members of the putative class performed their obligations under the contract by paying for the items they purchased.
- 54. Defendant breached its contract by failing to provide Plaintiff and other members of the putative class with Products that have a regular price and market value Class Action Complaint 20 Case No.

equal to the regular price displayed, and by failing to provide the promised discounts. Defendant breached its express warranties for the same reasons.

G. No adequate remedy at law.

- 55. Plaintiff seeks damages and, in the alternative, restitution. Plaintiff is permitted to seek equitable remedies in the alternative because she has no adequate remedy at law.
- 56. A legal remedy is not adequate if it is not as certain as an equitable remedy. The elements of Plaintiff's equitable claims are different and do not require the same showings as Plaintiff's legal claims. For example, Plaintiff's FAL claim under Section 17501 (an equitable claim) is predicated on a specific statutory provision, which prohibits advertising merchandise using a former price if that price was not the prevailing market price within the past three months. Cal. Bus. & Prof. Code § 17501. Plaintiff may be able to prove these more straightforward factual elements, and thus prevail under the FAL, while not being able to prove one or more elements of her legal claims.
- 57. In addition, to obtain a full refund as damages, Plaintiff must show that the Product she bought has essentially no market value. In contrast, Plaintiff can seek restitution without making this showing. This is because Plaintiff purchased a Product that she would not otherwise have purchased, but for Defendant's representations. Obtaining a full refund at law is less certain than obtaining a refund in equity.
- 58. Furthermore, the remedies at law available to Plaintiff are not equally prompt or otherwise efficient. The need to schedule a jury trial may result in delay. And a jury trial will take longer, and be more expensive, than a bench trial.
- 59. Finally, legal damages are inadequate to remedy the imminent threat of future harm that Plaintiff faces. Only an injunction can remedy this threat of future harm. Plaintiff would purchase or consider purchasing watches from Defendant again in the future if she could feel sure that Defendant's regular prices accurately reflected Defendant's former prices and the market value of the Products, and that its discounts

were truthful. But without an injunction, Plaintiff has no realistic way to know which—if any—of Defendant's regular prices, discounts, and sales are not false or deceptive. Thus, Plaintiff is unable to rely on Defendant's advertising in the future, and so cannot purchase Products she would like to purchase.

V. Class Action Allegations.

- 60. Plaintiff brings the asserted claims on behalf of the proposed class of:
 - <u>Nationwide Class</u>: all persons who, from the start of the applicable statute of limitations period to the date on which Defendant added language concerning products' "original price[s]" to its product pages, purchased one or more Citizen Watch Products advertised at a discount.
 - <u>California Subclass</u>: all persons who, while in the state of California and from the start of the applicable statute of limitations period to the date on which Defendant added language concerning products' "original price[s]" to its product pages, purchased one or more Citizen Watch Products advertised at a discount.
- or Magistrate Judge presiding over this action and the members of their family; (2) Defendant, Defendant's subsidiaries, parents, successors, predecessors, and any entity in which the Defendant or its parents have a controlling interest and their current employees, officers and directors; (3) persons who properly execute and file a timely request for exclusion from the class; (4) persons whose claims in this matter have been finally adjudicated on the merits or otherwise released; (5) Plaintiff's counsel and Defendant's counsel, and their experts and consultants; and (6) the legal representatives, successors, and assigns of any such excluded persons.

Numerosity

62. The proposed Class contains members so numerous that separate joinder of each member of the Class is impractical. There are tens or hundreds of thousands of class members.

Predominance of Common Questions

- 63. There are central, predominating questions of fact and law common to the proposed Class. For example:
 - (1) whether Defendant's sales were persistent;
 - (2) whether Defendant's advertised regular prices were really what it regularly charged;
 - (3) whether Defendant's sales were misleading to reasonable consumers;
 - (4) whether these sales violated California consumer protection laws, breached Defendant's contract with proposed class members, and violated its express warranties;
 - (5) restitution or damages needed to reasonably compensate Plaintiff and the proposed class.

Typicality & Adequacy

64. Plaintiff's claims are typical of the proposed Class. Like the proposed Class, Plaintiff purchased the Citizen Watch Product advertised at a discount. There are no conflicts of interest between Plaintiff and the Class. Plaintiff will adequately protect the interest of the Class.

Superiority

65. A class action is superior to all other available methods for the fair and efficient adjudication of this litigation because individual litigation of each claim is impractical. It would be unduly burdensome to have individual litigation of thousands of small individual claims in separate lawsuits, every one of which would present the issues presented in this lawsuit.

VI. Claims.

First Cause of Action:

Violation of California's False Advertising Law Bus. & Prof. Code §§ 17500 & 17501 et seq.

(By Plaintiff and the California Subclass)

- 66. Plaintiff incorporates each and every factual allegation set forth above.
- 67. Plaintiff brings this cause of action on behalf of herself and members of the California Subclass.
- 68. Defendant has violated sections 17500 and 17501 of the Business and Professions Code.
- 69. Defendant has violated, and continues to violate, section 17500 of the Business and Professions Code by disseminating untrue and misleading advertisements to Plaintiff and class members.
- 70. As alleged in detail above, Defendant advertises former prices along with discounts. Defendant does this, for example, by crossing out a higher price (e.g., \$475) and displaying it next to a lower, discounted price. Reasonable consumers would understand prices advertised in strikethrough font from which time-limited discounts are calculated to denote "former" prices, i.e., the prices that Defendant charged before the time-limited discount went into effect.
- 71. The prices advertised by Defendant are not Defendant's regular prices. Those prices are not Defendant's regular prices (i.e., the price you usually have to pay to get the Product in question), because there is routinely a heavily-advertised promotion entitling consumers to a discount. For the same reasons, those prices were not the former prices of the Products. Accordingly, Defendant's statements about the former prices of its Products, and its statements about its discounts from those former prices, were untrue and misleading. In addition, Defendant's statements that its discounts will last for a certain time period, e.g., sale "Thru 6/12," are false and misleading too.

72.

Business and Professions Code by advertising former prices that were not the prevailing market price within three months next immediately preceding the advertising. As explained above, Defendant's advertised regular prices, which reasonable consumers would understand to denote former prices, were not the prevailing market prices for the Products within three months preceding publication of the advertisement. And Defendant's former price advertisements do not state clearly, exactly, and conspicuously when, if ever, the former prices prevailed. Defendant's advertisements do not indicate whether or when the purported former prices were offered at all.

Defendant has also violated, and continues to violate, section 17501 of the

- 73. Defendant's misrepresentations were intended to induce reliance, and Plaintiff saw, read, and reasonably relied on the statements when purchasing the Product.
- 74. In addition, subclass-wide reliance can be inferred because Defendant's misrepresentations were material, i.e., a reasonable consumer would consider them important in deciding whether to buy Citizen Watch Products.
- 75. Defendant's misrepresentations were a substantial factor and proximate cause in causing damages and losses to Plaintiff and the subclass.
- 76. Plaintiff and the subclass were injured as a direct and proximate result of Defendant's conduct because (a) they would not have purchased the Products if they had known the truth, (b) they overpaid for the Products because the Products were sold at a price premium due to the misrepresentation, and/or (c) they did not receive the discounts they were promised, and received Products with market values lower than the promised market values.
- 77. For the claims under California's False Advertising Law, Plaintiff seeks all available equitable relief, including injunctive relief, disgorgement, and restitution in the form of a full refund or the price premium charged to Plaintiff and the subclass as a result of Defendant's unlawful conduct.

Second Cause of Action:

Violation of California's Consumer Legal Remedies Act (By Plaintiff and the California Subclass)

- 78. Plaintiff incorporates each and every factual allegation set forth above.
- 79. Plaintiff brings this cause of action on behalf of herself and members of the California Subclass.
- 80. As alleged in detail above, Defendant violated, and continues to violate, section 1770(a)(5) of the California Civil Code by representing that Products offered for sale have characteristics or benefits that they do not have. Defendant represents that the value of its Products is greater than it actually is by advertising inflated regular prices and fake discounts for the Products.
- 81. As alleged in detail above, Defendant violated, and continues to violate, section 1770(a)(9) of the California Civil Code. Defendant violates this by advertising its Products as being offered at a discount off their regular price, when in fact Defendant does not intend to sell the Products at a discount and knows that the regular prices are not truly what consumers regularly pay.
- 82. And, as alleged in detail above, Defendant violated, and continues to violate section 1770(a)(13) by making false or misleading statements of fact concerning reasons for, existence of, or amounts of, price reductions, including by (1) misrepresenting the regular price of Products, (2) advertising discounts and savings that are exaggerated or nonexistent, (3) misrepresenting that the discounts and savings are unusually large, when in fact they are almost always available, (4) misrepresenting the reason for the sale (e.g., a sale for "Father's Day," when in fact Defendant has ongoing sales and the sales are not limited to Father's Day).
- 83. Defendant's fake sales are likely to deceive reasonable consumers. Defendant knew, or should have known through the exercise of reasonable care, that these statements were misleading.

- 84. Defendant's misrepresentations were intended to induce reliance, and Plaintiff saw, read, and reasonably relied on them when purchasing the Product.
- 85. In addition, subclass-wide reliance can be inferred because Defendant's misrepresentations were material, i.e., a reasonable consumer would consider them important in deciding whether to buy Citizen Watch Products.
- 86. Defendant's misrepresentations were a substantial factor and proximate cause in causing damages and losses to Plaintiff and the subclass.
- 87. Plaintiff and the subclass were injured as a direct and proximate result of Defendant's conduct because (a) they would not have purchased the Products had they known the discounts and/or regular prices were not real, (b) they overpaid for the Products because the Products were sold at a price premium due to the misrepresentation, and/or (c) they did not receive the discounts they were promised, and received products with market values lower than the promised market values.
- 88. Under California Civil Code § 1780(a)(2), Plaintiff, on behalf of herself and all other members of the subclass, seeks injunctive relief. As addressed next, Plaintiff is not seeking any monetary relief, under the CLRA, until the notice period elapses.
- 89. <u>CLRA § 1782 NOTICE</u>. On July 21, 2025, a CLRA demand letter was sent to Defendant's Torrance, California, headquarters and the office of its registered agent in Sacramento, California, via certified mail (return receipt requested), that provided notice of Defendant's violations of the CLRA and demanded that Defendant correct the unlawful, unfair, false and/or deceptive practices alleged here. If Defendant does not fully correct the problem for Plaintiff and for each member of the California Subclass within 30 days of receipt, Plaintiff and the California Subclass will amend to seek all monetary relief allowed under the CLRA. This amendment is expressly allowed by the CLRA. See Cal. Civ. Code § 1782 (d) ("An action for injunctive relief ... may be commenced without [notice]" and after the notice period elapses the

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"consumer may amend his or her complaint without leave of court to include a request for damages").

90. The CLRA venue declaration is attached.

Third Cause of Action:

Violation of California's Unfair Competition Law

(By Plaintiff and the California Subclass)

- Plaintiff incorporates each and every factual allegation set forth above. 91.
- 92. Plaintiff brings this cause of action on behalf of herself and the California Subclass.
- 93. Defendant has violated California's Unfair Competition Law (UCL) by engaging in unlawful, fraudulent, and unfair conduct (i.e., violating all three prongs of the UCL).

The Unlawful Prong

94. Defendant engaged in unlawful conduct by violating the CLRA and FAL, as alleged above and incorporated here. Defendant also engaged in unlawful conduct by violating the Federal Trade Commission's regulation prohibiting false or misleading "former price comparisons." 16 C.F.R. § 233.1.

The Deceptive Prong

- As alleged in detail above, Defendant's representations that its Products 95. were on sale, that the sale was limited in time, that the Products had a specific regular price, and that the customers were receiving discounts were false and misleading to Plaintiff and other reasonable consumers.
- 96. Plaintiff relied upon Defendant's misleading representations, as detailed above.

The Unfair Prong

97. As alleged in detail above, Defendant committed "unfair" acts by falsely advertising that its Products were on sale, that the sale was limited in time, that the Products had a specific regular price, and that the customers were receiving discounts.

Class Action Complaint

98.

FAL, as alleged above and incorporated here. The unfairness of this practice is tethered to a legislatively declared policy (that of the CLRA and FAL).

99. The harm to Plaintiff and the subclass greatly outweighs the public utility

Defendant violated established public policy by violating the CLRA and

- 99. The harm to Plaintiff and the subclass greatly outweighs the public utility of Defendant's conduct. There is no public utility to misrepresenting the price of a consumer product. This injury was not outweighed by any countervailing benefits to consumers or competition. Misleading consumer advertisements only injure healthy competition and harm consumers.
- 100. Plaintiff and the subclass could not have reasonably avoided this injury. As alleged in detail above, reasonable consumers are not fake discount detectives and they are vulnerable to Defendant's deceptive sales.
- 101. Defendant's conduct, as alleged above, was immoral, unethical, oppressive, unscrupulous, and substantially injurious to consumers.

* * *

- 102. For all prongs, Defendant's representations were intended to induce reliance, and Plaintiff saw, read, and reasonably relied on them when purchasing the Product.
- 103. In addition, subclass-wide reliance can be inferred because Defendant's representations were material, i.e., a reasonable consumer would consider them important in deciding whether to buy Citizen Watch Products.
- 104. Defendant's representations were a substantial factor and proximate cause in causing damages and losses to Plaintiff and the subclass members.
- 105. Plaintiff and the subclass were injured as a direct and proximate result of Defendant's conduct because (a) they would not have purchased the Products if they had known the discounts and/or regular prices were not real, (b) they overpaid for the Products because the Products were sold at a price premium due to the misrepresentation, and/or (c) they did not receive the discounts they were promised, and received products with market values lower than the promised market values.

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106. For the claims under California's Unfair Competition Law, Plaintiff seeks all available equitable relief, including injunctive relief, disgorgement, and restitution in the form of a full refund or measured by the price premium charged to Plaintiff and the subclass as a result of Defendant's unlawful conduct.

Fourth Cause of Action:

Breach of Contract

(By Plaintiff and the Nationwide Class)

- 107. Plaintiff incorporates each and every factual allegation set forth above.
- 108. Plaintiff brings this cause of action on behalf of herself and the Nationwide Class. In the alternative, Plaintiff brings this cause of action on behalf of herself and the California Subclass.
- 109. Plaintiff and class members entered into contracts with Citizen Watch when they placed orders to purchase Products on Defendant's website.
- 110. The contracts provided that Plaintiff and class members would pay Citizen Watch for the Products ordered.
- 111. The contracts further required that Citizen Watch provide Plaintiff and class members with Products that have a market value equal to the regular prices displayed on the website, and the discount equal to the difference between the price paid, and the regular prices advertised. These were specific and material terms of the contract.
- 112. Plaintiff and class members paid Citizen Watch for the Products they ordered, and satisfied all other conditions of their contracts.
- 113. Citizen Watch breached its contracts with Plaintiff and class members by failing to provide Products that had a market value equal to the regular price displayed on its website, and by failing to provide the promised discount.
- 114. Plaintiff provided Defendant with notice of this breach, by mailing notice letters to Defendant's registered agent and California headquarters on July 21, 2025.

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- 115. As a direct and proximate result of Defendant's breaches, Plaintiff and class members were deprived of the benefit of their bargained-for exchange, and have suffered damages in an amount to be established at trial.
- 116. For the breach of contract claims, Plaintiff seeks all damages available including expectation damages or damages measured by the price premium charged to Plaintiff and the Class as a result of Defendant's unlawful conduct.

Fifth Cause of Action:

Breach of Express Warranty

(By Plaintiff and the California Subclass)

- 117. Plaintiff incorporates each and every factual allegation set forth above.
- 118. Plaintiff brings this cause of action on behalf of herself and the California Subclass.
- 119. Defendant, as the manufacturer, marketer, distributor, supplier, and/or seller of Citizen Watch Products, issued material, written warranties by advertising that the Products had a prevailing market value equal to the list price. This was an affirmation of fact about the Products (i.e., a representation about the market value) and a promise relating to the goods.
- 120. This warranty was part of the basis of the bargain and Plaintiff and members of the subclass relied on this warranty.
- 121. In fact, Citizen Watch Products' stated market values were not the prevailing market values. Thus, the warranty was breached.
- 122. Plaintiff provided Defendant with notice of this breach of warranty, by mailing a notice letter to Defendant's registered agent and California headquarters on July 21, 2025.
- 123. Plaintiff and the subclass were injured as a direct and proximate result of Defendant's breach, and this breach was a substantial factor in causing harm, because (a) they would not have purchased the Products if they had known that the warranty was false, (b) they overpaid for the Products because the Products were sold at a price

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premium due to the warranty, and/or (c) they did not receive the Products as warranted that they were promised.

124. For the breach of express warranty claims, Plaintiff seeks all damages available including expectation damages or damages measured by the price premium charged to Plaintiff and the subclass as a result of Defendant's unlawful conduct.

Sixth Cause of Action:

Quasi-Contract/Unjust Enrichment

(By Plaintiff and the Nationwide Class)

- 125. Plaintiff incorporates the facts alleged above, except that Plaintiff brings this cause of action in the alternative to her Breach of Contract claim.
- 126. (In the alternative only), due to Defendant's misrepresentations, its contracts with Plaintiff and other class members are void or voidable.
- 127. Plaintiff brings this cause of action on behalf of herself and the class. In the alternative, Plaintiff brings this claim on behalf of herself and the California Subclass.
- 128. As alleged in detail above, Defendant's false and misleading advertising caused Plaintiff and the class to purchase Citizen Watch Products and to pay a price premium for these Products.
- 129. In this way, Defendant received a direct and unjust benefit, at Plaintiff's expense.
 - 130. Plaintiff and the class seek restitution, and in the alternative, rescission.
- 131. For the quasi-contract/unjust enrichment claims, Plaintiff seeks all available equitable relief, including injunctive relief, disgorgement, and restitution in the form of a full refund and/or measured by the price premium charged to Plaintiff and the Class as a result of Defendant's unlawful conduct.

Seventh Cause of Action:

Negligent Misrepresentation

(By Plaintiff and the California Subclass)

- 132. Plaintiff incorporates each and every factual allegation set forth above.
- 133. Plaintiff brings this cause of action on behalf of herself and members of the California Subclass.
- 134. As alleged in detail above, Defendant made false representations to Plaintiff and subclass members concerning its regular prices and discounts.
- 135. When Defendant made these misrepresentations, it knew or should have known that they were false. Defendant had no reasonable grounds for believing that these representations were true when made. Like any company, Defendant tracks its own sales and its own transactions. It knows that its sales persist and that its advertised regular prices are not really what consumers regularly pay.
- 136. Defendant intended that Plaintiff and subclass members rely on these representations and Plaintiff and subclass members read and reasonably relied on them.
- 137. In addition, subclass-wide reliance can be inferred because Defendant's misrepresentations were material, i.e., a reasonable consumer would consider them important in deciding whether to buy Citizen Watch Products.
- 138. Defendant's misrepresentations were a substantial factor and proximate cause in causing damages and losses to Plaintiff and subclass members.
- 139. Plaintiff and the subclass were injured as a direct and proximate result of Defendant's conduct because (a) they would not have purchased the Products had they known that the representations were false, (b) they overpaid for the Products because the Products were sold at a price premium due to the misrepresentation, and/or (c) they did not receive the discounts they were promised, and received Products with market values lower than the promised market values.
- 140. For the negligent misrepresentation claim, Plaintiff seeks all damages available including expectation damages, punitive damages, and/or damages measured Class Action Complaint 33 Case No.

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by the price premium charged to Plaintiff and the subclass as a result of Defendant's unlawful conduct.

Eighth Cause of Action:

Intentional Misrepresentation

(By Plaintiff and the California Subclass)

- 141. Plaintiff incorporates each and every factual allegation set forth above.
- 142. Plaintiff brings this cause of action on behalf of herself and members of the California Subclass.
- 143. As alleged in detail above, Defendant made false representations to Plaintiff and subclass members concerning its regular prices and discounts.
- 144. The Defendant knew its misrepresentations were false at the time that it made them or acted recklessly in making the misrepresentations.
- 145. Defendant intended that Plaintiff and subclass members rely on these representations and Plaintiff and subclass members read and reasonably relied on them.
- 146. In addition, subclass-wide reliance can be inferred because Defendant's misrepresentations were material, i.e., a reasonable consumer would consider them important in deciding whether to buy Citizen Watch Products.
- 147. Defendant's misrepresentations were a substantial factor and proximate cause in causing damages and losses to Plaintiff and subclass members.
- 148. Plaintiff and the subclass were injured as a direct and proximate result of Defendant's conduct because (a) they would not have purchased the Products if they had known that the representations were false, (b) they overpaid for the Products because the Products were sold at a price premium due to the misrepresentation, and/or (c) they did not receive the discounts they were promised, and received Products with market values lower than the promised market values.
- 149. For the intentional misrepresentation claim, Plaintiff seeks all damages available including expectation damages, punitive damages, and/or damages measured

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by the price premium charged to Plaintiff and the subclass as a result of Defendant's							
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	Relie						
111.		Plaintiff seeks	the following re	aliaf for harsalf s	and the propo	sed class.	
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	•	Disgorgement,	and other just a	and equitable rel	ief;		
Pre- and post-judgment interest;							
 An injunction prohibiting Defendant's deceptive conduct, as allowed by 							
	law;						
 Reasonable attorneys' fees and costs, as allowed by law; 							
 Any additional relief that the Court deems reasonable and just. 						ust.	
	Demand For Jury Trial						
	151. Plaintiff demands the right to a jury trial on all claims so triable.						
Date	d: July	25, 2025		Respectfully s	ubmitted,		
				By: <u>/s/ Grace</u>	Bennett		
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