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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

KYLE MCCARTY, on behalf of himself
and all others similarly situated,

Plaintiff,

vs.

SAMSONITE COMPANY STORES,
LLC, an Indiana Limited Liability
Company, and DOES 1-50, inclusive,

Defendants.

Case No.: '25CV2159 BJC SBC

CLASS ACTION COMPLAINT

[DEMAND FOR JURY TRIAL]

1 Plaintiff Kyle McCarty (“Plaintiff”) brings this action, on behalf of himself and all
 2 others similarly situated, against Defendant Samsonite Company Stores, LLC (“Samsonite”
 3 or “Defendant”), and states:

4 I. NATURE OF ACTION

5 1. “Protection of unwary consumers from being duped by unscrupulous sellers is
 6 an exigency of the utmost priority in contemporary society.” *Vasquez v. Superior Court*, 4
 7 Cal. 3d 800, 808 (1971). That statement remains just as true today as when it was written
 8 more than fifty years ago by Justice Mosk for a unanimous California Supreme Court. This
 9 putative class action seeks to hold a multimillion-dollar retailer accountable for a years-
 10 long pricing scheme that has misled consumers into overpaying for merchandise sold at
 11 Samsonite outlet stores. The scheme is simple: publish fake discounts off of inflated and
 12 fictitious “original” prices to drive up demand. As economists have explained, “the higher
 13 reference price stated alongside the selling price shift[s] the demand function outward,
 14 leading to higher average prices and thus higher margins.” Staelin et al., *Competition and*
 15 *the Regulation of Fictitious Pricing*, 87 J. MKTG. 826, 835 (2023).

16 2. Price is a primary signal of value in the consumer decision-making process.¹
 17 False pricing manipulates this signal, distorting consumers’ perceptions of value and
 18 inducing purchases they would not otherwise make. Retailers like Defendant exploit this
 19 dynamic by advertising deceptive discounts that promise significant savings. In reality, the
 20 supposed “original” prices are fabricated, and the discounts are illusory. The result is a
 21 systematic deception: consumers are led to believe they are receiving a bargain when, in
 22 fact, they are overpaying based on an inflated, imaginary benchmark.

23 3. At all relevant times, Defendant has advertised false price discounts at
 24 Samsonite outlet stores nationwide. Plaintiff brings this action to halt this deceptive practice

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 26 ¹ Dhruv Grewal & Larry D. Compeau, *Comparative Price Advertising: Informative or*
 27 *Deceptive?*, 11 J. PUB. POL’Y & MKTG. 52, 55 (1992) (“[P]rice is materially utilized in the
 28 formation of perceptions of the product’s value and influences the decision to purchase the
 product or to continue to search for a lower price.”); Patrick J. Kaufmann et al., *Deception*
in Retailer High-Low Pricing: A “Rule of Reason” Approach, 70 J. RETAILING 115, 118
 (1994) (“[R]eference to a retailer’s normal or regular price in retail sale price advertising
 provides the consumer with information used to determine perceived value.”)

1 and seeks redress for consumers who were misled. Plaintiff seeks monetary damages,
2 restitution, and declaratory and injunctive relief based on Defendant's false discount pricing
3 scheme on luggage, business bags, backpacks and duffels, and other related items sold in
4 its Samsonite outlet stores.

5 4. False reference pricing occurs when a seller fabricates an inflated "original"
6 price and then claims to offer a steep discount from that number. This artificial price
7 disparity deceives consumers into believing they are purchasing goods at a significant
8 markdown from the prevailing market rate. The practice elevates the consumer's internal
9 reference price, leading to increased perceived value and a corresponding willingness to
10 pay more—a phenomenon widely documented in marketing literature.²

11 5. Consider the following hypothetical, which mirrors Defendant's conduct: a
12 seller knows a DVD can be sold profitably at \$5.00, which reflects its fair market value.
13 Instead, the seller falsely claims the DVD's "original" price is \$1000.00 and advertises it
14 as "90% off," offering it for \$10.00. Consumers, believing they are securing a steep
15 discount, buy the DVD at twice its true value. They are misled not only about the price but
16 about the product's perceived market legitimacy and value.

17 6. This deception manipulates demand. Absent the fake "original" price, the
18 product would not command the inflated sale price. But the false discount creates artificial
19 market pressure and perceived scarcity or value, triggering an increase in consumer
20 willingness to pay. Over time, this shifts the market equilibrium, allowing the seller to profit
21 from a manufactured illusion of value.

22 7. Defendant's conduct violates multiple state and federal laws, including
23 California's Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200, *et seq.*);
24 California's False Advertising Law (Cal. Bus. & Prof. Code §§ 17500, *et seq.*); California's
25 Consumers Legal Remedies Act (Cal. Civ. Code §§ 1750, *et seq.*); and the Federal Trade
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28 ² See, e.g., Grewal & Compeau, *Comparative Price Advertising*, *supra* n. 1, at 55 ("By
creating an impression of savings, the presence of a higher reference price enhances
subjects' perceived value and willingness to buy the product.").

1 Commission Act , which prohibits unfair or deceptive acts, practices, and false advertising
2 in or affecting commerce (15 U.S.C. §§ 45(a)(1), 52(a)).

3 8. Plaintiff brings this action on behalf of himself and similarly situated
4 consumers who purchased Samsonite outlet merchandise at purported discounts from
5 fictitious reference prices. Plaintiff seeks to stop this unlawful pricing scheme, correct the
6 false perception it created, and obtain relief for consumers who overpaid. Plaintiff also
7 seeks a permanent injunction prohibiting Defendant from continuing this conduct and
8 requests all available legal and equitable remedies, including actual, compensatory,
9 statutory, and punitive damages; benefit-of-the-bargain damages; restitution; attorneys'
10 fees and costs; and disgorgement of profits wrongfully obtained.

11 II. JURISDICTION AND VENUE

12 9. This Court has original jurisdiction of this action pursuant to the Class Action
13 Fairness Act, 28 U.S.C. § 1332(d)(2) because the amount in controversy exceeds
14 \$5,000,000, exclusive of interest and costs, and Plaintiff—along with at least some
15 members of the proposed Class (defined below)—are citizens of states different from that
16 of Defendant.

17 10. The Southern District of California has personal jurisdiction over Defendant
18 because a substantial part of the events giving rise to Plaintiff's claims arose in this District
19 and Defendant's misconduct alleged herein occurred in this District. Further, Defendant
20 conducts substantial business in this District and has sufficient minimum contacts in
21 California, and/or otherwise intentionally avails itself to the California market through the
22 operation of its retail stores within the State of California.

23 11. Venue is proper under 28 U.S.C. § 1391(b)(2) because Defendant transacts
24 substantial business in this District, a substantial part of the events giving rise to Plaintiff's
25 claims arose in this District, and Defendant's misconduct alleged herein occurred in this District.

III. GENERAL ALLEGATIONS

A. Retailers Exploit False Reference Pricing to Manipulate Consumer Behavior

12. Defendant employs a false and misleading reference price scheme in the marketing and sale of Samonsite outlet merchandise. These fictitious discounts are prominently displayed at Samsonite outlet stores to create the illusion of a deal where none exist.

13. Academic research has consistently shown that false discounting schemes confer substantial benefits to retailers. “[F]raming a price increase as a discount can not only allow the firm to get higher margins, but also increase sales.” Staelin et al., *supra*, at 835 (emphasis added). This tactic works because consumers often lack full information about the product or its market value,³ particularly for retail clothing, where product attributes can vary widely and are not always readily apparent.⁴

14. Defendant’s use of inflated reference prices exploits well-documented psychological mechanisms in consumer behavior. First, consumers frequently treat prices as a proxy for quality, especially when objective quality cues are lacking.⁵ A higher reference price implies a more valuable product. Second, consumers are strongly influenced

³ Even within a product, consumers may have imperfect information on the individual attributes. Economists describe “search goods” as those whose attributes “can be ascertained in the search process prior to purchase” (e.g., style of a shirt), “experience goods” as those whose attributes “can be discovered only after purchase as the product is used” (e.g., longevity of a shirt), and “credence goods” as those whose attributes “cannot be evaluated in normal use” (e.g., whether the shirt’s cotton was produced using organic farming methods). Michael R. Darby & Edi Karni, *Free Competition and the Optimal Amount of Fraud*, 16 no. 1 J. LAW & ECON. 67, 68-69 (1973).

⁴ “Not only do consumers lack full information about the prices of goods, but their information is probably even poorer about the quality variation of products simply because the latter information is more difficult to obtain”. Phillip Nelson. *Information and Consumer Behavior*. 78, no. 2 J. POL. ECON. 311, 311-12 (1970).

⁵ Grewal & Compeau, *Comparative Price Advertising*, *supra* n.2, at 54; see also Richard Thaler. *Mental Accounting and Consumer Choice*, 4, no. 3 MKTG. SCI. 199, 212 (1985) [hereinafter Thaler, *Mental Accounting*] (“The [reference price] will be more successful as a reference price the less often the good is purchased. The [reference price] is most likely to serve as a proxy for quality when the consumer has trouble determining quality in other ways (such as by inspection)”).

1 by the perception of getting a “deal.”⁶ Researchers have found that consumers often derive
 2 disproportionate satisfaction from obtaining a product at a perceived discount—regardless
 3 of the actual savings.⁷ This effect, known as “transactional utility,” was coined by Nobel
 4 laureate Richard Thaler to describe the added value consumers feel simply from the
 5 experience of buying something on sale.⁸

6 15. Extensive literature in marketing and behavioral economics explains that
 7 consumer price evaluations are influenced by both internal and external reference prices.⁹
 8 Internal references are based on prior experience; external references are supplied by the
 9 seller, such as a “suggested retail price.”¹⁰ Studies show that external reference prices
 10 directly shape internal benchmarks,¹¹ particularly for infrequently purchased items like
 11 luggage, business bags, backpacks and duffels, where the buyer may have no established
 12 price expectations.¹² This makes consumers highly vulnerable to price manipulation by
 13 retailers.¹³ As summarized by one leading study:

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 15 ⁶ Grewal & Compeau, *Comparative Price Advertising*, *supra* n.2, at 52.

16 ⁷ Peter Darke & Darren Dahl, *Fairness and Discounts: The Subjective Value of a Bargain*,
 13 no 3 J. OF CONSUMER PSYCH. 328 (2003).

17 ⁸ “To incorporate . . . the psychology of buying into the model, two kinds of utility are
 18 postulated: *acquisition utility* and *transaction utility*. The former depends on the value of
 the good received compared to the outlay, the latter depends solely on the perceived merits
 of the ‘deal.’” Richard Thaler, *Mental Accounting*, *supra* n.6, at 205.

19 ⁹ Empirical results “suggest that internal reference prices are a significant factor in purchase
 20 decisions. The results also add empirical evidence that external reference prices
 significantly enter the brand-choice decision.” Glenn E. Mayhew & Russell S. Winer, *An*
 21 *Empirical Analysis of Internal and External Reference Prices using Scanner Data*, 19 no. 1
 J. OF CONSUMER RSCH. 62, 68 (1992) [hereinafter Mayhew & Winer, *An Empirical*
Analysis].

22 ¹⁰ Mayhew & Winer, *An Empirical Analysis*, *supra* n.10, at 62.

23 ¹¹ “Buyers’ internal reference prices adapt to the stimuli prices presented in the
 24 advertisement. That is, buyers either adjust their internal reference price or accept the
 advertised reference price to make judgments about the product’s value and the value of the
 25 deal.” Dhruv Grewal et al., *The Effects of Price-Comparison Advertising on Buyers’*
Perceptions of Acquisition Value, Transaction Value, and Behavioral Intentions. 62 J. OF
 MKTG. 46, 48 (1998) (“Grewal et al., *The Effects of Price-Comparison Advertising*”).

26 ¹² As Thaler notes, “the [suggested retail price] will be more successful as a reference price
 27 the less often the good is purchased.” Richard Thaler, *Mental Accounting*, *supra* n.5, at 212.

28 ¹³ “The deceptive potential of such advertised reference prices are likely to be considerably
 higher for buyers with less experience or knowledge of the product and product category.”

Inflated reference prices can have multiple effects on consumers. They can increase consumers' value perceptions (transaction value and acquisition value), reduce their search intentions for lower prices, increase their purchase intentions, and reduce their purchase intentions for competing products ... Inflated and/or false advertised reference prices enhance consumers' internal reference price estimates and, ultimately, increase their perceptions of value and likelihood to purchase[.]¹⁴

16. In their recent publication, *Regulation of Fictitious Pricing* (2024), professors Staelin (Duke), Urbany (Notre Dame) and Ngwe (Microsoft/Havard) build on decades of foundational work to explain why fictitious reference pricing continues to flourish, despite early regulatory efforts to curtail it. They confirm that the empirical findings from earlier behavioral studies remain reliable and widely accepted in the economic discipline.¹⁵

17. Staelin et al. further demonstrate that modern tools like smartphones have not corrected the problem but instead have expanded the use of fictitious pricing.¹⁶ The authors note that “disclosure of the true normal price charged may be the only solution that could plausibly influence both consumer and firm behavior,” and that deceptive pricing tactics become even more prevalent as market competition intensifies.¹⁷

18. Retailers, like Defendant, are therefore incentivized to continue deploying fictitious reference prices because they know consumers are psychologically wired to respond. As Staelin et al. explain, “the magnitude of both real and fake discount[s] were significant predictors of demand above the effects of the actual sales price, with fake

Dhruv Grewal & Larry D. Compeau. *Pricing and public policy: A research agenda and an overview of the special issue*, 18 no.1 J. PUB. POL'Y & MKTG. 3, 7 (1999) (“Grewal & Compeau, *Pricing and public policy*”).

¹⁴ Grewal, Dhruv, and Larry D. Compeau. “Pricing and public policy: A research agenda and an overview of the special issue.” *Journal of Public Policy & Marketing* 18, no. 1 (1999): 3-10, p. 7.

¹⁵ See Staelin et al., *supra*, at 826 (“***It is now well accepted*** that many consumers get ***extra utility***, beyond that associated with consuming a product from purchasing it on deal [] and that magnitude of this utility is a function of the size of the deal.”) (emphasis added).

¹⁶ Staelin et al., *supra*, at 826 (explaining how the study “develop(s) a descriptive model explaining why fictitious reference pricing has spread instead of being extinguished by competition.”).

¹⁷ *Id.* at 826. See also *id.* at 831 (“Identical firms, selling identical products, make positive profits because of their obfuscation strategy, and the likelihood of obfuscation grows as competition intensifies.”).

1 discounts having a substantially larger effect than real discounts.”¹⁸ In short: fake discounts
2 drive sales—and Defendant knows it.

3 **B. Defendant Engages in a Fraudulent Price Discounting Scheme**

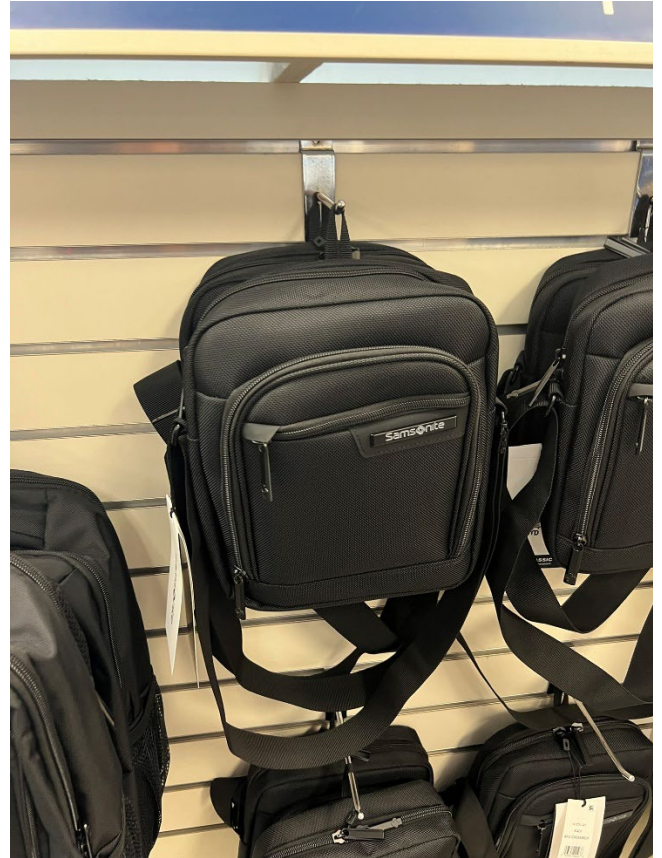
4 19. Defendant, a specialty retailer of luggage, business bags, backpacks and duffels,
5 has for years engaged in a deceptive pricing scheme at its Samsonite outlet stores located
6 throughout California. This scheme involves advertising merchandise at purported “sale”
7 prices that are falsely represented as discounts from inflated “original” prices printed on the
8 products’ price tags. In most instances, these items are accompanied by placards in the
9 immediate vicinity advertising a certain percentage-off discount from the stated “original”
10 price. In other cases, the signage presents a whole-price reduction (e.g., \$XX.XX”) from
11 that same reference price.

12 20. These signs—uniformly printed on white card stock with black font—appear
13 throughout Samsonite outlet stores in California and, on information and belief, throughout
14 the United States. Defendant does not disclose when any item was last offered, if ever, at
15 its “original” price.

16 21. Photographs of Defendant’s stores, included in **Exhibit A**, reveal the
17 systematic nature of this practice:
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28 ¹⁸ *Id.* at 835 (emphasis added).





22. As shown in those photographs, Defendant’s “original” or “ticket” prices include no qualifying language suggesting a price comparison to other markets. Instead, Defendant’s pervasive use of percentage-off and whole-price reduction signage creates the unmistakable impression that the advertised discounts reflect reductions from a bona fide, in-store, former selling price.¹⁹ The pricing signage does not suggest any comparison to Samsonite’s mainline retail stores or to third-party retailers.

23. Additionally, because the reference prices on the outlet merchandise are styled as prior in-store prices, not market comparisons, Defendant’s scheme is not a “Compare At” or “Comparable Value” pricing model. In such models, sellers explicitly invite comparison to external retailers. No such qualifier exists here (at least for the majority of the relevant time period). Consequently, Plaintiff is not required to “assert evidence from which a rational trier of fact could infer that the comparative reference price was inaccurate,” as that standard “only arises when the language of the advertisement implies a comparison to another retailer.”²⁰ Where, as here, the reference price is represented as a former in-store price, the law requires that it reflect the price at which the item was actually and regularly offered for sale.²¹

24. Because Samsonite outlet products are rarely, if ever, offered for sale at their “original” ticket prices, the advertised discounts are fictitious. These prices serve no function other than to create a false sense of urgency and value, deceiving consumers into believing that they are purchasing high-quality goods at a substantial markdown. In reality, consumers are either purchasing lower-quality goods—often older, discontinued, or overstock items—for

¹⁹ See *Vizcarra v. Michaels Stores, Inc.*, 710 F. Supp. 3d 718, 725 (N.D. Cal. 2024) (“A reasonable consumer does not need language such as, ‘Formerly \$9.99, Now 40% Off \$9.99,’ or ‘40% Off the Former Price of \$9.99,’ to reasonably understand ‘40% off’ to mean 40% off the former price of the product.”) (quoting *Knapp v. Art.com, Inc.*, No. 16-CV-00768-WHO, 2016 WL 3268995, at *4 (N.D. Cal. June 15, 2016)).

²⁰ See *Harris v. PFI W. Stores, Inc.*, No. SACV192521JVSADSX, 2020 WL 3965022, at *4 (C.D. Cal. Apr. 9, 2020) (citing *Sperling*, 291 F.Supp.3d at 1085-86 and *Horosny v. Burlington Coat Factory of California, LLC*, No. CV1505005SJOMRWX, 2015 WL 12532178, at *6 (C.D. Cal. Oct. 26, 2015) (emphasis added)).

²¹ See Cal. Bus. & Prof. Code § 17501 (former price must be the prevailing market price within the three months immediately preceding the advertisement, unless otherwise clearly stated); 16 C.F.R. § 233.1(a) (reference price must be a “bona fide” former price, meaning the price at which the product was “openly and actively offered for sale, for a reasonably substantial period of time.”).

1 which the reference prices are outdated, unverified, or no longer reflect any actual or recent
2 sales in Samsonite’s mainline retail channels. In both cases, the advertised “original” prices are
3 misleading, and the corresponding discounts are illusory.

4 25. Even if Defendant was to demonstrate that some products were at one time
5 offered at the full reference price (a disputed question of fact itself), such isolated instances
6 would be insufficient to render the reference prices “actual” or “bona fide” under governing
7 law.²² Likewise, under California’s FAL, a represented former price must have been the
8 prevailing market price within the past three months, or else the advertisement must “clearly,
9 exactly and conspicuously” disclose the date when that price was in effect—something
10 Defendant consistently fails to do.²³

11 26. In sum, Defendant’s fake discounting practices are designed to manipulate
12 consumer behavior, increase sales, and artificially inflate perceived product value. The scheme
13 deprives consumers of accurate pricing information and results in the unlawful imposition of a
14 price premium for merchandise that would not command such prices absent the false reference
15 pricing. Plaintiff, like thousands of other consumers, was duped into overpaying for the
16 products under the mistaken belief that he was receiving a legitimate discount.

17 **C. Defendant’s Fraudulent Price Discounting Scheme Harms All Consumers**

18 27. A product’s reference price matters because it serves as the anchor from which
19 consumers assess its value.²⁴ Empirical research Confirms that consumers are more willing
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22 ²² For the advertised former price to be “actual, bona fide” and “legitimate” it must be the
23 “price at which the article was offered to the public *on a regular basis for a reasonably substantial period of time.*” 16 C.F.R. § 233.1(a) (emphasis added).

24 ²³ See Cal. Bus. & Prof. Code § 17501. Nor would such rare offerings constitute the
25 “prevailing market price” within the “three months next immediately preceding the
26 publication of the advertisement,” as is required by the FAL, “unless the date when the
27 alleged former price did prevail is clearly, exactly and conspicuously stated in the
28 advertisement.” Indeed, where certain items are sold by only one retailer—as is the case
with Defendant’s MFO items, the “prevailing market price” is the most “common,”
“predominant,” or “most widely occurring” price at which items are sold by that retailer.
See People v. Super. Ct. (J.C. Penney Corp., Inc.), 34 Cal. App. 5th 376, 410-13 (2019)
(citing authorities).

²⁴ Thaler, *Mental Accounting and Consumer Choice*, *supra* n.5, at 212.

1 to pay higher prices when a product is presented with a higher reference price.²⁵
2 Defendant's false reference pricing causes consumers to overvalue Samsonite outlet
3 merchandise, leading them to pay more than they otherwise would. The products' sales
4 prices are thus artificially inflated, not due to intrinsic value, but because Defendant has
5 manipulated consumer perception through false comparisons. As discussed above,
6 academic literature makes clear:

7 [A]dvertised reference prices in these deal-oriented advertisements can
8 enhance buyers' internal reference prices These enhanced internal
9 reference prices, when compared with the lower selling price, result in higher
10 transaction value perceptions. The increase in perceived transaction value
11 enhances purchases and reduces search behavior for lower prices. If sellers
12 intentionally increase the advertised reference prices above normal retail
prices, this is, inflate advertised reference prices, the resulting inflated
perceptions of transaction value would be deceptive. Harm to both buyers and
competitors could result from the effect of the inflated transaction value on
buyers' search and purchase behaviors.²⁶

13 28. All consumers who purchase Samsonite outlet merchandise are harmed by this
14 pricing scheme because its impact is systemic: it inflates demand and elevates actual sales
15 prices across the board. As Staelin et al explains, "the higher reference price stated
16 alongside the selling price shift[s] the demand function outward, leading to higher average
17 prices and thus higher margins." In other words, whether or not a particular consumer
18 "believed" the discount was real is irrelevant—every purchaser paid more than they would
19 have in a properly functioning market, and all were denied the benefit of the bargain.

20 29. Put differently, Defendant's fake discounting scheme causes consumers to
21 (reasonably) perceive they are getting a bargain. This perception creates an artificial
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25 ²⁵ Jerry B. Gotlieb & Cyndy Thomas Fitzgerald, *An Investigation into the Effects of*
26 *Advertised Reference Prices on the Price Consumers are Willing to Pay for the Product*, 60
27 no 1 J. APPLIED BUS. RSCH. 66 (1990). Moreover, "if a higher reference price encourages
28 consumers to pay a higher price for a product than the consumer was willing to pay for the
identical product with a lower reference price, then the practice of using high reference
prices would be deceptive." *Id.* at 60.

²⁶ Dhruv Grewal et al., *supra* note 11, at 46.

1 increase in what economists call “transactional utility”²⁷ or “transactional value”²⁸—the
2 extra satisfaction consumers derive from believing they got a deal. But that satisfaction is
3 based on a lie. As a result, Samsonite outlet merchandise appears more valuable than it is,
4 skewing market demand and distorting prices.

5 30. Basic economic principles confirm that this harm is uniform across the Class.
6 Cost and demand conditions—not individual subjective beliefs—dictate the price consumers
7 pay.²⁹ The aggregate demand curve represents consumers’ collective valuation of a product.
8 When Defendant’s deceptive pricing inflates this valuation, the demand curve shifts
9 outward, and prices rise for everyone, regardless of whether a particular buyer was
10 “deceived” in a traditional sense.

11 31. Accordingly, Defendant’s scheme artificially inflates the market price of
12 Samsonite outlet merchandise. Individual beliefs, motivations, or purchasing rationales do
13 not insulate consumers from harm. As long as the aggregate demand for a falsely discounted
14 product increases, all purchasers pay a higher price than they otherwise would. Plaintiff and
15 the proposed Class thus suffered a common injury caused by Defendant’s uniform
16 misconduct.

17 **D. Plaintiff’s Counsel’s Investigation**

18 32. Plaintiff’s counsel has undertaken a comprehensive and ongoing investigation
19 into Defendant’s deceptive reference pricing practices at Samsonite outlet stores. This
20 investigation has included systematic in-store surveillance and tracking of Samsonite
21 products across multiple locations in California and Oregon,³⁰ with particular focus on the
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23 ²⁷ Thaler, *Mental Accounting and Consumer Choice*, *supra* n.5, at 205.

24 ²⁸ Dhruv Grewal et al., *The Effects of Price-Comparison Advertising*, *supra* n. 11, at 46;
25 Grewal & Compeau, *Pricing and public policy*, *supra* n. 13, at 7.

26 ²⁹ Mankiw, N. *Essentials of Economics*, 8th Edition. Boston, MA: Cengage Learning, 66
27 (2015) (“[P]rice and quantity are determined by all buyers and sellers as they interact in the
28 marketplace”); *see also* Hal R. Varian, *Microeconomics Analysis*. 3rd Edition. New York,
NY: W. W. Norton & Company, at 23-38, 144-57, 233-353 & 285-312 (1992).

³⁰ Plaintiff is not asserting claims under Oregon law at this time, but expressly reserves the
right to seek leave to amend the complaint to add such a plaintiff and assert Oregon claims
if appropriate.

1 use of inflated “OUR PRICE” reference prices and the uniformity of the corresponding
2 advertised discounts.

3 33. In California, counsel has conducted repeated in-person visits to Samsonite
4 outlet stores from April 18, 2024, through the present. These visits occurred between April
5 18 and November 13, 2024, as well as during July 2025, and included outlet locations in
6 San Diego, Carlsbad, and Los Angeles. A list of representative tracked products from these
7 California visits is attached as **Exhibit B** to this Complaint. In Oregon, Plaintiff’s counsel
8 conducted complementary visits to Samsonite’s outlets at the Woodburn Premium Outlets
9 and Columbia Gorge Outlets from March 13, 2024, through January 10, 2025. These visits
10 confirm that the discounting scheme observed in California is not isolated or location-
11 specific, but reflects a broader, systemic pricing practice.

12 34. Notably, Plaintiff’s counsel previously investigated Samsonite’s outlet pricing
13 practices in an earlier matter, involving outlet stores located in the Carlsbad and Las
14 Americas Premium Outlets, from in or around August 2018, through February 2019. That
15 investigation—comprising nearly fifty (50) separate “boots on the ground” visits, often
16 spaced only days apart—confirmed a pattern of consistent, coordinated reference prices and
17 purported discounts across both locations on any given day. While that prior action was
18 ultimately dismissed without a class-wide resolution, the findings remain relevant to
19 establishing the long-running nature of Defendant’s deceptive discounting practices.
20 Notably, the proposed class period in the present case does not overlap with the earlier
21 investigation or action

22 35. Based on these efforts, Plaintiff is informed and believes that Defendant’s
23 reference pricing scheme—i.e., the manner in which purported “original” prices and
24 corresponding discounts are displayed—is materially uniform across all Samsonite outlet
25 locations, regardless of geography or timing. While the specific reference price or
26 percentage discount may vary by product or store, the underlying scheme remains
27 consistent: products are routinely advertised with a prominently displayed “original” price,
28 accompanied by signage or tags indicating a discounted or reduced sale price. Not once

1 during the investigation was any product observed being offered at its full reference price.
2 Plaintiff is therefore informed and believes that Samsonite outlet merchandise is not, as a
3 regular business practice, offered for sale at the represented original price—let alone “on a
4 regular basis for a reasonably substantial period of time,” as required under Federal Trade
5 Commission regulations.

6 36. The investigation confirms that the reference prices associated with Samsonite
7 outlet merchandise—including those displayed alongside the item purchased by Plaintiff—
8 do not reflect legitimate, bona fide former prices. In many instances, Samsonite presents a
9 higher “price” next to a lower, discounted figure (e.g., “Price with 30% off”), implying that
10 the item was previously offered or regularly available at the higher price. Plaintiff is
11 informed and believes that these reference prices are not genuine former prices, but rather
12 fictitious anchors intended to create the illusion of a meaningful discount. Throughout the
13 multi-month investigation, hundreds of products were observed as continuously advertised
14 at a discount, with no evidence that the higher reference prices were ever used in actual
15 sales. This pattern reflects a pervasive and deceptive pricing strategy employed across all
16 Samsonite outlet locations visited.³¹

17 37. In sum, Defendant’s deceptive discounting scheme is executed uniformly
18 across Samsonite outlet stores in California and—on information and belief—throughout
19 the United States. Consumers are routinely misled into believing they are purchasing high-
20 end Samsonite merchandise at steep discounts, when in fact they are paying elevated prices
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24 ³¹ Notably, numerous California federal courts have held that plaintiffs in false discount
25 pricing cases need not plead *any* detailed pre-suit investigations to survive a motion to
26 dismiss—even under Rule 9(b). *See, e.g., Rubenstein v. Neiman Marcus Grp. LLC*, 687 F.
27 App’x 564, 568 (9th Cir. 2017) (plaintiff “cannot reasonably be expected” to have detailed
28 knowledge of internal pricing policies pre-discovery; *Stathakos*, 2016 WL 1730001, at *3-
4 (Rule 9(b) satisfied despite no pre-suit investigation allegations); *Knapp*, 2016 WL
3268995, at *4 (“perpetual sale” allegations sufficient); *Horosny*, 2015 WL 12532178, at
*4 (upholding “information and belief” pleading); *Le v. Kohl’s*, 160 F. Supp. 3d at 1099
(no nationwide investigation required).

1 for goods that were never intended to be sold at the advertised “original” prices and, in
2 many cases, are lower-quality products manufactured specifically for the outlet channel.³²

3 38. Despite Plaintiff’s counsel’s extensive investigative efforts, the full scope of
4 Defendant’s deceptive pricing and sourcing practices remains concealed within records
5 exclusively in Defendant’s possession. Plaintiff intends to seek targeted discovery to obtain
6 the internal documentation, sales data, pricing strategy records, and communications
7 necessary to fully establish the breadth and intent of Defendant’s discounting practices.

8 IV. PARTIES

9 **Plaintiff Kyle McCarty**

10 39. Plaintiff Kyle McCarty resides in San Diego, California. On or about April 19,
11 2025, Plaintiff went shopping at the Samsonite Outlet store located at 4211 Camino De La
12 Plz, San Diego, California 92173 (“San Ysidro Outlets”). In reliance on Defendant’s false
13 and deceptive advertising, marketing, and discount pricing scheme, Plaintiff purchased an
14 Outline Pro Carry-On Suitcase that bore an “original” (reference) price of approximately
15 \$199.99 and a purported 30%-off discount (-\$60.00) for an actual sales price of \$139.99.
16 Plaintiff paid an after-tax total of \$150.84.

17 40. During his time at the Samsonite Outlet store on April 19, 2025, Plaintiff
18 browsed the store and observed numerous signs advertising storewide markdowns and
19 percentage-based discounts. After reviewing the advertised “original” and sales prices on
20

21 ³² While many past courts have not required them—*see supra* n.31—other courts have also
22 routinely upheld complaints that do include pre-suit investigations—like Plaintiffs’ here—
23 under both federal and state standards, including in state court actions where Rule 9(b) does
24 not apply. See, e.g., *Adams v. Cole Haan, LLC*, No. 8:20-CV-00913-JWH-DFMx, 2021
25 WL 4907248 (C.D. Cal. Mar. 1, 2021); *Dahlin v. Under Armour, Inc.*, No. CV 20-3706 PA
26 (JEMx), 2020 WL 6647733 (C.D. Cal. July 31, 2020); *Inga*, 2020 WL 5769080, at *1;
27 *Harris*, 2020 WL 3965022, at *1; *Calderon v. Kate Spade & Co., LLC*, No. 3:19-CV-00674-
28 AJB-JLB, 2020 WL 1062930 (S.D. Cal. Mar. 5, 2020); *Fisher v. Eddie Bauer LLC*, No. 19-
cv-857 JM (WVG) 2020 WL 4218228 (S.D. Cal. Feb. 3, 2020); *Dennis v. Ralph Lauren Corp.*, No. 16-cv-1056-WQH-BGS, 2017 WL 3732103 (S.D. Cal. Aug. 29, 2017); *Rael v. New York & Co., Inc.*, No. 16-CV-369-BAS (JMA), 2017 WL 3021019 (S.D. Cal. July 17, 2017); *Azimpour v. Sears, et al.*, No. 15-CV-2798 JLS (WVG), 2017 WL 1496255 (S.D. Cal. Apr. 26, 2017); *Fallenstein v. PVH Corp., et al.*, No. 21-CV-01690-AJB-AGS (S.D. Cal. Jan. 3, 2023) at ECF No. 29 (Order Denying Defendants’ Motion to Dismiss Plaintiff’s First Amended Complaint); *Schertzer v. Alpargatas USA Inc* (Super. Ct. San Diego, 37-2019- 00015352, Dkt. No 45).

1 the items he selected, he reasonably believed he was receiving a substantial bargain. This
2 belief was material to his decision to purchase.

3 41. Plaintiff would not have purchased the item or would not have paid as much
4 as he did, had he known the advertised discounts were false. He believed the item had been
5 previously offered at the higher reference price and was being sold at a genuine markdown.
6 In fact, he did not receive the benefit of any real discount and ultimately paid more than the
7 fair value of the products under the mistaken impression that he was securing a deal.

8 42. Accordingly, Plaintiff has suffered economic injury as a direct result of
9 Defendant's unfair and deceptive false discounting practices, including the inflated price
10 paid for merchandise falsely presented as discounted goods.

11 **Plaintiff's and Class Members' Economic Injuries Are Readily Quantifiable**

12 43. Plaintiff has been injured and incurred quantifiable actual damages as a result
13 of Defendant's fraudulent pricing scheme. Plaintiff overpaid for the item he purchased as
14 described herein. It was Defendant's false reference pricing scheme and attendant deception
15 that caused Plaintiff to overpay. Despite Plaintiff's original beliefs that the items were
16 discounted and thus that their value was significantly greater than the sale price paid for it,
17 Plaintiff, in actuality, paid an *inflated* price for the item.

18 44. That is, the item Plaintiff purchased was worth less than the amount Plaintiff
19 paid for it. If Defendant had not employed the falsely advertised "original" price for the
20 item, then they would have not commanded such a high, inflated price. The price premium
21 Plaintiff paid—i.e., the difference between the amount Plaintiff paid and the value received,
22 or the but-for-price the product would have commanded absent the false discounting
23 scheme, can be isolated through multiple expert-based models, including hedonic
24 regression, conjoint analysis, and market simulation, which Plaintiff will further describe
25 in his motion to certify this action as a class action pursuant to Federal Rule of Civil
26 Procedure 23.

Plaintiff Has Standing for Injunctive Relief and Lacks an Adequate Remedy at Law

45. Plaintiff is susceptible to harm reoccurring and therefore requires an injunction because he cannot be certain that Defendant will have corrected this deceptive pricing scheme, and he desires to shop at Defendant's Samsonite outlet stores in the future because he likes the brand and the products that are offered. Due to the enormous, fluctuating variety of styles of merchandise offered at Samsonite outlet stores, Plaintiff will be unable to parse what prices are inflated and untrue and what prices are not. Plaintiff simply does not have the resources to ensure that Defendant is complying with California and federal law with respect to its pricing, labeling, and advertising of its outlet merchandise.

46. Further, because of the large selection of merchandise available at Defendant's Samsonite outlet stores, the sheer volume of products involved in Defendant's deceit (i.e., on information and belief, virtually all of them), and the likelihood that Defendant may yet develop and market additional Samsonite outlet merchandise items for sale, Plaintiff may again, by mistake, purchase a falsely discounted product at one of the Samsonite outlet stores under the reasonable, but false, impression that Defendant had corrected the scheme and that its reference price advertisements represented a bona fide former price at which the item was previously offered for sale by Defendant. However, without a substantial, time-consuming, and costly investigation, Plaintiff will have no way of knowing whether Defendant has deceived again.

47. Absent an equitable injunction enjoying Defendant from continuing in the unlawful course of conduct alleged herein, Plaintiff, Class members, and the public will be irreparably harmed and denied an effective and complete remedy because they face a real and tangible threat of future harm emanating from Defendant's ongoing and deceptive conduct that cannot be remedied with monetary damages. Accordingly, Plaintiff, Class members, and the general public lack an adequate remedy at law and an injunction is the only form of relief which will guarantee Plaintiff, as well as California consumers at large, the appropriate assurances.

48. Additionally, Plaintiff presently lacks an adequate remedy at law because he has not yet developed the damages model necessary to determine whether actual damages will fully compensate the monetary harm suffered, or whether equitable restitution will be required to make Plaintiff whole. Legal damages are traditionally limited to actual out-of-pocket losses (reliance damages) or lost benefit of the bargain (expectancy damages), whereas equitable restitution focuses on restoring ill-gotten gains and wrongfully obtained by the defendant from the plaintiff/class members. Critically, California law prohibits recovery of benefit-of-the-bargain damages in consumer deception cases but permits recovery of the same measure through *equitable relief*. See Cal. Civ. Code § 3343. For example, Plaintiff and other Class members may be entitled to recover the difference between the price paid and the value received—a measure unavailable at law but recoverable in equity. Until Plaintiff retains an expert and completes the necessary economic analysis, it remains uncertain whether legal damages will even be viable, let alone adequate. Accordingly, Plaintiff credibly alleges at this stage that no adequate legal remedy exists, satisfying the *Sonner* standard for pleading equitable relief.³³

49. Plaintiff also lacks an adequate remedy at law because his claims under the UCL “sweep[] more broadly than [those under] the CLRA.” See *Allen v. Hylands, Inc.*, 773 F. App’x 870, 874 (9th Cir. 2019). Although Plaintiff’s UCL claim under the “fraudulent” prong applies the same “reasonable consumer” standard as the CLRA, his claim under the “unfair” prong reaches substantially further. As alleged, Defendant’s conduct may be deemed “unfair” where it offends established public policies favoring transparency in pricing or constitutes immoral, unethical, oppressive, or unscrupulous conduct that substantially injures consumers—harms not fully captured by the CLRA’s remedial

³³ Decisions in numerous false discounting cases have accepted similar allegations, where the defendant has challenged the plaintiffs’ ability to seek equitable relief following the decision in *Sonner v. Premier Nutrition Corp.*, 971 F.3d 834, 844 (9th Cir. 2020). See, e.g., *Dahlin*, 2020 WL 6647733, at *4-5; *Adams*, 2021 WL 4907248, at *3-4 (C.D. Cal. Mar. 1, 2021); *Fallenstein*, No. 21-CV-01690-AJB-AGS (S.D. Cal. Jan. 3, 2023) at ECF No. 29 (Order Denying Defendants’ Motion to Dismiss Plaintiff’s First Amended Complaint). *Dahlin v. The Donna Karan Co. Store LLC*, No. 2:21-cv-07711-AB-JPRx (C.D. Cal. Mar. 6, 2022) at ECF No. 30 (Order Denying Motion to Dismiss Plaintiff’s First Amended Complaint) at 5-10.

1 scheme. Because these broader injuries do not have an adequate legal remedy under the
2 CLRA, and the UCL independently authorizes equitable relief to remediate such conduct,
3 Plaintiff credibly alleges that legal damages are inadequate. Thus, Plaintiff properly pleads
4 parallel claims for legal damages and equitable restitution at this stage.

5 50. Finally, Plaintiff further lacks an adequate remedy at law because the UCL (an
6 equitable cause of action) carries a statute of limitations of four years, while the CLRA
7 (which can provide legal damages and equitable restitution) carries a shorter, three-year
8 statute of limitations. Cal. Bus. & Prof. Code § 17208; Cal. Civ. Code § 1783. Thus,
9 dismissal of Plaintiff's (equitable) UCL claims would wipe out an entire year's worth of
10 monetary recovery for the Class.

11 **Defendant**

12 51. Plaintiff is informed and believes, and upon such information and belief
13 alleges, Defendant Samsonite Company Stores, LLC is an Indiana limited liability company
14 with its principal executive offices in Mansfield, Massachusetts. Plaintiff is informed and
15 believes that Defendant owns and operates Samsonite Outlet stores in California, and
16 advertises, markets, distributes, and/or sells travel luggage, accessories, and other items in
17 California and throughout the United States.

18 52. Plaintiff does not know the true names or capacities of the persons or entities
19 sued herein as Does 1-50, inclusive, and therefore sues such defendants by such fictitious
20 names. Plaintiff is informed and believes, and upon such information and belief alleges,
21 that each of the Doe defendants is, in some manner, legally responsible for the damages
22 suffered by Plaintiff and members of the proposed the Class, as alleged herein. Plaintiff will
23 amend this Complaint to set forth the true names and capacities of these defendants when
24 they have been ascertained, along with appropriate charging allegations, as may be
25 necessary.

26 53. Defendant knows that its reference price advertising is false, deceptive,
27 misleading, unconscionable, and unlawful under California and federal law.

54. Defendant fraudulently concealed from and intentionally failed to disclose to Plaintiff and other members of the proposed Class the truth about its advertised discount prices and former reference prices. Defendant concealed from consumers the true nature and quality of the products sold at its Samsonite Outlet stores.

55. Defendant intentionally concealed and failed to disclose material facts regarding the truth about false former price advertising in order to provoke Plaintiff and the proposed Class to purchase Samsonite Outlet products in its stores.

56. At all relevant times, Defendant has been under a duty to Plaintiff and the Class to disclose the truth about its false discounts.

IV. CLASS ALLEGATIONS

Plaintiff brings this action on behalf of himself and all other similarly situated Class members pursuant to Rule 23(a), (b)(2) and (b)(3) of the Federal Rules of Civil Procedure and seeks certification of the following Class against Defendant:

All persons, within the State of California, who, within the applicable statute of limitations preceding the filing of this action (the “Class Period”), purchased from a Samsonite outlet store one or more products at discounts from an advertised reference price and who have not received a refund or credit for their purchase(s).

Excluded from the Class is Defendant, as well as its officers, employees, agents or affiliates, parent companies and/or subsidiaries, and each of its respective officers, employees, agents or affiliates, and any judge who presides over this action. Plaintiff reserves the right to expand, limit, modify, or amend this Class definition, including the addition of one or more classes, in connection with his motion for Class certification, or at any other time, based upon, *inter alia*, changing circumstances and/or new facts obtained during discovery.

57. **Numerosity:** The Class members are so numerous that joinder of all members is impracticable. Plaintiff is informed and believes that the proposed Class contains hundreds of thousands of individuals who have been damaged by Defendant’s conduct as alleged herein. The precise number of Class members is unknown to Plaintiff.

58. **Existence and Predominance of Common Questions of Law and Fact:** This action involves common questions of law and fact, which predominate over any questions

1 affecting individual Class members. These common legal and factual questions include, but
2 are not limited to, the following:

3 a. whether, during the Class Period, Defendant used false advertised
4 reference prices on its Samsonite outlet product labels and falsely advertised price
5 discounts on merchandise sold in its outlet stores;

6 b. whether Defendant ever offered items for sale or sold items at their
7 advertised reference price;

8 c. whether, during the Class Periods, the original price advertised by
9 Defendant was the prevailing market price for the products in question during the
10 three months preceding the dissemination and/or publication of the advertised former
11 prices;

12 d. whether, during the Class Period, any original prices advertised by
13 Defendant was false or misleading;

14 e. whether Defendant's purported sale prices advertised in its Samsonite
15 outlet stores reflected any actual discounts or savings;

16 f. whether Defendant's purported percentage-off discounts advertised in
17 its Samsonite outlet stores reflected any actual discounts or savings;

18 g. whether Defendant's alleged conduct constitutes violations of the laws
19 asserted;

20 h. whether Defendant's alleged conduct constitutes violations of federal
21 and/or California pricing regulations;

22 i. whether Defendant engaged in an unconscionable commercial practice,
23 and/or employed deception or misrepresentation under the laws asserted;

24 j. whether Plaintiff and Class members are entitled to damages and the
25 proper measure of that loss;

26 k. whether an injunction is necessary to prevent Defendant from
27 continuing to use false, misleading or illegal price comparisons.
28

1 59. **Typicality:** Plaintiff's claims are typical of the claims of the Class members
2 because, *inter alia*, all Class members have been deceived (or were likely to be deceived)
3 by Defendant's false and deceptive price advertising scheme, as alleged herein. Plaintiff is
4 advancing the same claims and legal theories on behalf of himself and all Class members.

5 60. **Adequacy:** Plaintiff will fairly and adequately protect the interests of the Class
6 members. Plaintiff has retained counsel experienced in complex consumer class action
7 litigation, and Plaintiff intends to prosecute this action vigorously. Plaintiff has no
8 antagonistic or adverse interest to those of the Class.

9 61. **Superiority:** The nature of this action and the nature of laws available to
10 Plaintiff and the Class make the use of the class action format a particularly efficient and
11 appropriate procedure to afford relief to him and the Class for the wrongs alleged. The
12 damages or other financial detriment suffered by individual Class members is relatively
13 modest compared to the burden and expense that would be entailed by individual litigation
14 of their claims against Defendant. It would thus be virtually impossible for Plaintiff and
15 Class members, on an individual basis, to obtain effective redress for the wrongs done to
16 them. Absent the class action, Class members and the general public would not likely
17 recover, or would not likely have the chance to recover, damages or restitution, and
18 Defendant will be permitted to retain the proceeds of its fraudulent and deceptive misdeeds.

19 62. All Class members, including Plaintiff, were exposed to one or more of
20 Defendant's misrepresentations or omissions of material fact claiming that former reference
21 prices were legitimate. Due to the scope and extent of Defendant's consistent false sale
22 prices, and advertising scheme, disseminated in a years-long campaign to California
23 consumers, it can be reasonably inferred that such misrepresentations or omissions of
24 material fact were uniformly made to all Class members. In addition, it can be reasonably
25 presumed that all Class members, including Plaintiff, affirmatively acted in response to the
26 representations contained in Defendant's false advertising scheme when purchasing
27 merchandise sold at Samsonite outlet stores.
28

63. Plaintiff is informed that Defendant keeps extensive computerized records of its Samsonite outlet customers through, *inter alia*, customer loyalty programs and general marketing programs. Defendant has one or more databases through which a significant majority of Class members may be identified and ascertained, and they maintain contact information, including email and home addresses, through which notice of this action could be disseminated in accordance with due process requirements.

V. CAUSES OF ACTION

FIRST CAUSE OF ACTION

Violation of California's Unfair Competition Law ("UCL") CAL. BUS. & PROF. CODE §§ 17200, *et seq.*

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

65. Plaintiff brings this claim individually and on behalf of the members of the proposed Class against Defendant for violations of California's UCL, Cal. Bus. & Prof. Code §§ 17200, *et seq.*

66. The UCL defines "unfair business competition" to include any "unlawful, unfair or fraudulent" act or practice, as well as any "unfair, deceptive, untrue or misleading" advertising. Cal. Bus. & Prof. Code § 17200.

67. The UCL imposes strict liability. Plaintiff and members of the proposed Class need not prove that Defendant intentionally or negligently engaged in unlawful, unfair, or fraudulent business practices—but only that such practices occurred.

"Unfair" Prong

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

69. Defendant's actions constitute "unfair" business practices because, as alleged above, Defendant engaged in misleading and deceptive price comparison advertising that

1 represented false reference prices and corresponding deeply discounted phantom “sale”
2 prices. Defendant’s acts and practices offended an established public policy of transparency
3 in pricing, including regulations enacted by the FTC, and they constituted immoral,
4 unethical, oppressive, and unscrupulous activities that are substantially injurious to
5 consumers.

6 70. The harm emanating from this practice to Plaintiff and members of the
7 proposed Class outweighs the utility it provides because Defendant’s practice of advertising
8 false discounts provides no utility. There were reasonably available alternatives to further
9 Defendant’s legitimate business interests other than the misleading and deceptive conduct
10 described herein.

11 ***“Fraudulent” Prong***

12 71. A business act or practice is “fraudulent” under the UCL if it is likely to
13 deceive members of the consuming public.

14 72. Defendant’s acts and practices alleged above constitute fraudulent business
15 acts or practices as Defendant has deceived Plaintiff and members of the proposed Class
16 and is highly likely to deceive members of the consuming public. Plaintiff and members of
17 the proposed Class relied on Defendant’s fraudulent and deceptive representations
18 regarding its false or outdated “original prices” for products sold by Defendant at its
19 Samsonite outlet stores. These misrepresentations played a substantial role in Plaintiff’s and
20 members of the proposed Class’s decision to purchase the product at a purportedly steep
21 discount, and Plaintiff and members of the proposed Class would not have purchased the
22 product without Defendant’s misrepresentations.

23 ***“Unlawful” Prong***

24 73. A business act or practice is “unlawful” under the UCL if it violates any other
25 law or regulation.

26 74. Defendant’s act and practices alleged above constitute unlawful business acts
27 or practices as they have violated state and federal law in connection with its deceptive
28 pricing scheme. The FTCA prohibits “unfair or deceptive acts or practices in or affecting

commerce” (15 U.S.C. § 45(a)(1)) and prohibits the dissemination of any false advertisements. 15 U.S.C. § 52(a). Under the FTC, false former pricing schemes, like Defendant’s, are described as deceptive practices that would violate the FTCA:

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

(b) A former price is not necessarily fictitious merely because no sales at the advertised price were made. The advertiser should be especially careful, however, in such a case, that the price is one at which the product was openly and actively offered for sale, for a reasonably substantial period of time, in the recent, regular course of his business, honestly and in good faith - and, of course, not for the purpose of establishing a fictitious higher price on which a deceptive comparison might be based. And the advertiser should scrupulously avoid any implication that a former price is a selling, not an asking price (for example, by use of such language as, “Formerly sold at \$_____”), unless substantial sales at that price were actually made.

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

75. In addition, Defendant’s acts and practices violate California law, which expressly prohibits false former pricing schemes. The FAL, Cal. Bus. & Prof. Code § 17501, entitled “*Worth or value; statements as to former price*,” states:

For the purpose of this article the worth or value of any thing advertised is the prevailing market price, wholesale if the offer is at wholesale, retail if the offer is at retail, at the time of publication of such advertisement in the locality wherein the advertisement is published.

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

Cal. Bus. & Prof. Code § 17501 (emphasis added).

76. Defendant violates § 17501 because it advertises items, including the item that Plaintiff purchased as described herein, with a former “original” price that greatly exceeds

1 the prevailing market price of those items. Defendant's own sales records will show that it
2 normally sells its products, including the item purchased by Plaintiff, at prices substantially
3 lower than the advertised former "original" price, thereby establishing that those prices
4 exceed the prevailing market price of Defendant's merchandise in violation of Cal. Bus. &
5 Prof. Code § 17501.

6 77. As detailed in Plaintiff's Third Cause of Action below, the CLRA, Cal. Civ.
7 Code § 1770(a)(9), prohibits a business from "[a]dvertising goods or services with intent
8 not to sell them as advertised," and subsection (a)(13) prohibits a business from "[m]aking
9 false or misleading statements of fact concerning reasons for, existence of, or amounts of
10 price reductions."

11 78. As detailed herein, and for the same reason that Defendant's acts and practices
12 violate the FTCA and the FAL, they also violate the CLRA.

13 79. Defendant's practices, as set forth above, misled Plaintiff, and are likely to
14 mislead the proposed Class and the public in the future. Consequently, Defendant's
15 practices constitute an unlawful, fraudulent, and unfair business practice within the meaning
16 of the UCL.

17 80. Defendant's violations of the UCL, through its unlawful, unfair, and fraudulent
18 business practices, are ongoing and present a continuing threat to Plaintiff, members of the
19 proposed California Class, and the public who, if Defendant's false pricing scheme is
20 permitted to continue, will be deceived into purchasing products based on illegal price
21 comparisons. These false comparisons created phantom markdowns and led to financial
22 harm for consumers like Plaintiff and the members of the proposed Class as described
23 herein. Because of the surreptitious nature of Defendant's deception, these injuries cannot
24 be reasonably avoided and will continue to be suffered by the consuming public absent a
25 mandated change in Defendant's practice.

26 81. Pursuant to the UCL, Plaintiff and members of the proposed Class are entitled
27 to preliminary and permanent injunctive relief enjoining Defendant from further
28 engagement in this unfair competition, as well as disgorgement and restitution to Plaintiff

1 and the proposed Class of all Defendant's revenues wrongfully obtained from them as a
2 result of Defendant's unfair competition, or such portion of those revenues as the Court
3 may find equitable.

4 **SECOND CAUSE OF ACTION**

5 **Violation of California's False Advertising Law ("FAL")** 6 **CAL. BUS. & PROF. CODE §§ 17500, *et seq.***

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

9 83. Plaintiff brings this claim individually and on behalf of the members of the
10 proposed Class against Defendant for violations of California's FAL, Cal. Bus. & Prof.
11 Code §§ 17500, *et seq.*

12 84. Cal. Bus. & Prof. Code § 17500 provides:

13 It is unlawful for any . . . corporation . . . with intent directly or indirectly to
14 dispose of . . . personal property or to perform services, professional or
15 otherwise, or anything of any nature whatsoever or to induce the public to
16 enter into any obligation relating thereto, to make or disseminate or cause to
17 be made or disseminated . . . from this state before the public in any state, in
18 any newspaper or other publication, or any advertising device, or by public
outcry or proclamation, or in any other manner or means whatever, including
over the Internet, any statement, concerning that . . . personal property or those
services . . . which is ***untrue or misleading***, and which is known, or which by
the exercise of reasonable care should be known, to be untrue or misleading .
..

19 (emphasis added).

20 85. The FAL further provides:

21 No price shall be advertised as a former price of any advertised thing, unless
22 the alleged former price was the prevailing market price ... within three
23 months next immediately preceding the publication of the advertisement or
unless the date when the alleged former price did prevail is clearly, exactly,
and conspicuously stated in the advertisement.

24 Cal. Bus. & Prof. Code § 17501.

25 86. Defendant's routine of advertising discounted prices from false "reference"
26 prices, which are not and never have been the prevailing market prices of those products
27 and were materially greater than the true prevailing prices (i.e., Defendant's average and/or
28 most common actual sale price), constitutes an unfair, untrue, and misleading practice in

1 violation of the FAL. This deceptive marketing practice gave consumers the false
2 impression that the products were regularly sold on the market for a substantially higher
3 price than they actually were; therefore, leading to the false impression that the products
4 sold at Defendant's Samsonite Outlet stores were worth more than they actually are.

5 87. As a direct and proximate result of Defendant's misleading and false
6 advertisements, as well as Defendant's deceptive and unfair acts and practices made during
7 the course of Defendant's business, Plaintiff and members of the proposed Class suffered
8 economic injury.

9 88. Plaintiff, on behalf of himself and the proposed Class, requests that this Court
10 order Defendant to restore this money to Plaintiff and the proposed Class, and to enjoin
11 Defendant from continuing these unfair practices in violation of the FAL in the future.
12 Otherwise, Plaintiff, members of the proposed Class, and the broader general public, will
13 be irreparably harmed and/or denied an effective and complete remedy.

14 **THIRD CAUSE OF ACTION**

15 **Violation of California's Consumers Legal Remedies Act ("CLRA")**
16 **CAL. CIV. CODE § 1750, *et seq.***

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

19 90. Plaintiff brings this claim individually and on behalf of the members of the
20 proposed Class against Defendant for violations of the CLRA, Cal. Civ. Code § 1750, *et*
21 *seq.*

22 91. Plaintiff and each member of the proposed Class are "consumers" as defined
23 by Cal. Civ. Code § 1761(d). Defendant's sale of products at its Samsonite Outlet stores
24 were "transactions" within the meaning of Cal. Civ. Code § 1761(e). The products
25 purchased by Plaintiff and members of the proposed Class are "goods" or "services" within
26 the meaning of Cal. Civ. Code §§ 1761(a) - (b).

27 92. Defendant violated and continues to violate the CLRA by engaging in the
28 following practices proscribed by Cal. Civ. Code § 1770(a) in transactions with Plaintiff

1 and the proposed Class which were intended to result in, and did result in, the sale of
2 products sold at its Samsonite Outlet stores:

- 3 a. advertising goods or services with intent not to sell them as
4 advertised; § 1770(a)(9); and
- 5 b. making false or misleading statements of fact concerning reasons
6 for, existence of, or amounts of price reductions; § 1770(a)(13).

7 93. Plaintiff and the proposed Class are consumers who have suffered economic
8 injury and damages, including benefit of the bargain damages, as a result of Defendant's
9 use and employment of the false and misleading reference pricing alleged herein. Pursuant
10 to Cal. Civ. Code § 1780(a), Plaintiff therefore seeks an order enjoining such methods, acts,
11 or practices as well as any other relief the Court deems proper. Plaintiff additionally seeks
12 costs and reasonably attorneys' fees pursuant to Cal. Civ. Code § 1780(e).

13 94. On August 21, 2025, Plaintiff concurrently served a notice letter pursuant to
14 California Civil Code § 1782(a), providing Defendant with notice of the CLRA violations
15 alleged herein and demanding that Defendant ceases its unlawful pricing practices and take
16 appropriate corrective action. If Defendant fails to adequately respond within thirty (30)
17 days of service, Plaintiff will seek damages and attorneys' fees under the CLRA, in addition
18 to the equitable relief already sought pursuant to § 1782(d). Plaintiff expressly reserves the
19 right to pursue such damages and fees and hereby incorporates that request into this
20 Complaint with the intention—and to the maximum extent permitted by law—of obviating
21 the need for any further amendment following expiration of the statutory notice period.
22 However, Plaintiff acknowledges that a formal amendment may be required depending on
23 the Court's interpretation of the § 1782 compliance at the pleading stage.

24 95. Filed concurrently is a declaration of venue pursuant to Cal. Civ. Code §
25 1780(d).

26 VI. PRAYER FOR RELIEF

27 Wherefore, Plaintiff, on behalf of himself and on behalf of the other members of the
28 Class, requests that this Court award relief against Defendant as follows:

- a. Certify the Class and designate Plaintiff as the Class Representative and his counsel as Class Counsel;
- b. Award Plaintiff and members of the Class any and all actual, consequential, statutory, and punitive damages, as permitted by applicable law;
- c. Award damages and attorneys' fees under the CLRA to Plaintiff, contingent upon Defendant's failure to cure the violations within thirty (30) days of service of Plaintiff's notice pursuant to California Civil Code § 1782(a);
- d. Award restitution and disgorgement of all profits and unjust enrichment that Defendant obtained from Plaintiff and the members of the Class as a result of its unlawful, unfair, and fraudulent business practices described herein;
- e. Award declaratory and injunctive relief as permitted by law or equity, including an order enjoining Defendant from continuing the unlawful practices as set forth herein, including, if appropriate, retaining jurisdiction to monitor Defendant's compliance with permanent injunctive relief;
- f. Order Defendant to engage in a corrective advertising campaign;
- g. Award attorneys' fees and costs; and
- h. Order such other and further relief as the Court may deem necessary or appropriate.

VIII. DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial for all the claims so triable.

Dated: August 21, 2025

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