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ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

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Clerk of the Superior Court
By J. Ortler ,Deputy Clerk

SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

MONICA SANCHEZ, on behalf of all others
similarly situated,

Plaintiff,

v.

MAGGY LONDON INTERNATIONAL LTD., a
NEW YORK corporation d/b/a
WWW.MAGGYLONDON.COM,

Defendant.

Case No. 25CU035451C
ASSIGNED FOR ALL PURPOSES TO THE
HONORABLE KATHERINE A. BACAL,
DEPT. C-63

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR: (1) VIOLATION OF
CAL. BUS. & PROF. CODE § 17501; AND (2)
CONSUMERS LEGAL REMEDIES ACT,
CAL. CIVIL CODE § 1750 ET SEQ.**

Complaint Filed: July 7, 2025
Trial Date: Not Assigned

1 **I. NATURE OF ACTION**

2 Defendant advertises fictitious regular prices (and corresponding phantom discounts) on
3 products sold through its website at www.maggylondon.com (the “Website”). This practice allows
4 Defendant to fabricate a fake “reference price,” and present the actual price as “discounted,” when it is
5 not. The result is a sham price disparity that is *per se* illegal under California law.

6 **II. JURISDICTION AND VENUE**

7 1. This Court has jurisdiction over all causes of action asserted herein.

8 2. Defendant is subject to jurisdiction under California’s “long-arm” statute found at
9 California Code of Civil Procedure section 410.10 because the exercise of jurisdiction over Defendant
10 is not “inconsistent with the Constitution of this state or the United States.” Indeed, Plaintiff is informed
11 and believes and thereon alleges that Defendant generates a minimum of eight percent of its national
12 Website sales to Californians such that the Website “is the equivalent of a physical store in California.”
13 Since this case involves false representations made Defendant’s Website and Plaintiff’s purchase was
14 made through the Website from within California, California courts can “properly exercise personal
15 jurisdiction” over the Defendant in accordance with the Court of Appeal opinion in *Thurston v. Fairfield*
16 *Collectibles of Georgia*, 53 Cal. App. 5th 1231, 1235 (2020).

17 3. Venue is proper in this County pursuant to California Code of Civil Procedure section
18 394(b) because some of the Class members’ claims arose in this County.

19 **III. PARTIES**

20 4. Plaintiff is a citizen of California who purchased a product identified below from
21 Defendant’s Website.

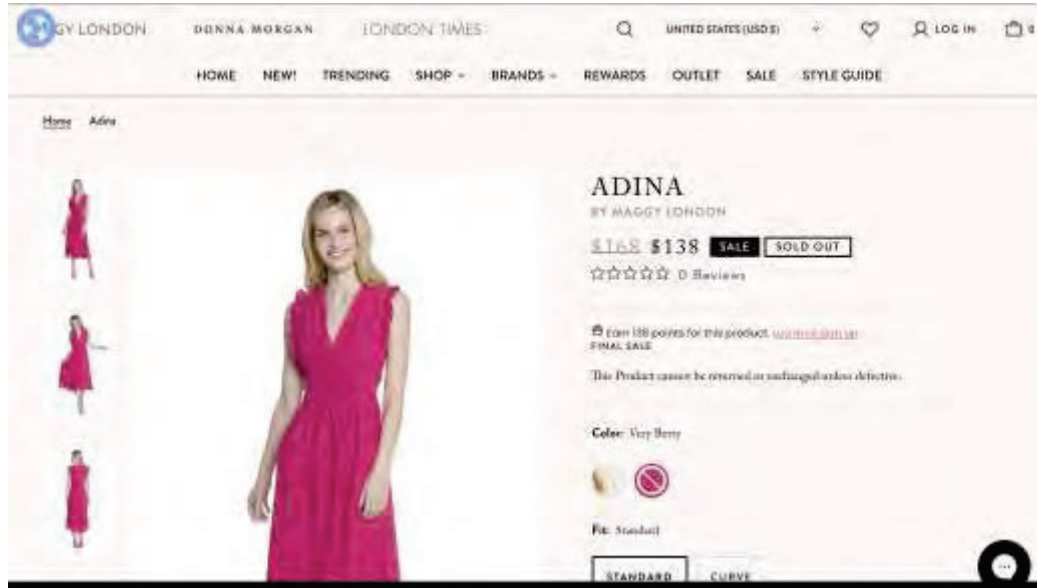
22 5. Defendant is an online retailer that sells products nationwide and in California.

23 **IV. FACTUAL ALLEGATIONS**

24 6. Defendant, through its Website, offers products for sale to California consumers.

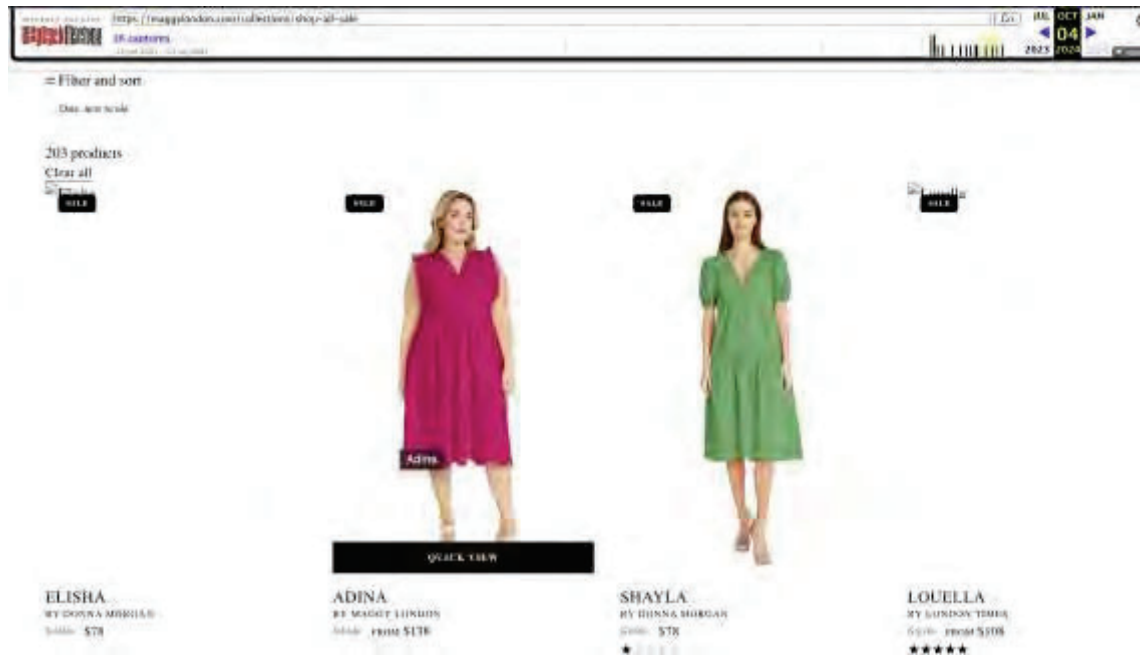
25 7. Defendant advertises fictitious prices (and corresponding phantom discounts) on such
26 products. This practice allows Defendant to fabricate a fake “reference” price, and present the actual
27 price as “discounted,” when it is not.
28

8. On May 13, 2025, Plaintiff purchased “Adina by Maggy London Dress” (the “Product”) from Defendant for the “discounted” price of \$138.00, which Defendant compared to a “strike-through” reference price of \$168.00, after visiting the website shown below:



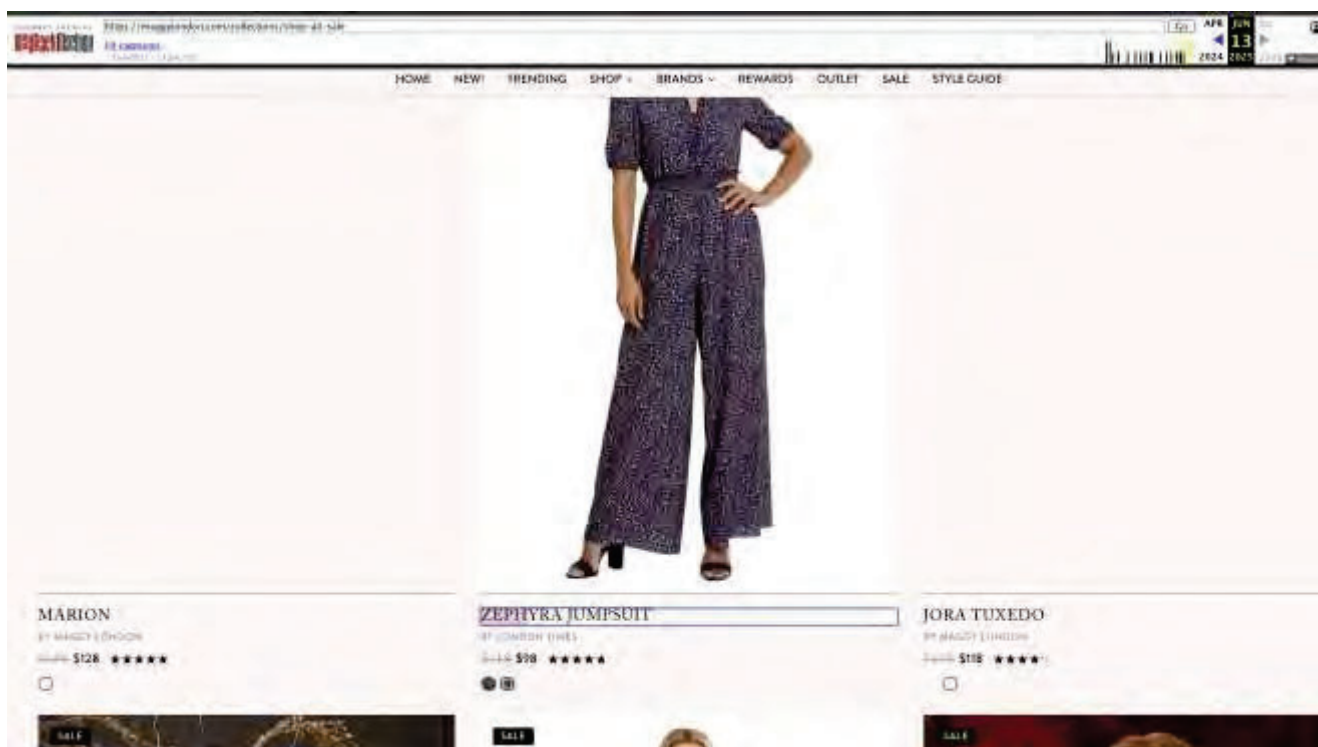
9. The reference price described in the preceding paragraph was not the “prevailing market price” in the 90 days preceding the above access date. Likewise, the advertisement does not “clearly, exactly and conspicuously” state the date upon which the reference price was the prevailing market price.

10. The reference price described in the preceding paragraph was not the “prevailing market price” in the 90 days preceding the above access date. Likewise, the advertisement does not “clearly, exactly and conspicuously” state the date upon which the reference price was the prevailing market price. Indeed, in the 90 days preceding plaintiff’s purchase (and even before that), Defendant was offering the exact same Product with a similar “phantom discount.” One example, from October 4, 2024, is shown below:

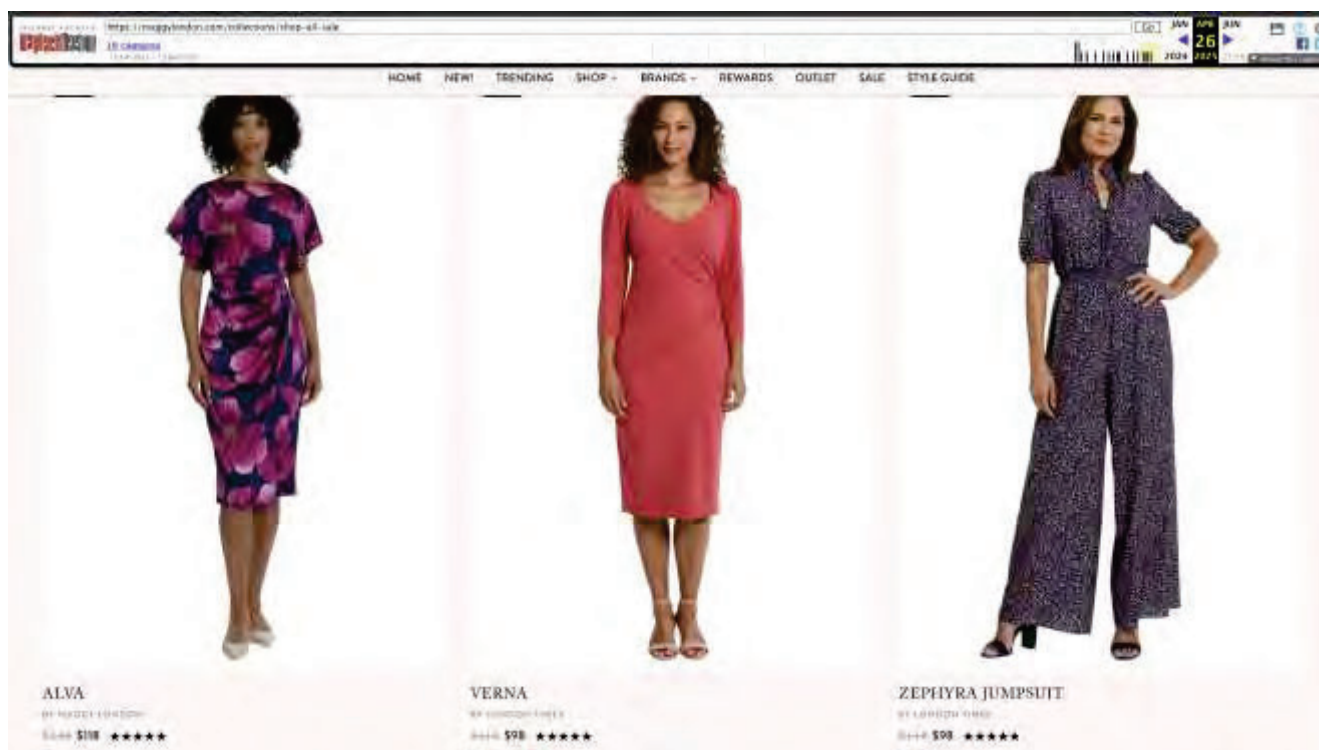


11. The “Adina by Maggy London Dress” is not the only item on Defendant’s site where the reference price is fabricated. In fact, a quick visit to pages such as <https://maggylondon.com/collections/shop-all-sale> show that fake mark-throughs are a bread-and-butter part of Defendant’s sale tactics.

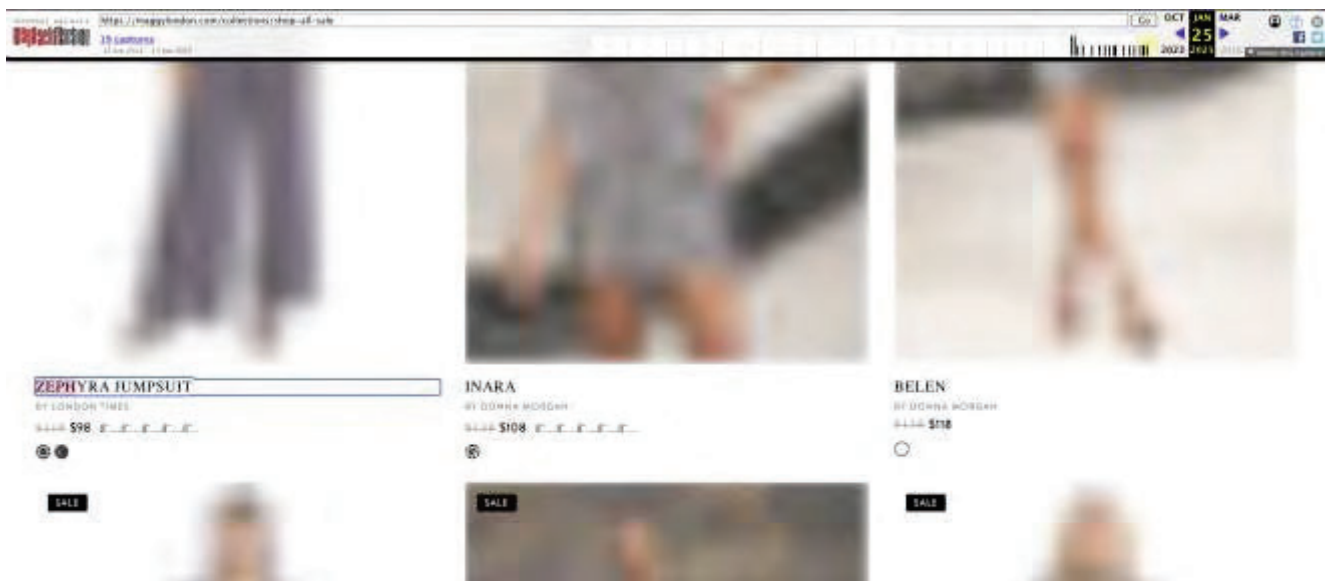
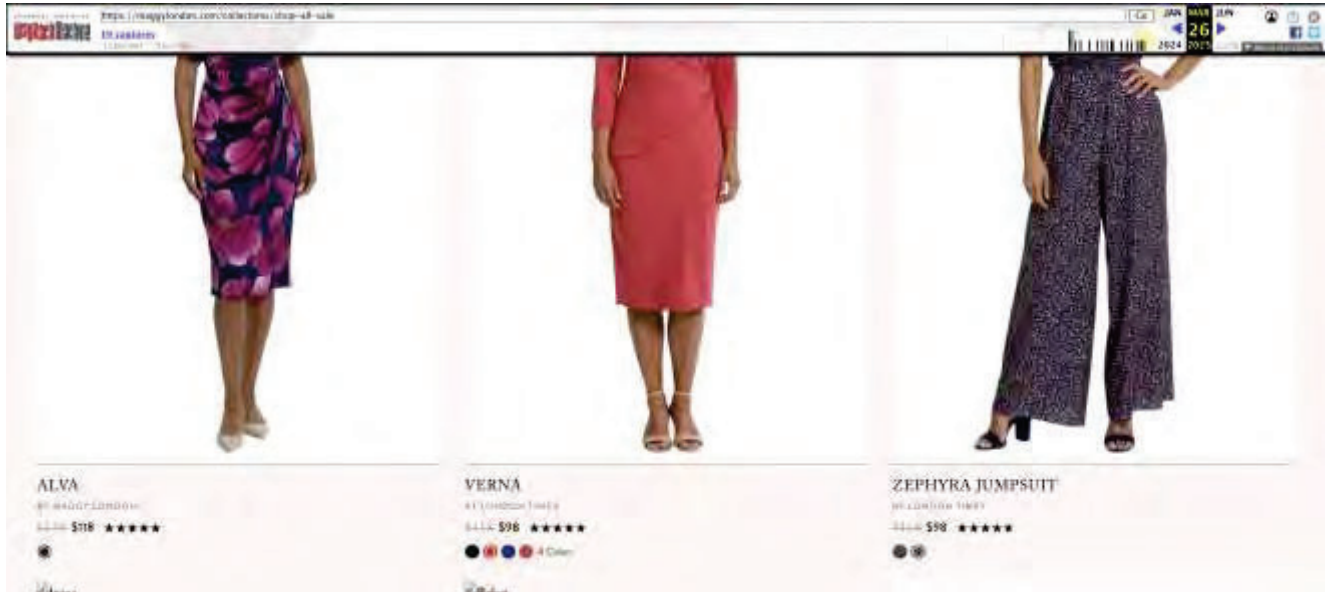
12. In another specific example, the “Zephyra Jumpsuit by London times” was sold for a discounted price of \$98.00 compared to a reference price of \$118.00 on June 13, 2025:

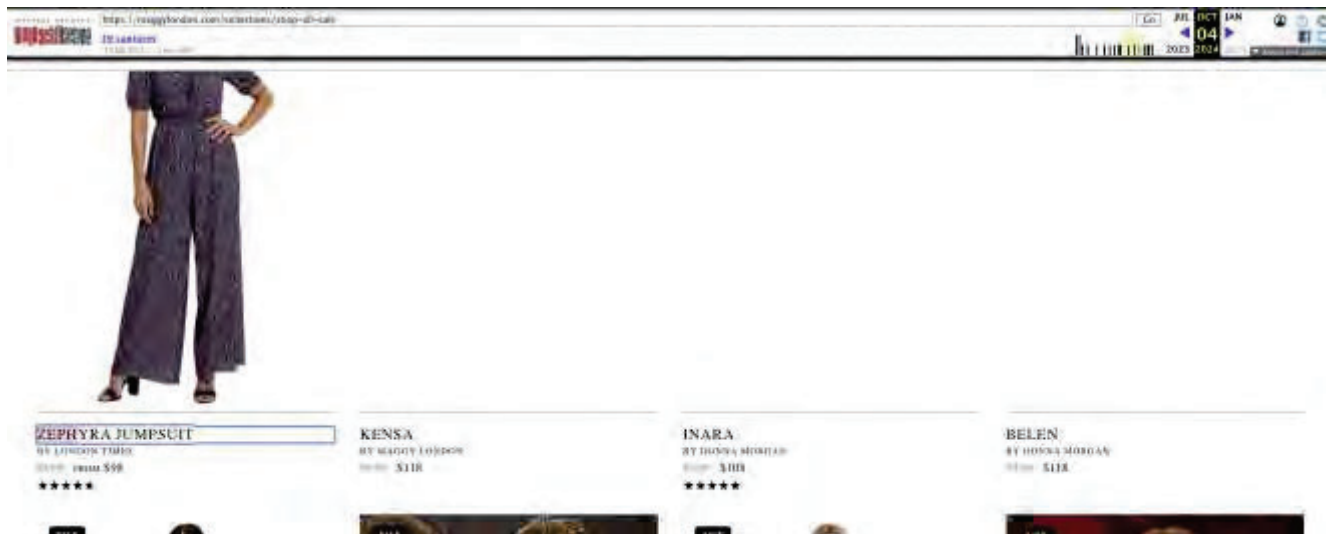


15 The jumpsuit was also sold at the same phantom discount on April 26, 2025:

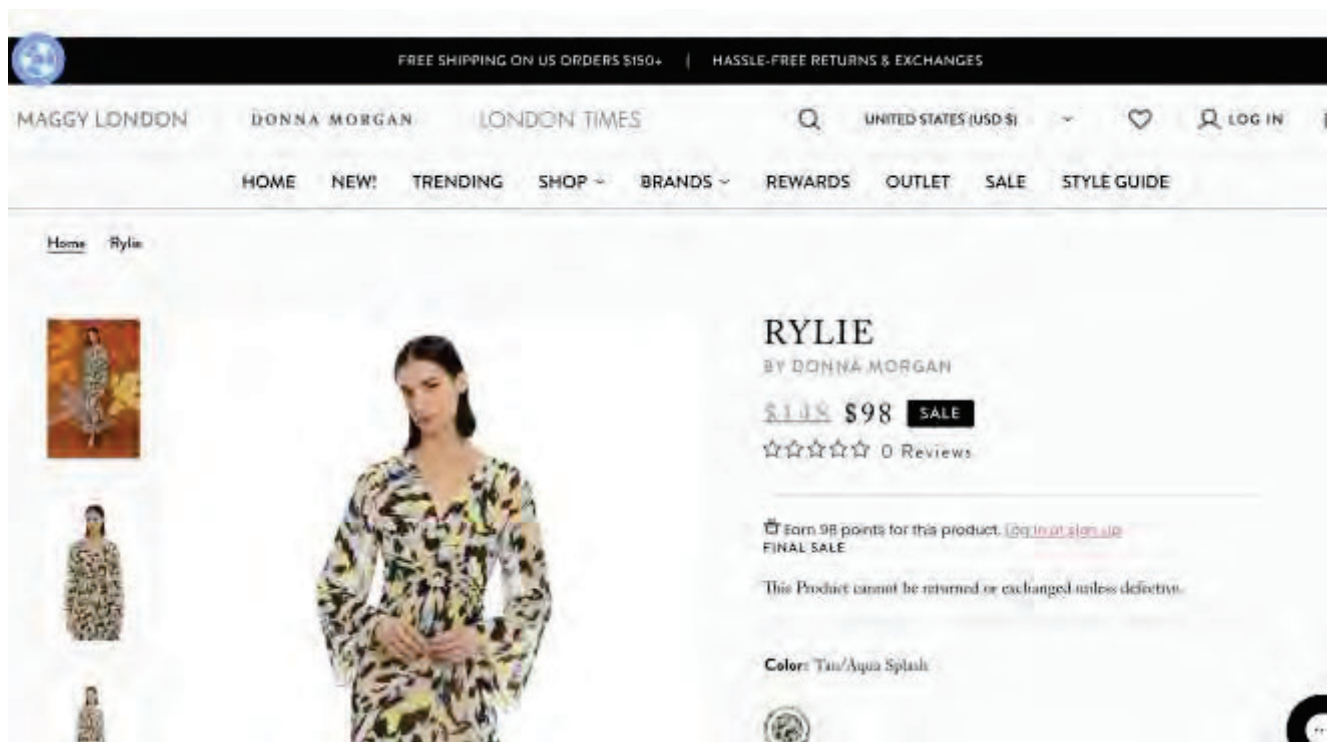


1 The Zephyra Jumpsuit was also “marked down” on March 26, 2025; January 25, 2025; and indeed all
2 the way back into last on October 4, 2024:

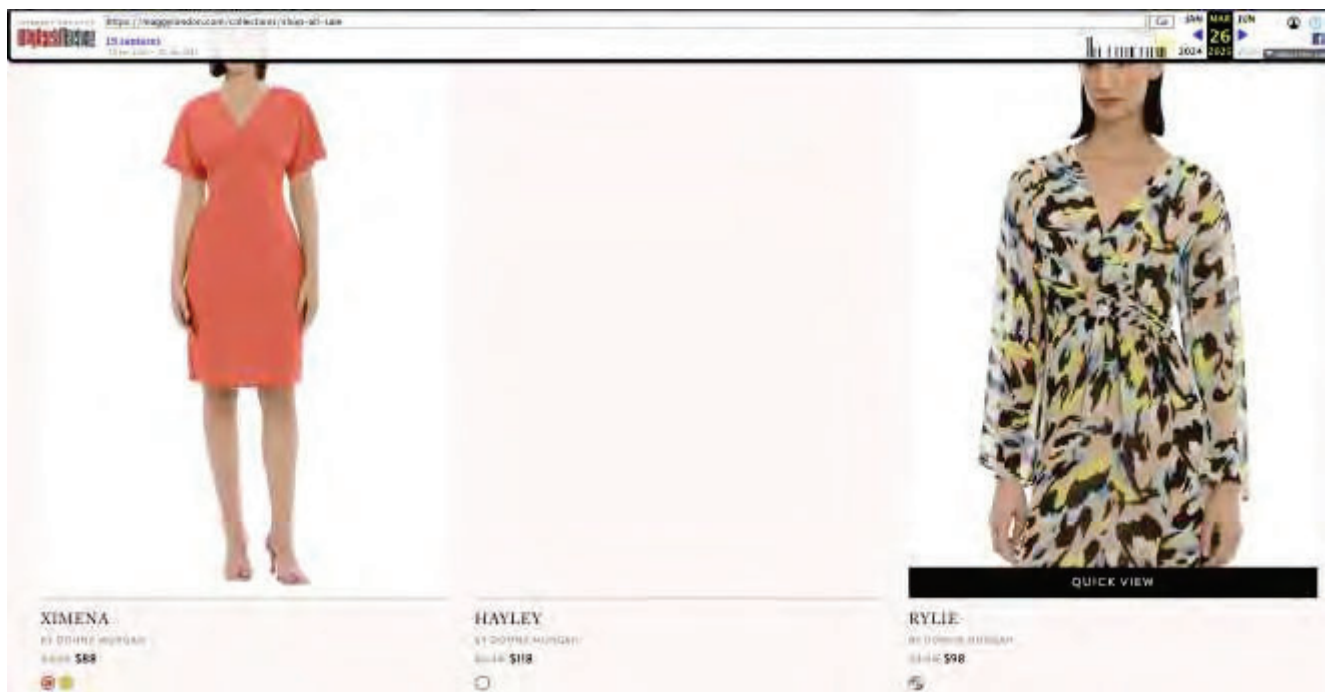
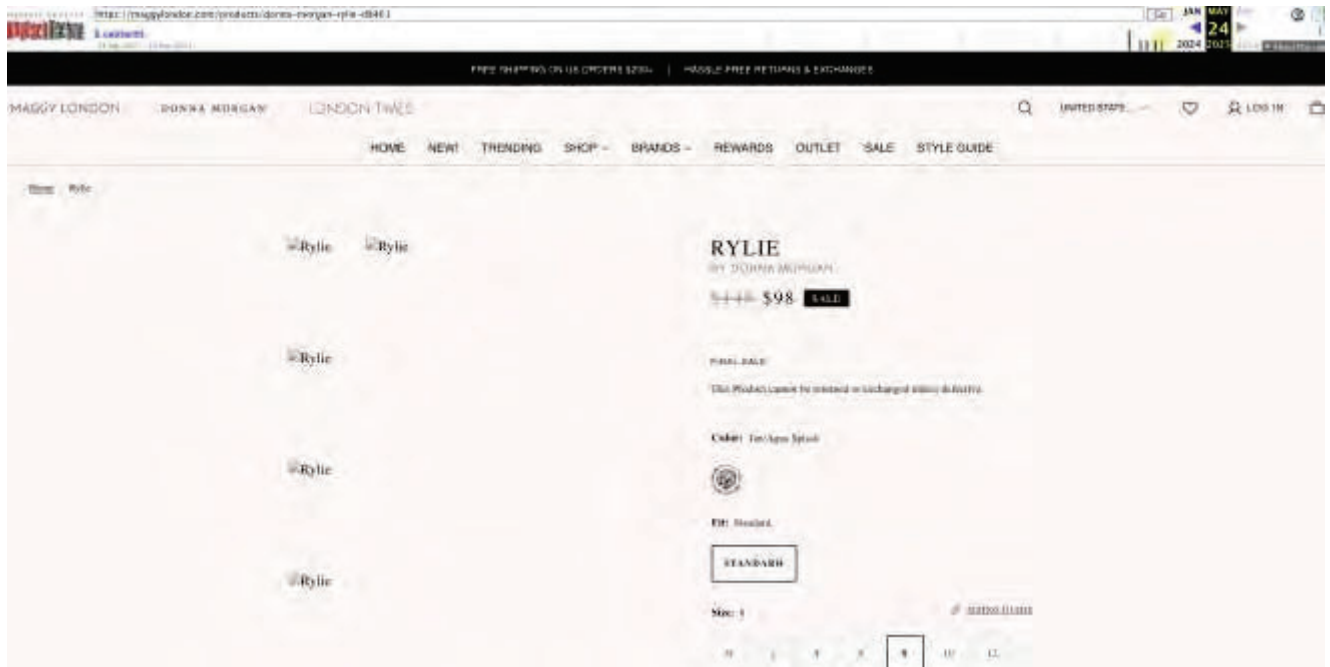




13. In a further example, the “Rylie by Donna Morgan” was sold for \$98.00 compared to a reference price of \$148.00 on August 4, 2025:



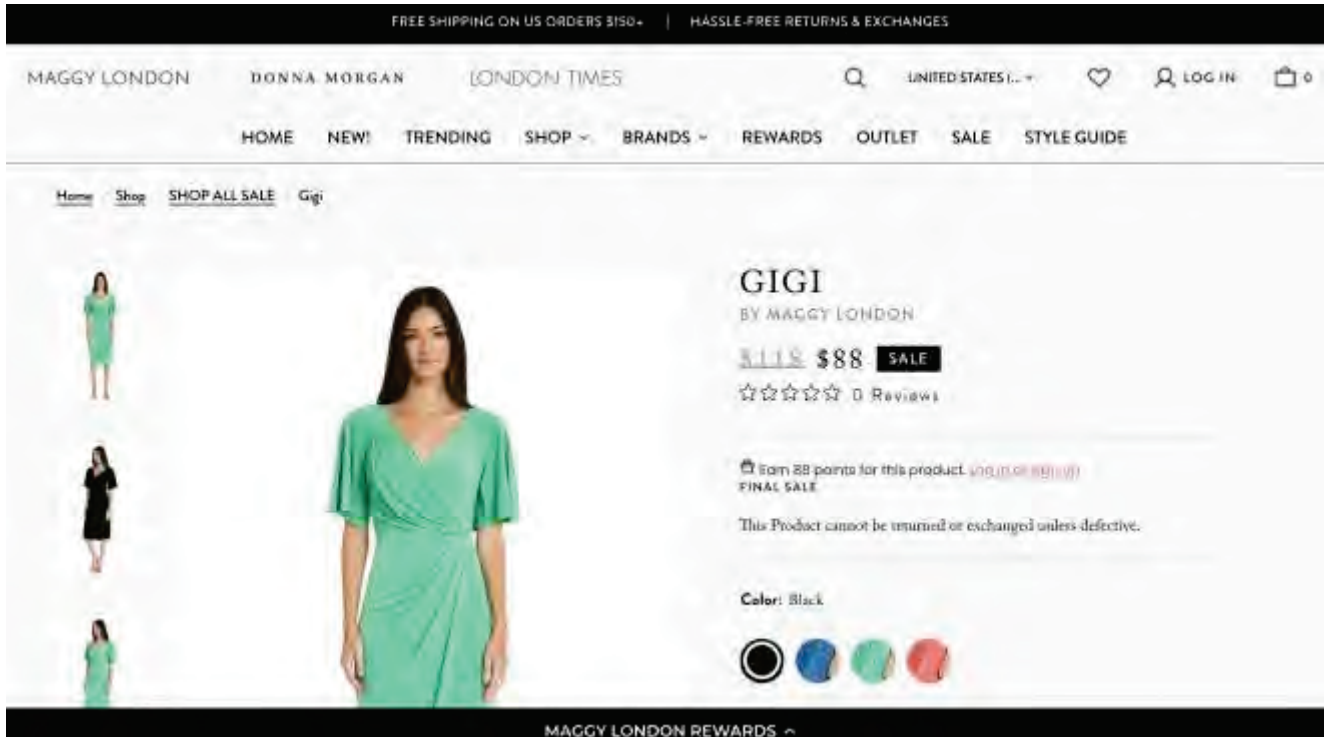
It was being sold at the same “discount” on May 24 2025, and March 26, 2025, as well:



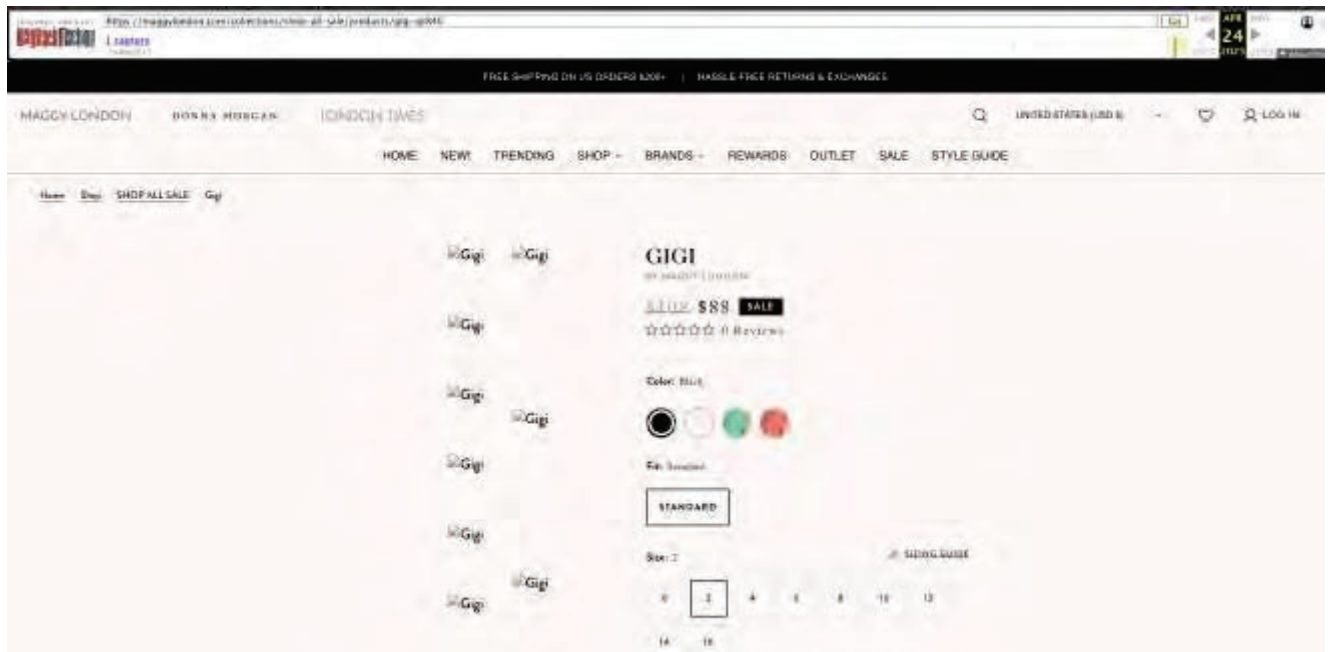
This item was even marked down all the way into August of last year:



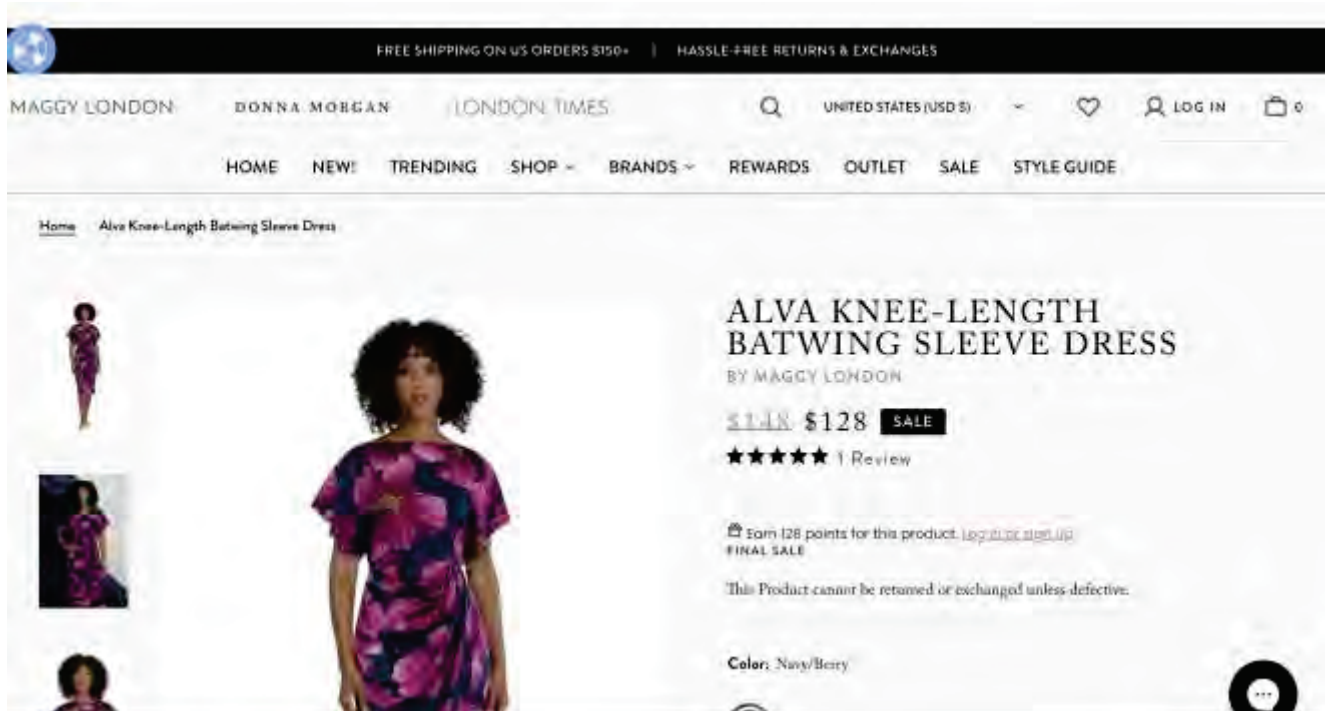
14. Next, the “Gigi by Maggy London” was sold for \$88.00 compared to a reference price of \$18.00 on August 4, 2025:



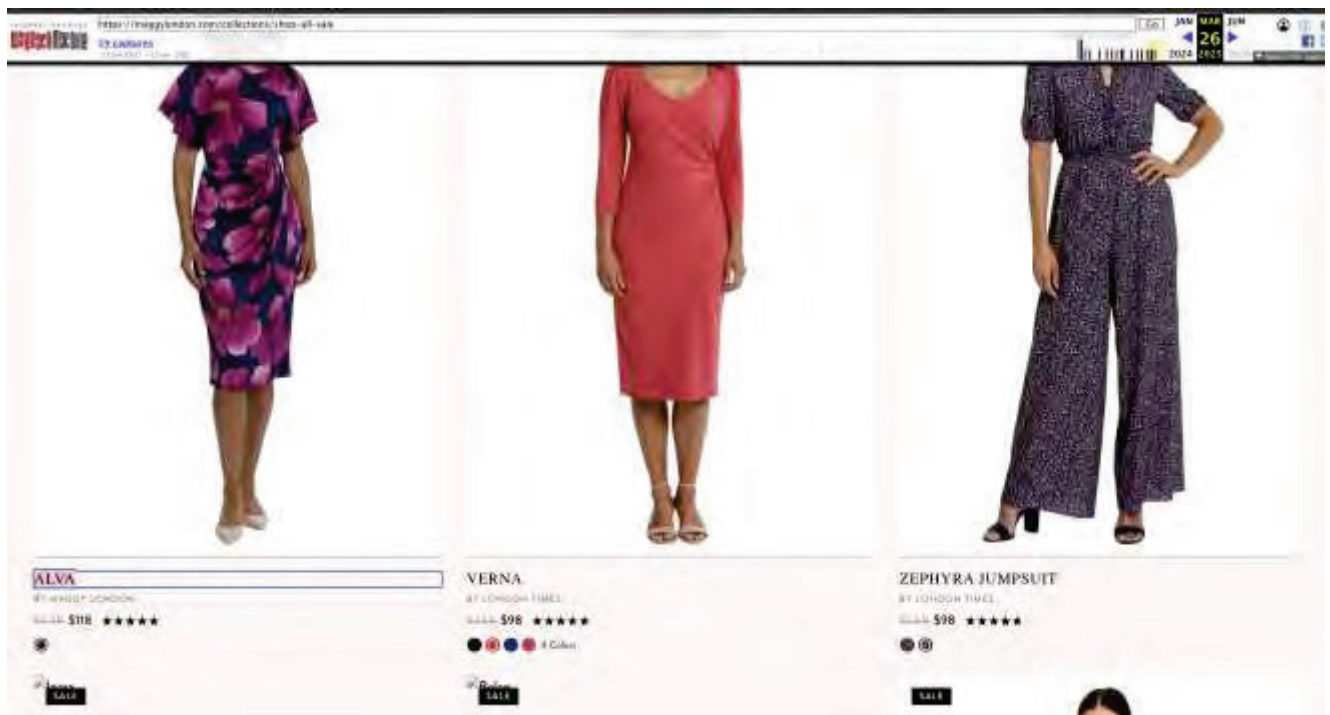
However, the dress was priced at the same phantom discount on April 24, 2025, and March 26, 2025:



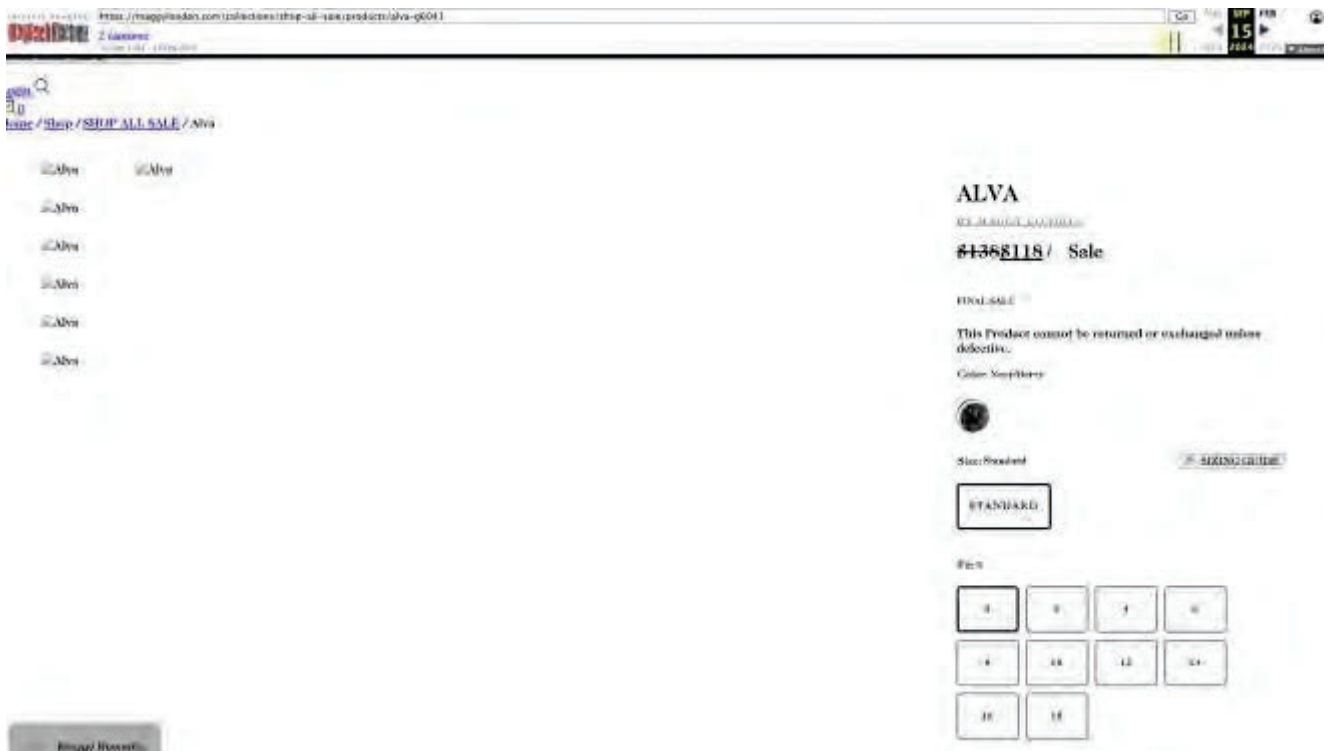
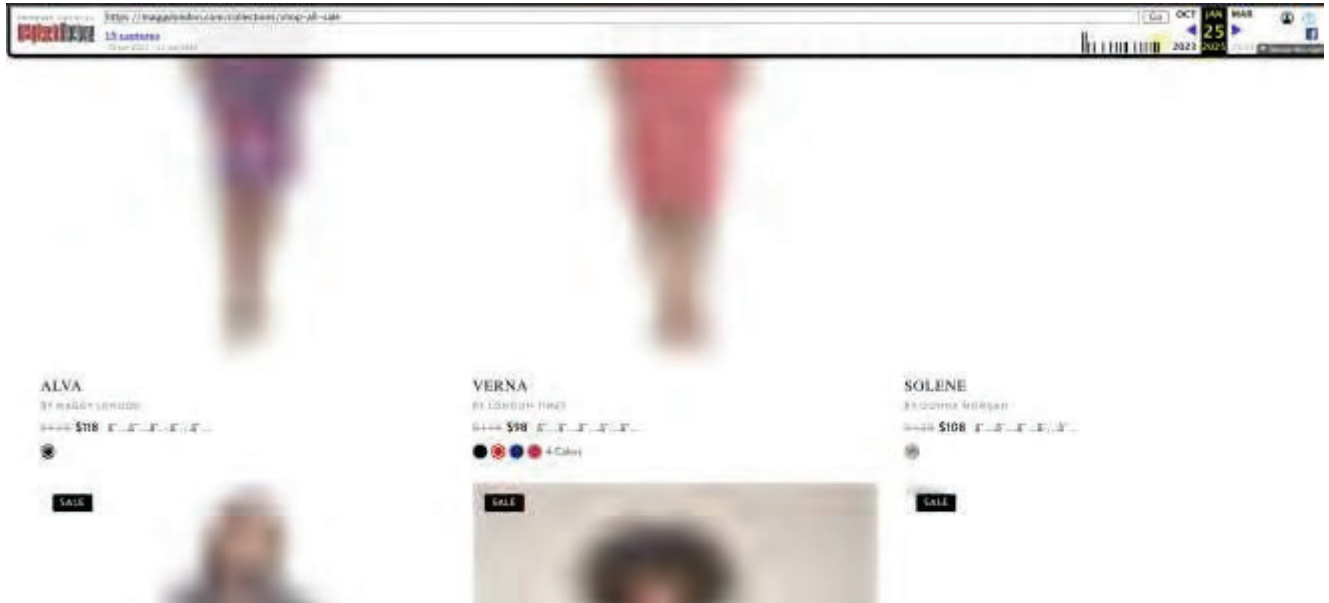
15. In a final example, the “Alva by Maggy London” dress is priced at \$128.00 compared to a reference price of \$148.00 as of August 4, 2025:



15 However, the reference price was lower—\$138.00—a few months ago on March 26, 2025, with the
16 same \$20.00 “discount”:



The same lower reference/strikethrough pricing was also offered January 25, 2025, and all the way back on September 14, 2024:



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2 16. These pricing and advertising practices reflecting high-pressure fake sales are patently
3 deceptive. They are intended to mislead customers into believing that they are getting a bargain by
4 buying products from Defendant on sale and at a substantial and deep discount. The reference price is,
5 therefore, an artificially inflated price. In turn, the advertised discounts are nothing more than phantom
6 markdowns.

7 17. Plaintiff's counsel routinely monitored the Product's sales price on Defendant's Website
8 in the period between the two dates referenced in the preceding paragraphs, and has confirmed that the
9 Product purchased by Plaintiff was not offered for sale on Defendant's Website primarily at the reference
10 price during that period, such that the reference price was not the "prevailing price" for the Product
11 during the period.

12 18. Defendant knows that the prices for the Product are fake and artificially inflated and
13 intentionally uses them in its deceptive pricing scheme on its Website to increase sales and profits by
14 misleading consumers to believe that they are buying products at a substantial discount. Defendant
15 thereby induces customers to buy products they never would have bought—or at the very least, to pay
16 more for merchandise than they otherwise would have if Defendant was simply being truthful about its
17 "sales."

18 19. The effectiveness of Defendant's deceitful pricing scheme is supported by longstanding
19 scholarly research. In the seminal article entitled *Comparative Price Advertising: Informative or*
20 *Deceptive?* (cited in *Hinojos v. Kohl's Corp.*, 718 F.3d 1098, 1106 (9th Cir. 2013)), Professors Dhruv
21 Grewal and Larry D. Compeau write that, "[b]y creating an impression of savings, the presence of a
22 higher reference price enhances subjects' perceived value and willingness to buy the product." Dhruv
23 Grewal & Larry D. Compeau, *Comparative Price Advertising: Informative or Deceptive?*, 11 J. PUB.
24 POL'Y & MKTG. 52, 55 (1992). Therefore, "empirical studies indicate that, as discount size increases,
25 consumers' perceptions of value and their willingness to buy the product increase, while their intention
26 to search for a lower price decreases." *Id.* at 56. For this reason, in *Hinojos*, the Ninth Circuit held that
27 a plaintiff making a claim of deceptive pricing (strikingly similar to the claim at issue here) had standing
28 to pursue his claim against the defendant retailer. In doing so, the Court observed that "[m]isinformation

1 about a product's 'normal' price is . . . significant to many consumers in the same way as a false product
2 label would be." *Hinojos*, 718 F.3d at 1106.

3 20. Professors Compeau and Grewal reached similar conclusions in a 2002 article: "decades
4 of research support the conclusion that advertised reference prices do indeed enhance consumers'
5 perceptions of the value of the deal." Dhruv Grewal & Larry D. Compeau, *Comparative Price*
6 *Advertising: Believe It or Not*, 36 J. OF CONSUMER AFFAIRS 287 (2002). The professors also found that
7 "[c]onsumers are influenced by comparison prices even when the stated reference prices are implausibly
8 high." *Id.*

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

15 22. Similarly, according to Professors Praveen K. Kopalle and Joan Lindsey-Mullikin,
16 "research has shown that retailer-supplied reference prices clearly enhance buyers' perceptions of value"
17 and "have a significant impact on consumer purchasing decisions." Praveen K. Kopalle & Joan Lindsey-
18 Mullikin, *The Impact of External Reference Price on Consumer Price Expectations*, 79 J. OF RETAILING
19 225 (2003).

20 23. The results of a 1990 study by Professors Jerry B. Gotlieb and Cyndy Thomas Fitzgerald,
21 came to the conclusion that "reference prices are important cues consumers use when making the
22 decision concerning how much they are willing to pay for the product." Jerry B. Gotlieb & Cyndy
23 Thomas Fitzgerald, *An Investigation into the Effects of Advertised Reference Prices on the Price*
24 *Consumers Are Willing to Pay for the Product*, 6 J. OF APP'D BUS. RES. 1 (1990). This study also
25 concluded that "consumers are likely to be misled into a willingness to pay a higher price for a product
26 simply because the product has a higher reference price." *Id.*

27 24. The unmistakable inference to be drawn from this research and the Ninth Circuit's
28 opinion in *Hinojos* is that the deceptive advertising through the use of false reference pricing employed

here by Defendant is intended to, and does in fact, influence customer behavior by artificially inflating customer perceptions of a given item's value and causing customers to spend money they otherwise would not have, purchase items they otherwise would not have, and/or spend more money for a product than they otherwise would have absent the deceptive advertising

25. Plaintiff seeks damages and, in the alternative, restitution. Plaintiff is permitted to seek equitable remedies in the alternative because Plaintiff has no adequate remedy at law.

26. 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 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 section 17501, while not being able to prove one or more elements of Plaintiff's legal claim under the Consumers Legal Remedies Act ("CLRA"), Cal. Civil Code § 1750 *et seq.*, seeking damages.

27. In addition, to obtain a full refund as damages, Plaintiff must show that the Product that Plaintiff bought has essentially no market value. In contrast, Plaintiff can seek restitution without making this showing. This is because Plaintiff purchased a Product that Plaintiff 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.

28. 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 either the Product or other products from Defendant again in the future if Plaintiff 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 Plaintiff cannot purchase products that Plaintiff would like to purchase.

V. **CLASS ACTION ALLEGATIONS**

29. Plaintiff brings this action on behalf of all persons similarly situated, and seeks certification of the following class:

All persons who purchased one or more of Defendant's products from Defendant's Website while in California within the statute of limitations period at a purported discount from a higher reference price.

30. The above-described class of persons shall hereafter be referred to as the "Class." Excluded from the Class are any and all past or present officers, directors, or employees of Defendant, any judge who presides over this action, and any partner or employee of Class Counsel. Plaintiff reserves the right to expand, limit, modify, or amend this class definition, including the addition of one or more subclasses, 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.

31. **Numerosity.** The Class is so numerous that joinder of all members in one action is impracticable. The exact number and identities of the members of the Class is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, but Plaintiff is informed and believes, and thereon, alleges that there are at least 50 members of the Class.

32. **Typicality.** Plaintiff's claims are typical of those of other members of the Class, all of whom have suffered similar harm due to Defendant's course of conduct as described in this Complaint.

33. **Adequacy of Representation.** Plaintiff is an adequate representative of the Class and will fairly and adequately protect the interests of the Class. Plaintiff has retained attorneys who are experienced in the handling of complex litigation and class actions, and Plaintiff and Plaintiff's counsel intend to prosecute this action vigorously.

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

1 a) Whether, during the Class Period, Defendant advertised false reference prices of its
2 products offered on its Website.

3 b) Whether, during the Class Period, Defendant advertised price discounts from false
4 reference prices on products offered on its Website.

5 c) Whether Defendant's deceptive pricing scheme using false reference prices constitutes
6 false advertising in violation of the California False Advertising Law under Business &
7 Professions Code § 17501.

8 c) Whether Defendant's deceptive pricing scheme using false reference prices violate the
9 CLRA under Civil Code § 1770.

10 35. **Superiority.** A class action is superior to other available methods for the fair and
11 efficient adjudication of this controversy because individual litigation of the claims of all members of
12 the Class is impracticable.

13 36. **Ascertainability.** Defendant keeps computerized records of its sales and customers
14 through, among other things, databases storing customer orders, customer order histories, customer
15 profiles, customer loyalty programs, and general marketing programs. Defendant has one or more
16 databases through which a significant majority of members of the Class may be identified and
17 ascertained, and they maintain contact information, including email addresses and home addresses (such
18 as billing, mailing, and shipping addresses), through which notice of this action is capable of being
19 disseminated in accordance with due process requirements.

20 **VI. CAUSE OF ACTION**

21 **FIRST CAUSE OF ACTION**

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

23 **Cal. Bus. & Prof. Code § 17501**

24 37. Plaintiff incorporates by reference the foregoing paragraphs as if set forth hereinafter.

25 38. Section 17501 of the Business and Professions Code provides in relevant part that "no
26 price shall be advertised as a former price of any advertised thing, unless the alleged former price was
27 the prevailing market price . . . within three months next immediately preceding the publication of the
28

1 advertisement or unless the date when the alleged former price did prevail is clearly, exactly, and
2 conspicuously stated in the advertisement.” Cal Bus. & Prof. Code § 17501.

3 39. Simply put, section 17501 means that if an item is “on sale” for 90 days or more, the
4 seller is violating section 17501.

5 40. Here, the Product was not sold primarily at the higher reference price in the 90 days prior
6 to Plaintiff’s and Class members’ purchase of the Product via the Website.

7 41. As a direct and proximate result of Defendant’s misleading and false advertisements,
8 Plaintiff and Class members have suffered injury in fact and has lost money.

9 **SECOND CAUSE OF ACTION**

10 **Violation of Consumers Legal Remedies Act**

11 **Cal. Civil Code § 1750 *et seq.***

12 42. Plaintiff incorporates by reference the foregoing paragraphs as if set forth hereinafter.

13 43. The CLRA prohibits certain “unfair methods of competition and unfair or deceptive acts
14 or practices” in connection with the sale of goods or services to any consumer. (Cal. Civ. Code §
15 1770(a).)

16 44. The practices described herein, specifically Defendant’s advertising and sale of its
17 products, were intended to result and did result in the sale of such products to the consuming public and
18 violated and continues to violate section 1770(a)(13) of the Civil Code by “[m]aking false or misleading
19 statements of fact concerning reasons for, existence of, or, amounts of, price reductions.”

20 45. Plaintiff is an individual who acquired, by purchase, the Product, which is a good, for
21 personal, family, or household purposes.

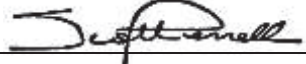
22 46. Defendant deceived Plaintiff by advertising the price of the Product in a misleading
23 manner contrary to California statutes including section 17501 of the Business and Professions Code.

24 47. Defendant made material misrepresentations to deceive Plaintiff and Class members.

25 48. In doing so, Defendant intentionally misrepresented and concealed material facts from
26 Plaintiff and Class members. Said misrepresentations and concealment were done with the intention of
27 deceiving Plaintiff and Class members, and depriving Plaintiff and Class members of rights and money.
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1
2 Dated: August 7, 2025

PACIFIC TRIAL ATTORNEYS, APC

3 By: _____

4 Scott. J. Ferrell

5 Attorneys for Plaintiff
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