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PARTIES

- 1. Plaintiff Claudia Sicairos is and at all times relevant was a citizen of the state of California, domiciled in Los Angeles, California.
- 2. Defendant Cove Drinks, Inc. is a Delaware corporation with its principal place of business in Dover, Delaware.

JURISDICTION AND VENUE

- 3. This Court has subject matter jurisdiction over this action pursuant to the Class Action Fairness Act, Pub. L. 109-2, 119 Stat. 4 (codified in scattered sections of Title 28 of the United States Code); specifically, under 28 U.S.C. § 1332(d), which provides for the original jurisdiction of the federal district courts over "any civil action in which the matter in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs, and [that] is a class action in which . . . any member of a class of plaintiffs is a citizen of a State different from any defendant." 28 U.S.C. § 1332(d)(2)(A).
- 4. Plaintiff seeks to represent Class members who are citizens of states and countries different from the Defendant.
- 5. The matter in controversy in this case exceeds \$5,000,000 in the aggregate, exclusive of interests and costs.
- 6. In addition, "the number of members of all proposed plaintiff classes in the aggregate" is greater than 100. See 28 U.S.C. § 1332(d)(5)(B).
- 7. In the alternative, the Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1332(a). The amount in controversy exceeds \$75,000, exclusive of interest and costs.
- 8. This Court has personal jurisdiction over Defendant because this action arises out of and relates to Defendant's contacts with this forum.
- 9. Those contacts include but are not limited to sales of the Products directly to commercial and individual consumers located in this district, including Plaintiff; shipping the Products to commercial and individual consumers in this district, including Plaintiff; knowingly directing advertising and marketing materials concerning the Products into this district through

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wires and mails, both directly and through electronic and print publications that are directed to commercial and individual consumers in this district; and operating an e-commerce web site that offers the Products for sale to commercial and individual consumers in this district, as well as offering the Products for sale through third-party e-commerce websites, through both of which commercial and individual consumers residing in this district have purchased the Products.

- 10. Defendant knowingly directs electronic activity and ships the Products into this district with the intent to engage in business interactions for profit, and it has in fact engaged in such interactions, including the sale of the Products to Plaintiff.
- 11. Defendant also sells the Products to retailers and wholesalers in this district for the purpose of making the Products available for purchase by individual consumers in this district.
 - 12. Plaintiff's losses and those of other Class members were sustained in this district.
- Venue is proper pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of 13. the events or omissions giving rise to Plaintiff's claims occurred within this district.
- 14. Venue is also proper pursuant to 28 U.S.C. § 1391(c)(2) because this Court maintains personal jurisdiction over Defendant.

FACTUAL ALLEGATIONS

- 15. Across the globe, consumers are increasingly attuned to claims that foods are "allnatural," minimally processed, or otherwise free of artificial ingredients, flavors, and preservatives.
- 16. For example, a 2018 survey by L.E.K. Consulting found that overwhelming numbers of consumers were committed or casual adherents to so-called "clean label" food attributes: "No artificial ingredients" (69 percent); "No preservatives" (67 percent); or "Allnatural" (66 percent). These were the three most attractive attributes in the consumer survey. Roughly 60 to 70 percent of consumers reported a willingness to pay a price premium for "clean label" foods. See https://www.lek.com/insights/ei/next-generation-mindful-food-consumption.

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- 17. This consumer preference has led to an explosion in the category of "clean label" foods and beverages, or "100% labels." These labels indicate that the food or beverage contains few, minimally processed ingredients, usually natural ones.
- 18. Leading analyst Allied Market Research estimated that the "natural foods and drinks" category would grow by an estimated compound annual growth rate of 11.44 percent from 2022 to 2031, reaching \$361 billion in annual sales by 2031. See https://www.alliedmarketresearch.com/natural-food-and-drinks-market.
- 19. Meanwhile, consumers are increasingly attuned to the health dangers of excessive sugar, and have begun to search out naturally sweetened food products with no or low sugar in the belief that such products are healthier than competing products that contain sugar.
- 20. Plaintiff Claudia Sicairos is one such "clean consumer." She prefers to consume natural ingredients and minimally processed foods. Sicairos purchased the Products at a Target in Inglewood, California on or about May 15, 2025; and at a Target in Culver City, California on or about September 18, 2025.
- 21. Labels are the chief means by which food product manufacturers convey critical information to consumers, and consumers have been conditioned to rely on the accuracy of the claims made on these labels.
- 22. Cove probiotic sodas are widely distributed through third-party websites such as Amazon.com and the Defendant's website, as well as through retail grocery stores including Target, Costco, Whole Foods, Safeway, and Harris Teeter.
- 23. The Products feature claims on the front and back labels to be "Zero Sugar!" which claim is made to induce reasonable consumers to believe that the Products are conducive to good health and physical well-being, and are healthier than sodas containing sugar or highfructose corn syrup.
- 24. Moreover, on the back label, the Products claim to contain "No Artificial Sweeteners."

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Both of these claims are false. The Products all contain 10 grams of erythritol, the 25. second most common ingredient in the Products after water. The Products use erythritol as a sweetener.

26. Commercially applied erythritol—including the erythritol used in the Products is an artificial and synthetic compound which cannot truthfully be labeled as "natural" or "not artificial." Additionally, erythritol has been directly linked to a substantial increase in the chance of adverse cardiac events such as heart attack and stroke, and is therefore not healthy or conducive to good health and physical well-being.

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I. ERYTHRITOL USED IN FOOD IS HIGHLY PROCESSED AND SYNTHETIC.

- 27. Erythritol is a sugar alcohol that is naturally found in low levels in fruits such as cantaloupes and grapes, and is also produced in the human body. However, the version of erythritol used in commercial food products—often at high levels, much higher than found naturally in fruits—is a commercially manufactured artificial sweetener.
- 28. Commercial erythritol such as that used in the Products is manufactured through a multistep process that starts with fermenting a strain of the microorganism *Moniliella pollinis*, a yeast, in a culture that contains liquid glucose or sucrose, an antifoaming agent, and a carbohydrate source that is usually corn starch from GMO (genetically modified) corn.¹
- 29. Because commercially processed erythritol is "generally crafted from GMO cornstarch," it has been referred to an "invisible GMO ingredient." 2
- 30. The resulting substance is then purified using a chromatography resin and ion exchange resins. Activated charcoal is used to remove color and trace elements. This multi-step fermentation and chemical processing is repeated until it yields a white crystalline powder. The resulting crystals are then washed and packaged for commercial use.³
 - 31. The resulting product is approximately 70 percent as sweet as table sugar.
- 32. Since commercial erythritol is manufactured through industrial fermentation and chemical processing—from processed corn/wheat starch, fermented with engineered microbes, and refined into a crystalline sweetener—it is classified as an artificial sweetener.
- 33. Reasonable consumers would not expect erythritol, a synthetic compound manufactured from an extensive chemical process, to be present in foods and beverages labeled "No Artificial Sweeteners."

¹ Donald F. Schmidt, *GRAS Determination for Erythritol for Use in Human Food* at 9, TOXSTRATEGIES (June 5, 2018), https://www.fda.gov/media/132946/download (submitted to and published by the FDA) (last visited March 7, 2023).

² MERITAGE MEDICAL NETWORK, What is Erythritol? Erythritol Side Effects and Dangers (July 14, 2022), https://meritagemed.com/erythritol/ (last visited September 11, 2025).

³ Schmidt, *supra*, at 9-10.

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34. When used as a sweetener in foods, erythritol levels are typically more than 1,000fold greater than levels found naturally in fruits.

II. ERYTHRITOL INCREASES RISK OF HEART ATTACK AND STROKE

- 35. In 2023, the Cleveland Clinic—the nation's leading cardiac care hospital and research center—released the results of 1,000-person study that looked for compounds in blood whose levels were linked to future cardiac risk. Researchers tracked major adverse cardiovascular events over three years, including death and nonfatal heart attack or stroke.
- 36. Researchers found that elevated levels of erythritol and several related artificial sweeteners were associated with the risk for cardiovascular events. To confirm this result, the researchers examined two more groups of people (totaling almost 3,000) in the United States and Europe. They also developed a method to better distinguish erythritol from related compounds.
- 37. These measurements reproduced the association between erythritol and cardiovascular events. People with the highest erythritol levels (top 25%) were about twice as likely to have cardiovascular events over three years of follow-up as those with the lowest (bottom 25%).
- Follow-up investigations to determine a potential mechanism for this effect 38. suggested that consumption of erythritol-sweetened foods spiked blood erythritol levels nearly 1,000-fold, an effect that persisted for several days. These changes in erythritol levels were more than high enough to trigger changes in platelet function, which increased blood clot formation that increased the chance of heart attack or stroke.⁴
- 39. Consumers including Plaintiff especially rely on label claims made by food product manufacturers such as Defendant, as they cannot confirm or disprove those claims simply by viewing or even consuming the Products.

See generally Marco Witkowski, et al., The artificial sweetener erythritol and cardiovascular event risk, 29 NATURE MEDICINE 710-18 (2013), at https://www.nature.com/articles/s41591-023-02223-9.

- 40. Plaintiff reviewed the front and back labels of the Products prior to her purchase. Consumers such as Plaintiff who viewed the Products' labels reasonably understood the Defendant to be claiming that the Products were healthy and conducive to good health and physical well-being and contained no artificial sweeteners.
- 41. Consumers including Plaintiff reasonably relied on these label statements such that they would not have purchased the Products from Defendant if the truth about the Products was known, or would have only been willing to pay a substantially reduced price for the Products had they known that Defendant's representations were false and misleading.
- 42. In the alternative, because of its deceptive and false labelling statements, Defendant was enabled to charge a premium for the Products relative to key competitors' products, or relative to the average price charged in the marketplace.
- 43. Plaintiff suffered economic injury by Defendant's fraudulent and deceptive conduct as stated herein, and there is a causal nexus between Defendant's deceptive conduct and Plaintiff's injury.
- 44. Defendant's conduct threatens California consumers by using false, deceptive, and misleading labels. Defendant's conduct also threatens other companies, large and small, who "play by the rules." Defendant's conduct stifles competition, has a negative impact on the marketplace, and reduces consumer choice.

CLASS ACTION ALLEGATIONS

- 45. Plaintiff brings this action individually and as representative of all those similarly situated pursuant to Federal Rule of Civil Procedure 23 on behalf of all consumers in the state of California who purchased the Products within four years prior to the filing of this Complaint.
- 46. Excluded from the Class are Defendant and its affiliates, parents, subsidiaries, employees, officers, agents, and directors. Also excluded are any judicial officers presiding over this matter and the members of their immediate families and judicial staff.

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- Plaintiff reserves the right to alter the Class definition, and to amend this Complaint to add additional Subclasses, as necessary to the full extent permitted by applicable law. 48. Certification of Plaintiff's claims for class-wide treatment is appropriate because
- Plaintiff can prove the elements of the claims on a class-wide basis using the same evidence as individual Class members would use to prove those elements in individual actions alleging the same claims.
- 49. Numerosity – Rule 23(a)(1): The size of the Class is so large that joinder of all Class members is impracticable. Plaintiff believes and avers there are thousands of Class members geographically dispersed throughout the state of California.
- 50. Existence and Predominance of Common Questions of Law and Fact - Rule 23(a)(2), (b)(3): There are questions of law and fact common to the Class. These questions predominate over any questions that affect only individual Class members. Common legal and factual questions and issues include but are not limited to:
 - a. Whether the marketing, advertising, packaging, labeling, and other promotional materials for Defendant's Products is misleading and deceptive;
 - b. Whether a reasonable consumer would understand Defendant's "Zero Sugar" and "No Artificial Sweeteners" representations to imply that the Products were healthy and conducive to good health and physical well-being and contained no artificial sweeteners, and reasonably relied upon those representations;
 - Whether Defendant was unjustly enriched at the expense of the Plaintiff and Class members;
 - Whether Defendant breached an express warranty;
 - the proper scope of injunctive relief; and
 - the proper amount of attorneys' fees. f.
- 51. Defendant engaged in a common course of conduct in contravention of the laws Plaintiff seeks to enforce individually and on behalf of the Class. Similar or identical violations

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of law, business practices, and injuries are involved. Individual questions, if any, pale by comparison, in both quality and quantity, to the numerous common questions that predominate this action. The common questions will yield common answers that will substantially advance the resolution of the case.

- 52. In short, these common questions of fact and law predominate over questions that affect only individual Class members.
- 53. Typicality – Rule 23(a)(3): Plaintiff's claims are typical of the claims of the Class members because they are based on the same underlying facts, events, and circumstances relating to Defendant's conduct.
- 54. Specifically, all Class members, including Plaintiff, were harmed in the same way due to Defendant's uniform misconduct described herein; all Class members suffered similar economic injury due to Defendant's misrepresentations; and Plaintiff seeks the same relief as the Class members.
- 55. There are no defenses available to Defendant that are unique to the named Plaintiff.
- 56. Adequacy of Representation - Rule 23(a)(4): Plaintiff is a fair and adequate representative of the Class because Plaintiff's interests do not conflict with the Class members' interests. Plaintiff will prosecute this action vigorously and is highly motivated to seek redress against Defendant.
- 57. Furthermore, Plaintiff has selected competent counsel who are experienced in class action and other complex litigation. Plaintiff and Plaintiff's counsel are committed to prosecuting this action vigorously on behalf of the Class and have the resources to do so.
- 58. Superiority – Rule 23(b)(3): The class action mechanism is superior to other available means for the fair and efficient adjudication of this controversy for at least the following reasons:
 - the damages individual Class members suffered are small compared to the burden and expense of individual prosecution of the complex and extensive litigation

- needed to address Defendant's conduct such that it would be virtually impossible for the Class members individually to redress the wrongs done to them. In fact, they would have little incentive to do so given the amount of damage each member has suffered when weighed against the costs and burdens of litigation;
- b. the class procedure presents fewer management difficulties than individual litigation and provides the benefits of single adjudication, economies of scale, and supervision by a single Court;
- c. the prosecution of separate actions by individual Class members would create a risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct for Defendant; and
- d. the prosecution of separate actions by individual Class members would create a risk of adjudications with respect to them that would be dispositive of the interests of other Class members or would substantively impair or impede their ability to protect their interests.
- 59. Unless the Class is certified, Defendant will retain monies received as a result of its unlawful and deceptive conduct alleged herein.
- 60. Unless a class-wide injunction is issued, Defendant will likely continue to advertise, market, promote, and sell its Products in an unlawful and misleading manner, as described throughout this Complaint, and members of the Class will continue to be misled, harmed, and denied their rights under the law. Defendant continues to mislabel the Products in the manner described herein and sell them to the consuming public. Defendant would like to purchase the Products and other products sold by Defendant in the future, but cannot currently do so because he cannot rely on the Products' labelling, given the deceptions found there. An injunction prohibiting future deceptive labelling is therefore warranted and would provide Plaintiff and the Class relief.
- 61. Furthermore, Plaintiff has not merely alleged an "informational" injury, but has also alleged that Defendant has been enabled to charge a price premium for the Products.

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Plaintiff has therefore alleged that compliance with state labelling law would cause a decrease in the price of the Products at which Plaintiff and members of the Class would be willing to buy the Products. As a result, Plaintiff has alleged more than simply an interest in Defendant telling the truth on its labels, but an economic injury that further supports prospective injunctive relief.

- 62. **Ascertainability**. To the extent ascertainability is required, the Class members are readily ascertainable from Defendant's records and/or its agents' records of retail and online sales, as well as through public notice.
- 63. Defendant has acted on grounds applicable to the Class as a whole, thereby making appropriate final injunctive and declaratory relief concerning the Class as a whole.

COUNT 1 VIOLATION OF THE CONSUMERS LEGAL REMEDIES ACT CAL. CIV. CODE § 1750 et seq.

- Plaintiff realleges the preceding paragraphs as if fully set forth herein and, to the 64. extent necessary, pleads this cause of action in the alternative.
- 65. Plaintiff is a "consumer" within the meaning of the Consumers Legal Remedies Act ("CLRA"), Cal. Civ. Code § 1761(d).
- The sale of Defendant's Products to Plaintiff and Class members was a 66. "transaction" within the meaning of the CLRA, Cal. Civ. Code § 1761(e).
- 67. The Products purchased by Plaintiff and Class members are "goods" within the meaning of the CLRA, Cal. Civ. Code § 1761(a).
- 68. As alleged herein, Defendant's business practices are a violation of the CLRA because Defendant deceptively failed to reveal facts that are material in light of the claims that were made by Defendant on the front and back labels of its Products.
- Defendant's ongoing failure to provide material facts about its Products on its labels violates the following subsections of Cal. Civ. Code § 1770(a) in these respects:
 - a. Defendant's acts and practices constitute misrepresentations that its Products have characteristics, benefits, or uses which they do not have;

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- b. Defendant misrepresented that its Products are of a particular standard, quality, and/or grade, when they are of another;
- Defendant's acts and practices constitute the advertisement of goods, without the intent to sell them as advertised;
- d. Defendant's acts and practices fail to represent that transactions involving its Products involve actions that are prohibited by law, particularly the use of misleading nutritional labelling; and
- Defendant's acts and practices constitute representations that its Products have been supplied in accordance with previous representations when they were not.
- 70. By reason of the foregoing, Plaintiff and the Class have been irreparably harmed, entitling them to injunctive relief.
- Pursuant to Cal. Civ. Code § 1782, concurrent with the filing of this Complaint, 71. Plaintiff will notify Defendant in writing of the particular violations of the CLRA described herein and demanded Defendant rectify the actions described above by providing complete monetary relief, agreeing to be bound by its legal obligations and to give notice to all affected customers of their intent to do so.
- 72. Pursuant to Cal. Civ. Code §§ 1770 and 1780, Plaintiff is entitled to enjoin publication of misleading and deceptive nutritional labels on Defendant's Products and to recover reasonable attorneys' fees and costs.

COUNT 2 UNJUST ENRICHMENT

- 73. Plaintiff realleges the preceding paragraphs as if fully set forth herein and, to the extent necessary, pleads this cause of action in the alternative in the event that Plaintiff has an inadequate remedy at law.
- Under California law, a claim for unjust enrichment "describe[s] the theory 74. underlying a claim that a defendant has been unjustly conferred a benefit 'through mistake, fraud, coercion, or request." Astiana v. Hain Celestial Grp., Inc., 783 F.3d 753, 762 (9th Cir. 2015) (quoting 55 Cal. Jur. 3d Restitution § 2). Thus, when a plaintiff alleges unjust enrichment,

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the Court should "construe the cause of action as a quasi-contract claim seeking restitution."
Rutherford Holdings, LLC v. Plaza Del Rey 223 Cal. App. 4th 221, 225 (2014). Courts in
California have allowed unjust enrichment and CLRA claims to proceed in the alternative. See
Scheibe v. Livwell Prods., LLC, No. 23-cv-216, 2023 WL 4414580, at *8 (S.D. Cal. 2023).

- Defendant, through its marketing and labeling of the Products, misrepresented and 75. deceived consumers in the manner described herein.
- 76. Defendant did so for the purpose of enriching itself and it in fact enriched itself by doing so.
- 77. Consumers conferred a benefit on Defendant by purchasing the Products, including an effective premium above their true value. Defendant appreciated, accepted, and retained the benefit to the detriment of consumers.
- 78. Defendant continues to possess monies paid by consumers to which Defendant is not entitled.
- 79. Under the circumstances it would be inequitable for Defendant to retain the benefit conferred upon it and Defendant's retention of the benefit violates fundamental principles of justice, equity, and good conscience.
- 80. Plaintiff seeks disgorgement of Defendant's ill-gotten gains and restitution of Defendant's wrongful profits, revenue, and benefits, to the extent, and in the amount, deemed appropriate by the Court, and such other relief as the Court deems just and proper to remedy Defendant's unjust enrichment.
- 81. Plaintiff has standing to pursue this claim as Plaintiff has suffered injury in fact as a result of Defendant's actions as set forth above.

COUNT 3 BREACH OF IMPLIED WARRANTY

- 82. Plaintiff realleges the preceding paragraphs as if fully set forth herein and, to the extent necessary, pleads this cause of action in the alternative.
- 83. Defendant, as the designer, manufacturer, marketer, distributor, and/or seller, made the implied warranties described herein.

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- 84. Defendant's implied warranties, and its affirmations of fact and promises made to Plaintiff and the Class and regarding the Products, became part of the basis of the bargain between Defendant and Plaintiff and the Class, creating a warranty that the Products would conform to those affirmations of fact, representations, promises, and descriptions.
 - The Products do not conform to the implied warranties described herein. 85.
- As a direct and proximate cause of Defendant's breach of implied warranty, 86. Plaintiff and Class members have been injured and harmed because: (a) they would not have purchased the Products on the same terms if they knew the truth about the Products; (b) they paid a price premium based on Defendant's implied warranties; and (c) the Products do not have the characteristics, uses, or benefits that were promised.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests the Court grant the following relief against Defendant:

- a. Certifying the Class;
- b. Declaring that Defendant violated the CLRA and/or was unjustly enriched and/or breached an implied warranty and ordering Defendant to make restitution and/or disgorgement to the extent permitted by law;
- Ordering an awarding of injunctive relief as permitted by law, including enjoining Defendant from continuing the unlawful practices as set forth herein, and ordering Defendant to engage in a corrective advertising campaign;
- d. Ordering Defendant to pay reasonable attorneys' fees and litigation costs to Plaintiff;
- Ordering Defendant to pay both pre- and post-judgment interest on any amounts awarded; and
- Such other relief as the Court may deem just and proper.