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<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> <li>24</li> <li>25</li> </ol>	KARPINSKI, individually and on behalf of all others similarly situated, Plaintiffs, vs. ANHEUSER-BUSCH INBEV WORLDWIDE, INC., a Delaware corporation; DOES 1 to 100, inclusive, Defendant.	CASE NO.: <b>20 STCV45069CLASS ACTIONCOMPLAINTDEMAND FOR JURY TRIAL</b>
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Plaintiffs Denise Angiano and Charley Karpinski ("Plaintiffs"), individually and on behalf of all others similarly situated, bring this action based upon personal knowledge as to themselves and their own acts, and as to all other matters upon information and belief, based upon, *inter alia*, the investigation of their attorneys.

#### NATURE OF THE ACTION

1. Defendant Anheuser-Busch InBev Worldwide, Inc. ("Defendant") is a Delaware corporation headquartered in St. Louis, Missouri, that produces and distributes malt beverages, including Beck's Non-Alcoholic Beer ("Beck's beer" or "Beck's non-alcoholic beer").

2. Plaintiffs are reasonable consumers who purchased Beck's beer reasonably believing that such beverages do not contain any alcohol. As a result of Defendant's deceptive and misleading practice of labeling Beck's beer bottles and packages as "non-alcoholic," without more, Plaintiffs and the Class Members were induced to purchase Beck's beer, which is not devoid of alcohol as advertised. Plaintiffs reasonably relied on Defendant's representations that Beck's beer was "non-alcoholic" when making their purchases. But for Defendant's deceptive and misleading practices, Plaintiffs and the Class Members would not have purchased Beck's beer.

3. Defendant's false and misleading advertising deceives consumers into believing that they are consuming a malt beverage with no alcohol content whatsoever and, through this deception, Defendant seeks to induce consumers to purchase Beck's beer beverages when they would otherwise have purchased another beverage which did not contain any amount of alcohol.

21 4. Defendant was aware that it was not providing its customers with a beverage that 22 did not contain any amount of alcohol, yet it proceeded to display the "non-alcoholic" 23 advertisement on Beck's beer bottles and packages, without any warning that the beverage 24 contains some alcohol, creating the clear impression to its customers that they are purchasing and 25 consuming a beverage that does not contain any amount of alcohol. This behavior is therefore 26 materially misleading, in that reasonable consumers would not understand Beck's non-alcoholic 27 beer to contain any amounts of alcohol. Thousands of consumers have purchased Beck's beer 28 111

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under the false belief that they are not consuming any amount of alcohol. They have been misled.
 They have been deceived into consuming alcohol.

5. Defendant has made millions of dollars in fraudulent sales to individuals who Defendant told were receiving a product that does not contain any alcohol, which they did not receive. Defendant's customers did not receive the benefit of their bargain. Plaintiffs were induced to make a purchase that they would not have made if they were not misled about the fact that Beck's non-alcoholic beer contains.

#### THE PARTIES

6. Plaintiff Denise Angiano ("Plaintiff Angiano") is a California citizen residing in Los Angeles, California. Plaintiff Angiano purchased and consumed Beck's non-alcoholic beer under the false belief that she purchased and consumed a beverage that did not contain any alcohol, which is not true. As a result of Defendant's behavior, Plaintiff Angiano consumed alcohol at a time when she did not wish to consume any amount of alcohol. Plaintiff Angiano was pregnant and breastfeeding her baby at the time she purchased and consumed Beck's beer.

7. Plaintiff Charley Karpinski ("Plaintiff Karpinski") is a California citizen residing in Studio City, California. Plaintiff Karpinski purchased and consumed Beck's non-alcoholic beer under the false belief that the beverage does not contain any alcohol, which is not true. As a result of Defendant's behavior, Plaintiff Karpinski consumed alcohol at a time when he did not wish to consume any amount of alcohol. Plaintiff Karpinski is in recovery from alcoholism.

20 8. Defendant is a Delaware corporation with its principal offices located at One
21 Busch Place, St. Louis Missouri, 63118.

9. Plaintiffs are unaware of the true names, identities, and capacities of the
defendants sued herein as DOES 1 to 100. Plaintiffs will seek leave to amend this complaint to
allege the true names and capacities of DOES 1 to 100 if and when ascertained. Plaintiffs are
informed and believe, and thereupon allege, that each of the defendants sued herein as a DOE is
legally responsible in some manner for the events and happenings alleged herein and that each of
the defendants sued herein as a DOE proximately caused injuries and damages to Plaintiffs and
Class Members as set forth below.

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#### COMPLAINT AND DEMAND FOR JURY TRIAL

10. As used herein, "Defendant" shall refer to Defendant Anheuser-Busch Inbev Worldwide, Inc. and Does 1 to 100, collectively.

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#### JURISDICTION AND VENUE

11. This Court has subject matter jurisdiction over this action pursuant to Section410.10 of the California Code of Civil Procedure.

12. The Court has personal jurisdiction over Defendant because Plaintiff's and the Class Members' claims arise out Defendant's business activities conducted in the State of California.

9 13. Venue is appropriate in Los Angeles County because, among other things: (a)
10 Plaintiffs reside in Los Angeles County; and (b) many of the acts and omissions that give rise to
11 the claims for relief alleged in this action took place in Los Angeles County.

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#### FACTUAL ALLEGATIONS

13 14. Defendant is the owner, manufacturer, and distributor of Beck's Non-Alcoholic 14 Beer. There are two different categories of non-alcoholic beers. The first category is "alcohol 15 free" beer, which contains no detectable levels of alcohol and is often labeled as being "alcohol 16 free" and having "0.0%" alcohol by volume ("ABV"). The second category is "non-alcoholic" 17 beer, which can contain up to 0.5% ABV. All non-alcoholic beers with any detectable amount of 18 alcohol fall into the second category. This lawsuit pertains to the second category of non-19 alcoholic beers with detectable amounts of alcohol. Beck's beer is a malt beverage which contains 20 some alcohol less than 0.5% ABV but higher than 0.0% ABV, and is made by the process of 21 alcoholic fermentation.

15. The distinction between "alcohol free" and "non-alcoholic" beverages is important for many consumers, including individuals who are pregnant or breastfeeding, people recovering from alcoholism, and any other individual who does not wish to consume any amount of alcohol for any reason. Those abstaining from alcohol inadvertently consume alcohol by drinking Beck's beer because it lacks sufficient warning that it contains some alcohol. These consumers are induced to purchase a product they would not have otherwise purchased.

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16. Plaintiffs are consumers who each purchased a pack of Beck's beer reasonably believing that it does not contain any alcohol. When Plaintiffs made this purchase, they saw the labeling and packaging of the beverage, including the large prominent words, "non-alcoholic." Neither the bottles nor the packaging of the beverages contained any disclaimer that the product contained some alcohol.

17. Plaintiff Angiano was pregnant and breastfeeding her child when she purchased and consumed Beck's beer from, among other places and instances, a BevMo! store in Manhattan Beach, California on or about October 21, 2020. Plaintiff Angiano saw the phrase "nonalcoholic," but did not see any other statement on the Beck's beer package or bottles indicating that the beer contains any alcohol. Plaintiff Angiano made her purchases based on the reasonable, but false, belief that she would consume a beverage that does not contain any alcohol. Plaintiff Angiano was misled. Plaintiff Angiano was pregnant when she consumed Beck's beer and inadvertently consumed alcohol. Plaintiff Angiano was breastfeeding when she consumed Beck's beer and inadvertently consumed alcohol. Plaintiff Angiano's child was placed at risk of injury. Plaintiff Angiano would not have purchased Beck's beer if she had known that it contains some alcohol.

18. According to the American College of Obstetrics and Gynecology, drinking alcohol while pregnant is the cause of fetal alcohol spectrum disorder ("FASD"), which is an umbrella term for a variety of problems that can develop if a child is exposed to alcohol while a fetus in the womb. The most severe form of FASD is called "fetal alcohol syndrome," which is characterized by facial abnormalities, stunted growth, and behavioral and mental disabilities. It is unknown exactly how much alcohol must be consumed to affect a fetus and result in long term health consequences to that child.

19. Alcohol abuse by a breastfeeding mother can result in slow weight gain and failure
to thrive in her baby. There is no level of alcohol in breast milk that is considered safe for a baby
to drink. When a breastfeeding mother drinks alcohol, it passes into her breast milk at
concentrations similar to those found in her blood stream. A newborn eliminates alcohol from his
or her body at only half the rate of an adult. Research suggests that breast-fed babies who are

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exposed to one drink a day might have impaired motor development and that alcohol can cause changes in sleep patterns. Alcohol also reduces milk production and the presence of alcohol in breast milk causes babies to drink about 20% less breast milk. Further, pumping-and-dumping 4 breast milk does not speed the elimination of alcohol from the mother's body.

20. Plaintiff Karpinski is in recovery from alcoholism, and was in recovery from alcoholism when he purchased and consumed Beck's beer from a Gelson's store in Valley Village, California on or about September 2020. Plaintiff Karpinski saw the phrase "nonalcoholic," but did not see any other statement on the Beck's beer package or bottles indicating that the beer contains any alcohol. Plaintiff Karpinski made his purchase based on the reasonable, but false, belief that he would consume a beverage that does not contain any alcohol. Plaintiff Karpinski was misled. Plaintiff Karpinski consumed Beck's beer and inadvertently consumed alcohol. Upon discovering that Beck's beer contains alcohol, Plaintiff Karpinski discarded his three remaining bottles. Plaintiff Karpinski would not have purchased Beck's beer if he had known that it contains some alcohol.

21. Researchers have shown that drinking non-alcoholic beer can sharply increase blood alcohol level in certain instances, as well as lead some individuals to test positive for alcohol metabolites in their urine or breath. Additionally, many non-alcoholic beers often contain more alcohol than their label claims.

19 22. As can be seen from the photos below, Defendant has failed to include the warning 20 "contains less than 0.5 percent (or .5%) alcohol by volume" in conjunction with use of "non-21 alcoholic" in readily legible printing or on a completely contrasting background as required by 22 27 CFR 7.71(e), as memorialized in California Business & Professions Code § 25200(a). 23 Defendant has omitted the statement altogether on many of its bottles and bottle packages, 24 including those purchased by Plaintiffs:

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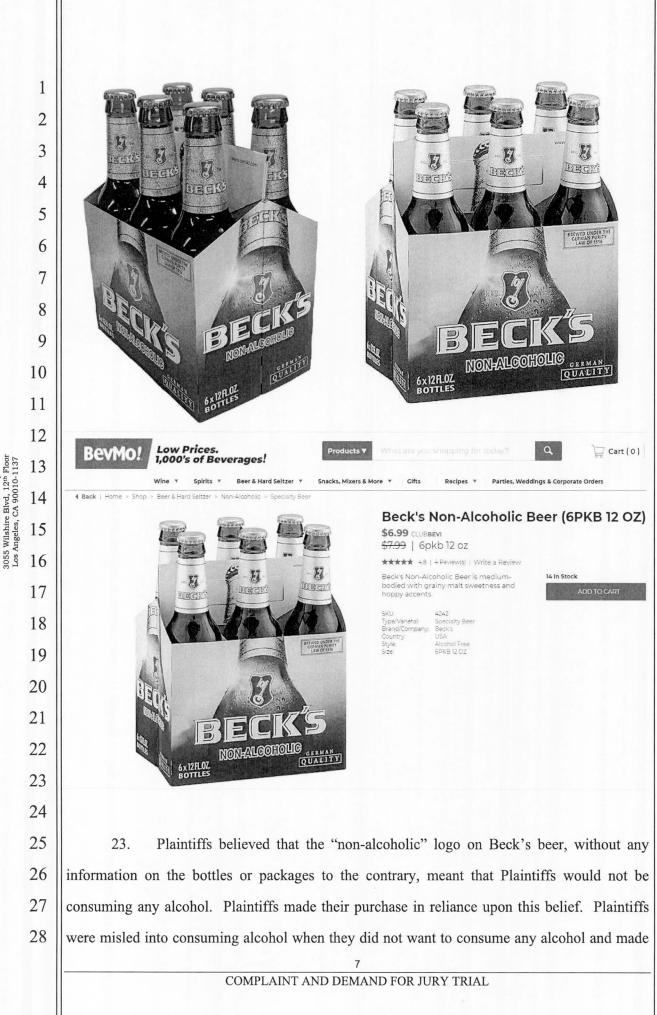
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purchasing decisions reflecting their desire to not consume any alcohol. Had Plaintiffs known 2 that Beck's non-alcoholic beer contains alcohol, they would not have purchased the beverage.

24. Accordingly, Plaintiffs purchased and consumed Beck's non-alcoholic beer in reliance on a false representation created by Defendant and placed on Beck's non-alcoholic beer bottles and bottle packages and/or at Defendant's behest, and did not receive the benefit of their bargain, which amounts to a malt beverage that contains no alcohol. Upon discovering that Beck's non-alcoholic beer contains alcohol, Plaintiff Karpinski discarded the three remaining bottles of the beverage and neither Plaintiff has since purchased Beck's non-alcoholic beer.

#### **CLASS ACTION ALLEGATIONS**

25. Plaintiffs bring this action on their own behalf and pursuant to California Code of Civil Procedure § 382. Plaintiffs intend to seek certification of a class defined as follows:

> All persons residing in the State of California who purchased a Beck's nonalcoholic beer under the belief that the beverage does not contain any alcohol from the period starting four years from the date of the filing of this Complaint to the date of certification. (the "Class").

26. Excluded from the Class are: (a) Defendant, including any entity in which any of the Defendant has a controlling interest, is a parent or a subsidiary of, or which is controlled by any of the Defendant; (b) the officers, directors, and legal representatives of Defendant; and (c) the judge and the court personnel in this case as well as any members of their immediate families. Plaintiffs reserve the right to amend the definition of the Class if discovery, further investigation and/or rulings by the Court dictate that it should be modified.

27. Numerosity. The members of the Class are so numerous that the joinder of all Class Members is impractical. While the exact number of Class Members is unknown to Plaintiffs at this time, given the number of Defendant's customers in California, it stands to reason that the number of Class Members is at least in the thousands. Class Members are readily identifiable from information and records in Defendant's possession, custody, or control, such as account information and sales records.

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	1	28.	Commonality and Predominance. There are questions of law and fact common to
	2	Class Membe	ers, which predominate over any questions affecting only individual Class Members.
	3	These commo	on questions of law and fact include, without limitation:
	4	a.	Whether Defendant owns, manufactures, and distribute Beck's non-alcoholic beer;
	5	b.	Whether Beck's non-alcoholic beer contains more than 0.0% ABV;
	6	c.	Whether Defendant wrote, or caused to be written, the phrase "non-alcoholic" on
	7		the label of its Beck's non-alcoholic beer bottles and packages;
	8	d.	Whether Defendant omitted the phrase, "contains less than 0.5% alcohol by
	9		volume" from every Beck's non-alcoholic beer bottle and package marked as
	10		"non-alcoholic," including those Beck's beer bottles and packages that were
	11		purchased by Plaintiffs;
	12	e.	Whether Defendant included the phrase, "contains less than 0.5% alcohol by
<b>M, PLC</b> 9th Floor 0-1137	13		volume" on some of its Beck's non-alcoholic beer bottles and packages such that
<b>WILSHIRE LAW FIRM, PLC</b> 3055 Wilshire Blvd, 12 <sup>th</sup> Floor Los Angeles, CA 90010-1137	14		it is readily legible on a completely contrasting background in direct conjunction
HIRE L Wilshire ngeles, (	15		with the phrase "non-alcoholic";
WILS 3055 Los A	16	f.	Whether Defendant had a policy of warning its Beck's beer customers on Beck's
	17		beer bottles and packages that the beverage "contains less than 0.5% alcohol by
	18		volume," in direct conjunction with the phrase "non-alcoholic," printed legibly on
	19		a completely contrasting background;
	20	g.	Whether Defendant knew or should have known that it must warn its Beck's beer
	21		customers in writing that the beverage "contains less than 0.5% alcohol by
	22		volume," in direct conjunction with the phrase "non-alcoholic," printed legibly on
	23		a completely contrasting background;
	24	h.	Whether Defendant owed a duty of care to its customers to ensure that its Beck's
	25		non-alcoholic beer bottles and packages of beer bottles did not contain
	26		misrepresentations, and the scope of that duty of care;
	27	g.	The nature of the relief, including equitable relief, to which Plaintiffs and Class
	28		Members are entitled; and
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Whether Plaintiffs and Class Members are entitled to damages, civil penalties and/or injunctive relief.

29. Typicality. Plaintiffs' claims are typical of those of other Class Members because Plaintiffs, like the other Class Members, wished to abstain from alcohol and purchased Beck's non-alcoholic beer, which was advertised in such a way as to lead reasonable consumers to believe that the beverage does not contain any alcohol, but which does contain some alcohol.

30. Adequacy of Representation. Plaintiffs will fairly and adequately represent and protect the interests of the Class Members. Plaintiffs have retained competent counsel experienced in litigation of class actions, including consumer class actions, and Plaintiffs intend to prosecute this action vigorously. Plaintiffs and Class Members have a unified and nonconflicting interest in pursuing the same claims and obtaining the same relief. Therefore, all Class Members will be fairly and adequately represented by Plaintiffs and their counsel.

31. Superiority of Class Action. A class action is superior to other available methods for the fair and efficient adjudication of the claims alleged in this action. The adjudication of this controversy through a class action will avoid the possibility of inconsistent and potentially conflicting adjudications of the asserted claims. There will be no difficulty in the management of this action as a class action, and the disposition of the claims of the Class Members in a single 18 action will provide substantial benefits to all parties and to the Court. Damages for any individual 19 Class Member are likely insufficient to justify the cost of individual litigation so that, in the 20 absence of class treatment, Defendant's violations of law inflicting substantial damages in the aggregate would go un-remedied.

22 32. Class certification is also appropriate because Defendant has acted or refused to 23 act on grounds generally applicable to the Class Members, such that final injunctive relief or 24 corresponding declaratory relief is appropriate as to the Class as a whole.

#### FIRST CAUSE OF ACTION

(Intentional Misrepresentation)

27 33. Plaintiffs repeat and incorporate herein by reference each and every allegation 28 contained in paragraphs 1 through 32, inclusive, of this Complaint as if set forth fully herein.

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10 COMPLAINT AND DEMAND FOR JURY TRIAL 1 34. Defendant represented to Plaintiffs and the Class Members that they were 2 purchasing and consuming a beverage that did not contain any alcohol. Specifically, Defendant 3 placed a "non-alcoholic" logo on the label of its Beck's beer bottles and packages without any 4 warning that the product contains some alcohol, which is materially misleading in that the 5 beverage in fact contains some alcohol.

35. The representation that Beck's non-alcoholic beer is "non-alcoholic," without more, is false. Plaintiffs and the Class Members did not purchase or consume a beverage free of alcohol, but rather purchased and consumed beverages containing some alcohol.

36. Defendant knew that the representation at issue was misleading when Defendant made it, and/or made the representation recklessly and without regard for its truth. Defendant understood, or should have understood, that displaying the "non-alcoholic" logo, without more, would mislead consumers into believing that they are consuming a beverage containing no alcohol.

37. Defendant intended that Plaintiffs and the Class Members rely on the representation. The "non-alcoholic" logo was placed on Beck's beer bottles and packages for the express purpose of inducing the potential customer to purchase Defendant's beverage over its competitors.

18 38. Plaintiffs and the Class Members reasonably relied on the representation. 19 Plaintiffs and the Class Members believed that the beverage they purchased and consumed a 20 beverage that did not contain any alcohol. Plaintiffs and the Class Members believed that 21 Defendant's logos on its Beck's beer bottles and packages would be accurate. Plaintiffs and the 22 Class Members purchased Beck's beer because they reasonably believed that the beverage did 23 not contain any alcohol.

24 39. As a result, Plaintiffs and the Class members were harmed when they purchased a 25 beverage labeled as "non-alcoholic," even though it contained alcohol. Plaintiffs and the Class 26 Members were deceived into consuming alcohol. Plaintiffs and the Class members did not receive 27 the benefit of their bargain. Plaintiffs were induced to make a purchase that they would not have 28 made if they were not misled about the fact that Beck's non-alcoholic beer contains alcohol.

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1 40. Plaintiffs' and the Class Members' reliance on Defendant's representation was a 2 substantial factor in causing this harm. Had Plaintiffs and the Class Members known that Beck's 3 non-alcoholic beer contains alcohol, they would have made different purchasing decisions and 4 would not have consumed any alcohol.

41. As a direct and proximate result of Defendant's intentional misrepresentation, Plaintiffs and Class Members have suffered physical and economic injury and are entitled to damages in an amount to be proven at trial but in excess of the minimum jurisdictional requirement of this Court.

#### **SECOND CAUSE OF ACTION**

(Negligent Misrepresentation)

Plaintiffs repeat and incorporates herein by reference each and every allegation 42. contained in paragraphs 1 through 41, inclusive, of this Complaint as if set forth fully herein.

43. Defendant represented to Plaintiffs and the Class Members that they were purchasing a beverage that did not contain any alcohol. Specifically, Defendant placed a "nonalcoholic" logo on the label of Beck's beer bottles and packages, without any warning that the beverage contains some alcohol, which is materially misleading in that beverage in fact contains some alcohol.

18 44 The representation that Beck's beer is "non-alcoholic," without more, is false. 19 Plaintiffs and the Class Members did not purchase or consume a beverage that did not contain 20 any alcohol, but rather purchased and consumed beverages containing alcohol.

21 Defendant had no reasonable grounds for believing that the "non-alcoholic" logo 45. 22 would not mislead consumers into believing they are purchasing or consuming a beverage free 23 from alcohol. Beck's beer does, in fact, contain some alcohol. Since Defendant is the owner, 24 manufacturer, and distributer of Beck's, it was in the best position to know that Beck's beers 25 contain some alcohol, and that omitting the statement, "contains less than 0.5% alcohol by 26 volume," would induce consumers to purchase Beck's beer under the false belief that it contains 27 no alcohol.

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46. Defendant intended that Plaintiffs and the Class Members rely on the representation. The "non-alcoholic" logo was placed on Beck's beer bottles and packages, without any warning that the beverage contains some alcohol, for the express purpose of inducing Plaintiffs and the Class Members to purchase Beck's beer over its competitors under the false belief that Beck's beer does not contain any alcohol.

47. Plaintiffs and the Class Members reasonably relied on the representation. Based on the "non-alcoholic" logo Defendant placed, or induced to be placed, on Beck's beer bottles and packages, Plaintiffs and the Class Members believed that the beverages they purchased did not contain any alcohol. Plaintiffs and the Class Members believed that Defendant's logos on Beck's beer bottles and packages would be accurate. Plaintiffs and the Class Members purchased Beck's non-alcoholic beer because they believed that it did not contain any alcohol.

48. As a result, Plaintiffs and the Class members were harmed when they purchased a beverage labeled as "non-alcoholic," even though it contained alcohol. Plaintiffs and the Class Members were deceived into consuming alcohol. Plaintiffs and the Class members did not receive the benefit of their bargain. Plaintiffs were induced to make a purchase that they would not have made if they were not misled about the fact that Beck's non-alcoholic beer contains alcohol.

18 49 Plaintiffs and the Class Members' reliance on Defendant's representation was a 19 substantial factor in causing this harm. Had Plaintiffs and the Class Members known that Beck's 20 non-alcoholic beer contains alcohol, they would have made different purchasing decisions and 21 would not have consumed any alcohol.

22 50. As a direct and proximate result of Defendant's negligent misrepresentation, 23 Plaintiffs and Class Members have suffered physical and economic injury and are entitled to 24 damages in an amount to be proven at trial but in excess of the minimum jurisdictional 25 requirement of this Court.

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THIRD CAUSE OF ACTION

(Violation of California False Advertising Law,

Cal. Bus. & Prof. Code § 17500 et. seq.)

51. Plaintiffs repeat and incorporate herein by reference each and every allegation contained in paragraphs 1 through 50, inclusive, of this Complaint as if set forth fully herein.

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52. Defendant's "non-alcoholic" logo, without more, is materially misleading. Beck's non-alcoholic beer in fact contains alcohol. This representation was made to California residents, including those in Los Angeles.

6 53. Plaintiffs and the Class Members relied on the logo by purchasing and consuming 7 beverages that they reasonably believed did not contain any alcohol. The representation that the 8 beverages were "non-alcoholic," without more, contributed materially to Plaintiffs' and the Class Members' decisions to purchase the beverages.

54. As a result, Plaintiffs and the Class members were harmed when they purchased a beverage labeled as "non-alcoholic," even though it contained alcohol. Plaintiffs and the Class Members were deceived into consuming alcohol. Plaintiffs and the Class members did not receive the benefit of their bargain. Plaintiffs were induced to make a purchase that they would not have made if they were not misled about the fact that Beck's non-alcoholic beer contains alcohol.

16 55. Defendant knew, or should have known, that displaying the "non-alcoholic" logo, 17 without more, was misleading when Defendant made the representation. Defendant understood, 18 or should have understood, that displaying the "non-alcoholic" logo, without more, would mislead 19 reasonable consumers into believing that they are consuming a beverage containing no alcohol.

20 56. Plaintiffs have suffered physical and monetary injury in fact as a direct and 21 proximate result of the violations of the False Advertising Law committed by Defendant as 22 alleged herein in an amount to be proven at trial but in excess of the minimum jurisdictional 23 amount of this Court.

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FOURTH CAUSE OF ACTION

(Violation of the Consumers Legal Remedies Act ("CLRA"),

Cal. Civ. Code § 1750, et seq.)

27 57. Plaintiffs repeat and incorporate herein by reference each and every allegation 28 contained in paragraphs 1 through 56, inclusive, of this Complaint as if set forth fully herein.

COMPLAINT AND DEMAND FOR JURY TRIAL

1 58. Defendant engaged in unfair methods of competition and unfair or deceptive acts 2 or practices in transactions with Plaintiffs and the Class Members which resulted in the unlawful 3 sale of malt beverages that contain alcohol to Plaintiffs and the Class Members.

59. Plaintiffs and the Class Members purchased beverages for which Defendant received direct remuneration.

6 60. Defendant engaged in the following unfair and deceptive acts and practices in the 7 sale of these beverages: (1) Representing that goods or services have sponsorship, approval, 8 characteristics, ingredients, uses, benefits, or quantities that they do not have; (2) Representing that goods or services are of a particular standard, quality, or grade, or that goods are of a 10 particular style or model, if they are of another; (3) Advertising goods or services with intent not to sell them as advertised; (4) Representing that a transaction confers or involves rights, remedies, or obligations that it does not have or involve, or that are prohibited by law.

61. Plaintiffs and the Class Members relied on Defendant's material representations that Beck's beer is "non-alcoholic," without any warning that the beverage in fact contains some alcohol, in purchasing and consuming Beck's beer.

62. Defendant had a duty to disclose that Beck's beer contains alcohol. A duty to 17 disclose exists when the defendant: (1) is in a fiduciary relationship with the plaintiff; (2) has 18 exclusive knowledge of material facts not known to the plaintiff; (3) actively conceals material 19 facts from the plaintiff; or (4) makes partial representations but also suppresses some material 20 fact. In re Toyota Motor Corp. Unintended Acceleration Marketing, Sales Practices, and 21 Products Liability Litigation, 754 F.Supp.2d 1145, 1172-73 (C.D. Cal. Nov. 30, 2010). As the 22 owner, manufacturer, and distributer of Beck's beer, Defendant had superior knowledge 23 regarding the risks of consuming alcohol, and therefore had a duty to disclose the material fact 24 that Beck's beer contains alcohol. Defendant had exclusive knowledge of the material fact that 25 Beck's non-alcoholic beer contains alcohol, a material fact not known to the Plaintiffs. Defendant 26 made a partial representation that Beck's beer is "non-alcoholic," yet Defendant suppressed the 27 material fact that Beck's beer in fact contains some alcohol from unsuspecting consumers. 28 Therefore, Defendant breached its duty to Plaintiffs.

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63. As a result of Defendant's unfair and deceptive acts, Plaintiffs and the Class members were harmed when they purchased a beverage labeled as "non-alcoholic," even though it contained alcohol. Plaintiffs and the Class Members were deceived into consuming alcohol. Plaintiffs and the Class members did not receive the benefit of their bargain. Plaintiffs were induced to make a purchase that they would not have made if they were not misled about the fact that Beck's non-alcoholic beer contains alcohol.

64. Plaintiffs have suffered physical and monetary injury in fact as a direct and proximate result of these violations of the CLRA committed by Defendant as alleged herein in an amount to be proven at trial but in excess of the minimum jurisdictional amount of this Court.

65. Under the special notice requirement of the CLRA, Plaintiffs are required to provide Defendant with written notice at least 30 days prior to the commencement of an action for damages. In satisfaction of this requirement, Plaintiffs will send written notice to Defendants via certified or registered mail contemporaneously with the filing of this Complaint. Plaintiffs will seek to amend the Complaint to seek relief once the requisite 30-day notice period has expired and to state that Plaintiffs gave Defendants proper notice. As further required by the CLRA, concurrently with the filing of this Complaint, Plaintiffs will file an affidavit stating facts showing that this action has been commenced in a county appropriate for the trial of this action.

#### **FIFTH CAUSE OF ACTION**

(Violation of the California Business & Professions Code § 25200)

66. Plaintiffs repeat and incorporate herein by reference each and every allegation contained in paragraphs 1 through 65, inclusive, of this Complaint as set forth fully herein.

67. By it actions and conduct as alleged herein, Defendant has violated section 25200 ("Section 25200") of the California Business & Professions Code that amounts to mislabeling its non-alcoholic beer bottles and packages.

25 68. Defendant has violated Section 25200 because it has failed to meet the
26 requirements of federal malt beverage labeling regulations contained in Part 7.71 of Title 27 of
27 the Code of Federal Regulations, in violation of Section 25200(a).

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1 69. Defendant had an obligation to ensure that the phrase "contains less than 0.5 2 percent (or .5%) alcohol by volume" appeared in "direct conjunction" with the phrase "non-3 alcoholic," in "readily legible printing and on a completely contrasting background" on its Beck's beer bottles and packages. 27 C.F.R. 7.71(e). 4

5 70. Plaintiffs each purchased a package of Beck's non-alcoholic beverage, which 6 contained the phrase "non-alcoholic," but which did not contain the statement "contains less than 7 0.5 percent (or .5%) alcohol by volume."

8 71. Defendant's failure to ensure that the phrase "contains less than 0.5 percent (or 9 .5%) alcohol by volume," appeared in "direct conjunction" with the phrase "non-alcoholic" in 10 "readily legible printing and on a completely contrasting background" is a violation of 27 C.F.R. 7.71(e), which is a direct violation of the California Business & Professions Code § 25200(a).

72. Plaintiffs and the Class Members relied on Defendant's representation that Beck's beer is "non-alcoholic" when they made their purchase. Because Defendant failed to warn Plaintiffs and the Class members that Beck's beer contains alcohol, and to do so sufficiently, Plaintiffs and the Class Members were deceived into consuming alcohol. Plaintiffs and the Class members did not receive the benefit of their bargain. Plaintiffs were induced to make a purchase that they would not have made if they were not misled about the fact that Beck's non-alcoholic beer contains alcohol.

19 Plaintiffs have suffered physical and monetary injury in fact as a direct and 73. 20 proximate result of the Defendant's breach of its obligations under Cal. Bus. & Prof. Code § 21 25200(a) as alleged herein in an amount to be proven at trial but in excess of the minimum 22 jurisdictional amount of this Court.

#### **SIXTH CAUSE OF ACTION**

(Violation of the Unfair Competition Law ("UCL"), Cal. Bus. & Prof. Code § 17200, et seq.)

74. Plaintiffs repeat and incorporate herein by reference each and every allegation 27 contained in paragraph 1 through 73, inclusive, of this Complaint as if set forth fully herein.

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75. By its actions and conduct as alleged herein, Defendant has committed one or more 2 acts of unfair competition within the meaning of California Business and Professions Code § 17200 ("UCL") that constitute unfair, unlawful and/or fraudulent business practices as those 4 terms are defined under California law.

76. Defendant's business practices are unfair under the UCL because Defendant has acted in a manner that is immoral, unethical, oppressive, unscrupulous and/or substantially injurious to Plaintiffs and the Class Members. These business practices, described above, include creating or causing to be created the "non-alcoholic" logo, placing the false advertisements on Beck's beer bottles and packages, and failing to include the phrase "contains less than 0.5 percent (or .5%) alcohol by volume" in "direct conjunction" with the phrase "non-alcoholic" in "readily legible printing and on a completely contrasting background" as required by Section 25200. The false advertisements is substantially injurious because it induces consumers to consume a beverage containing alcohol when they do not wish to consume alcohol. Additionally, the false advertisements are substantially injurious because they induce consumers to make purchases that they would not otherwise make, in expectation of receiving benefits that they do not receive.

77. Further, the impact of the practice against Plaintiffs and the Class Members far outweighs any possible justification or motive on the part of Defendant. The impact on Plaintiffs and the Class Members has been described. Defendant can have no possible justification for including a false inducement for consumers to purchase Defendant's beverages. Plaintiffs and 20 the Class Members could not reasonably have avoided this injury because they relied on Defendant's advertisement as to the quality and characteristics of their beverages, as all 22 consumers must do.

23 78. Defendant's business practices are violative of public policy as expressed in the 24 False Advertising Law, 27 C.F.R. 7.71, and the CLRA. All of these statutes strictly forbid false 25 advertisement such as Defendant has disseminated and/or caused to be disseminated, and 26 represent expressions of public policy against this practice.

27 79. Additionally, Defendant's business practices are unethical, immoral, and 28 unscrupulous because they induce individuals to unknowingly consume alcohol, which can be

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1 harmful for a variety of reasons to many members of the public, including Plaintiff Angiano, who
2 was breast feeding at the time she consumed Beck's beer and Plaintiff Karpinski, who was is in
3 recovery from alcoholism when he consumed Beck's beer, as well as the Class Members.

80. Defendant's business practices are also unfair because they significantly threaten or harm competition. Competition is fostered by an environment in which information can be relied upon, so that consumers can make wise decisions, and so that products which accurately reflect the consumers' wishes can flourish. While other non-alcoholic beverage manufacturers adequately label their products to protect the public from unknowingly consuming alcohol, Defendant misleads consumers into believing that the Beck's beer beverages they purchase and consume have characteristics and qualities which they do not have, all in order to expand Defendant's consumer base.

81. As shown above, Defendant's business practices are also unlawful because they violate the False Advertising Law, 27 C.F.R. 7.71, and the CLRA.

82. Defendant's business practices are also fraudulent under the UCL because they constitute representations to the public which are likely to deceive the public. The representation states that Beck's beer is "non-alcoholic," creating the clear impression that the beverage does not contain any alcohol, when in fact it does. The public, receiving these representations, is likely to believe that the beverage in question does not contain any alcohol, and is so deceived.

19 83. Plaintiffs and the Class Members relied on this representation when they
20 purchased Beck's beer, which they would not have otherwise purchased.

84. Plaintiffs have suffered physical and monetary injury in fact as a direct and
proximate result of the acts of unfair competition committed by Defendant as alleged herein in an
amount to be proven at trial but in excess of the minimum jurisdictional amount of this Court.

#### **SEVENTH CAUSE OF ACTION**

#### (Negligence)

85. Plaintiffs repeat and incorporate herein by reference each and every allegation contained in paragraphs 1 through 84, inclusive, of this Complaint as if set forth fully herein.

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87. Defendant breached its duty of care to Plaintiffs and the Class Members by creating false and misleading advertisements that its product is "non-alcoholic," and affixing this logo to Beck's beer bottles and packages, without warning consumers that Beck's beer contains some alcohol, which ascribes to Beck's beer qualities which it does not possess.

88. As a direct and proximate result of Defendant's breach of its duty of care, Plaintiffs and the Class Members suffered physical and economic damages when the purchased and consumed a beverage labeled as "non-alcoholic," even though it contains alcohol. Plaintiffs and the Class Members were deceived into consuming alcohol. Plaintiffs and the Class Members did not receive the benefits of their bargain. Plaintiffs and the Class members were induced to make a purchase that they would not have made if they were not misled about the fact that Beck's nonalcoholic beer contains alcohol.

15 89. Plaintiffs have suffered physical and monetary injury in fact as a direct and
16 proximate result of the negligence committed by Defendant as alleged herein in an amount to be
17 proven at trial but in excess of the minimum jurisdictional amount of this Court

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of the Class, prays for relief asfollows:

(1) For compensatory damages in an amount to be proven at trial;

(2) For restitutionary damages in an amount to be proven at trial;

(3) For affirmative injunctive relief mandating that Defendant sufficiently display a warning on its Beck's non-alcoholic beer bottles and packages that the beverage contains an exact percentage of alcohol by volume;

(4) For costs of suit and litigation expenses;

(5) For such other and further relief as this Court may deem just and proper.

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#### COMPLAINT AND DEMAND FOR JURY TRIAL

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	1	DEMAND FOR JURY TRIAL						
	2	Plaintiffs, on behalf of themselves and all others similarly situated, hereby demand a ju						
	3	trial for all claims so triable.						
	4							
	5	Dated: November 24, 2020 WILSHIRE LAW FIRM						
	6	$\square$						
	7	By Thiago M. Coelho						
	8	Cinela Aziz						
	9	Attorneys for Plaintiffs and the Proposed Class						
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		COMPLAINT AND DEMAND FOR JURY TRIAL						

11/25/2020

# **ClassAction.org**

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>'Some Alcohol': Anheuser-Busch InBev Hit with Class Action Over Labeling of 'Non-Alcoholic'</u> Beck's Beer