1					
2					
3					
4					
5					
6					
7	UNITED STATES DI	STRICT COURT			
8	WESTERN DISTRICT	OF WASHINGTON			
9	AT SEAT	TLE			
10	ADRIENNE BENSON, individually and on	Case No.			
11	behalf of all others similarly situated,	Case NO.			
12	Plaintiff,	COMPLAINT—CLASS ACTION			
13	ν.				
14	DOUBLE DOWN INTERACTIVE, LLC, a	JURY DEMAND			
15	Washington limited liability company, and				
16	INTERNATIONAL GAME TECHNOLOGY, a Nevada corporation.				
17	-				
18	Defendant.				
19	Plaintiff Adrienne Benson brings this case,	individually and on behalf of all others			
20	similarly situated, against Double Down Interactive, LLC ("Double Down") and International				
21	Game Technology ("IGT") (collectively "Defendants") to enjoin its operation of illegal online				
22	casino games. Plaintiff alleges as follows upon personal knowledge as to herself and her own				
23	acts and experiences, and upon information and belief, including investigation conducted by her				
24	attorneys, as to all other matters.				
25	NATURE OF T	HE ACTION			
26	1. Defendants own and operate video g	game development companies in the so-called			
27					
	COMPLAINT—CLASS ACTION Case No 1 -	TOUSLEY BRAIN STEPHENS, PLLC 1700 Seventh Avenue, Suite 2200 Seattle, Washington 98101-4416 Tel: 206.682.5600 • Fax: 206.682.2992			

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 2 of 18

1 "casual games" industry-that is, computer games designed to appeal to a mass audience of 2 casual gamers. Defendants (at all relevant times) owned and operated a popular online casino 3 under the name Double Down Casino.

2. 4 Double Down Casino is available to play on Android, and Apple iOS devices, and on Facebook. 5

6 3. Defendants provide a bundle of free "chips" to first-time visitors of its Double Down Casino that can be used to wager on its games. After consumers inevitably lose their initial allotment of chips, Defendants attempt to sell them additional chips starting at \$2.99 for 300,000 chips. Without chips, consumers cannot play the gambling game.

4. 10 Freshly topped off with additional credits, consumers wager to win more credits. 11 The credits won by consumers playing Defendants' games of chance are identical to the chips 12 that Defendants sells. Thus, by wagering 300,000 chips that have been purchased for \$2.99, 13 consumers have the chance to win hundreds of thousands of additional chips that they would 14 otherwise have to purchase.

5. 15 By operating the Double Down Casino, Defendants have violated Washington 16 law and illegally profited from tens of thousands of consumers. Accordingly, Adrienne Benson, 17 on behalf of herself and a Class of similarly situated individuals, brings this lawsuit to recover 18 their losses, as well as costs and attorneys' fees.

19

7

8

9

#### PARTIES

20 6. Plaintiff Adrienne Benson is a natural person and a citizen of the state of 21 Washington.

7. 22 Defendant Double Down Interactive, LLC is a limited liability company 23 organized and existing under the laws of the State of Washington with its principal place of 24 business at 605 Fifth Avenue South, Suite 300, Seattle, Washington 98104. Defendant conducts 25 business throughout this District, Washington State, and the United States.

8. 26 Defendant International Game Technology is a corporation existing and organized 27 under the laws of the State of Nevada with its principal place of business at 6355 South Buffalo

1 Drive, Las Vegas, Nevada 89113. Defendant conducts business throughout this District, 2 Washington State, and the United States.

#### JURISDICTION AND VENUE

9. Federal subject-matter jurisdiction exists under 28 U.S.C. § 1332(d)(2) because (a) at least one member of the class is a citizen of a state different from any Defendants, (b) the amount in controversy exceeds \$5,000,000, exclusive of interests and costs, and (c) none of the exceptions under that subsection apply to this action.

10. The Court has personal jurisdiction over Defendant because Defendant conducts significant business transactions in this District, and because the wrongful conduct occurred in and emanated from this District.

11. Venue is proper in this District under 28 U.S.C. § 1391(b) because a substantial part of the evens giving rise to Plaintiff's claims occurred in and emanated from this District.

13

14

17

3

4

5

6

7

8

9

10

11

12

#### FACTUAL ALLEGATIONS

#### I. Free-to-Play and the New Era of Online Gambling

15 12. The proliferation of internet-connected mobile devices has led to the growth of 16 what are known in the industry as "free-to-play" videogames. The term is a misnomer. It refers to a model by which the initial download of the game is free, but companies reap huge profits by 18 selling thousands of "in-game" items that start at \$0.99 (purchases known as "micro-19 transactions" or "in-app purchases").

20 13. The in-app purchase model has become particularly attractive to developers of 21 games of chance (e.g., poker, blackjack, and slot machine mobile videogames, amongst others), 22 because it allows them to generate huge profits. In 2017, free-to-play games of chance generated 23 over \$3.8 billion in worldwide revenue, and they are expected to grow by ten percent annually.<sup>1</sup> 24 Even "large land-based casino operators are looking at this new space" for "a healthy growth

GGRAsia - Social casino games 2017 revenue to rise 7pct plus says report, http://www.ggrasia.com/socialcasino-games-2017-revenue-to-rise-7pct-plus-says-report/ (last visited Apr. 9, 18)

27

25

1 potential."<sup>2</sup>

2

5

6

7

8

9

10

11

12

13

14

16

17

18

19

20

21

22

14. With games of chance that employ the in-game purchase strategy, developers

3 have begun exploiting the same psychological triggers as casino operators. As one respected

4 videogame publication put it:

"If you hand someone a closed box full of promised goodies, many will happily pay you for the crowbar to crack it open. The tremendous power of small random packs of goodies has long been known to the creators of physical collectible card games and companies that made football stickers a decade ago. For some ... the allure of a closed box full of goodies is too powerful to resist. Whatever the worth of the randomised [sic] prizes inside, the offer of a free chest and the option to buy a key will make a small fortune out of these personalities. For those that like to gamble, these crates often offer a small chance of an ultra-rare item."<sup>3</sup>

15. Another stated:

"Games may influence 'feelings of pleasure and reward,' but this is an addiction to the games themselves; micro-transactions play to a different kind of addiction that has existed long before video games existed, more specifically, an addiction similar to that which you could develop in casinos and betting shops."<sup>4</sup>

16. The comparison to casinos doesn't end there. Just as with casino operators,

mobile game developers rely on a small portion of their players to provide the majority of their

profits. These "whales," as they're known in casino parlance, account for just "0.15% of players"

but provide "over 50% of mobile game revenue."<sup>5</sup>

17. Game Informer, another respected videogame magazine, reported on the rise (and

danger) of micro-transactions in mobile games and concluded:

"[M]any new mobile and social titles target small, susceptible populations for large percentages of their revenue. If ninety-five people all play a [free-to-play] game without spending money, but five people each pour \$100 or more in to obtain virtual currency, the designer can break even. These five individuals are what the industry calls whales, and we tend not to be too concerned with how they're being used in the equation. While the scale and potential financial ruin is

- 23 *Report confirms that social casino games have hit the jackpot with \$1.6B in revenue | GamesBeat,* https://venturebeat.com/2012/09/11/report-confirms-that-social-casino-games-have-hit-the-jackpot-with-1-6b-in 24 revenue/ (last visited Apr. 9, 18)
  - PC Gamer, Microtransactions: the good, the bad and the ugly,

http://thebadgeronline.com/2014/11/micro-transactions-ruining-video-games/ (last visited Apr. 5, 2018). 5 *Id.* (emphasis added).

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 5 of 18

of a different magnitude, a similar profitability model governs casino gambling."<sup>6</sup> 1 18. Academics have also studied the socioeconomic effect games that rely on in-app 2 purchases have on consumers. In one study, the authors compiled several sources analyzing so-3 called free-to-play games of chance (called "casino" games below) and stated that: 4 "[Researchers] found that [free-to-play] casino gamers share many similar sociodemographic characteristics (e.g., employment, education, income) with 5 online gamblers. Given these similarities, it is perhaps not surprising that a strong predictor of online gambling is engagement in [free-to-play] casino games. Putting 6 a dark line under these findings, over half (58.3%) of disordered gamblers who were seeking treatment stated that social casino games were their first experiences 7 with gambling." 8 9 "According to [another study], the purchase of virtual credits or virtual items makes the activity of [free-to-play] casino gaming more similar to gambling. 10 Thus, micro-transactions may be a crucial predictor in the migration to online gambling, as these players have now crossed a line by paying to engage in these 11 activities. Although, [sic] only 1–5% of [free-to-play] casino gamers make microtransactions, those who purchase virtual credits spend an average of \$78. Despite 12 the limited numbers of social casino gamers purchasing virtual credits, revenues from micro-transactions account for 60 % of all [free-to-play] casino gaming 13 revenue. Thus, a significant amount of revenue is based on players' desire to purchase virtual credits above and beyond what is provided to the player in seed 14 credits."7 15 19. The same authors looked at the link between playing free-to-play games of chance 16 and gambling in casinos. They stated that "prior research indicated that winning large sums of 17 virtual credits on social casino gaming sites was a key reason for [consumers'] migration to 18 online gambling," yet the largest predictor that a consumer will transition to online gambling was 19 "micro-transaction engagement." In fact, "the odds of migration to online gambling were 20 approximately *eight times greater* among people who made micro-transactions on [free-to-play] 21 casino games compared to [free-to-play] casino gamers who did not make micro-transactions."8 22 23 Game Informer, How Microtransactions Are Bad For Gaming - Features - www.GameInformer.com, http://www.gameinformer.com/b/features/archive/2012/09/12/how-microtransactions-are-bad-for-24 gaming.aspx?CommentPosted=true&PageIndex=3 (last visited Apr. 5, 2018) Hyoun S. Kim, Michael J. A. Wohl, et al., Do Social Casino Gamers Migrate to Online Gambling? An 25 Assessment of Migration Rate and Potential Predictors, Journal of gambling studies / co-sponsored by the National Council on Problem Gambling and Institute for the Study of Gambling and Commercial Gaming (Nov. 14, 2014), 26 available at http://link.springer.com/content/pdf/10.1007%2Fs10899-014-9511-0.pdf (citations omitted). Id. (emphasis added). 27

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 6 of 18

1 20. The similarity between micro-transaction games of chance and games of chance 2 found in casinos has caused governments across the world to intervene to limit their availability.<sup>9</sup> 3 Unfortunately, such games have eluded regulation in the United States. As a result, and as described below, Defendants' online casino games have thrived and thousands of consumers 4 have spent millions of dollars unwittingly playing Defendants' unlawful games of chance. 5

II. 6

7

8

9

#### A Brief Introduction to Double Down and IGT

21. Double Down is a leading casual game developer with an extensive library of free-to-play online casino games. Double Down sells in-app chips to consumers in the Double Down Casino so that consumers can play its various online casino games.

22. 10 IGT is a global leader in gaming industry with long ties to the traditional casino 11 market. It has developed a multitude of casino and lottery games, including traditional slot 12 machines and video lottery terminals. In 2012, IGT acquired Double Down and its library of 13 online casino games, and has since "grown into one of the largest and most successful brands in the North American social casino market."<sup>10</sup> 14

In 2017, IGT sold Double Down for \$825 million to DoubleU Games.<sup>11</sup> In 23. 15 16 addition to the sale, IGT has also entered into a long-term game development and distribution agreement with DoubleU to offer its online casino games in Double Down Casino.<sup>12</sup> IGT notes 17 that it will continue to collect royalties from its online casino game content.<sup>13</sup> 18

19

24. Defendants have made large profits through their online casino games. In 2016,

IGT To Sell Online Casino Unit DoubleDown To South Korean Firm For \$825 Million - Poker News, 24 https://www.cardplayer.com/poker-news/21554-igt-to-sell-online-casino-unit-doubledown-to-south-korean-firm-for-825-million (last visited Ap. 6, 2018). 11

12 IGT Completes Sale Of Double Down Interactive LLC To DoubleU Games,

13 Id.

Id.

<sup>20</sup> 21

In late August 2014, South Korea began regulating "social gambling" games, including games similar to Defendant's, by "ban[ning] all financial transactions directed" to the games. PokerNews.com, Korea Shuts Down All Facebook Games In Attempt To Regulate Social Gambling | PokerNews,

<sup>22</sup> https://www.pokernews.com/news/2014/09/korea-shuts-down-facebook-games-19204.htm (last visited Apr. 5, 2018). Similarly, "the Maltese Lotteries and Gambling Authority (LGA) invited the national Parliament to regulate 23 all digital games with prizes by the end of 2014." Id.

<sup>25</sup> 

<sup>26</sup> https://www.prnewswire.com/news-releases/igt-completes-sale-of-double-down-interactive-llc-to-doubleu-games-300467524.html (last visited Apr. 6, 2018). 27

alone, Double Down generated \$280 million in revenue. As explained further below, however,
 the revenue Defendants receives from Double Down Casino is the result of operating unlawful
 games of chance camouflaged as innocuous videogames.

### III. Defendants' Online Casino Contains Unlawful Games of Chance

25. Consumers visiting Double Down Casino for the first time are awarded 1 million free chips. *See* Figure 1. These free sample chips offer a taste of gambling and are designed to encourage player to get hooked and buy more chips for real money.

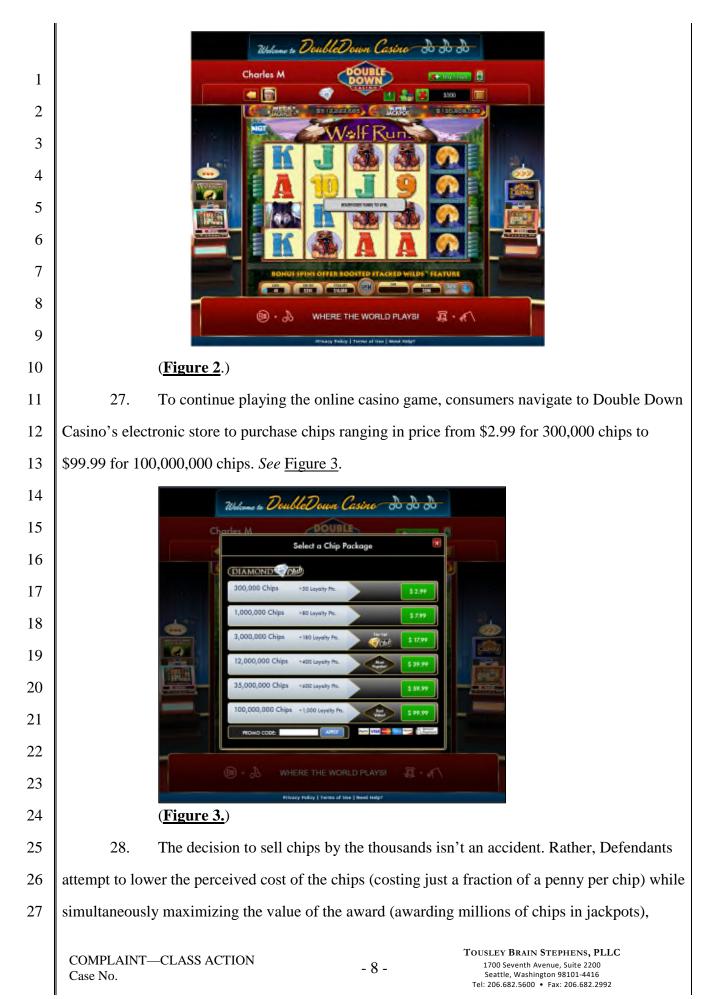


## (<u>Figure 1.</u>)

26. After they begin playing, consumers quickly lose their initial allotment of chips. Immediately thereafter, Double Down Casino informs them via a "pop up" screen that they have "insufficient funds." *See* <u>Figure 2.</u> Once a player runs out of their allotment of free chips, they cannot continue to play the game without buying more chips for real money.

COMPLAINT—CLASS ACTION Case No.

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 8 of 18



1 further inducing consumers to bet on its games.

29. To begin wagering, players select the "LINE BET" that will be used for a spin, as illustrated in Figure 4. Double Down Casino allows players to increase or decrease the amount he or she can wager and ultimately win (or lose). Double Down Casino allows players to multiply their bet by changing the number of "lines" (*i.e.*, combinations) on which the consumer can win, shown in Figure 4 as the "LINE" button.

6 7 8

9

10

11

17

2

3

4

5

40 D S250 D S10,000 SPIN

## (Figure 4.)

30. Once a consumer spins the slot machine by pressing "SPIN" button, no action on 12 his or her part is required. Indeed, none of the Double Down Casino games allow (or call for) 13 any additional user action. Instead, the consumer's computer or mobile device communicates 14 with and sends information (such as the "TOTAL BET" amount) to the Double Down Casino 15 servers. Its servers then execute the game's algorithms that determine the spin's outcome. 16 Notably, none of Defendants' games depend on any amount of skill to determine their outcomes-all outcomes are based entirely on chance.

18 31. Consumers can continue playing with the chips that they won, or they can exit the 19 game and return at a later time to play because Double Down Casino maintains win and loss 20 records and account balances for each consumer. Indeed, once Defendants' algorithms determine 21 the outcome of a spin and Double Down Casino displays the outcome to the consumer, 22 Defendants adjusts the consumer's account balance. Defendants keep records of each wager, 23 outcome, win, and loss for every player.

24

#### FACTS SPECIFIC TO PLAINTIFF BENSON

25 32. Since 2013, Plaintiff Benson has been playing Double Down Casino on 26 Facebook. After Plaintiff lost the balance of her initial allocation of free chips, she purchased 27 chips from the Double Down Casino electronic store.

COMPLAINT—CLASS ACTION Case No.

33. Thereafter, Benson continued playing various slot machines and other games of chance within the Double Down Casino where she would wager chips for the chance of winning additional chips. Since 2016, Plaintiff Benson wagered and lost (and Defendants therefore won) over \$1,000 at Defendants' games of chance.

#### **CLASS ALLEGATIONS**

34. **Class Definition**: Plaintiff Benson brings this action pursuant to Fed. R. Civ. P. 23(b)(2) and (b)(3) on behalf of herself and a Class of similarly situated individuals, defined as follows:

All persons in the State of Washington who purchased and lost chips by wagering at the Double Down Casino.

The following people are excluded from the Class: (1) any Judge or Magistrate presiding over this action and members of their families; (2) Defendants, Defendants' subsidiaries, parents, successors, predecessors, and any entity in which the Defendants or its parents have a controlling interest and its current or former employees, officers and directors; (3) persons who properly execute and file a timely request for exclusion from the Class; (4) persons whose claims in this matter have been finally adjudicated on the merits or otherwise released; (5) Plaintiff's counsel and Defendants' counsel; and (6) the legal representatives, successors, and assigns of any such excluded persons.

35. **Numerosity**: On information and belief, tens of thousands of consumers fall into the definition of the Class. Members of the Class can be identified through Defendants' records, discovery, and other third-party sources.

36. **Commonality and Predominance**: There are many questions of law and fact common to Plaintiff's and the Class's claims, and those questions predominate over any questions that may affect individual members of the Class. Common questions for the Class include, but are not necessarily limited to the following:

a. Whether Double Down Casino games are "gambling" as defined by RCW 9.46.0237;

1	b.	Whether Defendants are the proprietors for whose benefit the online				
2		casino games are played;				
3	с.	Whether Plaintiff and each member of the Class lost money or anything of				
4		value by gambling;				
5	d.	Whether Defendants violated the Washington Consumer Protection Act,				
6		RCW 19.86.010, et seq.; and				
7	e.	Whether Defendants have been unjustly enriched as a result of its conduct.				
8	37. <b>Typi</b>	cality: Plaintiff's claims are typical of the claims of other members of the				
9	Class in that Plaintiff's and the members of the Class sustained damages arising out of					
10	Defendant's wrongful conduct.					
11	38. Adeq	uate Representation: Plaintiff will fairly and adequately represent and				
12	protect the interests of	of the Class and has retained counsel competent and experienced in complex				
13	litigation and class a	ctions. Plaintiff's claims are representative of the claims of the other				
14	members of the Clas	s, as Plaintiff and each member of the Class lost money playing Defendants'				
15	games of chance. Plaintiff also has no interests antagonistic to those of the Class, and Defendants					
16	have no defenses uni	que to Plaintiff. Plaintiff and her counsel are committed to vigorously				
17	prosecuting this action on behalf of the Class and have the financial resources to do so. Neither					
18	Plaintiff nor her counsel have any interest adverse to the Class.					
19	39. Polici	es Generally Applicable to the Class: This class action is appropriate for				
20	certification because	Defendants have acted or refused to act on grounds generally applicable to				
21	the Class as a whole, thereby requiring the Court's imposition of uniform relief to ensure					
22	compatible standards of conduct toward the members of the Class and making final injunctive					
23	relief appropriate with respect to the Class as a whole. Defendants' policies that Plaintiff					
24	challenges apply and affect members of the Class uniformly, and Plaintiff's challenge of these					
25	policies hinges on Defendants' conduct with respect to the Class as a whole, not on facts or law					
26	applicable only to Plaintiff. The factual and legal bases of Defendants' liability to Plaintiff and to					

27 the other members of the Class are the same.

COMPLAINT—CLASS ACTION Case No.

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 12 of 18

1 40. Superiority: This case is also appropriate for certification because class 2 proceedings are superior to all other available methods for the fair and efficient adjudication of 3 this controversy. The harm suffered by the individual members of the Class is likely to have been relatively small compared to the burden and expense of prosecuting individual actions to redress 4 5 Defendants' wrongful conduct. Absent a class action, it would be difficult if not impossible for the individual members of the Class to obtain effective relief from Defendants. Even if members 6 7 of the Class themselves could sustain such individual litigation, it would not be preferable to a 8 class action because individual litigation would increase the delay and expense to all parties and 9 the Court and require duplicative consideration of the legal and factual issues presented. By 10 contrast, a class action presents far fewer management difficulties and provides the benefits of 11 single adjudication, economy of scale, and comprehensive supervision by a single Court. 12 Economies of time, effort, and expense will be fostered and uniformity of decisions will be 13 ensured. 14 41. Plaintiff reserves the right to revise the foregoing "Class Allegations" and "Class Definition" based on facts learned through additional investigation and in discovery. 15 **CAUSE OF ACTION** 16 Violations of Revised Code of Washington 4.24.070 (On behalf of Plaintiff and the Class) 17 42. Plaintiff incorporates the foregoing allegations as if fully set forth herein. 18 43. Plaintiff, members of the Class, and Defendants are all "persons" as defined by 19 RCW 9.46.0289. 20 44. The state of Washington's "Recovery of money lost at gambling" statute, RCW 21 4.24.070, provides that "all persons losing money or anything of value at or on any illegal 22 gambling games shall have a cause of action to recover from the dealer or player winning, or 23 from the proprietor for whose benefit such game was played or dealt, or such money or things of 24 value won, the amount of the money or the value of the thing so lost." 25 26

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 13 of 18

45. "Gambling," defined by RCW 9.46.0237, "means staking or risking something of
 value upon the outcome of a contest of chance or a future contingent event not under the person's
 control or influence."

4 46. Defendants' "chips" sold for use at the Double Down Casino are "thing[s] of
5 value" under RCW § 9.46.0285.

47. Double Down Casino games are illegal gambling games because they are online
games at which players wager things of value (the chips) and by an element of chance (*e.g.*, by
spinning an online slot machine) are able to obtain additional entertainment and extend gameplay
(by winning additional chips).

48. Defendants Double Down and IGT are the proprietors for whose benefit the
online gambling games are played because they operate the Double Down Casino games and/or
derive profit from its operation.

49. As such, Plaintiff and the Class gambled when they purchased chips to wager at
Double Down Casino. Plaintiff and each member of the Class staked money, in the form of chips
purchased with money, at Defendants' games of chance (*e.g.*, Double Down Casino slot
machines and other games of chance) for the chance of winning additional things of value (*e.g.*,
chips that extend gameplay without additional charge).

18 50. In addition, Double Down Casino games are not "pinball machine[s] or similar
19 mechanical amusement device[s]" as contemplated by the statute because:

20

21

22

23

24

25

a. the games are electronic rather than mechanical;

b. the games confer replays but they are recorded and can be redeemed on separate occasions (*i.e.*, they are not "immediate and unrecorded"); and

c. the games contain electronic mechanisms that vary the chance of winning free games or the number of free games which may be won (*e.g.*, the games allow for different wager amounts).

26 51. RCW 9.46.0285 states that a "'Thing of value,' as used in this chapter, means any
27 money or property, any token, object or article exchangeable for money or property, or any form

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 14 of 18

of credit or promise, directly or indirectly, contemplating transfer of money or property or of any
 interest therein, or involving extension of a service, entertainment or a privilege of playing at a
 game or scheme without charge."

52. The "chips" Plaintiff and the Class had the chance of winning in Double DownCasino games are "thing[s] of value" under Washington law because they are credits that involvethe extension of entertainment and a privilege of playing a game without charge.

53. Double Down Casino games are "Contest[s] of chance," as defined by RCW
9.46.0225, because they are "contest[s], game[s], gaming scheme[s], or gaming device[s] in
which the outcome[s] depend[] in a material degree upon an element of chance, notwithstanding
that skill of the contestants may also be a factor therein." Defendants' games are programmed to
have outcomes that are determined entirely upon chance and a contestant's skill does not affect
the outcomes.

54. RCW 9.46.0201 defines "Amusement game[s]" as games where "The outcome depends in a material degree upon the skill of the contestant," amongst other requirements.
Double Down Casino games are not "Amusement game[s]" because their outcomes are dependent entirely upon chance and not upon the skill of the player and because the games are "contest[s] of chance," as defined by RCW 9.46.0225.

55. As a direct and proximate result of Defendants' operation of its Double Down Casino games, Plaintiff Benson and each member of the Class have lost money wagering at Defendants' games of chance. Plaintiff Benson, on behalf of herself and the Class, seeks an order (1) requiring Defendants to cease the operation of its gambling games; and/or (2) awarding the recovery of all lost monies, interest, and reasonable attorneys' fees, expenses, and costs to the extent allowable.

#### SECOND CAUSE OF ACTION Violations of the Washington Consumer Protection Act, RCW 19.86.010, et seq. (On behalf of Plaintiff and the Class)

- 14 -

COMPLAINT—CLASS ACTION Case No.

4

5

#### 1 56. Plaintiff incorporates the foregoing allegations as if fully set forth herein. 2 57. Washington's Consumer Protection Act, RCW § 19.86.010 et seq. ("CPA"), protects both consumers and competitors by promoting fair competition in commercial markets 3 for goods and services. 4 5 58. To achieve that goal, the CPA prohibits any person from using "unfair methods of competition or unfair or deceptive acts or practices in the conduct of any trade or commerce...." 6 7 RCW § 19.86.020. 59. 8 The CPA states that "a claimant may establish that the act or practice is injurious 9 to the public interest because it ... Violates a statute that contains a specific legislative declaration of public interest impact." 10 11 60. Defendants violated RCW § 9.46.010, et seq. which declares that: "The public policy of the state of Washington on gambling is to keep the criminal 12 element out of gambling and to promote the social welfare of the people by limiting the nature and scope of gambling activities and by strict regulation and control. 13 It is hereby declared to be the policy of the legislature, recognizing the close 14 relationship between professional gambling and organized crime, to restrain all persons from seeking profit from professional gambling activities in this state; to 15 restrain all persons from patronizing such professional gambling activities; to safeguard the public against the evils induced by common gamblers and common 16 gambling houses engaged in professional gambling; and at the same time, both to preserve the freedom of the press and to avoid restricting participation by 17 individuals in activities and social pastimes, which activities and social pastimes are more for amusement rather than for profit, do not maliciously affect the public, 18 and do not breach the peace." 19 61. Defendants have violated RCW § 9.46.010, et seq., because the Double Down 20 Casino games are illegal online gambling games as described in ¶¶ 42-55 supra. 21 62. Defendant's wrongful conduct occurred in the conduct of trade or commerce— 22 *i.e.*, while Defendants were engaged in the operation of making computer games available to the 23 public. 24 63. Defendants' acts and practices were and are injurious to the public interest 25 because Defendant, in the course of its business, continuously advertised to and solicited the 26 general public in Washington state and throughout the United States to play its unlawful online 27 **TOUSLEY BRAIN STEPHENS, PLLC** COMPLAINT—CLASS ACTION 1700 Seventh Avenue, Suite 2200 - 15 -Seattle, Washington 98101-4416 Case No. Tel: 206.682.5600 • Fax: 206.682.2992

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 15 of 18

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 16 of 18

casino games of chance. This was part of a pattern or generalized course of conduct on the part
 of Defendants, and many consumers have been adversely affected by Defendants' conduct and
 the public is at risk.

4 64. Defendants have profited immensely from its operation of unlawful games of
5 chance, amassing hundreds of millions of dollars from the losers of its games of chance.

6 65. As a result of Defendants' conduct, Plaintiff and the Class members were injured
7 in their business or property—*i.e.*, economic injury—in that they lost money wagering on
8 Defendants' unlawful games of chance.

9 66. Defendants' unfair or deceptive conduct proximately caused Plaintiff's and the
10 Class members' injury because, but for the challenged conduct, Plaintiff and the Class members
11 would not have lost money wagering at or on Defendants' games of chance, and they did so as a
12 direct, foreseeable, and planned consequence of that conduct.

13 67. Plaintiff, on her own behalf and on behalf of the Class, seeks to enjoin further
14 violation and recover actual damages and treble damages, together with the costs of suit,
15 including reasonable attorneys' fees.

#### THIRD CAUSE OF ACTION Unjust Enrichment (On behalf of Plaintiff and the Class)

18 68. Plaintiff incorporates by reference the foregoing allegations as if fully set forth
19 herein.

20 69. Plaintiff and the Class have conferred a benefit upon Defendants in the form of
21 the money Defendants received from them for the purchase of chips to wager on Double Down
22 Casino games.

23 70. Defendants appreciate and/or have knowledge of the benefits conferred upon
24 them by Plaintiff and the Class.

25 71. Under principles of equity and good conscience, Defendants should not be
26 permitted to retain the money obtained from Plaintiff and the members of the Class, which
27 Defendants have unjustly obtained as a result of its unlawful operation of unlawful online

16

#### Case 2:18-cv-00525 Document 1 Filed 04/09/18 Page 17 of 18

gambling games. As it stands, Defendants have retained millions of dollars in profits generated
 from their unlawful games of chance and should not be permitted to retain those ill-gotten
 profits.

72. Accordingly, Plaintiff and the Class seek full disgorgement and restitution of any money Defendants have retained as a result of the unlawful and/or wrongful conduct alleged herein.

#### 7

4

5

6

8

9

13

16

#### PRAYER FOR RELIEF

Plaintiff Adrienne Benson, individually and on behalf of all others similarly situated, respectfully requests that this Court enter an Order:

a) Certifying this case as a class action on behalf of the Class defined above,
appointing Adrienne Benson as representative of the Class, and appointing her counsel as class
counsel;

b) Declaring that Defendants' conduct, as set out above, violates the CPA;

14 c) Entering judgment against Defendants, in the amount of the losses suffered by
15 Plaintiff and each member of the Class;

d) Enjoining Defendants from continuing the challenged conduct;

e) Awarding damages to Plaintiff and the Class members in an amount to be
determined at trial, including trebling as appropriate;

19 f) Awarding restitution to Plaintiff and Class members in an amount to be

20 determined at trial, and requiring disgorgement of all benefits that Defendants unjustly received;

g) Awarding reasonable attorney's fees and expenses;

h) Awarding pre- and post-judgment interest, to the extent allowable;

23 i) Entering judgment for injunctive and/or declaratory relief as necessary to protect

24 the interests of Plaintiff and the Class; and

j)

25

21

22

26

27

#### JURY DEMAND

Awarding such other and further relief as equity and justice require.

Plaintiff requests a trial by jury of all claims that can be so tried.

COMPLAINT—CLASS ACTION Case No. Dated: April 9, 2018

	Dateu. April 9, 2018	
3		
4		By: <u>/s/Janissa A. Strabuk</u> /s/Cecily C. Shiel
5		
		TOUSLEY BRAIN STEPHENS, PLLC Janissa A. Strabuk, WSBA No. 21827
6		jstrabuk@tousley.com
7		Cecily C. Shiel, WSBA No. 50061
8		<u>cshiel@tousley.com</u> 1700 Seventh Avenue, Suite 2200
9		Seattle, Washington 98101-4416
		Tel: 206.682.5600
10		Fax: 206.682.2992
11		EDELSON PC
12		Benjamin H. Richman*
		brichman@edelson.com 350 North LaSalle Street, Suite 1400
13		Chicago, Illinois 60654
14		Tel: 312.589.6370
15		Fax: 312.589.6378
16		Rafey Balabanian*
		rbalabanian@edelson.com 123 Townsend Street, Suite 100
17		San Francisco, California 94107
18		Tel: 415.212.9300
19		Fax: 415.373.9435
20		*Pro hac vice admission to be sought.
20		Attorneys for Plaintiff and the Putative Class
21		
22		
24		
25		
26		
27		
	COMPLAINT—CLASS ACTION Case No.	- 18 - TOUSLEY BRAIN STEPHENS, PLLC Seattle, Washington 98101-4416 Tel: 206.682.5600 • Fax: 206.682.2992

#### JS 44 (Rev. 06/17)

# Case 2:18-cv-00525 Decument 1 Filed 04/09/18 Page 1 of 2

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. *(SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)* 

situated, co				DEFENDANTS DOUBLE DOWN INTERACTIVE, LLC, a Washington limited liability company, and INTERNATIONAL GAME TECHNOLOGY, a Nevada Corporation					
(b) County of Residence of First Listed Plaintiff Spokane County, WA (EXCEPT IN U.S. PLAINTIFF CASES)				County of Residence of First Listed Defendant King County, WA (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.					
(c) Attorneys (Firm Name, A	Address, and Telephone Numbe	r)		Attorneys (If Known)					
Janissa Strabuk; Tousley 2200, Seattle, WA 98101		C; 1700 7th Avenue	e, Ste.						
II. BASIS OF JURISDI	<b>CTION</b> (Place an "X" in C	One Box Only)		TIZENSHIP OF P	RINCIPAL PAR			0	00
□ 1 U.S. Government Plaintiff	□ 3 Federal Question (U.S. Government)	Not a Party)				ted <i>or</i> Princip ness In This S	al Place	TF D	) DEF X 4
□ 2 U.S. Government Defendant	▲ 4 Diversity (Indicate Citizensh)	ip of Parties in Item III)				iness In Anot	her State		<b>¥</b> 5
				en or Subject of a reign Country	I 3 □ 3 Foreign N	lation	(	360	<b>□</b> 6
IV. NATURE OF SUIT		ıly) DRTS	FO	DRFEITURE/PENALTY	Click here for: BANKRUPTC		uit Code Descr OTHER ST		
<ul> <li>CONTRACT</li> <li>I10 Insurance</li> <li>120 Marine</li> <li>130 Miller Act</li> <li>140 Negotiable Instrument</li> <li>150 Recovery of Overpayment &amp; Enforcement of Judgment</li> <li>151 Medicare Act</li> <li>152 Recovery of Defaulted Student Loans (Excludes Veterans)</li> <li>153 Recovery of Overpayment of Veteran's Benefits</li> <li>160 Stockholders' Suits</li> <li>190 Other Contract</li> <li>195 Contract Product Liability</li> <li>196 Franchise</li> </ul> <b>REAL PROPERTY</b> <ul> <li>210 Land Condemnation</li> <li>220 Foreclosure</li> <li>230 Rent Lease &amp; Ejectment</li> <li>240 Torts to Land</li> <li>245 Tort Product Liability</li> <li>290 All Other Real Property</li> </ul>	<ul> <li>PERSONAL INJURY</li> <li>□ 310 Airplane</li> <li>□ 315 Airplane Product Liability</li> <li>□ 320 Assault, Libel &amp;</li> </ul>	<ul> <li>PERSONAL INJUR</li> <li>365 Personal Injury - Product Liability</li> <li>367 Health Care/ Pharmaceutical Personal Injury Product Liability</li> <li>368 Asbestos Personal Injury Product Liability</li> <li>368 Asbestos Personal S70 Other Fraud</li> <li>371 Truth in Lending</li> <li>380 Other Personal Property Damage Property Damage Product Liability</li> <li>385 Property Damage Product Liability</li> <li>PRISONER PETITION Habeas Corpus:</li> <li>463 Alien Detainee</li> <li>510 Motions to Vacate Sentence</li> <li>530 General</li> </ul>	<b>X X X X X X X X X X</b>	LABOR     Other     LABOR     Other     Other     USC 881     Other     Other	<ul> <li>422 Appeal 28 USC</li> <li>423 Withdrawal 28 USC 157</li> <li>PROPERTY RIGE</li> <li>820 Copyrights</li> <li>830 Patent</li> <li>835 Patent - Abbrevi New Drug Appli</li> <li>840 Trademark</li> <li>SOCIAL SECURIT</li> <li>861 HIA (1395ff)</li> <li>862 Black Lung (92:</li> <li>863 DIWC/DIWW (0)</li> <li>864 SSID Title XVI</li> <li>865 RSI (405(g))</li> <li>FEDERAL TAX SI or Defendant)</li> <li>871 IRS—Third Part 26 USC 7609</li> </ul>	158	<ul> <li>375 False Claim (3) 372 False Claim (3) 3729(a))</li> <li>400 State Reapp 410 Antitrust</li> <li>430 Banks and IE</li> <li>450 Commerce</li> <li>460 Deportation</li> <li>470 Racketeer In Corrupt Org</li> <li>480 Consumer C</li> <li>490 Cable/Sat T</li> <li>480 Consumer C</li> <li>490 Cable/Sat T</li> <li>480 Cable/Sat T</li> <li>480 Other Statut</li> <li>891 Agricultural</li> <li>893 Environment</li> <li>895 Freedom of Act</li> <li>896 Arbitration</li> <li>899 Administrat Act/Review</li> <li>Agency Dec</li> <li>950 Constitution</li> <li>State Statute</li> </ul>	s Act 1 USC ortionmer Banking fifuenced anization: Credit V commoditi tory Actio I Acts Informati ive Procee or Appea ision hality of	nt I and Is cies/ ons rs ion edure
V. ORIGIN (Place an "X" in	n One Box Only)								
	te Court	Appellate Court	Reoj	(specify	er District Li	ultidistrict tigation - ransfer	Lit	ultidistrie tigation - ect File	-
VI. CAUSE OF ACTIO	DN 28 U.S.C. § 1332 Brief description of ca Violations of RCV	2(d)(2), RCW § 4.24 ause: N § 4.24.070, RCW	<u>.070, R</u> / § 19.86	Do not cite jurisdictional sta CW § 19.86.010, et 6.010, et seq., and 1	seq. Jnjust Enrichment				
VII. REQUESTED IN COMPLAINT:	CHECK IF THIS UNDER RULE 2	IS A <b>CLASS ACTION</b> 3, F.R.Cv.P.	N D	EMAND \$ 5,000,000.00	CHECK YI JURY DEI	-	emanded in co X Yes	mplaint: ⊐No	
VIII. RELATED CASI IF ANY	E(S) (See instructions):	JUDGE			DOCKET NUMB	ER			
DATE 04/06/2018 FOR OFFICE USE ONLY		signature of at /s/ Janissa A. S							
	MOUNT	APPLYING IFP		JUDGE	М	AG. JUDGE			

#### **INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44**

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- **I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

II. Jurisdiction. The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below. United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here. United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.

Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)

- **III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- **IV.** Nature of Suit. Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: <u>Nature of Suit Code Descriptions</u>.
- V. Origin. Place an "X" in one of the seven boxes.

Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date. Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.

Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket. **PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7.** Origin Code 7 was used for historical records and is no longer relevant due to changes in statue.

- VI. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. Do not cite jurisdictional statutes unless diversity. Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P. Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction. Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases. This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

AO 440 (Rev. 06/12) Summons in a Civil Action

# UNITED STATES DISTRICT COURT

for the

Western District of Washington

)

)

)

)

)

)

) )

)

ADRIENNE BENSON, individually and on behalf of all others similarly situated,

Plaintiff(s)

v.

Civil Action No.

DOUBLE DOWN INTERACTIVE, LLC, a Washington limited liability company, and INTERNATIONAL GAME TECHNOLOGY, a Nevada corporation,

Defendant(s)

#### SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Double Down Interactive, LLC 605 Fifth Avenue South, Ste. 300 Seattle, Washington 98104

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Janissa Strabuk Tousley Brain Stephens PLLC 1700 7th Avenue, Ste. 2200 Seattle, WA 98101 206-682-5600

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No.

#### **PROOF OF SERVICE**

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

	This summons for (name	of individual and title, if any)				
was re-	ceived by me on (date)	·				
	□ I personally served t	he summons on the individual a	t (place)			
			on (date)	; or		
	$\Box$ I left the summons a	t the individual's residence or us	sual place of abode with (name)			
		, a person	of suitable age and discretion who res	sides there,		
	on (date)	, and mailed a copy to the	he individual's last known address; or			
	$\Box$ I served the summon	s on (name of individual)		, who is		
	designated by law to accept service of process on behalf of (name of organization)					
			on (date)	; or		
	$\Box$ I returned the summer	ons unexecuted because		; or		
	<b>Other</b> ( <i>specify</i> ):					
	My fees are \$	for travel and \$	for services, for a total of \$	0.00		
	I declare under penalty	of perjury that this information	is true.			
Date:						
Dute.			Server's signature			
			Printed name and title			

Additional information regarding attempted service, etc:

Server's address

AO 440 (Rev. 06/12) Summons in a Civil Action

# UNITED STATES DISTRICT COURT

for the

Western District of Washington

)

)

)

)

)

)

) )

)

ADRIENNE BENSON, individually and on behalf of all others similarly situated,

Plaintiff(s)

v.

Civil Action No.

DOUBLE DOWN INTERACTIVE, LLC, a Washington limited liability company, and INTERNATIONAL GAME TECHNOLOGY, a Nevada corporation,

Defendant(s)

#### SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) International Game Technology c/o Corporate Secretary 9295 Prototype Drive Reno, Nevada 89521

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Janissa Strabuk Tousley Brain Stephens PLLC 1700 7th Avenue, Ste. 2200 Seattle, WA 98101 206-682-5600

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No.

#### **PROOF OF SERVICE**

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

	This summons for (nam	e of individual and title, if any)							
was re	ceived by me on (date)								
	□ I personally served t	the summons on the individual a	t (place)						
	1 5		on (date)	; or					
	□ I left the summons a	t the individual's residence or u		_					
		, a person of suitable age and discretion who resides there,							
on ( <i>date</i> ), and mailed a copy to the individual's last known address; or									
	□ I served the summor	ns on (name of individual)		, who is					
	designated by law to accept service of process on behalf of (name of organization)								
			on (date)	; or					
	$\Box$ I returned the summ	ons unexecuted because		; or					
	□ Other ( <i>specify</i> ):								
	My fees are \$	for travel and \$	for services, for a total of \$	0.00					
	I declare under penalty	of perjury that this information	is true.						
Date:									
Date.			Server's signature						
			Printed name and title						

Additional information regarding attempted service, etc:

Server's address

# **ClassAction.org**

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Double Down Interactive, International Game Technology Latest Cos. to Face Online Gambling Suit in Washington</u>