UNITED STATES DISTRICT COURT EASTERN DISTRICT OF NEW YORK CENTRAL ISLIP

Theresa Carrano, individually and on behalf of all others similarly situated,

2:21-cv-06730

Plaintiff,

- against -

Class Action Complaint

Oka Products, LLC,

Jury Trial Demanded

Defendant

Plaintiff alleges upon information and belief, except for allegations pertaining to plaintiff, which are based on personal knowledge:

1. Oka Products, LLC ("Defendant") manufactures, labels, markets, and sells aloebased beverages described as having "No Artificial Colorants [and] Preservatives" under the Oka brand ("Product").





I. CONSUMERS AVOID PRESERVATIVES

- 2. Market research firm Mintel has shown that 84 percent of Americans buy foods with "free from" claims, because they are seeking foods that are more natural and less processed.
- 3. Over forty percent of consumers believe foods with "free from" claims are healthier and safer than foods without such a claim.
- 4. Representing a product has not having preservatives is valued by over seventy percent of consumers.
- 5. According to a 2015 Nielsen survey, almost ninety percent of Americans are willing to pay more for healthier foods, understood as being made without additives.

II. WHAT ARE PRESERVATIVES

- 6. Preservatives are defined as something that preserves or have the power of preserving, specifically, an additive used to protect against decay, discoloration, or spoilage.
- 7. Preservatives are used to maintain the quality of food beyond their role in killing microorganisms that can contribute to foodborne illness.
- 8. Preservatives are grouped into two general classes natural preservatives, consisting of sugar, salt, vinegar, and spices, and chemical preservatives such as benzoate of soda, salicylic acid, and sulfur dioxide.
- 9. In response to dangerous substances being added to food, the Pure Food and Drug Act of 1906 defined "chemical preservatives" as any chemical that, when added to food, tends to prevent or retard deterioration thereof, but does not include common salt, sugars, vinegars, spices, or oils extracted from spices. 21 C.F.R. § 101.22(a)(5).
- 10. Federal and identical state regulations require that all foods contain a prominent statement sufficient to tell purchasers if it contains a chemical preservative. 21 C.F.R. § 101.22(c).

- 11. A food to which a chemical preservative is added is required to disclose this in the ingredient list, by listing the common or usual name of the ingredient followed by a parenthetical designation of its function as a preservative, i.e., "BHA (a preservative)." 21 C.F.R. § 101.22(j).
- 12. In 2010, the FDA warned a company selling pineapple and coconut products which failed to truthfully identify:

The 'Pineapple Bites' and 'Pineapple Bites with Coconut' products are further misbranded within the meaning of section 403(k) of the Act [21 U.S.C. 343(k)] in that they contain the chemical preservative[s] ascorbic acid and citric acid but their labels fail to declare these preservatives with a description of their functions. 21 CFR 101.22.

III. "NO PRESERVATIVES" IS MISLEADING BECAUSE PRODUCT CONTAINS PRESERVATIVES

13. The representation that the Product contains "No Preservatives" is false, deceptive, and misleading, because the ingredient list identifies citric acid and sodium citrate.

INGREDIENTS: Water, aloe vera crunch, fructose, honey, citric acid, sodium citrate, vitamin C, gellan gum, calcium lactate,

Ingredients: Water, Aloe Vera Crunch, Fructose, Honey, Citric Acid, Sodium Citrate, Vitamin C, Gellan Gum, Calcium Lactate.

- 14. The FDA has declared that citric acid and sodium citrate are preservatives
- 15. Citric acid and sodium citrate are added to food to increase their acidity, which prevents bacteria from growing, extending the shelf-life of the foods to which they are added.¹
- 16. While citric acid and sodium citrate may perform other functions beyond preserving a product, they still act as preservatives.
 - 17. The Product's ingredient list is misleading because it does not identify these

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¹ Sodium citrate is the sodium salt of citric acid.

ingredients with their function as preservatives.

- 18. Consumers who view the ingredient list will not be told that citric acid and sodium citrate are preservatives.
- 19. This prevents consumers from learning the truth from the ingredient list, that the "No Preservatives" claim is false, deceptive, and misleading, even though they are not required to scrutinize the ingredient list to confirm or debunk the front label promise of "No Preservatives."

IV. CONCLUSION

- 20. The Product contains other representations which are misleading.
- 21. Reasonable consumers must and do rely on a company to honestly identify and describe the components, attributes, and features of a product, relative to itself and other comparable products or alternatives.
- 22. By labeling the Product in this manner, Defendant gained an advantage against other companies, and against consumers seeking to purchase a product that did not contain preservative ingredients.
- 23. The value of the Product that plaintiff purchased was materially less than its value as represented by defendant.
- 24. Defendant sold more of the Product and at higher prices than it would have in the absence of this misconduct, resulting in additional profits at the expense of consumers.
- 25. Had Plaintiff and proposed class members known the truth, they would not have bought the Product or would have paid less for it.
- 26. The Product is sold for a price premium compared to other similar products, no less than approximately \$2.19 for 16.9 fl oz, a higher price than it would otherwise be sold for, absent the misleading representations and omissions.

Jurisdiction and Venue

- 27. Jurisdiction is proper pursuant to Class Action Fairness Act of 2005 ("CAFA"). 28U.S.C. § 1332(d)(2).
- 28. The aggregate amount in controversy exceeds \$5 million, including any statutory damages, exclusive of interest and costs.
 - 29. Plaintiff Theresa Carrano is a citizen of New York.
- 30. Defendant Oka Products, LLC, is a Florida limited liability company with a principal place of business in Miami, Miami-Dade County, Florida and upon information and belief, at least one member of defendant is not a citizen of the same state as the plaintiff.
- 31. The Florida corporation website lists Defendant's managing members as citizens of Florida.
 - 32. Plaintiff and at least one of defendant's members are citizens of different states.
- 33. Defendant transacts business within this District through sale of the Product at hundreds of stores within this State and District, and online, sold directly to residents of this District.
- 34. Venue is in this District because plaintiff resides in this district and the actions giving rise to the claims occurred within this district.
- 35. Venue is in the Central Islip in this District because a substantial part of the events or omissions giving rise to the claim occurred in Suffolk County, i.e., Plaintiff's purchase of the Product and her awareness of the issues described here.

<u>Parties</u>

- 36. Plaintiff Theresa Carrano is a citizen of Seaford, Suffolk County, New York.
- 37. Defendant Oka Products, LLC, is a Florida limited liability company with a principal

place of business in Miami, Florida, Miami-Dade County.

- 38. Defendant is an American beverage company that manufactures, markets and distributes a variety of products.
- 39. While the flagship product line is the OKA Aloe, it has a variety of drinks catering to all demographics.
- 40. Plaintiff purchased the Product on one or more occasions within the statutes of limitations for each cause of action alleged, at stores including ShopRite, at locations such as 5508 Sunrise Hwy Massapequa, NY 11758, between August and October 2021, among other times.
- 41. Plaintiff bought the Product because she expected it did not contain preservative ingredients because that is what the representations said and implied.
- 42. Plaintiff relied on the words and images on the Product, on the labeling and/or claims made by Defendant in digital and/or social media.
 - 43. Plaintiff bought the Product at or exceeding the above-referenced price.
- 44. Plaintiff would not have purchased the Product if she knew the representations and omissions were false and misleading or would have paid less for it.
- 45. Plaintiff chose between Defendant's Product and products represented similarly, but which did not misrepresent their attributes and/or lower-priced non-similar products which did not make the statements and claims made by Defendant.
- 46. The Product was worth less than what Plaintiff paid and she would not have paid as much absent Defendant's false and misleading statements and omissions.
- 47. Plaintiff intends to, seeks to, and will purchase the Product again when she can do so with the assurance that Product's representations are consistent with its abilities and/or composition.

48. Plaintiff is unable to rely on the labeling of not only this Product, but other similar products, because she is unsure of whether their representations are truthful.

Class Allegations

49. Plaintiff seeks certification under Fed. R. Civ. P. 23(b)(2) and (b)(3) of the following classes:

New York Class: All persons in the State of New York who purchased the Product during the statutes of limitations for each cause of action alleged.

Consumer Fraud Multi-State Class: All persons in the States of North Dakota, Texas, West Virginia, Virginia, North Carolina, Delaware, Montana, Kentucky, Tennessee, New Hampshire, Alaska, South Dakota, Oklahoma, Utah, Nebraska, Maine, and Wyoming, who purchased the Product during the statutes of limitations for each cause of action alleged

- 50. Common questions of law or fact predominate and include whether defendant's representations were and are misleading and if plaintiff and class members are entitled to damages.
- 51. Plaintiff's claims and basis for relief are typical to other members because all were subjected to the same unfair and deceptive representations and actions.
- 52. Plaintiff is an adequate representative because her interests do not conflict with other members.
- 53. No individual inquiry is necessary since the focus is only on defendant's practices and the class is definable and ascertainable.
- 54. Individual actions would risk inconsistent results, be repetitive and are impractical to justify, as the claims are modest relative to the scope of the harm.
- 55. Plaintiff's counsel is competent and experienced in complex class action litigation and intends to protect class members' interests adequately and fairly.
 - 56. Plaintiff seeks class-wide injunctive relief because the practices continue.

New York General Business Law ("GBL") §§ 349 & 350

(Consumer Protection Statute)

- 57. Plaintiff incorporates by reference all preceding paragraphs.
- 58. Plaintiff and class members desired to purchase a product that did not contain preservative ingredients.
- 59. Defendant's false and deceptive representations and omissions are material in that they are likely to influence consumer purchasing decisions.
- 60. Defendant misrepresented the Product through statements, omissions, ambiguities, half-truths and/or actions.
- 61. Plaintiff and class members would not have purchased the Product or paid as much if the true facts had been known, suffering damages.
- 62. Defendant misrepresented the Product through statements, omissions, ambiguities, half-truths and/or actions.
- 63. Plaintiff relied on the representations that the Product did not contain preservative ingredients
- 64. Plaintiff and class members would not have purchased the Product or paid as much if the true facts had been known, suffering damages.

Violation of State Consumer Fraud Acts

(On Behalf of the Consumer Fraud Multi-State Class)

- 65. The Consumer Fraud Acts of the States in the Consumer Fraud Multi-State Class prohibit the use of unfair or deceptive business practices in the conduct of trade or commerce.
- 66. Defendant intended that plaintiff and each of the other members of the Consumer Fraud Multi-State Class would rely upon its deceptive conduct, and a reasonable person would in

fact be misled by this deceptive conduct.

- 67. As a result of defendant's use or employment of artifice, unfair or deceptive acts or business practices, plaintiff, and each of the other members of the Consumer Fraud Multi-State Class, have sustained damages in an amount to be proven at trial.
- 68. In addition, defendant's conduct showed motive, and the reckless disregard of the truth such that an award of punitive damages is appropriate.

Breaches of Express Warranty, Implied Warranty of Merchantability and Magnuson Moss Warranty Act, 15 U.S.C. §§ 2301, et seq.

- 69. The Product was manufactured, identified, and sold by defendant and expressly and impliedly warranted to plaintiff and class members that it did not contain preservative ingredients.
- 70. Defendant had a duty to disclose and/or provide non-deceptive descriptions and marketing of the Product.
- 71. This duty is based on Defendant's outsized role in the market for this type of Product, a trusted brand known for natural products, based on the aloe vera plant.
- 72. Plaintiff provided or will provide notice to defendant, its agents, representatives, retailers, and their employees.
- 73. Defendant received notice and should have been aware of these issues due to complaints by regulators, competitors, and consumers, to its main offices, and by consumers through online forums.
- 74. The Product did not conform to its affirmations of fact and promises due to defendant's actions and were not merchantable because it was not fit to pass in the trade as advertised.
- 75. Plaintiff and class members would not have purchased the Product or paid as much if the true facts had been known, suffering damages.

Negligent Misrepresentation

- 76. Defendant had a duty to truthfully represent the Product, which it breached.
- 77. This duty is based on defendant's position, holding itself out as having special knowledge and experience in this area, a trusted brand known best for its unique aloe vera-based beverages.
- 78. The representations took advantage of consumers' cognitive shortcuts made at the point-of-sale and their trust in defendant, one of the nation's largest sellers of aloe vera beverages.
- 79. Plaintiff and class members reasonably and justifiably relied on these negligent misrepresentations and omissions, which served to induce and did induce, their purchase of the Product.
- 80. Plaintiff and class members would not have purchased the Product or paid as much if the true facts had been known, suffering damages.

Fraud

- 81. Defendant misrepresented and/or omitted the attributes and qualities of the Product, that it did not contain preservative ingredients.
- 82. Moreover, the records Defendant is required to maintain, and/or the information inconspicuously disclosed to consumers, provide it with actual and/or constructive knowledge of the falsity of the representations.
- 83. Defendant's fraudulent intent is evinced by its knowledge that the Product was not consistent with its representations.

Unjust Enrichment

84. Defendant obtained benefits and monies because the Product was not as represented and expected, to the detriment and impoverishment of plaintiff and class members, who seek restitution and disgorgement of inequitably obtained profits.

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Jury Demand and Prayer for Relief

Plaintiff demands a jury trial on all issues.

WHEREFORE, Plaintiff prays for judgment:

1. Declaring this a proper class action, certifying plaintiff as representative and the

undersigned as counsel for the class;

2. Entering preliminary and permanent injunctive relief by directing defendant to correct the

challenged practices to comply with the law;

3. Injunctive relief to remove, correct and/or refrain from the challenged practices and

representations, and restitution and disgorgement for members of the class pursuant to the

applicable laws;

4. Awarding monetary damages, statutory and/or punitive damages pursuant to any statutory

claims and interest pursuant to the common law and other statutory claims;

5. Awarding costs and expenses, including reasonable fees for plaintiff's attorneys and

experts; and

6. Other and further relief as the Court deems just and proper.

Dated: December 4, 2021

Respectfully submitted,

Sheehan & Associates, P.C.

/s/Spencer Sheehan

60 Cuttermill Rd Ste 409

Great Neck NY 11021

Tel: (516) 268-7080

spencer@spencersheehan.com

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Case 2:21-cv-06730 Document 1-1 Filed 12/04/21 Page 1 of 2 PageID #: 12 CIVIL COVER SHEET

JS 44 (Rev. 02/19)

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 de	ocket sheet. (See instruction	is on next page of this form.)	the Office States in September 1	774, is required for the use of	the elerk of court for the	
I. (a) PLAINTIFFS Theresa Carrano, ind similarly situated	lividually and on	behalf of all oth	ers Oka Products, LLC			
(b) County of Residence of (EX	f First Listed Plaintiff XCEPT IN U.S. PLAINTIFF CA	Suffolk (ASES)	County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.			
(c) Attorneys (Firm Name, 2) Sheehan & Associates, P. 11021-3104 (516) 268-70	C., 60 Cutter Mill Rd		Attorneys (If Known)			
II. BASIS OF JURISDI	ICTION (Place an "X" in t	One Box Only)	II. CITIZENSHIP OF P	RINCIPAL PARTIES	(For Diversity Cases Only)	
☐ 1 U.S. Government Plaintiff	1 U.S. Government 3 Federal Question		(Check one box, only for plaintiff and one box for defendant.) PTF DEF Citizen of This State ☑ 1 ☐ 1 Incorporated or Principal Place of ☐ 4 ☐ 4 Business In This State			
☐ 2 U.S. Governmen Defendant	☑ 4 Diversity (Indicate Citizenship of Parties in Item III)		Citizen of Another State	2 🗹 2 Incorporated and I of Business In An		
			Citizen or Subject of a □ 3 □ 3 Foreign Nation □ Foreign Country			
IV. NATURE OF SUIT		nly) DRTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
□ 110 Insurance □ 120 Marine □ 130 Miller Act □ 140 Negotiable Instrument □ 150 Recovery of Overpayment & Enforcement of Judgment □ 151 Medicare Act □ 152 Recovery of Defaulted Student Loans (Excludes Veterans) □ 153 Recovery of Overpayment of Veteran's Benefits □ 160 Stockholders' Suits □ 190 Other Contract □ 195 Contract Product Liability □ 196 Franchise REAL PROPERTY □ 210 Land Condemnation □ 220 Foreclosure □ 230 Rent Lease & Ejectment □ 240 Torts to Land □ 245 Tort Product Liability □ 290 All Other Real Property	PERSONAL INJURY □ 310 Airplane □ 315 Airplane Product Liability □ 320 Assault, Libel &	PERSONAL INJURY 365 Personal Injury - Product Liability 367 Health Care/ Pharmaceutical Personal Injury - Product Liability 368 Asbestos Personal Injury Product Liability 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY 370 Other Fraud 371 Truth in Lending 380 Other Personal Property Damage 385 Property Damage 385 Property Damage Product Liability PRISONER PETITIONS 463 Alien Detainee 510 Motions to Vacate Sentence 530 General 535 Death Penalty Other: 540 Mandamus & Other 550 Civil Rights 555 Prison Condition 560 Civil Detainee - Conditions of Confinement	□ 625 Drug Related Seizure of Property 21 USC 881 □ 690 Other LABOR Y □ 710 Fair Labor Standards Act □ 720 Labor/Management Relations □ 740 Railway Labor Act □ 751 Family and Medical Leave Act □ 790 Other Labor Litigation	□ 422 Appeal 28 USC 158 □ 423 Withdrawal 28 USC 157 PROPERTY RIGHTS □ 820 Copyrights □ 830 Patent □ 840 Trademark SOCIAL SECURITY □ 861 HIA (1395ff) □ 862 Black Lung (923) □ 863 DIWC/DIWW (405(g)) □ 864 SSID Title XVI □ 865 RSI (405(g)) FEDERAL TAX SUITS □ 870 Taxes (U.S. Plaintiff or Defendant) □ 871 IRS—Third Party 26 USC 7609	□ 375 False Claims Act □ 376 Qui Tam (31 USC	
	moved from Graph 3 te Court	Appellate Court	(specify)	r District Litigation		
VI. CAUSE OF ACTIO	20 1100 8 4222		filing (Do not cite jurisdictional state	tutes unless diversity):		
VII. REQUESTED IN COMPLAINT:		S IS A CLASS ACTION 23, F.R.Cv.P.	DEMAND \$ 5,000,000	CHECK YES only JURY DEMAND	if demanded in complaint: ☑ Yes □ No	
VIII. RELATED CAS	SE(S)	, 2 1200112	2,000,000	SOME DESIGNATION		
IF ANY	(See instructions):	JUDGE		DOCKET NUMBER		
DATE 12/4/2021		signature of atto /s/ Spencer Sheel				
FOR OFFICE USE ONLY RECEIPT # AN	MOUNT	APPLYING IFP	JUDGE	MAG. JU	DGE	

exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed. Case is Eligible for Arbitration Spencer Sheehan plaintiff , do hereby certify that the above captioned civil action is ineligible for , counsel for compulsory arbitration for the following reason(s): monetary damages sought are in excess of \$150,000, exclusive of interest and costs, the complaint seeks injunctive relief, the matter is otherwise ineligible for the following reason DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1 Identify any parent corporation and any publicly held corporation that owns 10% or more or its stocks: **RELATED CASE STATEMENT (Section VIII on the Front of this Form)** Please list all cases that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) provides that "A civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or because the cases arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the same judge and magistrate judge." Rule 50.3.1 (b) provides that "A civil case shall not be deemed "related" to another civil case merely because the civil case: (A) involves identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power of a judge to determine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the court." NY-E DIVISION OF BUSINESS RULE 50.1(d)(2) 1.) Is the civil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk County? Yes No 2.) If you answered "no" above: a) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk County? Yes No b) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern District? Yes No c) If this is a Fair Debt Collection Practice Act case, specify the County in which the offending communication was received: If your answer to question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or Suffolk County, or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau or Yes (Note: A corporation shall be considered a resident of the County in which it has the most significant contacts). **BAR ADMISSION** I am currently admitted in the Eastern District of New York and currently a member in good standing of the bar of this court. lacksquareYes No Are you currently the subject of any disciplinary action (s) in this or any other state or federal court? Yes (If yes, please explain Nο I certify the accuracy of all information provided above. Signature: /s/Spencer Sheehan

Case 2:21-cv-GERSDIFIGATION OF ARBITRAVION ELIGIBILITY age D #: 13

Local Arbitration Rule 83.7 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000,

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

Theresa Carrano, individually others similarly situated,	y and on behalf of all))						
Plaintiff(s))	Civil Action No. 2:21-cy-06730					
V.)	CIVII ACTIOII NO. 2.21-CV-00730					
Oka Products, LLC,)						
)						
	,)						
Defendant(s)						
	SUMMONS IN A CI	IVIL ACTION					
To: (Defendant's name and address)	Oka Products, LLC						
c/o Sandra Blanco Cerqueira 2900 NE 7th Ave Unit 1404							
	Miami FL 33137-4397						
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: Sheehan & Associates, P.C., 60 Cuttermill Rd Ste 409 Great Neck NY 11021-3104 (516) 268-7080 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. 2:21-cv-06730

PROOF OF SERVICE

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

	This summons for (no	ame of individual and title, if a	uny)								
was red	ceived by me on (date)		·								
	☐ I personally served	d the summons on the inc	dividual at (place)								
			on (date)								
	☐ I left the summons at the individual's residence or usual place of abode with (name)										
	, a person of suitable age and discretion who resides there,										
	on (date), and mailed a copy to the individual's last known address; or										
	☐ I served the summ	ons on (name of individual)			, who is						
	designated by law to	accept service of proces	s on behalf of (name of organization)								
			on (date)	; or							
	☐ I returned the sum	eturned the summons unexecuted because									
	□ Other (<i>specify</i>):										
	My fees are \$	for travel and	\$ for services, for a total of \$								
	I declare under penalty of perjury that this information is true.										
ъ.											
Date:		Server's signature									
		-	Printed name and title								
		<u>-</u>	Server's address								

Additional information regarding attempted service, etc:

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: Oka Aloe Drink Falsely Advertised as Having No Preservatives, Class Action Claims