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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

CHRISITINA CHASE, on behalf of
herself and all others similarly situated,

Plaintiff,

v.

HOBBY LOBBY STORES, INC., an
Oklahoma corporation, and DOES 1
through 50, inclusive,

Defendant.

Case No.: '17CV0881 GPC BLM

CLASS ACTION COMPLAINT

- 1. Violation of California's Unfair Competition Laws ("UCL"); California Business & Professions Code Sections 17200, et seq.;**
- 2. Violation of California's False Advertising Laws ("FAL"); California Business & Professions Code Sections 17500, et seq.;**
- 3. Violations of California Consumer Legal Remedies Act ("CLRA"); California Civil Code Sections 1750, et seq.**

[DEMAND FOR JURY TRIAL]

1 Plaintiff CHRISTINA CHASE brings this action on behalf of herself and all others
2 similarly situated against Defendant HOBBY LOBBY STORES, INC. (“Hobby Lobby”),
3 and states:

4 **I. NATURE OF ACTION**

5 1. “If everyone is getting a deal, is anyone really getting a deal?”¹ This class
6 action targets Hobby Lobby’s unlawful, unfair, and fraudulent business practice of
7 advertising fictitious prices and corresponding phantom discounts on their Hobby Lobby
8 branded and/or trademarked lines of merchandise. This practice of false reference pricing
9 occurs where a retailer fabricates a fake regular, original, and/or former reference price,
10 and then offers an item for sale at a deep “discounted” price. The result is a sham price
11 disparity that misleads consumers into believing they are receiving a good deal and induces
12 them into making a purchase. Retailers drastically benefit from employing a false
13 reference-pricing scheme and experience increased sales.

14 2. The California legislature prohibits this misleading practice. The law
15 recognizes the reality that consumers often purchase merchandise marketed as being “on
16 sale” purely because the proffered discount seemed too good to pass up. Accordingly,
17 retailers have an incentive to lie to customers and advertise false sales. The resulting harm
18 is tangible—the bargain hunter’s expectations about the product she purchased is that it
19 has a higher perceived value and she may not have purchased the product but for the false
20 savings.

21 3. Hobby Lobby utilizes a false and misleading reference price in the marketing
22 and selling of Hobby Lobby branded and/or trademarked merchandise at its retail stores.
23 Hobby Lobby advertises its merchandise for sale by attaching a price tag on the item that
24

25
26 ¹ David Streitfeld, *It’s Discounted, but is it a Deal? How List Prices Lost Their Meaning*,
27 New York Times, [https://www.nytimes.com/2016/03/06/technology/its-discounted-but-](https://www.nytimes.com/2016/03/06/technology/its-discounted-but-is-it-a-deal-how-list-prices-lost-their-meaning.html)
28 [is-it-a-deal-how-list-prices-lost-their-meaning.html](https://www.nytimes.com/2016/03/06/technology/its-discounted-but-is-it-a-deal-how-list-prices-lost-their-meaning.html), (March 6, 2016), last accessed April
28, 2017.

1 sets forth a fictitious “Marked” price. *See e.g.* Exhibit A. The “Marked” price is then
2 substantially discounted from a “__% OFF” price depicted on corresponding price placards
3 adjacent to the respective items. *See e.g.* Exhibit B. The “__% OFF” price represents the
4 percentage of the savings the customer is purportedly saving off the “Marked” reference
5 price by purchasing the product.

6 4. However, the “Marked” price is a total fiction. The only stores in which the
7 Hobby Lobby branded and/or trademarked merchandise is actually sold is at the Hobby
8 Lobby retail stores. Thus, the only market price for the Hobby Lobby branded and/or
9 trademarked merchandise is the price at which the merchandise is sold in the Hobby Lobby
10 retail stores, since Hobby Lobby is the only “market” for Hobby Lobby branded and/or
11 trademarked merchandise.

12 5. The Hobby Lobby branded and/or trademarked merchandise is never offered
13 for sale, nor actually sold, at the represented “Marked” price. Thus, the “Marked” price is
14 false and is used exclusively to induce consumers into believing that the merchandise was
15 once sold at the “Marked” price and from which the false and discount and corresponding
16 “__% OFF” price is derived. Hobby Lobby’s deceptive pricing scheme has the effect of
17 tricking consumers into believing they are receiving a significant deal by purchasing
18 merchandise at a steep discount, when in reality, consumers are paying for merchandise at
19 its regular or original retail price.

20 6. The advertised discounts are fictitious because the regular or original
21 reference price, or “Marked” price, do not represent a *bona fide* price at which Hobby
22 Lobby previously sold a substantial quantity of the merchandise for a reasonable period of
23 time as required by the Federal Trade Commission (“FTC”). In addition, the represented
24 “Marked” price was not the prevailing market retail price within the three months
25 immediately preceding the publication of the advertised former “Market” price, as required
26 by California law.

27 7. Through its false and misleading marketing, advertising, and pricing scheme,
28 Hobby Lobby violated and continues to violate, California and federal law prohibiting

1 advertising goods for sale as discounted from former prices that are false, and prohibiting
2 misleading statements about the existence and amount of price reductions. Specifically,
3 Hobby Lobby violated and continues to violate: California's Unfair Competition Law,
4 Business and Professions Code §§ 17200, *et seq.* (the "UCL"); California's False
5 Advertising Law, Business and Professions Code §§ 17500, *et seq.* (the "FAL"); the
6 California Consumer Legal Remedies Act, Civil Code §§ 1750, *et seq.* (the "CLRA"); and
7 the Federal Trade Commission Act ("FTCA"), which prohibits "unfair or deceptive acts or
8 practices in or affecting commerce" (15 U.S.C. § 45(a)(1)) and false advertisements (15
9 U.S.C. § 52(a)).

10 8. Plaintiff brings this action on behalf of herself and other similarly situated
11 consumers who have purchased one or more Hobby Lobby branded and/or trademarked
12 merchandise at Defendant's Hobby Lobby retail stores that were deceptively represented
13 as discounted from false former "Marked" prices. Plaintiff seeks to halt the dissemination
14 of this false, misleading, and deceptive pricing scheme, to correct the false and misleading
15 perception it has created in consumer's minds, and to obtain redress for those who have
16 purchased merchandise tainted by this deceptive pricing scheme. Plaintiff also seeks to
17 enjoin Hobby Lobby from using false and misleading misrepresentations regarding retail
18 price comparisons in their labeling and advertising permanently. Further, Plaintiff seeks
19 to obtain damages, restitution, and other appropriate relief in the amount by which Hobby
20 Lobby was unjustly enriched as a result of its sales of merchandise offered at a false
21 discount.

22 9. Finally, Plaintiff seeks reasonable attorneys' fees pursuant to California Code
23 of Civil Procedure § 1021.5, as this lawsuit seeks the enforcement of an important right
24 affecting the public interest and satisfies the statutory requirements for an award of
25 attorneys' fees.

26 **II. JURISDICTION AND VENUE**

27 10. This Court has original jurisdiction of this Action pursuant to the Class Action
28 Fairness Act, 28 U.S.C. § 1332(d)(2). The matter in controversy, exclusive of interests and

1 costs, exceeds the sum or value of \$5,000,000 and at least some members of the proposed
2 Class have a different citizenship from Hobby Lobby.

3 11. The Southern District of California has personal jurisdiction over the
4 defendant named in this action because Hobby Lobby is a corporation or other business
5 entity authorized to conduct and does conduct business in the State of California. Hobby
6 Lobby is registered with the California Secretary of State to do sufficient business with
7 sufficient minimum contacts in California, and/or otherwise intentionally avails itself of
8 the California market through the ownership and operation of over 50 retail stores within
9 the State of California and over 750 retail stores nationwide.

10 12. Venue is proper under 28 U.S.C. § 1391(b)(2) because Hobby Lobby transacts
11 substantial business in this District. A substantial part of the events giving rise to Plaintiff's
12 claims arose here.

13 **III. PARTIES**

14 **Plaintiff**

15 13. Christina Chase resides in San Diego, California. Ms. Chase, in reliance on
16 Hobby Lobby's false and deceptive advertising, marketing, and "discount" pricing
17 schemes, purchased a 5" x 7" Green Tree Gallery Shadow Box Display Case Photo Frame
18 for approximately \$8.99 on or around March 1, 2017 at a Hobby Lobby retail store located
19 at 8810 Grossmont Boulevard, La Mesa, California 91942. She also purchased a Master's
20 Touch Fine Art Studio Oil, Acrylic & Watercolor Chisel Blender for approximately \$2.34
21 that same day. Ms. Chase went to the Hobby Lobby store to look for a picture frame for
22 her home and for art supplies.

23 14. Ms. Chase first walked down an aisle lined with photo frames and selected a
24 black wooden 5" x 7" Green Tree Gallery Shadow Box Display Case Photo Frame (the
25 "picture frame"). The back of the picture frame had a white price tag sticker with black
26 print, approximately 2" x 1 1/2" in size (attached hereto as Exhibit A). The price tag on
27 the picture frame listed the "Marked" price as "\$17.99." Among the other picture frames,
28 and prominently displayed upon a shelf in the picture frame aisle, was a white placard with

1 red and black print, approximately 8" x 11" in size. The placard advertised "Photo Frames
2 50% OFF the Marked price" in bold print (attached hereto as Exhibit B).

3 15. After examining the price tag, in particular the "Marked" price as \$17.99, Ms.
4 Chase believed the picture frame had previously been sold for \$17.99 at Hobby Lobby.
5 When she examined the representation on the placard, displaying the discounted sale
6 percentage of "50% OFF the Marked price," or \$8.99, Ms. Chase reasonably believed she
7 was purchasing a picture frame that had a value significantly higher than the \$8.99 purchase
8 price. In short, Ms. Chase believed she was getting a good deal.

9 16. However, this product was never offered for sale or sold at the \$17.99 price,
10 nor was it offered for sale or sold at that price within the 90-day period immediately
11 preceding Ms. Chase's purchase. Therefore, Ms. Chase was damaged by her purchase of
12 the picture frame.

13 17. Next, Ms. Chase walked to the art supplies section of the store and selected a
14 Master's Touch Fine Art Studio Oil, Acrylic & Watercolor, Golden Taklon Chisel Blender,
15 Series 7050 Size 4 (the "paintbrush"). The back of the paintbrush had a white price tag
16 sticker with black print, approximately 2" x 1 1/2" in size. The price tag on the paintbrush
17 listed the "Marked" price as "\$4.69" (attached hereto as Exhibit C). Among the other art
18 supply items, and prominently displayed upon a shelf in the art supply aisle, was a white
19 placard with red and black print, approximately 8" x 11" in size. The placard advertised
20 "Art Supplies 50% OFF the Marked price" in bold print.

21 18. After examining the price tag, in particular the "Marked" price as \$4.69, Ms.
22 Chase believed the paintbrush had previously been sold for \$4.69 at Hobby Lobby. When
23 she examined the representation on the placard, displaying the discounted sale percentage
24 of "50% OFF the Marked price," or \$2.34, Ms. Chase reasonably believed she was
25 purchasing a paintbrush that had a value significantly higher than the \$2.34 purchase price.
26 In short, Ms. Chase believed she was getting a good deal.

27 19. However, this product was also never offered for sale or sold at the \$4.69
28 price, nor was it offered for sale or sold at that price within the 90-day period immediately

1 preceding Ms. Chase's purchase. Therefore, Ms. Chase was damaged by her purchase of
2 the paintbrush.

3 **Defendant**

4 20. Plaintiff is informed and believes, and upon such information and belief
5 alleges, Defendant Hobby Lobby Stores, Inc. is a privately held, Oklahoma corporation
6 with its principal place of business in Oklahoma City, Oklahoma. Defendant operates
7 Hobby Lobby retail stores and the hobbylobby.com website, and advertises, markets, and
8 distributes, and/or sells home décor, arts, crafts, hobby supplies, and other accessories in
9 California and throughout the United States.

10 21. Plaintiff does not know the true names or capacities of the persons or entities
11 sued herein as DOES 1-50 inclusive, and therefore sues such Defendants by such fictitious
12 names. Plaintiff is informed and believes, and upon such information and belief alleges,
13 that each of the DOE Defendants is in some manner legally responsible for the damages
14 suffered by Plaintiff and the Class members, as alleged herein. Plaintiff will amend this
15 Complaint to set forth the true names and capacities of these Defendants when they have
16 been ascertained, along with appropriate charging allegations, as may be necessary.

17 **IV. FACTUAL BACKGROUND**

18 **The Fraudulent Sale Discounting Scheme**

19 22. Hobby Lobby is the largest privately owned arts-and-crafts retailer in the
20 world, operating approximately 750 stores in the United States and over 50 stores in
21 California, and earning approximately \$4 billion in revenue in 2015. Hobby Lobby sells
22 merchandise including home décor, picture framing, decorative accessories, woodcrafts,
23 jewelry making, fabrics, floral, party and wedding supplies, holidays, and arts. Hobby
24 Lobby directly markets its merchandise to consumers in the State of California and
25 throughout the United States via its in-store advertisements and its e-commerce website
26 (www.hobbylobby.com). Hobby Lobby sells a variety of merchandise from its own brand
27 and/or trademark, as well as from various manufacturers. This case involves only the
28

1 Hobby Lobby branded and/or trademarked products sold by Hobby Lobby at its retail
2 stores.

3 23. The Hobby Lobby branded and/or trademarked products sold in the Hobby
4 Lobby retail stores are exclusively sold at Hobby Lobby and they are not sold anywhere
5 else. Thus, there is no other market for the Hobby Lobby branded and/or trademarked
6 products sold at Hobby Lobby other than at Defendant's Hobby Lobby retail stores.

7 24. Hobby Lobby engages in a scheme to defraud its customers by perpetually
8 discounting its merchandise in its retail stores. Hobby Lobby consistently advertises its
9 merchandise with a regular "Marked" price and a corresponding "__% OFF" sale price.
10 The "Marked" price conveys to the customer the purported regular price of the item. The
11 "__% OFF" sale price conveys to the customer a deeply discounted price at which the item
12 is presently being offered for sale. The two prices (the "Marked" price and the "__% OFF"
13 price) are conveyed to consumers on the price tags and the corresponding price placards,
14 respectively. The price tags are white stickers with black lettering and approximately 2" x
15 1 1/2" in size. *See e.g.* Exhibit A. The price placards are primarily white with black and red
16 print and approximately 8" x 11" in size. *See e.g.* Exhibit B.

17 25. Additionally, Hobby Lobby continuously advertises its fictitious discounts
18 using in-store flyers. Upon entering the store, consumers are confronted with a 5'-tall
19 metal stand that displays a large white informational advertisement depicting images of
20 various items and listing the purported "__% OFF" discounts for each corresponding item
21 offered in the store. Immediately underneath the large informational advertisement is a
22 small receptacle maintaining a stack of 8" x 11" paper flyers depicting the same
23 advertisement and the "__% OFF" discounts described above. The in-store flyers depict
24 the "__% OFF" discounts Hobby Lobby offers at any given week. An example of the in-
25 store flyer is attached hereto as Exhibit D.

26 26. However, at no time is the Hobby Lobby merchandise ever offered for sale
27 anywhere at the "Marked" price. The "Marked" price is merely a false reference price,
28 which Hobby Lobby utilizes to deceptively manufacture a deeply discounted sale price

1 referred to as the “__% OFF” price on the merchandise sold at the Hobby Lobby retail
2 stores during the class period.

3 27. This practice is not accidental. Rather, this practice is a fraudulent scheme
4 intended to deceive consumers into: 1) making purchases they otherwise would not have
5 made; and/or 2) paying substantially more for merchandise consumers believed was
6 heavily discounted and thus, worth more than its actual value.

7 28. Retailers, including Hobby Lobby, understand that consumers are susceptible
8 to a good bargain, and therefore, Hobby Lobby has a substantial interest in lying in order
9 to generate sales. A product’s “regular” or “original” price matters to consumers because
10 it serves as a baseline upon which consumers perceive a product’s value. In this case,
11 Hobby Lobby has marked its merchandise with a “Marked” price, which it intends to be
12 the equivalent of a “regular” or “original” price. The regular and/or original price conveys
13 to consumers, including Ms. Chase, “the product’s worth and the prestige that ownership
14 of the product conveys.” *See Hinojos v. Kohl’s Corp.*, 718 F.3d 1098, 1106 (9th Cir. 2013)
15 (citing Dhruv Grewal & Larry D. Compeau, Comparative Price Advertising: Informative
16 or Deceptive?, 11 J. Pub. Pol’y & Mktg. 52, 55 (Spring 1992) (“By creating an impression
17 of savings, the presence of a higher reference price enhances subjects’ perceived value and
18 willingness to buy the product.”); *id.* at 56 (“[E]mpirical studies indicate that as discount
19 size increases, consumers’ perceptions of value and their willingness to buy the product
20 increase, while their intention to search for a lower price decreases.”).

21 29. Hobby Lobby’s pricing advertisements uniformly include both the false
22 regular or original price (the “Marked” price) with a corresponding discount price (“__%
23 OFF” price) displayed on pricing placards adjacent to the products. This uniform scheme
24 intends to and does provide misinformation to the customer. This misinformation
25 communicates to consumers, including Ms. Chase, that the Hobby Lobby products have a
26 greater value than the advertised “__% OFF” sale price.

30. As the Ninth Circuit recognizes, “[m]isinformation about a product’s ‘normal’ price is . . . significant to many consumers in the same way as a false product label would be.” *See Hinojos*, 718 F.3d at 1106.

Plaintiff’s Investigation

31. Plaintiff’s investigation of Hobby Lobby revealed that Hobby Lobby’s branded and/or trademarked merchandise is priced uniformly. That is, Hobby Lobby merchandise sold at Hobby Lobby bears a price tag with a false “Marked” price and the corresponding price placard bears a substantially discounted “__% OFF” sale price. Plaintiff’s investigation confirmed that Hobby Lobby’s photo frames and paintbrushes were priced with false “Marked” prices and corresponding “__% OFF” price in the 90-day period immediately preceding Plaintiff’s purchase of her picture frame and paintbrush.

32. Plaintiff’s investigation cataloged the pricing practices at three Hobby Lobby retail stores in San Diego County, including: 40 North Avenue, Chula Vista, California 91910 (“Chula Vista”), 8810 Grossmont Boulevard, La Mesa, California 91942 (“La Mesa”), and 553 Grand Avenue, San Marcos, California 92078 (“San Marcos”). The false “Marked” price and corresponding purported “__% OFF” pricing scheme was both uniform and identical at all stores investigated. For example, Plaintiff’s investigation revealed the following items were continuously discounted at the stores indicated in the time periods indicated:

Item	“Marked” Price	“__% OFF” Price	Continuously discounted from (at least)	Discounted Through	Stores Observed	Photo Exhibit
All Hobby Lobby Branded and/or Trademarked Photo Frames		50% Off	January 13, 2017	Present	Chula Vista La Mesa San Marcos	

1	<u>Frames:</u>	\$17.99	50% Off	November 30, 2016	At least March 1, 2017	Chula Vista La Mesa San Marcos	A
2	Green Tree						
3	Gallery						
4	Black						
5	Wooden 5" x 7" Shadow						
6	Box Display Case						
7	<u>Frames:</u>	\$14.99	50% Off	January 13, 2017	Present	Chula Vista La Mesa San Marcos	E
8	Green Tree						
9	Gallery						
10	Black 5" x 7" Photo						
11	Frame						
12	<u>Art Supplies:</u>	\$4.69	50% Off	November 30, 2016	At least March 1, 2017	Chula Vista La Mesa San Marcos	C
13	Master's						
14	Touch Fine						
15	Art Studio						
16	Oil, Acrylic &						
17	Watercolor,						
18	Golden						
19	Taklon						
20	Chisel						
21	Blender,						
22	Series 7050						
23	Size 4						
24	<u>Home</u>	\$39.99	50% Off	January 24, 2017	Present	Chula Vista La Mesa San Marcos	F
25	<u>Décor:</u>						
26	White						
27	Wooden						
28	Lettered						
	Cut-Out						
	All Hobby		30% Off	January 13, 2017	Present	Chula Vista La Mesa	
	Lobby						
	Branded						
	and/or						

1	Trademarked					San	
2	Furniture					Marcos	
3	<u>Furniture:</u>	\$49.99	30%	February 2,	Present	Chula	G
4	Small White		Off	2017		Vista	
5	Barstool					La Mesa	
6	with					San	
7	Wooden					Marcos	
8	Legs						
9	<u>Furniture:</u>	\$119.99	30%	January 13,	Present	Chula	H
10	Large White		Off	2017		Vista	
11	Barstool					La Mesa	
12	with					San	
13	Wooden					Marcos	
14	Legs						
15	<u>Furniture:</u>	\$427.99	30%	At least	Present	La Mesa	I
16	Multi-		Off	September			
17	Colored			29, 2016			
18	Liberty						
19	Drawers						
20	Chest						
21	<u>Floral:</u>	\$9.99	50%	September	At least	Chula	J
22	Floral Stems		Off	28, 2016	March 1,	Vista	
23	Assorted				2017	La Mesa	
24	Variety					San	
25						Marcos	
26	<u>Fabric:</u>	\$16.99/yard	30%	January 13,	Present	Chula	K
27	Home Décor		Off	2017		Vista	
28	Fabrics					La Mesa	
						San	
						Marcos	
	<u>Furniture:</u>	\$99.99	30%	At least	Present	Chula	L
	Gold		Off	September		Vista	
	Sequined			29, 2016		La Mesa	
	Dress					San	
	Mannequin					Marcos	

1 33. The fraudulent pricing scheme applies to all Hobby Lobby branded and/or
2 trademarked merchandise offered on sale at every Hobby Lobby retail store, including the
3 picture frame and paintbrush purchased by Ms. Chase on March 1, 2017. By way of
4 example, all items in the above referenced chart were offered at a “__% OFF” price
5 substantially less than their “Marked” price for every day Plaintiff’s investigation was
6 conducted and for well over 90 days at a time.

7 34. In fact, as the date of this filing, all Hobby Lobby branded and/or trademarked
8 merchandise offered for sale at the Hobby Lobby retail stores that Plaintiff’s counsel
9 investigated, including the picture frame and paintbrush Ms. Chase purchased, remained
10 on sale at the “__% OFF” discounted prices.

11 **Plaintiff and the Class Are Injured by Hobby Lobby’s Deceptive Pricing Scheme**

12 35. The “Marked” price listed and advertised on Hobby Lobby’s products are fake
13 reference prices, utilized only to perpetuate Hobby Lobby’s fake-discount scheme.

14 36. Hobby Lobby knows that its comparative price advertising is false, deceptive,
15 misleading, and unlawful under California, federal, and other state laws.

16 37. Hobby Lobby fraudulently concealed from and intentionally failed to disclose
17 to Plaintiff and other members of the Class the truth about its advertised discount prices
18 and former reference prices.

19 38. At all relevant times, Hobby Lobby has been under a duty to Plaintiff and the
20 Class to disclose the truth about its false discounts.

21 39. Plaintiff relied upon Hobby Lobby’s artificially inflated “Marked” price and
22 false discounts when purchasing the picture frame and paintbrush from Hobby Lobby.
23 Plaintiff would not have made such purchase but for Hobby Lobby’s representations
24 regarding the false “Marked” price and the fictitious sales price of the merchandise.
25 Plaintiff may in the future shop at Hobby Lobby’s retail stores.

26 40. Plaintiff and the Class reasonably and justifiably acted and relied on the
27 substantial price differences that Hobby Lobby advertised, and made purchases believing
28 that they were receiving a substantial discount on an item of greater value than it actually

1 was. Plaintiff, like other Class members, was lured in, relied on, and was damaged by the
2 deceptive pricing scheme that Hobby Lobby carried out.

3 41. Hobby Lobby intentionally concealed and failed to disclose material facts
4 regarding the truth about false former price advertising in order to provoke Plaintiff and
5 the Class to purchase merchandise in its Hobby Lobby retail stores.

6 **V. CLASS ALLEGATIONS**

7 42. Plaintiff brings this action on behalf of herself and all other similarly situated
8 Class members pursuant to Rule 23(a), (b)(2) and (b)(3) of the Federal Rules of Civil
9 Procedure and seeks certification of the following Class against Hobby Lobby for
10 violations of California state laws:

11 All persons who, within the State of California, from May 1, 2013 through the
12 present (the “Class Period”), purchased from Hobby Lobby one or more
13 Hobby Lobby branded and/or trademarked products at discounts from the
14 advertised “Marked” price and who have not received a refund or credit for
their purchase(s).

15 Excluded from the Class are Hobby Lobby, as well as its officers, employees, agents,
16 or affiliates, and any judge who presides over this action, as well as all past and present
17 employees, officers, and directors of Hobby Lobby. Plaintiff reserves the right to expand,
18 limit, modify, or amend this class definition, including the addition of one or more
19 subclasses, in connection with her motion for class certification, or at any other time, based
20 upon, *inter alia*, changing circumstances and/or new facts obtained during discovery.

21 43. **Numerosity:** The class members are so numerous that joinder of all members
22 is impracticable. Plaintiff is informed and believes that the proposed Class contains
23 hundreds of thousands of individuals who have been damaged by Hobby Lobby’s conduct
24 as alleged herein. The precise number of Class members is unknown to Plaintiff.

25 44. ***Existence and Predominance of Common Questions of Law and Fact:*** This
26 action involves common questions of law and fact, which predominate over any questions
27 affecting individual Class members. These common legal and factual questions include,
28 but are not limited to, the following:

- a. Whether, during the Class Period, Hobby Lobby used false “Marked” price labels and falsely advertised price discounts on its branded and/or trademarked products sold in its Hobby Lobby retail stores;
- b. Whether, during the Class Period, the “Marked” prices advertised by Hobby Lobby were the prevailing market prices for the respective Hobby Lobby branded and/or trademarked merchandise during the three months preceding the dissemination and/or publication of the advertised former prices;
- c. Whether Hobby Lobby’s alleged conduct constitutes violations of the laws asserted;
- d. Whether Hobby Lobby engaged in unfair, unlawful, and/or fraudulent business practices under the laws asserted;
- e. Whether Hobby Lobby engaged in false or misleading advertising;
- f. Whether Plaintiff and Class members are entitled to damages and/or restitution and the proper measure of that loss; and
- g. Whether an injunction is necessary to prevent Hobby Lobby from continuing to use false, misleading, or illegal price comparison.

45. **Typicality:** Plaintiff’s claims are typical of the claims of the Class members because, *inter alia*, all Class members have been deceived (or were likely to be deceived) by Hobby Lobby’s false and deceptive price advertising scheme, as alleged herein. Plaintiff is advancing the same claims and legal theories on behalf of herself and all Class members.

46. **Adequacy:** Plaintiff will fairly and adequately protect the interests of the Class members. Plaintiff has retained counsel experienced in complex consumer class action litigation, and Plaintiff intends to prosecute this action vigorously. Plaintiff has no antagonistic or adverse interest to those of the Class.

47. **Superiority:** The nature of this action and the nature of the laws available to Plaintiff and the Class make the use of the class action format a particularly efficient and

1 appropriate procedure to afford relief to her and the Class for the wrongs alleged. The
2 damages or other financial detriment suffered by individual Class members is relatively
3 modest compared to the burden and expense that would be entailed by individual litigation
4 of their claims against Hobby Lobby. It would thus be virtually impossible for Plaintiff
5 and Class members, on an individual basis, to obtain effective redress for the wrongs done
6 to them. Absent the class action, Class members and the general public would not likely
7 recover, or would not likely have the chance to recover, damages or restitution, and Hobby
8 Lobby will be permitted to retain the proceeds of its fraudulent and deceptive misdeeds.

9 48. All Class members, including Plaintiff, were exposed to one or more of Hobby
10 Lobby's misrepresentations or omissions of material fact claiming that former "Marked"
11 prices were in fact *bona fide*. Due to the scope and extent of Hobby Lobby's consistent
12 false "discount" price advertising scheme, disseminated in a years-long campaign to
13 California consumers, it can be reasonably inferred that such misrepresentations or
14 omissions of material fact were uniformly made to all members of the Class. In addition,
15 it can be reasonably presumed that all Class members, including Plaintiff, affirmatively
16 acted in response to the representations contained in Hobby Lobby's false advertising
17 scheme when she purchased her picture frame and paintbrush at the Hobby Lobby retail
18 store.

19 49. Hobby Lobby keeps extensive computerized records of its customers through,
20 *inter alia*, customer loyalty programs and general marketing programs. Hobby Lobby as
21 one or more databases through which a significant majority of Class members may be
22 identified and ascertained, and it maintains contact information, including email and home
23 addresses, through which notice of this action could be disseminated in accordance with
24 due process requirements.

25 ///

26 ///

27 ///

28 ///

VI. CAUSES OF ACTION

FIRST CAUSE OF ACTION

Violation of California's Unfair Competition Law ("UCL") California Business & Professions Code Section 17200, *et seq.*

50. Plaintiff repeats and re-alleges the allegations contained in ever preceding paragraph as if fully set forth herein.

51. The UCL defines "unfair business competition" to include any "unlawful, unfair or fraudulent" act or practice, as well as any "unfair, deceptive, untrue or misleading" advertising. Cal. Bus. & Prof. Code § 17200.

52. The UCL imposes strict liability. Plaintiff need not prove that Hobby Lobby intentionally or negligently engaged in unlawful, unfair, or fraudulent business practices—but only that such practices occurred.

"Unfair" Prong

53. A business act or practice is "unfair" under the UCL if it offends an established public policy or is immoral, unethical, oppressive, unscrupulous, or substantially injurious to consumers, and that unfairness is determined by weighing the reasons, justifications, and motives of the practice against the gravity of the harm to the alleged victims.

54. Hobby Lobby's actions constitute "unfair" business practices because, as alleged above, Hobby Lobby engaged in misleading and deceptive price comparison advertising that represented false "Marked" prices and corresponding deeply discounted "___% OFF" prices. The "___% OFF" prices were nothing more than fabricated "regular" prices leading to phantom markdowns. Hobby Lobby's acts and practices offended an established public policy of transparency in pricing, and engaged in immoral, unethical, oppressive, and unscrupulous activities that are substantially injurious to consumers.

55. The harm to Plaintiff and Class members outweighs the utility of Hobby Lobby's practices. There were reasonably available alternatives to further Hobby Lobby's legitimate business interests other than the misleading and deceptive conduct described herein.

1 ***“Fraudulent” Prong***

2 56. A business act or practice is “fraudulent” under the UCL if it is likely to
3 deceive members of the consuming public.

4 57. Hobby Lobby’s acts and practices alleged above constitute fraudulent
5 business acts or practices as they have deceived Plaintiff and are highly likely to deceive
6 members of the consuming public. Plaintiff relied on Hobby Lobby’s fraudulent and
7 deceptive representations regarding its “Marked” prices for products which Hobby Lobby
8 sells exclusively at its Hobby Lobby retail stores. These misrepresentations played a
9 substantial role in Plaintiff’s decision to purchase those products at steep discounts, and
10 Plaintiff would not have purchased those products without Hobby Lobby’s
11 misrepresentations.

12 58. A business act or practice is “unlawful” under the UCL if it violates any other
13 law or regulation.

14 ***“Unlawful” Prong***

15 59. Hobby Lobby’s acts and practices alleged above constitute unlawful business
16 acts or practices as they have violated state and federal law in connection with their
17 deceptive pricing scheme. The Federal Trade Commissions Act (“FTCA”) prohibits
18 “unfair or deceptive acts or practices in or affecting commerce” (15 U.S.C. § 45(a)(1)) and
19 prohibits the dissemination of any false advertisements. 15 U.S.C. § 52(a). Under the
20 Federal Trade Commission, false former pricing schemes, similar to the ones implemented
21 by Hobby Lobby, are described as deceptive practices that would violate the FTCA:

22 (a) One of the most commonly used forms of bargain advertising is to offer a
23 reduction from the advertiser’s own former price for an article. If the
24 former priced is the actual, bona fide price at which the article was offered
25 to the public on a regular basis for a reasonably substantial period of time,
26 it provides a legitimate basis for the advertising of a price comparison.
27 Where the former price is genuine, the bargain being advertised is a true
28 one. If, on the other hand, the former price being advertised is not bona
fide but fictitious—for example, where an artificial, inflated price was
established for the purpose of enabling a subsequent offer of a large
reduction—the “bargain” being advertised is a false one; the purchaser

1 is not receiving the unusual value he expects. In such a case, the “reduced”
2 price is, in reality, probably just the seller’s regular price.

3 (b) A former price is not necessarily fictitious merely because no sales at the
4 advertised price were made. The advertiser should be especially careful,
5 however, in such a case, that the price is one at which the product was
6 openly and actively offered for sale, for a reasonably substantial period of
7 time, in the recent, regular course of her business, honestly and in good
8 faith—and, of course, not for the purpose of establishing a fictitious higher
9 price on which a deceptive comparison might be based.

10 16 C.F.R. § 233.1(a) and (b) (emphasis added).

11 60. In addition to federal law, California law also expressly prohibits false former
12 pricing schemes. California’s False Advertising Law, Bus. & Prof. Code § 17501,
13 (“FAL”), entitled “*Worth or value; statements as to former price,*” states:

14 For the purpose of this article the worth or value of any thing advertised is the
15 prevailing market priced, wholesale if the offer is at wholesale, retail if the
16 offer is at retail, at the time of publication of such advertisement in the locality
17 wherein the advertisement is published.

18 **No price shall be advertised as a former price of any advertised thing, unless**
19 **the alleged former price was the prevailing market price as above defined**
20 **within three months next immediately preceding the publication of the**
21 **advertisement** or unless the date when the alleged former price did prevail is
22 clearly, exactly and conspicuously stated in the advertisement.

23 Cal. Bus. & Prof. Code § 17501(emphasis added).

24 61. As detailed in Plaintiff’s Third Cause of Action below, the Consumer Legal
25 Remedies Act, Cal. Civ. Code § 1770(a)(9), (“CLRA”), prohibits a business from
26 “[a]dvertising goods or services with intent not to sell them as advertised,” and subsection
27 (a)(13) prohibits a business from “[m]aking false or misleading statements of fact
28 concerning reasons for, existence of, or amounts of price reductions.”

62. The violation of any law constitutes an “unlawful” business practice under the
UCL.

63. As detailed herein, the acts and practices alleged were intended to or did result in violations of the FTCA, the FAL, and the CLRA.

64. Hobby Lobby's practices, as set forth above, have misled Plaintiff, the proposed Class, and the public in the past and will continue to mislead in the future. Consequently, Hobby Lobby's practices constitute an unlawful, fraudulent, and unfair business practice within the meaning of the UCL.

65. Hobby Lobby's violation of the UCL, through its unlawful, unfair, and fraudulent business practices, are ongoing and present a continuing threat that Class members and the public will be deceived into purchasing products based on price comparisons of arbitrary and inflated "Marked" prices and substantially discounted "___% OFF" prices. These false comparisons created phantom markdowns and lead to financial damage for consumers like Plaintiff and the Class.

66. Pursuant to the UCL, Plaintiff is entitled to preliminary and permanent injunctive relief order Hobby Lobby to cease this unfair competition, as well as disgorgement and restitution to Plaintiff and the Class of all Hobby Lobby's revenues associated with its unfair competition, or such portion of those revenues as the Court may find equitable.

SECOND CAUSE OF ACTION

Violation of California's False Advertising Law ("FAL") California Business and Professions Code Section 17500, *et seq.*

67. Plaintiff repeats and re-alleges the allegations contained in every preceding paragraph as if fully set forth herein.

68. Cal. Bus. & Prof. Code § 17500 provides:

It is unlawful for any . . . corporation . . . with intent . . . to dispose of . . . personal property . . . to induce the public to enter into any obligation relating thereto, to make or disseminate or cause to be made or disseminated . . . from this state before the public in any state, in any newspaper or other publication, or any advertising device, or by public outcry or proclamation, or in any other manner or means whatever, including over the Internet, any statement . . . which is **untrue or misleading**, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading . . .

1 (Emphasis added).

2 69. The “intent” required by Section 17500 is the intent to dispose of property,
3 and not the intent to mislead the public in the disposition of such property.

4 70. Similarly, this section provides that “no price shall be advertised as a former
5 price of any advertised thing, unless the alleged former prices was the prevailing market
6 price . . . within three months next immediately preceding the publication of the
7 advertisement or unless the date when the alleged former price did prevail is clearly,
8 exactly, and conspicuously stated in the advertisement.” Cal. Bus. & Prof. Code § 17501.

9 71. Hobby Lobby’s routine of advertising discounted prices from false “Marked”
10 prices, which were never the prevailing market prices of those products and were materially
11 greater than the true prevailing prices, was an unfair, untrue, and misleading practice. This
12 deceptive marketing practice gave consumers the false impression that the products were
13 regularly sold on the market for a substantially higher price than they actually were;
14 therefore, leading to the false impression that the Hobby Lobby products were worth more
15 than they actually were.

16 72. Hobby Lobby misled consumers by making untrue and misleading statements
17 and failing to disclose what is required as stated in the Code alleged above.

18 73. As a direct and proximate result of Hobby Lobby’s misleading and false
19 advertisements, Plaintiff and the Class have suffered injury in fact and have lost money.
20 As such, Plaintiff requests that this Court order Hobby Lobby to restore this money to
21 Plaintiff and all Class members, and to enjoin Hobby Lobby from continuing these unfair
22 practices in violation of the UCL in the future. Otherwise, Plaintiff, Class members, and
23 the broader public will be irreparably harmed and/or denied an effective and complete
24 remedy.

25 ///

26 ///

27 ///

THIRD CAUSE OF ACTION

**Violation of California's Consumers Legal Remedies Act ("CLRA"),
California Civil Code Section 1750, *et seq.***

74. Plaintiff repeats and re-alleges the allegations contained in every preceding paragraph as if fully set forth herein.

75. This cause of action is brought pursuant to the CLRA, Cal. Civ. Code § 1750, *et seq.* Plaintiff and each member of the proposed Class are "consumers" as defined by Cal. Civ. Code § 1761(d). Hobby Lobby's sale of their merchandise to Plaintiff and the Class were "transactions" within the meaning of Cal. Civ. Code § 1761(e). The products purchased by Plaintiff and the Class are "goods" within the meaning of Cal. Civ. Code § 1761(a).

76. Hobby Lobby violated and continues to violate the CLRA by engaging in the following practices proscribed by Cal. Civ. Code § 1770(a) in transactions with Plaintiff and the Class which were intended to result in, and did result in, the sale of Hobby Lobby products:

- a. Advertising goods or services with intent not to sell them as advertised; (a)(9);
- b. Making false or misleading statements of fact concerning reasons for, existence of, or amounts of price reductions; (a)(13).

77. Pursuant to Section 1782(a) of the CLRA, on May 1, 2017, Plaintiff's counsel notified Hobby Lobby in writing by certified mail of the particular violations of § 1770 of the CLRA and demanded that it rectify the problems associated with the actions detailed above and give notice to all affected consumers of Hobby Lobby's intent to act.

78. If Hobby Lobby fails to respond to Plaintiff's letter, fails to agree to rectify the problems associated with the actions detailed above, or fails to give notice to all affected consumers within 30 days of the date of written notice, as proscribed by Section 1782, Plaintiff will move to amend her Complaint to pursue claims for actual, punitive, and statutory damages, as appropriate against Hobby Lobby. As to this cause of action at this time, Plaintiff seeks only injunctive relief.

VII. PRAYER FOR RELIEF

79. Wherefore, Plaintiff, on behalf of herself and all other members of the Class, requests that this Court award relief against Hobby Lobby as follows:

- a. An order certifying the Class and designating Christina Chase as the Class Representative and her counsel as Class Counsel;
- b. Awarding Plaintiff and the proposed Class members damages;
- c. Awarding restitution and disgorgement of all profits and unjust enrichment that Hobby Lobby retained from Plaintiff and the Class members as a result of its unlawful, unfair, and fraudulent business practices described herein;
- d. Awarding declaratory and injunctive relief as permitted by law or equity, including: enjoining Hobby Lobby from continuing the unlawful practices as set forth herein, and directing Hobby Lobby to identify, with Court supervision, victims of its misconduct and pay them all money they are required to pay;
- e. Order Hobby Lobby to engage in a corrective advertising campaign;
- f. Awarding attorneys' fees and costs; and
- g. For such other and further relief as the Court may deem necessary or appropriate.

VIII. DEMAND FOR JURY TRIAL

80. Plaintiff hereby demands a jury trial for all the claims so triable.

Dated: May 1, 2017

**CARLSON LYNCH SWEET
KILPELA & CARPENTER, LLP**

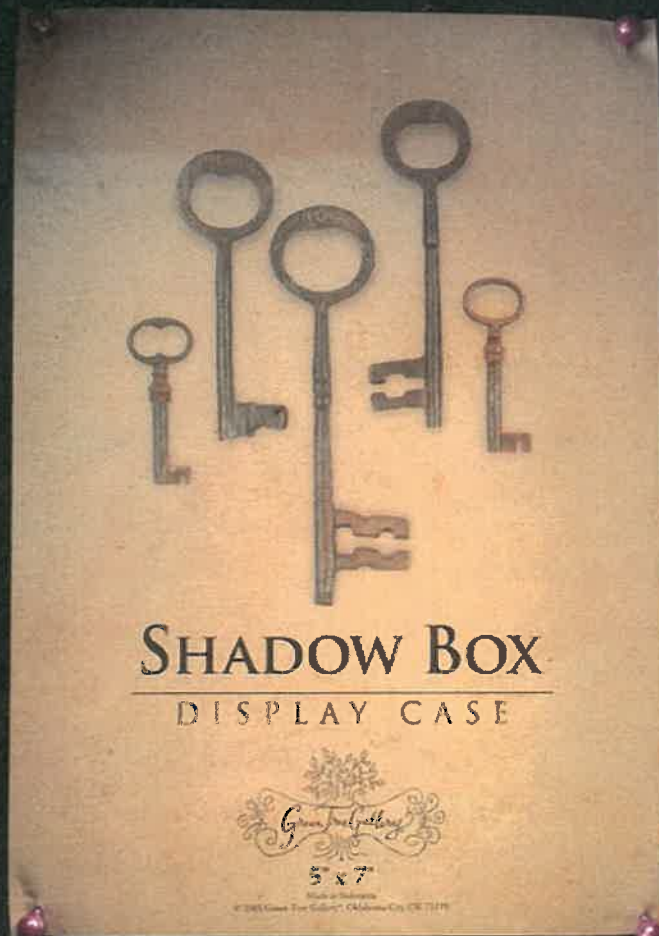
/s/ Todd D. Carpenter

Todd D. Carpenter (CA 234464)
402 West Broadway, 29th Floor
San Diego, California 92101
Telephone: (619) 756-6994
Facsimile: (619) 756-6991
tcarpenter@carlsonlynch.com

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EXHIBIT A





COMPLIES TO CALIFORNIA
ATCM 93120
HOBBY LOBBY PHASE 2
112016 MDF

\$17.99
Frames
5 x 7 in. (13 x 18 cm.)
© 2014 Hobby Lobby
Oklahoma City, OK 73179
www.hobbylobby.com
Made in Indonesia
293720


EXHIBIT B

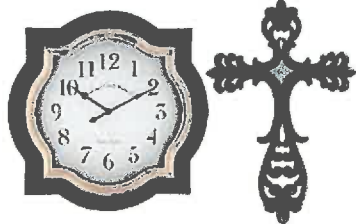


EXHIBIT C





EXHIBIT D



To Mom, with love

Mother's Day - Sunday, May 14

HOME DECOR 50% OFF

Categories Listed

Does not include Seasonal Department

Knobs, Drawer Pulls & Handles

Ceramic Decor

Tabletop decor, plates, serving dishes, pitchers, cups and salt & pepper

Glass Decor

Glass Department, floral glass vases & craft glass containers
Does not include craft stained glass or glass tabletops

Polyresin & Pottery Decor

Finials, candle holders, boxes, bowls, floral planters & vases

Candle Holders

Wall & table

Decorative Crosses

Wall & table

Mirrors

Wall & table

Clocks

Wall & table

Pillows, Rugs & Throws

Framed, Canvas & Adhesive Vinyl Wall Art

Decorative Bottles

Fruit & Vegetable Filled

Metal Decor

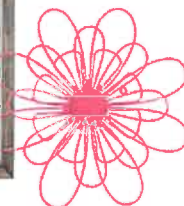
Metal wall decor, functional & decorative metal accessories
(Includes metal containers in our Floral & Craft Departments)
Does not include furniture

Candles, LED Candles, Fragrance Warmers & Diffusers

Priced \$4.99 & Up
Does not include Candle FX™, tealights, votives, value packs or fragrance wax & oils

Wood Decor

Wood wall decor & finished decorative wood accessories
Does not include furniture or unfinished craft wood



Summer and items labeled The Spring Shop™ are not included in Home Decor sale.



Items labeled
THE SPRING SHOP™

40% OFF

Statuary, Garden Planters,
Gazing Balls, Garden Wall Decor and More



SUMMER TOYS

40% OFF

Includes Little Wishes®



FLORAL 50% OFF

Categories Listed

Ribbon & Trims by the Roll
Ribbon, bows, tulle & mesh in our Wedding, Floral & Fabric Departments
Does not include ribbon, trim or tulle sold by the yard

Floral Arrangements

Flowering & greenery
Does not include custom designs or potted trees

Garlands, Swags, Wreaths & Teardrops
Flowering & greenery

Wedding

Items Labeled
Studio His & Hers™
Invitations, toasting glasses,
ring pillows,
cake toppers and more



FURNITURE

ALWAYS
30% OFF
THE MARKED PRICE*



YARN & NEEDLE ART

Artiste® Cotton Crochet Thread

200 - 400 yds
Acrylic yarn, solids, stripes, ombre and metallics
5 & 7 oz

Does not include overdyed
Poly-fil® 100% Polyester Fiberfill
with Stuffing Tool 12 oz

Needle Art Kits
Priced \$5.99 & Up
Counted, baby, children's, latch hook and stamped



1.99
3.66
3.99
30% OFF



FRAMES 50% OFF

Categories Listed

Photo Frames

Always 50% off
the marked price*
Our entire selection of basic
& fashion tabletop frames
and wooden photo storage

Collage Frames

Custom Frames

Always 50% off the marked price*
Applies to frame only

Wall Frames

Poster, document and portrait
frames with glass



CRAFTS 30% OFF

Categories Listed

Unfinished Craft Wood

Priced \$5.99 & Up

T-Shirts

Always 30% off the marked price*
Youth & adult t-shirts, sweatshirts, infant
& toddler t-shirts, creepers and dresses

Crayola® Products

Pre-Cut Stained Glass

Single sheets only

Crafts by Playside Creations®

Krylon® Spray Paint



the Paper Studio® and Stampabilities®

**PAPER CRAFTS
BLOWOUT SALE**

50% OFF

Over 4,000 products

Paper, stickers, albums, stamps & accessories,
embellishments, totes & organizers, tools and more



ART SUPPLIES

Master's Touch®
Single Art Brushes

50% OFF

Art Pads &
Sketchbooks

40% OFF

2-Pack Canvas
8 Sizes available

3.99 5.99 7.99

Master's Touch® Artist
Acrylic Tube Paints

4.1 oz
\$9.99 Regular Price

Sargent Art®
Tempera Paints

16 oz
\$1.99 Regular Price



3.57

1.27



JEWELRY MAKING 50% OFF

Categories Listed

D.I.Y. Jewelry Kits and Bead Boxes

Bead Design Co.™, In Bloom™
and Treehouse Studio™
Bulk beads & gems in a variety of materials

Fairy Tale™ by Bead Treasures®
Pendants, charms and beads for a
grown-up happily ever after

Blank Slate
Create a personalized toot with
stamping blanks, bezels and more

the Jewelry Shoppe™
Findings, hair accessories, nickel free,
sterling-dipped and sterling silver

Charms by A Bead Story® & Charm Me®
Featuring Story Lockets™
Does not include sterling silver



Home
Decor Fabric
Prints, solids, sheers
and laminated fabric

Fleece
Prints, solids and
microfiber

Calico Prints
& Solids

Apparel prints and batiks

ALWAYS
30% OFF
THE MARKED PRICE*

FABRIC

Ribbon, Trim & Tulle Spools
Does not include ribbon, trim or tulle sold by
the yard or Seasonal Department

Knits
Jersey knits, ruffle knits and travel knits

July 4th Fabric

50% OFF
30% OFF
30% OFF

*Discounts provided every day; marked prices reflect general U.S. market value for similar products.

HOBBY LOBBY

STORE HOURS:
9 A.M. - 8 P.M.
CLOSED SUNDAY

PRICES GOOD IN STORES MONDAY, MAY 1 - SATURDAY, MAY 6, 2017.
PRICES GOOD ONLINE SUNDAY, APRIL 30 - SATURDAY, MAY 6, 2017.
SOME ADVERTISED ITEMS NOT AVAILABLE ONLINE. SALES SUBJECT TO SUPPLY IN STOCK.
SELECTION AND QUANTITIES VARY BY STORE. AD DOES NOT APPLY TO PRE-REDUCED ITEMS.

EXHIBIT E



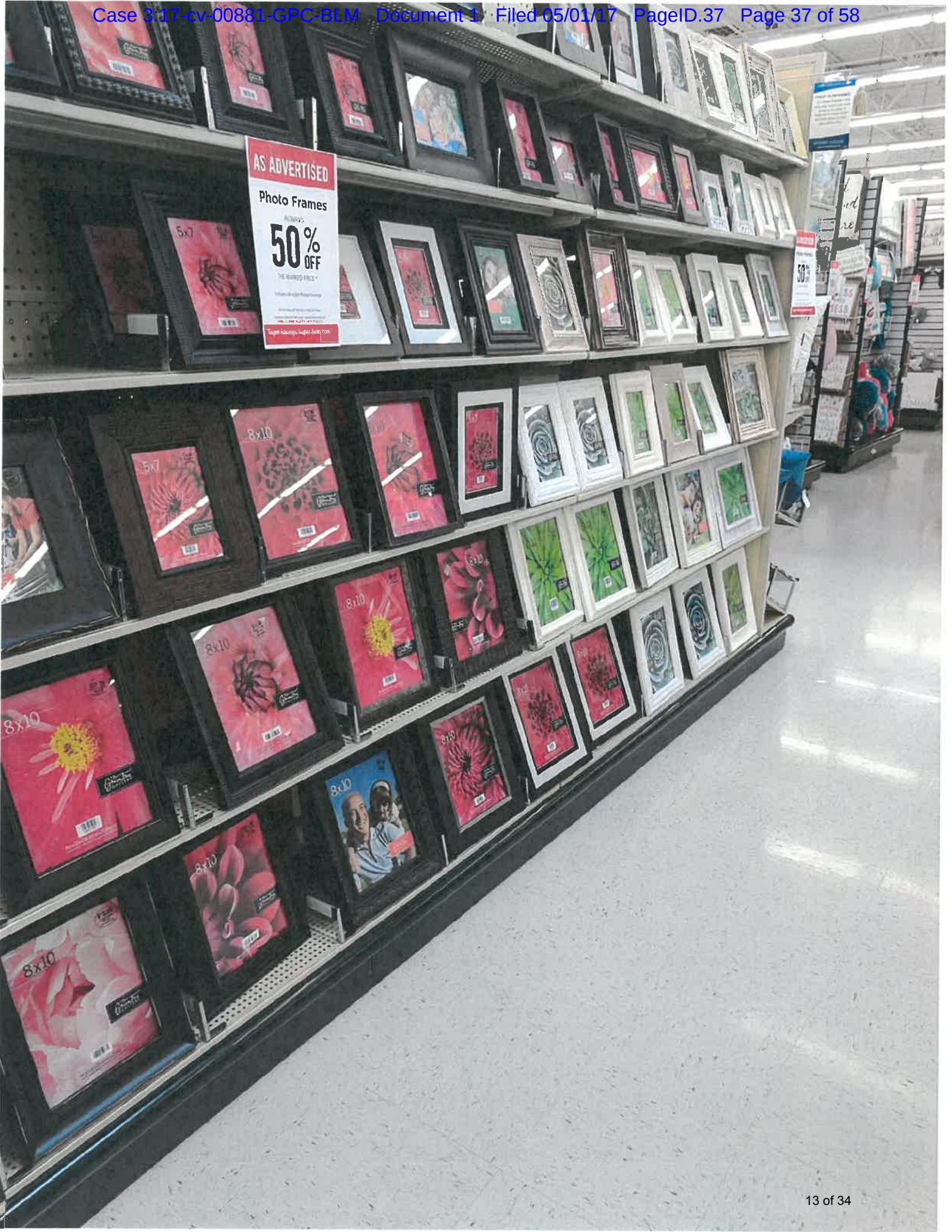


EXHIBIT F



\$39.99

Home Decor G17
14.96x23.62in(38x60cm)
Hobby Lobby
Oklahoma City, OK 73179
www.hobbylobby.com Made in China



5003793

758 116
YOUR PRICE
~~\$20.00~~

COMPLIES TO CALIFORNIA
ATCM 93120
HOBBY LOBBY PHASE 2
090616 MDF

S ADVERTISED

SELECT GROUP OF
Home Decor
ALWAYS

50% OFF

E MARKED PRICE*

(Marked Price is Shown on Yellow Sticker)

Do not include Previously Reduced Items

Prices Provided Every Day; Marked Prices Reflect
Prices Offered by Other Sellers for Similar Products

Group Merchandise Sign

Savings, Super Selection!

EXHIBIT G



A photograph of a white modern chair with a wooden base, displayed on a metal shelving unit in a store. The chair has a white, curved seat and backrest, supported by a black metal frame with four wooden legs. A price tag is attached to the chair, showing a marked price of \$49.99 and a discounted price of \$34.99, with a 30% off label.

Advertised
super selection, super savings... everyday

Furniture
ALWAYS
30% OFF
THE MARKED PRICE*
YOUR DISCOUNTED PRICE IS SHOWN ON ORANGE TAG

CHOOSE FROM SOLID WOOD, METAL WITH WICKER, STORAGE, TABLES, BAKER'S RACKS, CORNER RACKS, CHAIRS, STOOLS, BENCHES, PLANT STANDS, SCREENS AND BISTRO SETS.

DO NOT REMOVE PRICE TAGS FROM ITEMS. *DISCOUNTS MAY VARY BY DAY. PRICES PER SET. OFFER COMBINABLE WITH OTHERS OFFERED BY OTHER SELLERS FOR SPECIAL PROMOTIONS.

www.hobbylobby.com

EXHIBIT H





EXHIBIT I



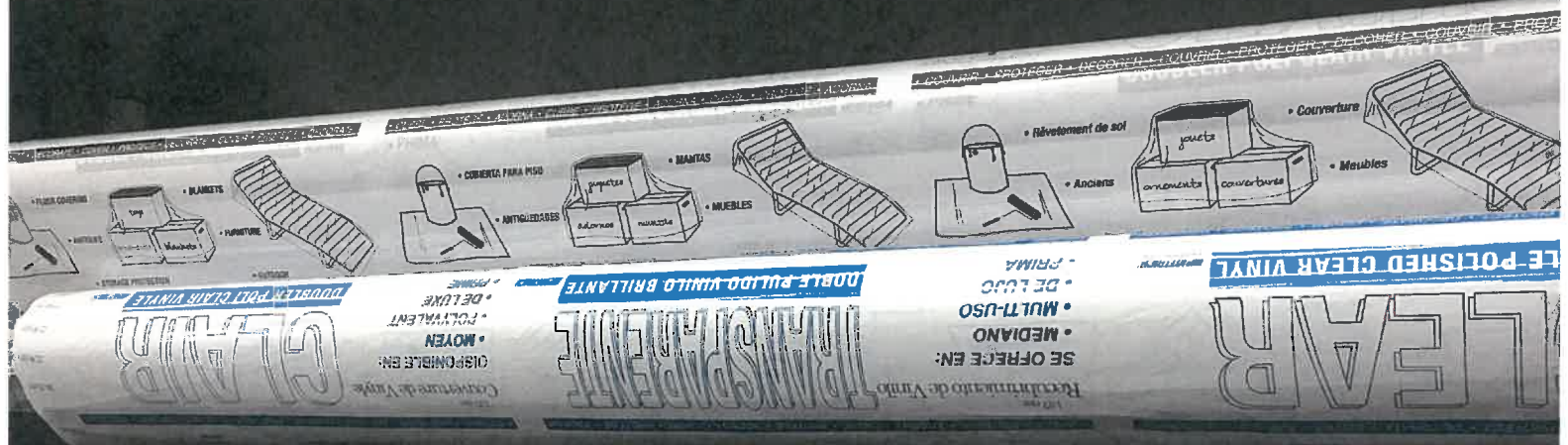


EXHIBIT J





EXHIBIT K





EMBOSSED
\$16.99 Per Yard
Home Dec
438234 BLAC
Made in USA
Unit Weight

EMBOSSED
\$16.99 Per Yard
Home Dec
173013 CHESTNUT
Made in USA
Unit Weight

EMBOSSED
\$16.99 Per Yard
Home Dec
173013 CHESTNUT
Made in USA
Unit Weight

4"
5"
6"
7"
8"
9"
10"
11"

COVER • PROTECT • DECORATE

54 in.
Vinyl Covering

AVAILABLE IN

- MEDIUM
- MULTI-PURPOSE
- DELUXE
- PREMIUM

EXHIBIT L



**HOBBY
LOBBY.**

\$99.99

Warehouse Reorder Furniture
Made in China

Item # 241364

PO # 135161

18x18x62in/15.5x45.5x1

Furniture

**30%
OFF**

Your Price Is:

\$69.99

WARNING:

This product contains
TDCPP, a flame retardant
chemical known to the
State of California to
cause cancer.

JS 44 (Rev. 08/16)

CIVIL COVER SHEET

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.)

I. (a) PLAINTIFFS

Christina Chase, on behalf of herself and all others similarly situated

(b) County of Residence of First Listed Plaintiff **San Diego**
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)
Todd D. Carpenter (CA 234464)
402 West Broadway, 29th Floor, San Diego, CA 92101 619-756-6994

DEFENDANTS

Hobby Lobby Stores, Inc., an Oklahoma corporation

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.

Attorneys (If Known)

'17CV0881 GPC BLM**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|---------------------------------------|----------------------------|---|----------------------------|---------------------------------------|
| Citizen of This State | <input checked="" type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input checked="" type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions.

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input checked="" type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
28 U.S.C. Sec. 1332(d)(2), 15 U.S.C. Sec. 45(a), and 15 U.S.C. Sec. 52(a)

Brief description of cause:
False and Misleading Advertising

VII. REQUESTED IN COMPLAINT:

☒ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$
5,000,000.00

CHECK YES only if demanded in complaint:
JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE

DOCKET NUMBER

DATE
05/01/2017

SIGNATURE OF ATTORNEY OF RECORD
/s/ Todd D. Carpenter

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

APPLYING IFP

JUDGE

MAG. 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: [Nature of Suit Code Descriptions](#).
- 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 statute.
- 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.