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**Pro Hac Vice Application Forthcoming*

UNITED STATES DISTRICT COURT

DISTRICT OF OREGON – PORTLAND DIVISION

LOUIS BOLOGNA AND PATRICIA
RAMIREZ, individually and on behalf of
all others similarly situated,

Plaintiffs,

v.

ON INC.,

Defendant.

Case No.

CLASS ACTION COMPLAINT FOR:

**(1) VIOLATION OF CALIFORNIA’S
CONSUMERS LEGAL REMEDIES ACT
(“CLRA”), CAL. CIV. CODE § 1750, *et*
seq.; (2) VIOLATION OF
CALIFORNIA’S UNFAIR
COMPETITION LAW (“UCL”), CAL.
BUS. & PROF. CODE § 17200, *et seq.* (3)
VIOLATION OF NEW YORK GEN.
BUS. LAW (“GBL”) § 349
JURY TRIAL DEMANDED**

Plaintiffs Louis Bologna and Patricia Ramirez (“Plaintiffs”) bring this action on behalf of themselves and all others similarly situated against Defendant On Inc. (“Defendant”). Plaintiffs make the following allegations pursuant to the investigation of their counsel, except as to allegations based on their personal knowledge.

NATURE OF THE ACTION

1. This is a putative class action brought by Plaintiffs who purchased Defendant On Inc.’s (“On Clouds” or “Defendant”) athletic shoes made with “CloudTec” technology.

2. Defendant is a leading manufacturer and seller of wildly popular running shoes. Defendants’ shoes have grown in popularity because of their CloudTec design used for the “outsole” of the shoe, which is comprised of hexagonal, octangular, and ovular shaped holes that form the external landing surface of the shoes.

3. The CloudTec technology is intended to provide cushioned support when wearers land. But when the consumer steps, whether walking or running in them, the sliding rubber within the CloudTec rubs together, causing a noisy and embarrassing squeak with each and every step.

4. Though seemingly inconsequential, according to upset consumers publishing their experience, Defendant has refused to cover this defect—which it has been on notice of—under its warranty. Accordingly, consumers are left with no relief after buying almost \$200 shoes they can no longer wear without their doing significant DIY modifications to the shoe.

5. No reasonable consumer would purchase Defendant’s shoes—or pay as much for them as they did—knowing each step creates an audible and noticeable squeak that can only be addressed through DIY physical alterations to the shoe or ceasing to wear the shoes completely. Accordingly, Plaintiffs bring claims against Defendant on behalf of themselves and all others

similarly situated for violations of (1) California’s Consumers Legal Remedies Act (“CLRA”), Cal. Civ. Code §§ 1750, *et seq.*; (2) California’s Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200, *et seq.* (“UCL”), (3) New York Gen. Bus. Laws (“GBL”) §§ 349 and 350.

THE PARTIES

6. Plaintiff Patricia Ramirez is a citizen of California and a resident of Downey, California. In September 2024, Plaintiff Ramirez purchased a pair of On Cloudmonsters from a Dick’s Sports Goods. Plaintiff’s Cloudmonsters are supported by CloudTec technology. In using her shoes, Plaintiff Ramirez noticed a squeaking almost immediately with every step that she been unable to stop. Plaintiff Ramirez only used them three times before giving up on them. Indeed, she cannot walk and run in her On Cloudmonsters without experiencing a squeak with each step. Accordingly, Plaintiff Ramirez is no longer able to use her shoes as intended due to the embarrassment and annoyance the squeaky noise defect causes. In purchasing her shoes, Plaintiff Ramirez relied on Defendant’s representations and omissions, including Defendant’s failure to disclose the immense squeaking associated with the shoes. But for Defendant’s omissions, Plaintiff Ramirez would not have paid as much for her shoes as she did, or would not have purchased them at all. Thus, Plaintiff Ramirez was injured by the price premium she paid for the shoes as a result of Defendant’s material representations and omissions.

7. Plaintiff Louis Bologna is a citizen of New York and resident of Wantagh, New York. In September 2024, Plaintiff Bologna purchased a pair of Cloud Monsters from Defendant’s website from his home in New York. Plaintiff’s Cloud Monsters are supported by CloudTec technology. After approximately three months of using his shoes, Plaintiff Bologna noticed a squeaking with every step that he has been unable to stop. Plaintiff Bologna cannot walk and run in his Cloud Monsters without experiencing a squeak with each step. Accordingly,

Plaintiff Bologna is no longer able to use his shoes as intended due to the embarrassment and annoyance the squeaky noise defect causes. In purchasing his shoes, Plaintiff Bologna relied on Defendant's representations and omissions, including Defendant's failure to disclose the immense squeaking associated with the shoes. But for Defendant's omissions, Plaintiff Bologna would not have paid as much for his shoes as he did, or would not have purchased them at all. Thus, Plaintiff Bologna was injured by the price premium he paid for the shoes as a result of Defendant's material representations and omissions.

8. Defendant On Inc. is a Swiss corporation with its principal place of business in Portland, Oregon. Defendant markets, manufactures, and sells its athletic shoes with CloudTec technology throughout California, New York, Oregon, and the United States.

JURISDICTION AND VENUE

9. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(d)(2)(A), as modified by the Class Action Fairness Act ("CAFA"), because at least one member of each Class is a citizen of a different state than Defendant, there are more than 100 members of the Classes, and the aggregate amount in controversy exceeds \$5,000,000.00, exclusive of interests and costs.

10. This Court has personal jurisdiction over Defendant because Defendant is headquartered in Oregon.

11. Venue is proper in this District under 28 U.S.C § 1391 because Defendant resides in this District, and venue in this division is proper because a substantial part of the events or omissions giving rise to the claim occurred in Multnomah County.

FACTUAL ALLEGATIONS

I. DEFENDANT'S CLOUDTEC TECHNOLOGY IS DEFECTIVE

12. On Cloud is a German company that has achieved tremendous success in the United States. In 2024, the company brought in about \$2.5 billion. Since its entrance into the United States market in 2019, the company's share of the footwear market has grown nearly eightfold.

13. On Cloud sells more than 60 varieties of men's and women's shoes. The majority—but not all—are made with CloudTec technology. Indeed, Tim Loh and Lily Meier of Bloomberg Businessweek credit Defendant's success to "figuring out how to bring to market the net multibillion-dollar sneaker technology to dazzle the public's feet the way it's managed to do with its CloudTec cushioning."

14. Defendant's CloudTec is its signature design. The CloudTec outsole most notably features hexagonal, octangular, and ovular shaped holes designed to cushion the user as they step. It is designed to "deliver comfort, [and] support a more efficient run" while it "absorbs impact, reduces strain and adapts to [a consumer's] running style to create a sensation loved by runners around the world."



15. As Defendant explains, the outsole “compresses vertically and horizontally before expanding, maintain[ing] your momentum and propelling you forward.”¹ Because of this design, however, a loud and persistent squeak emanates from the “[f]riction in the CloudTec pods.”²

16. As one online theory supposes, this occurs because, with each step, “[t]he foam inside these holes rubs together, causing friction and that annoying squeak.”³ The sound is amplified by “[m]oisture trapped under the insole.”⁴

17. Regardless of the exact reason why, each shoe Defendant designs, manufactures, and sells with the CloudTec outsole has the same issue: a loud, embarrassing, and difficult to stop squeaking sound that emits with each step. And because each version of the shoe made with a CloudTec outsole is advertised the same, designed nearly—if not completely—the same, each version of Defendant’s shoes are substantially similar.

18. Defendant’s shoes are not cheap either. The shoes with CloudTec outsoles retail from between \$140-\$180. Even the cheaper-priced CloudTec shoes are above the 2023 national average of \$132.90 for a pair of running shoes.⁵

19. At issue are each of Defendant’s Products made with CloudTec, including but not limited to:

(a) Cloud 5

¹ On Clouds, *CloudTec, Run on Clouds*, available at https://www.on.com/en-us/explore/technology/cloudtec?srsId=AfmBOor6s11xYtvKUR6xT7i2qupaRG_I22_fsh2IlkcMnGtgkcyGb21L, at 00:13-00-18.

² Alastair, *How To Stop Your On Cloud Shoes Squeaking*, TRAIL & KALE (Oct. 14, 2024) available at <https://www.trailandkale.com/tips/how-to-stop-on-cloud-shoes-squeaking/>.

³ *Id.*

⁴ *Id.*

⁵ Jens Jakob Anderson, *Running Shoes Statistics*, RUNREPEAT (Sept. 4, 2023), available at <https://runrepeat.com/running-shoes-statistics>.

- (b) Cloud 6
- (c) CloudMonsters
- (d) Cloudtilts
- (e) Cloudsurfers
- (f) Cloudeclipse
- (g) Cloudleap
- (h) CloudSky
- (i) Cloudswift
- (j) Cloudzone
- (k) Cloudrunner

20. Each Product is made with a CloudTech technology sole. Inclusive of each style of shoe is each version's subsequent edition.⁶ As such, each Product is made with the same defect that causes the squeaking Plaintiffs and Class Members have experienced.

II. CONSUMERS HAVE TAKEN IT UPON THEMSELVES TO TRY AND REMEDY DEFENDANT'S DEFECT

21. The incessant squeaking has injured Plaintiffs and similarly situated consumers. Indeed, a cursory search on Google produces scores of consumer complaints about this critical defect. In fact, several Reddit pages are dedicated to addressing this issue.⁷

Why do Oncloud shoes always end up squeaking

Hello all. I'm on my third pair of cloud surfers and again like all the pairs squeak when I walk. I already got an exchange once from On, but they said that was only a one time exchange.

⁶ For example, the Cloudrunner line is inclusive of the Cloudrunner 2. Discovery will narrow or broaden the scope of Products at issue in this Complaint.

⁷ See e.g., Reddit, *r/ONrunning*, *Why do OnCloud shoes always end up squeaking*, available at https://www.reddit.com/r/ONrunning/comments/1b7sxkg/why_do_oncloud_shoes_always_end_up_squeaking/.

22. There is no easy fix. Consumers have taken it upon themselves to share at-home “DIY” remedies. Of the less invasive remedies, some websites suggest “[r]ub[ing] [coconut] oil into the holes of the CloudTec midsole, focusing on the heel and midfoot where the squeaking is usually worse.”⁸ To address the possible moisture issue, sites suggest sprinkling a light layer of baby powder in the shoe and reinserting the insole. However, neither of these are proven, permanent, or long-term solutions.

23. One Reddit commentor, taking a more permanent approach, suggests that fellow consumers “[r]ub (or floss) the sandpaper back and forth to scuff up the inside of each pod. [He] did it about 10 times for each hole.”⁹ This worked, the commentor surmised, because “by roughing up the inside of each shole so that when it rubs together, it’s not smooth enough to squeak.”¹⁰

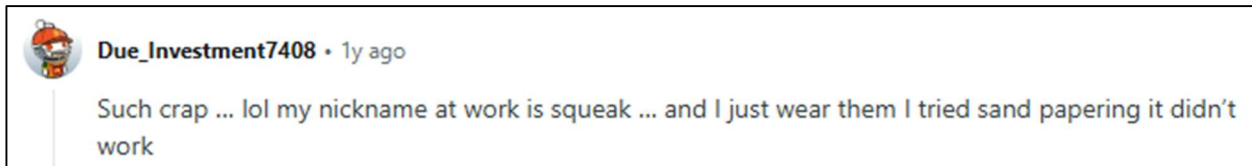


⁸ Alastair, *supra*.

⁹ Reddit, *R/RunningShoesGeeks*, available at https://www.reddit.com/r/RunningShoeGeeks/comments/18nz5bg/how_to_get_rid_of_on_running_shoe_squeak/.

¹⁰ *Id.*

24. But even this method does not solve the problem. The defect is so pervasive that a consumer must use an extremely coarse file to fix their \$180 shoe:



25. Communities on TikTok¹¹ have emerged seeking solutions as well. But instead of answers, posters receive comments affirming their experiences:



26. The squeaking has caused issues for consumers in their daily lives. Despite Defendant billing their Products as “all-day, every day”¹² shoes, consumers who spend significant time on their feet—like nurses¹³ at work—bear the brunt of this defect:



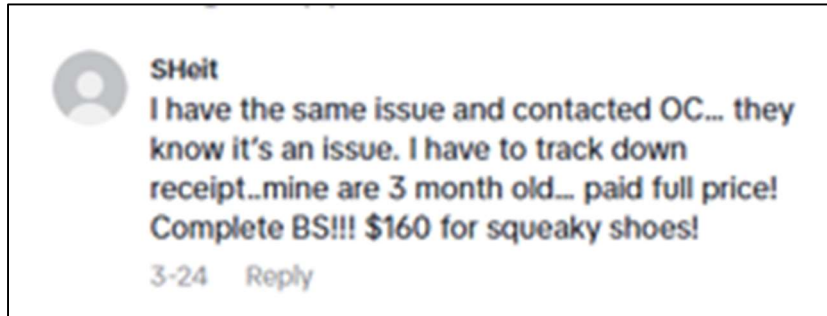
27. No reasonable consumer would purchase shoes as highly priced as Defendant’s—or paid as much for them as they did—if they needed to make DIY alterations to make the Products wearable, or cease wearing them completely due to the squeaky noise defect.

¹² On Clouds, *The Cloud Collection*, available <https://www.on.com/en-us/shop/shoes/cloud?srltid=AfmBOooNysmn08Antz72uY8DKmRsbZ9US0ZfW5hwxu31xVHvov4mIyr4>.

¹³ TikTok, @nurse_lilin, (Feb. 2022) available https://www.tiktok.com/@nurse_lilin/video/7474154525255863560.

III. DEFENDANT IS AWARE OF THE ISSUE BUT DENIES CONSUMERS HELP

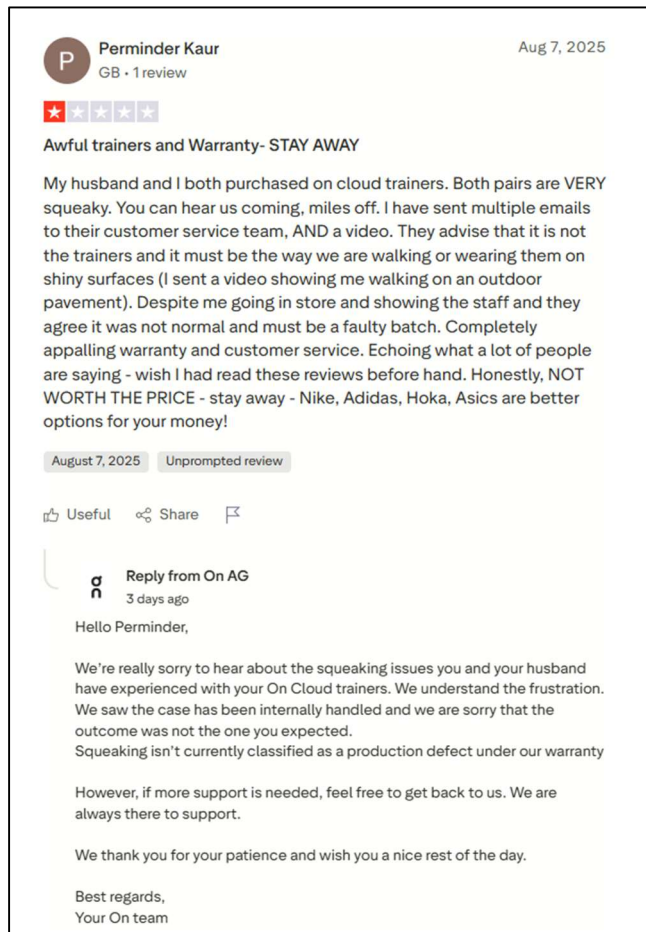
28. As consumers have noted, Defendant is fully aware of the problem:



29. Indeed, Defendant’s warranty “does not extend to defects due to the wrong fit, [or] normal wear and tear,”^{14, 15} and for that reason, consumers have reported being left in the lurches as Defendant has categorized the squeaking as normal wear and tear:

¹⁴ OnClouds, *Terms and Conditions*, available at https://www.on.com/en-us/terms-and-conditions?srsltid=AfmBOorTsMYF1hq89l5D9-iYqA_Z4O2bGRjYGVwC2xHFhaZpIvmkYQdT#l1-miscellaneous.

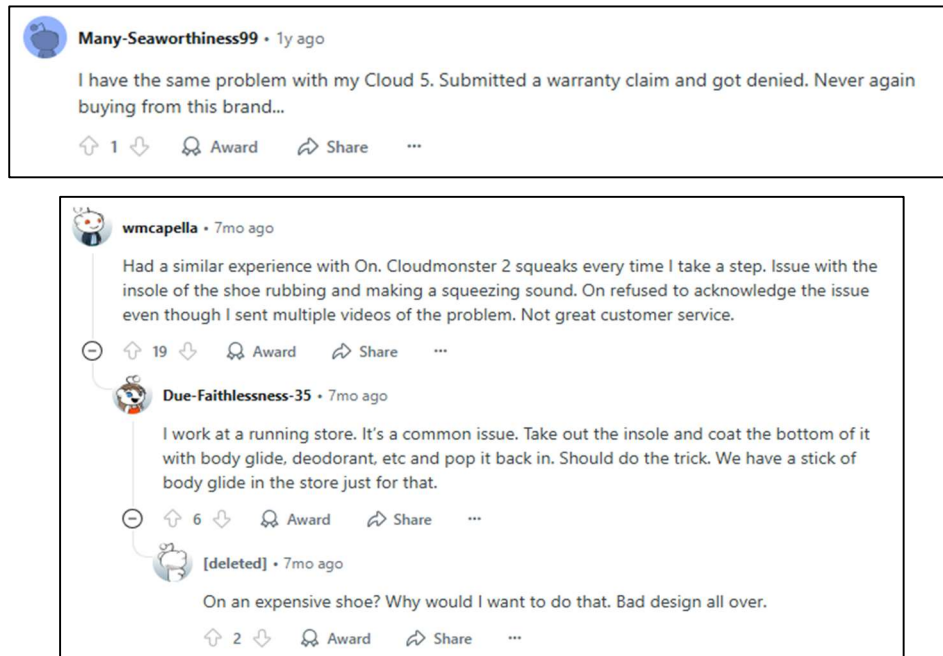
¹⁵ Defendant’s warranty on its Great Britain Website features the same limitation as on its U.S. warranty: “The warranty does not extend to defects due to the wrong fit, normal wear and tear, exceeding the product’s lifespan or damage caused by improper, incorrect or negligent use or changes to the product.” See <https://www.on.com/en-gb/terms-and-conditions?srsltid=AfmBOoo16PWmcWNBfSJ2f3jIUauZwCgco4o4ZfRWdIIhcu1ai4wU4xdy#8-limited-warranty>.



30. It is feasible for Defendant to adjust its Products to solve this issue:



31. Despite this capability, Defendant has done nothing. Worse, despite being aware, Defendant makes it difficult for its consumers to get relief:



32. These consumers' experiences are not unique:



33. Indeed, reviews on popular shoe sites like Zappos are fully of consumers attempting to get reimbursed for Defendant's defects with no luck:

Overall ★☆☆☆☆ Comfort ★☆☆☆☆ Style ★☆☆☆☆

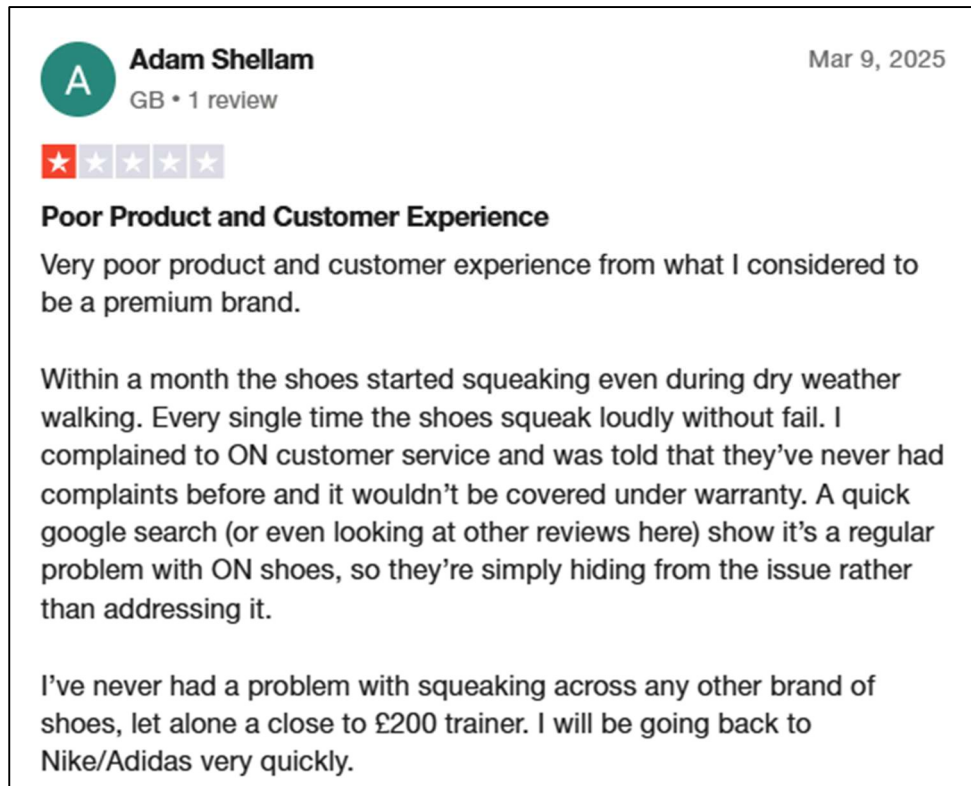
Great but only lasted 2 weeks. This brand of shoes has a pervasive design defect where the soles start squeaking on each step. It's super annoying and embarrassing. Numerous other customers have run into this issue, but warranty claims are denied. Look it up. Sure it looks great and is quite comfortable, but totally useless as it barely lasts 2 weeks. Save your money and time, go with a trusted brand.

Sax, Zappos Customer, July 12, 2024



26 found this review helpful.

34. Trustpilot complaints echo those from consumers on Reddit:



35. Although Defendant is in the best position to know when it first became aware of the defect, Plaintiffs make the following allegations pursuant to Fed. R. Civ. P. 9(b):

WHO: Defendant On Inc.

WHAT: Defendant's conduct was, and continues to be, fraudulent because it omitted that its Products contain this material defect that consumers, had they known before purchasing it, would not have purchased the Products or would not have paid as much for them as they did but for these material omissions. Regardless, Defendant continued to sell the Product in its defective state, responding by carving out this defect from its warranty and refusing to make consumers whole. Through the numerous attempts by consumers to return their Product, and the complaints consumers lodged with Defendant in those attempts, Defendant was aware of the defect but took no action to remedy it or alert consumers.

WHEN: Defendant made its material omissions the moment it put the Products on the market with its current CloudTec design and allowed consumers to purchase the Product with this material defect

without ever warning or disclosing to them the existence of this defect it knew was present.

WHERE: Defendant's marketing was uniform and pervasive, carried through material omissions on its labeling, marketing, and advertising online and in store.

HOW: Defendant represented that the Products were of a superior CloudTec technology but failed to disclose that the CloudTec contained a material defect that causes an audible squeaking with each step. Defendant sold its Product at a high price premium while failing to disclose that this material defect exists with each sale—despite knowing that this defect upset consumers.

WHY: Defendant made the material omissions for the express purpose of selling the Products and retaining the benefits of those transactions. This is evident by Defendant carving out any defects relating to squeaking from its warranty so that Defendant could continue to retain the monetary benefits of each sales of its defective Products.

INJURY: Plaintiffs and Members of the Classes paid a premium, or otherwise paid more for the Product with the defect than they would have, absent Defendant's material omissions.

CLASS ALLEGATIONS

36. Pursuant to Fed. R. Civ. P. 23, Plaintiffs bring this matter on behalf of themselves and all others similarly situated in the following Classes (collectively the "Classes"):

37. Plaintiff Ramirez seeks to represent a class defined as:

All natural persons in the State of California who purchased Defendant's Products with CloudTec technology during the class period (the "**California Class**").

38. Plaintiff Bologna seeks to represent a class defined as:

All natural persons in the State of New York who purchased Defendant's Products with CloudTec technology during the class period (the "**New York Class**").

39. Excluded from the Classes are: (1) any Judge or Magistrate presiding over this action and any members of their families; (2) Defendant, Defendant's subsidiaries, parents,

successors, predecessors, and any entity in which Defendant or its parent have a controlling interest and its current or former employees, officers, and directors; and (3) Plaintiffs' counsel and Defendant's counsel.

40. **Numerosity.** Class Members are so numerous that joinder of all Members is impracticable. Plaintiffs believe that there are thousands of people who purchased the Products and substantially similar versions of the Products who have been injured by Defendant's material omissions. While the exact number of Members of the Classes is unknown to Plaintiffs at this time, such information can be ascertained through appropriate discovery from records maintained by Defendant and its agents.

41. **Commonality and Predominance.** The questions of law and fact common to the Classes, which predominate over any questions that may affect individual class Members include, but are not limited to:

- (a) Whether Defendant's shoes cause a squeaking with each step;
- (b) Whether Defendant was aware of this defect;
- (c) Whether Defendant had a duty to disclose this defect;
- (d) Whether the squeaking is a material defect;
- (e) Whether Defendant's conduct violated the statutes referenced herein;
- (f) Whether Plaintiffs are entitled to damages.

42. **Typicality.** The claims of the named Plaintiffs are typical of the claims of the Members of the Classes because the named Plaintiffs, like other Members of the Classes, purchased the shoes relying on the omissions made by Defendant on its website and on its Product's packaging, that they could be worn and used as shoes without this material defect rendering them usable due this embarrassing and annoying defect.

43. **Adequate Representation.** Plaintiffs have retained, and are represented by, qualified and competent counsel who are highly experienced in complex consumer class action litigation. Plaintiffs and Plaintiffs' counsel are committed to vigorously prosecuting this class action. Neither Plaintiffs, nor Plaintiffs' counsel, have any interest adverse to, or in conflict with, the interests of the absent Members of the Classes. Plaintiffs are able to fairly and adequately represent the interests of the Classes. Plaintiffs have raised viable statutory claims of the type reasonably expected to be raised by Members of the Classes and will vigorously pursue those claims. If necessary, Plaintiffs may seek leave of this Court to amend this complaint to include additional Class Representatives to represent the Classes or additional claims as may be appropriate.

44. **Superiority.** A class action is superior to other available methods for the fair and efficient adjudication of this controversy because individual litigation of the claims of all Members of the Classes is impracticable. Even if every Member of the Classes could afford to pursue individual litigation, the Court system could not. It would be unduly burdensome to the courts in which individual litigation of numerous cases would proceed. Individualized litigation would also present the potential for varying, inconsistent, or contradictory judgments, and would magnify the delay and expense to all parties and to the court system, resulting in multiple trials of the same factual issues. By contrast, the maintenance of this action as a class action, with respect to some or all of the issues presented herein, presents fewer management difficulties, conserves the resources of the parties and of the court system and protects the rights of each Member of the Classes. Plaintiffs anticipate no difficulty in the management of this action as a class action. Class-wide relief is essential to compel compliance with the consumer protection laws asserted herein.

CAUSES OF ACTION

COUNT I

Violation Of California’s Consumers Legal Remedies Act,

Cal. Civ. Code §§ 1750, *et seq.*

(On behalf Of Plaintiff Ramirez and The California Class)

45. Plaintiff Ramirez incorporates the foregoing allegations as if fully set forth herein.

46. Plaintiff Ramirez brings this claim individually and on behalf of the California Class.

47. Cal. Civ. Code § 1770(a)(5) prohibits “[r]epresenting that goods ... have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have.”

48. Cal. Civil Code § 1770(a)(7) prohibits “[r]epresenting that goods or services are of a particular standard, quality, or grade, or that they goods are of a particular style or model, if they are of another.”

49. Civil Code § 1770(a)(9) prohibits “advertising goods ... with intent not to sell them as advertised.”

50. Defendant violated Civil Code §§ 1770(a)(5), (a)(7), and (a)(9) by holding out that its Products are high quality athletics shoes despite knowing and failing to disclose a critical defect in its CloudTec design that causes an annoying and embarrassing squeak. Accordingly, Defendant sold to, and charged, consumers a high price of shoes that were worth less than they would have purchased them for despite being aware of consumers’ experiences with this material defect.

51. Defendant failed to ever warn or inform consumers about this critical defect that impacts their value but continued to sell them as is, knowing consumers were having this issue. Indeed, Defendant even carved out of its warranty any replacement of squeaking, rendering it difficult—if not impossible—for consumers to be made whole for Defendant’s defective Product.

52. As a result, Plaintiff Ramirez and the California Class suffered harm from the violations of the CLRA because they incurred, were charged, and/or paid monies for the Product that they otherwise would not have incurred or paid had they known the Product contained a defect rendering them disruptive and embarrassing to wear.

53. On February 15, 2025, prior to the filing of this complaint, Defendant received Plaintiffs’ demand letter via USPS. The letter advised Defendant that it was in violation of the CLRA with respect to the defect and demanded that it cease and desists from continuing its violative conduct and make full restitution by refunding the monies received therefrom. The letter stated that it was sent on behalf all similarly situated purchasers.

54. Defendant failed to remedy the issues raised by the notice letter.

55. Pursuant to Cal. Civ. Code § 1780, Plaintiff and the California Class seek: (a) actual damages in an amount to be determined at trial; (b) an order enjoining Defendant from continuing its violative acts and practices; (c) punitive damages; (d) any other relief that the Court deems proper; and (e) attorneys’ costs and fees.

COUNT II

Violation Of California's Unfair Competition Law,

Cal. Bus. & Prof. Code §§ 17200, *et seq.*

(On behalf Of Plaintiff Ramirez and The California Class)

56. Plaintiff Ramirez incorporates the foregoing allegations as if fully set forth herein.

57. Plaintiff Ramirez brings this claim individually and on behalf of the California Class against Defendant.

58. California Business and Professions Code § 17200 prohibits “any unlawful, unfair, or fraudulent business act of practice.” By committing the acts and practices alleged herein, Defendant has violated California’s Unfair Competition Law (“UCL”), Cal. Bus. & Prof. Code §§ 17200-17210 by engaging in unlawful, unfair, and fraudulent conduct.

59. Defendant violated the UCL’s proscription against engaging in **Unlawful Business Practices** by violating the CLRA, Cal. Civ. Code §§ 1770(a)(5), (a)(7), and (a)(9).

60. Plaintiff and California Class reserve the right to allege other violations of law which constitute other unlawful business acts or practices.

61. Defendant also violated the UCL’s prohibition against engaging in **Unfair Business Practices**. Defendant’s acts, omissions, and non-disclosures as alleged herein also constituted “unfair” business acts and practices within the meaning of Bus. & Prof. Code § 17200, *et. seq.*, as the conduct is substantially injurious to consumers, offends public policy, and is immoral, unethical, oppressive, and unscrupulous as the gravity of the conduct outweighs any alleged benefits attributable to such conduct. Specifically, Defendant continued to market and sell its high-priced athletic shoes with a defect that it knew existed but failed to remedy the issue. At the same time, Defendant refused to make injured consumers whole by exempting this defect

from its warranty and continued to sell the Product without any warning. Defendant could have warned consumer, fixed the design, and/or offered to fix the shoes or give consumers their money back but did none of those things.

62. As explained, there were reasonably available alternatives to further Defendant's legitimate business interest other than the conduct described above. There are no legitimate business purposes served by Defendant's conduct, which caused Plaintiff and the California Class economic injury.

63. Defendants have further violated the UCL's proscription against engaging in **Fraudulent Business Practices**. Defendants' claims, nondisclosures, and misleading statements with respect to the Product, as more fully set forth above, were false, misleading, and/or likely to deceive the consuming public within the meaning of Bus. & Prof. Code § 17200.

64. Plaintiff and the California Class suffered a substantial injury by virtue of buying the Product that they would not have purchased absent Defendant's unlawful and unfair marketing and omission about their Products' defect.

65. There is no benefit to consumers or competition from deceptively marketing and omitting material facts about the true nature of the Product.

66. Plaintiff and the California Class had no way of reasonably knowing that the Product they purchased was defective. Thus, they could not have reasonably avoided the injury each of them suffered.

67. The gravity of the consequences of Defendant's conduct as described outweigh any justification, motive, or reason therefore, particularly considering the available legal alternatives which exist in the marketplace. Such conduct is immoral, unethical, unscrupulous,

offends established public policy, or is substantially injurious to Plaintiff and the other members of the California Class.

68. Pursuant to Cal. Bus. & Prof. Code § 17203, Plaintiff and the California Class seek an order of this Court that includes, but is not limited to, requiring Defendant to (a) provide restitution to Plaintiff and other California Class Members; (b) disgorge all revenues obtained as a result of violations of the UCL; and (c) pay Plaintiff's attorneys' fees and costs.

COUNT III

Violation Of New York Gen. Bus. Law § 349

(On Behalf Of Plaintiff Bologna and The New York Class)

69. Plaintiff Bologna incorporates the foregoing allegations as if fully set forth herein.

70. Plaintiff Bologna brings this claim individually and on behalf of the New York Class.

71. Defendant markets the Products' CloudTec benefits while failing to disclose the material defect in the CloudTec design.

72. GBL § 349 prohibits "[d]eceptive acts or practices in the conduct of any business, trade or commerce or in the furnishing of any service."

73. Defendant's actions and corresponding omissions occurred in the conduct of business, trade, or commerce.

74. As a direct and proximate result of Defendant's violation of § 349, Plaintiff Bologna and Members of the New York Class suffered damages in an amount to be determined at trial.

75. Defendant's acts and omissions mislead consumers in a material way by continuing to promote the benefits of the CloudTec outsoles while failing to disclose this

material defect. Accordingly, a reasonable consumer would be misled by Defendant's deceptive acts and practices. Plaintiff Bologna and the Members of the New York Class would not have paid as much for the Products as they did, or would not have purchased the Products at all, but for Defendant's material omissions.

76. Defendant's improper consumer-oriented conduct is misleading consumers in a material way in that, *inter alia*, it induced Plaintiff Bologna and the New York Class Members to purchase the shoes and to pay the requested price for the Products when they otherwise would not have or would not have been willing to pay as much.

77. By reason of the foregoing, Plaintiff Bologna and the New York Class Members are entitled to (1) actual damages and/or statutory damages; (2) punitive damages; and (3) reasonable attorneys' fees, pursuant to GBL § 349(h).

COUNT IV

Violation Of New York Gen. Bus. Law § 350

(On Behalf Of Plaintiff Bologna And The New York Class)

78. Plaintiff Bologna incorporates the foregoing allegations as if fully set forth herein.

79. Plaintiff Bologna brings this claim individually and on behalf of the New York Class against Defendant.

80. The acts and omissions of Defendant, as described above, constitute unlawful, deceptive, and fraudulent business acts and practices.

81. GBL § 350 provides: "False advertising in the conduct of any business, trade, or commerce or in the furnishing of any service in this state is hereby declared unlawful."

82. GBL § 350-a defines "false advertising," in relevant part, as "advertising, including labeling, of a commodity ... if such advertising is misleading in a material respect."

83. Plaintiff Bologna and the New York Class Members are consumers who purchased Defendant's shoes in New York.

84. As a seller of goods to the consuming public, Defendant is engaged in the conduct of business, trade, or commerce within the intended ambit of § 350.

85. Based on the foregoing, Defendants have engaged in consumer-oriented conduct that is deceptive or misleading in a material way, which constitutes false advertising in violation of § 350 by failing to disclose that the Products contain a material defect.

86. As manufacturer and seller of the Products, and operator of the customer service helpline, Defendant possessed the knowledge that the Products contain the material defect.

87. To the extent to which Defendant's advertising has failed to reveal material facts with respect to their Products, as described above, constituted false advertising in violation of GBL § 350.

88. Defendant's actions led to direct, foreseeable, and proximate injury to Plaintiff Bologna and the members of the New York Class.

89. As a consequence of Defendant's deceptive marketing scheme, Plaintiff Bologna and the other members of the New York Class suffered an ascertainable loss, insofar as they would not have purchased the Products or would have paid less for them than they did but for Defendant's material omissions. Thus, Plaintiff Bologna and New York Class Members were injured in the amount of the price premium they paid for the Products as a result of Defendant's omissions.

90. By reason of the foregoing, Plaintiff Bologna and the New York Class Members are entitled to (1) actual damages and/or statutory damages; (2) punitive damages; and (3) reasonable attorneys' fees, pursuant to GBL § 350-e(3).

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully request, individually and on behalf of the Classes of all similarly situated they each seek to represent, that the Court enter judgment in favor of Plaintiffs and against Defendant as follows:

- (a) For an order certifying the Classes under Rule 23 of the Federal Rules of Civil Procedure and naming Plaintiffs as the representatives of their respective Classes and naming Plaintiffs' Counsel as Class Counsel;
- (b) For an order declaring that Defendant's conduct violates the causes of action referenced herein;
- (c) For an order finding in favor of Plaintiffs and the Classes on all counts asserted herein;
- (d) For compensatory, statutory, and punitive damages in the amounts to be determined by the Court and/or jury;
- (e) For prejudgment interest on all amounts awarded;
- (f) For an order of restitution and all other forms of equitable monetary relief;
- (g) For injunctive relief as pleaded or as the Court may deem proper; and
- (h) For an order awarding Plaintiffs and the Classes their reasonable attorneys' fees and expenses of suit.

JURY TRIAL DEMANDED

Pursuant to Fed. R. Civ. P. 38(b), Plaintiffs demand a trial by jury on all claims so triable.

Dated: October 9, 2025.

Respectfully submitted,

MARKOWITZ HERBOLD PC

By: /s/ Stanton R. Gallegos
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*Attorneys for Plaintiffs***Pro Hac Vice Application Forthcoming*

2365414.2

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

LOUIS BOLOGNA AND PATRICIA RAMIREZ, individually and on behalf of all others similarly situated,

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

(c) Attorneys (Firm Name, Address, and Telephone Number)

Stanton R. Gallegos, Markowitz Herbold, 1455 SW Broadway,
Suite 1900, Portland, OR 97201, (503) 295-3085

DEFENDANTS

ON INC.,

County of Residence of First Listed Defendant Multnomah
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF
THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant ☒ 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 | ☐ 1 | ☐ 1 | Incorporated or Principal Place of Business In This State | ☐ 4 | ☒ 4 |
| Citizen of Another State | ☒ 2 | ☐ 2 | Incorporated and Principal Place of Business In Another State | ☐ 5 | ☐ 5 |
| Citizen or Subject of a Foreign Country | ☐ 3 | ☐ 3 | Foreign Nation | ☐ 6 | ☐ 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
☐ 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	PERSONAL INJURY ☐ 310 Airplane ☐ 315 Airplane Product Liability ☐ 320 Assault, Libel & Slander ☐ 330 Federal Employers' Liability ☐ 340 Marine ☐ 345 Marine Product Liability ☐ 350 Motor Vehicle ☐ 355 Motor Vehicle Product Liability ☐ 360 Other Personal Injury ☐ 362 Personal Injury - Medical Malpractice PERSONAL INJURY ☐ 365 Personal Injury - Product Liability ☐ 367 Health Care/Pharmaceutical 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 Product Liability	☐ 625 Drug Related Seizure of Property 21 USC 881 ☐ 690 Other LABOR ☐ 710 Fair Labor Standards Act ☐ 720 Labor/Management Relations ☐ 740 Railway Labor Act ☐ 751 Family and Medical Leave Act ☐ 790 Other Labor Litigation ☐ 791 Employee Retirement Income Security Act IMMIGRATION ☐ 462 Naturalization Application ☐ 465 Other Immigration Actions	☐ 422 Appeal 28 USC 158 ☐ 423 Withdrawal 28 USC 157 INTELLECTUAL PROPERTY RIGHTS ☐ 820 Copyrights ☐ 830 Patent ☐ 835 Patent - Abbreviated New Drug Application ☐ 840 Trademark ☐ 880 Defend Trade Secrets Act of 2016 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 3729(a)) ☐ 400 State Reapportionment ☐ 410 Antitrust ☐ 430 Banks and Banking ☐ 450 Commerce ☐ 460 Deportation ☐ 470 Racketeer Influenced and Corrupt Organizations ☐ 480 Consumer Credit (15 USC 1681 or 1692) ☐ 485 Telephone Consumer Protection Act ☐ 490 Cable/Sat TV ☐ 850 Securities/Commodities/Exchange ☐ 890 Other Statutory Actions ☐ 891 Agricultural Acts ☐ 893 Environmental Matters ☐ 895 Freedom of Information Act ☐ 896 Arbitration ☐ 899 Administrative Procedure Act/Review or Appeal of Agency Decision ☐ 950 Constitutionality of State Statutes
REAL PROPERTY ☐ 210 Land Condemnation ☐ 220 Foreclosure ☐ 230 Rent Lease & Ejectment ☐ 240 Torts to Land ☐ 245 Tort Product Liability ☐ 290 All Other Real Property	CIVIL RIGHTS ☐ 440 Other Civil Rights ☐ 441 Voting ☐ 442 Employment ☐ 443 Housing/Accommodations ☐ 445 Amer. w/Disabilities - Employment ☐ 446 Amer. w/Disabilities - Other ☐ 448 Education PRISONER PETITIONS Habeas Corpus: ☐ 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			

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. section 1332

Brief description of cause:

Violation of California Consumer Legal Remedies Act/Unfair Competition Laws/New York Gen. Business Law sec.

VII. REQUESTED IN COMPLAINT:

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

DEMAND \$
5,000,000+

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

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VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE _____

DOCKET NUMBER _____

DATE

October 9, 2025

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT # _____

AMOUNT _____

APPLYING IFP _____

JUDGE _____

MAG. JUDGE _____

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

UNITED STATES DISTRICT COURT

for the

District of Oregon-Portland 

LOUIS BOLOGNA AND PATRICIA RAMIREZ,
individually and on behalf of all others similiary
situated,

Plaintiff(s)

v.

On Inc.

Defendant(s)

Civil Action No. 3:25-cv-01852

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)*

On Inc.
c/o United Corporate Services, Inc.
7185 SW Sandburg Street, Suite 110
Portland, OR 97233
Registered Agent for On Inc.

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:

Stanton R. Gallegos
Markowitz Herbold PC
1455 SW Broadway, Suite 1900
Portland, OR 97201
StantonGallegos@MarkowitzHerbold.com
(503) 295-3085

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

Civil Action No. _____

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

This summons for *(name of individual and title, if any)* _____
 was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____
 _____ on *(date)* _____; or

☐ 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 summons on *(name of individual)* _____, who is
 designated by law to accept service of process on behalf of *(name of organization)* _____
 _____ on *(date)* _____; or

☐ I returned the summons unexecuted because _____; or

☐ Other *(specify)*: _____

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0.00.

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

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: [On Cloud Class Action Lawsuit Filed Over Alleged 'Squeaky' Sneaker Design Defect](#)
