# IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF NEW YORK

Leah Greco, individually and on behalf of all others similarly situated,

Plaintiff,

5:21-cv-562 (FJS/ATB)

- against -

**Class Action Complaint** 

Moran Foods, LLC,

Defendant

Jury Trial Demanded

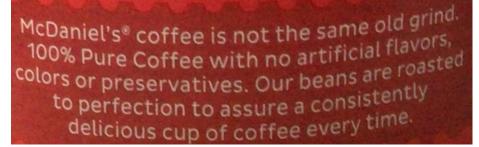
Plaintiff alleges upon information and belief, except for allegations pertaining to plaintiff, which are based on personal knowledge:

1. Moran Foods, LLC ("defendant") manufactures, markets, labels and sells Classic Roast (Medium) Ground Coffee under the "McDaniel's Coffee Co." brand in cans of 30.5 oz (864g), which claims it "MAKES UP TO 240 6 FL OZ CUPS" of coffee ("Product").



2. The side panel describes the high quality of the Product.

McDaniel's coffee is not the same old grind. 100% Pure Coffee with no artificial flavors, colors or preservatives. Our beans are roasted to perfection to assure a consistently delicious cup of coffee every time.



3. The side panel also contains provides directions for use.

BREWING INSTRUCTIONS: For best results, use one rounded tablespoon of coffee for each 6ož cup of water. Adjust these measurements to suit your taste. After opening, replace lid and store in a cool, dry place to preserve freshness.

# **BREWING INSTRUCTIONS:**

For best results, use one rounded tablespoon of coffee for each 6oz cup of water. Adjust these measurements to suit your taste. After opening, replace lid and store in a cool, dry place to preserve freshness.

4. However, the representation that the Product "MAKES UP TO 240 6 FL OZ CUPS" of coffee is false, deceptive and misleading.

5. When consumers follow the Product's directions for use, they will not be able to brew anywhere close to 240 cups. The Product are not capable of brewing anywhere close to 79 and 76 servings.

6. Independent laboratory analysis determined that the Product can only make 137 cups of coffee, over one hundred less than promised.

# Case 5:21-cv-00562-FJS-ATB Document 1 Filed 05/15/21 Page 3 of 10

7. This means that the Product delivers forty-three percent fewer cups of coffee than promised on the label and what consumers paid for.

8. When advertisers use qualifying terms such as "Makes Up To," it is misleading where the label number is substantially greater than the actual number, because consumers will expect the target number is "in the ballpark" of the actual number, even if it is not exact.

9. Through the statement, "Makes Up To 240 6 FL OZ CUPS," reasonable consumers will expect either 240 cups or at most, several cups less than 240, i.e., 230 cups.

10. No reasonable consumer will expect the number of cups is closer to 130 than 230.

11. Reasonable consumers must and do rely on a company to honestly identify and describe the components and features of the Product, relative to itself and other comparable products.

12. Defendant sold more of the Product and at a higher prices than it would have in the absence of this misconduct, resulting in additional profits at the expense of consumers.

13. Had Plaintiff and proposed class members known the truth, they would not have bought the Product or would have paid less for it.

14. Plaintiff paid more for the Product based on the representations than she would have otherwise paid.

15. As a result of the false and misleading representations, the Product is sold at a premium price, approximately no less than no less than \$2.99 for 30.5 OZ (864g), excluding tax, higher than similar products represented in a non-misleading way, and higher than it would be sold for absent the misleading representations and omissions.

#### Jurisdiction and Venue

16. Jurisdiction is proper pursuant to Class Action Fairness Act of 2005 ("CAFA"). 28U.S.C. § 1332(d)(2).

17. Plaintiff Leah Greco is a citizen of New York.

18. Defendant Moran Foods, LLC is a Missouri limited liability company with a principal place of business in Saint Ann, Saint Louis County, Missouri and upon information and belief, at least one member of defendant is not a citizen of the same state as the plaintiff.

19. Diversity exists because plaintiff Leah Greco and defendant are citizens of different states.

20. Upon information and belief, sales of the Product and any available statutory and other monetary damages, exceed \$5 million during the applicable statutes of limitations, exclusive of interest and costs.

21. Venue is proper because a substantial part of the events or omissions giving rise to the claim occurred here – the purchase of plaintiff and her experiences identified here.

#### Parties

22. Plaintiff Leah Greco is a citizen of Syracuse, Onondaga County, New York.

23. Defendant Moran Foods, LLC is a Missouri limited liability company with a principal place of business in Saint Ann, Missouri, Saint Louis County. and upon information and belief, at least one member of defendant is not a citizen of the same state as the plaintiff.

24. Defendant owns, operates and controls the Save-A-Lot grocery store chain.

25. Save-A-Lot is one of the leading discount grocery, with over thirteen hundred stores throughout the United States.

26. Defendant's business model is based on deep discounts on national brand items,

## Case 5:21-cv-00562-FJS-ATB Document 1 Filed 05/15/21 Page 5 of 10

along with a high percentage of private label products.

27. "Private label" is another term for "store brand," where a retailer will contract with a manufacturer to produce a product but use branding of the retailer.

28. In the past, store brands were considered lower quality than national brands.

29. However, the past decade has seen a marked increase in private label products, as consumers seek to cut costs but still buy high quality goods.

30. Defendant's private label products are equivalent or exceed the quality of national brands, due to intentionally no-frills shopping experience and hard negotiating with suppliers.

31. This results in savings passed along to consumers in the form of lower prices.

32. Defendant's private label coffee is sold under its "McDaniel's Coffee Co." brand in its 1,300 stores.

33. Plaintiff purchased the Product on at least one occasion within the statutes of limitations for each cause of action, including in 2021, at Save-A-Lot locations including 500 Butternut Street, Syracuse NY 13208.

34. Plaintiff bought the Product because she expected it would make 240 six-ounce cups of coffee or slightly less, i.e., 230 cups.

35. Plaintiff did not expect to receive over one hundred cups less of coffee.

36. The Product was worth less than what Plaintiff and consumers paid and she would not have paid as much absent Defendant's false and misleading statements and omissions.

37. Plaintiff paid more for the Product than she would have paid otherwise.

38. Plaintiff intends to, seeks to, and will purchase the Product again when she can do so with the assurance that Product's representations about its components and ingredients are consistent with its representations.

## Class Allegations

39. The class will consist of all purchasers of the Product who reside in Illinois during the applicable statutes of limitations.

40. Plaintiff seeks class-wide injunctive relief based on Rule 23(b) in addition to a monetary relief class.

41. Common questions of law or fact predominate and include whether defendant's representations were and are misleading and if plaintiff and class members are entitled to damages.

42. Plaintiff's claims and basis for relief are typical to other members because all were subjected to the same unfair and deceptive representations and actions.

43. Plaintiff is an adequate representative because her interests do not conflict with other members.

44. No individual inquiry is necessary since the focus is only on defendant's practices and the class is definable and ascertainable.

45. Individual actions would risk inconsistent results, be repetitive and are impractical to justify, as the claims are modest relative to the scope of the harm.

46. Plaintiff's counsel is competent and experienced in complex class action litigation and intends to protect class members' interests adequately and fairly.

47. Plaintiff seeks class-wide injunctive relief because the practices continue.

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

# (Consumer Protection Statute)

48. Plaintiff incorporates by reference all preceding paragraphs.

49. Plaintiff and class members desired to purchase a product which could make the number of cups promised on the label, or slightly less than this number.

# Case 5:21-cv-00562-FJS-ATB Document 1 Filed 05/15/21 Page 7 of 10

50. Defendant's false and deceptive representations and omissions are material in that they are likely to influence consumer purchasing decisions.

51. Defendant misrepresented the Product through statements, omissions, ambiguities, half-truths and/or actions.

52. Plaintiff relied on the representations.

53. Plaintiff and class members would not have purchased the Product or paid as much if the true facts had been known, suffering damages.

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

54. The Product was manufactured, labeled and sold by defendant and expressly and impliedly warranted to plaintiff and class members that it could make the number of cups promised on the label, or slightly less than this number.

55. Defendant had a duty to disclose and/or provide non-deceptive descriptions and marketing of the Product.

56. This duty is based on Defendant's outsized role in the market for this type of Product.

57. Plaintiff provided or will provide notice to defendant, its agents, representatives, retailers and their employees.

58. Defendant received notice and should have been aware of these issues due to complaints by regulators, competitors, and consumers, to its main offices over the past several years.

59. The Product did not conform to its affirmations of fact and promises due to defendant's actions and were not merchantable because they were not fit to pass in the trade as advertised.

60. Plaintiff and class members would not have purchased the Product or paid as much

if the true facts had been known, suffering damages.

# Negligent Misrepresentation

61. Defendant had a duty to truthfully represent the Product, which it breached.

62. This duty is based on defendant's position, holding itself out as having special knowledge and experience this area – a trusted discount retailer, watching out for the bottom-line of consumers.

63. The representations took advantage of consumers' cognitive shortcuts made at the point-of-sale and their trust in defendant.

64. Plaintiff reasonably and justifiably relied on these negligent misrepresentations and omissions, which served to induce and did induce, their purchases of the Product.

65. Plaintiff and class members would not have purchased the Product or paid as much if the true facts had been known, suffering damages.

## Fraud

66. Defendant misrepresented and/or omitted the attributes and qualities of the Product.

67. Defendant's fraudulent intent is evinced by its knowledge that the number of cups was substantially less than the amount stated, but used the "disclaimer" of "Makes Up To" to avoid telling the whole truth.

## Unjust Enrichment

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

# Jury Demand and Prayer for Relief

Plaintiff demands a jury trial on all issues.

WHEREFORE, Plaintiff prays for judgment:

- 1. Declaring this a proper class action, certifying plaintiff as representative and the undersigned as counsel for the class;
- 2. Entering preliminary and permanent injunctive relief by directing defendant to correct the challenged practices to comply with the law;
- Injunctive relief to remove, correct and/or refrain from the challenged practices and representations, and restitution and disgorgement for members of the class pursuant to the applicable laws;
- 4. Awarding monetary damages, statutory damages pursuant to any statutory claims and interest pursuant to the common law and other statutory claims;
- 5. Awarding costs and expenses, including reasonable fees for plaintiff's attorneys and experts; and
- 6. Other and further relief as the Court deems just and proper.

Dated: May 15, 2021

Respectfully submitted,

Sheehan & Associates, P.C. /s/Spencer Sheehan Bar Roll # 519087 60 Cuttermill Rd Ste 409 Great Neck NY 11021-3104 Tel: (516) 268-7080 Fax: (516) 234-7800 spencer@spencersheehan.com

Joel Oster Of Counsel Law Office of Howard W. Rubinstein 1281 N Ocean Dr Ste 198 Singer Island, FL 33404 Case 5:21-cv-00562-FJS-ATB Document 1 Filed 05/15/21 Page 10 of 10

Tel: (832) 715-2788 Fax: (561) 688-0630 howardr@pdq.net *Pro Hac Vice* Motion Forthcoming

Case 5:21-cv-00562-F STOTE COVER SHEEFiled 05/15/21 Page 1 of 1 JS 44 (Rev. 04/21) The 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 DEFENDANTS Leah Greco, individually and on behalf of all others Moran Foods, LLC similarly situated (b) County of Residence of First Listed Plaintiff County of Residence of First Listed Defendant Onondaga (EXCEPT IN U.S. PLAINTIFF CASES) (IN U.S. PLAINTIFF CASES ONLY) IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED. NOTE: (c) Attorneys (Firm Name, Address, and Telephone Number) Attorneys (If Known) Sheehan & Associates, P.C., 60 Cuttermill Rd Ste 409 Great Neck NY 11021-3104 (516) 268-7080 II. BASIS OF JURISDICTION (Place an "X" in One Box Only) III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff (For Diversity Cases Only) and One Box for Defendant) PTF DEF □ 1 U.S. Government □ 3 Federal Ouestion DEF PTF Plaintiff (U.S. Government Not a Party) Citizen of This State **1** 1 Incorporated or Principal Place  $\Box$  4 Δ4 of Business In This State 2 U.S. Government ☑ 4 Diversity  $\Box$  2 ☑ 2 Incorporated and Principal Place □ 5 □ 5 Citizen of Another State of Business In Another State Defendant (Indicate Citizenship of Parties in Item III) Citizen or Subject of a □ 3 Foreign Nation  $\square 6$  $\Box 6$ Foreign Country IV. NATURE OF SUIT (Place an "X" in One Box Only) Click here for: Nature of Suit Code Descriptions . FORFEITURE/PENALTY CONTRACT TORTS BANKRUPTCY **OTHER STATUTES** PERSONAL INJURY PERSONAL INJURY □ 110 Insurance □ 625 Drug Related Seizure 422 Appeal 28 USC 158 375 False Claims Act □ 120 Marine □ 310 Airplane □ 365 Personal Injury of Property 21 USC 881 423 Withdrawal П 376 Qui Tam (31 USC □ 130 Miller Act □ 690 Other 28 USC 157 □ 315 Airplane Product Product Liability 3729(a)) 400 State Reapportionment □ 140 Negotiable Instrument Liability □ 367 Health Care/ INTELLECTUAL □ 320 Assault, Libel & 150 Recovery of Overpayment Pharmaceutical 410 Antitrust PROPERTY RIGHTS & Enforcement of Judgmen Slander Personal Injury П 430 Banks and Banking 820 Copyrights □ 330 Federal Employers' □ 151 Medicare Act Product Liability 450 Commerce 830 Patent □ 152 Recovery of Defaulted Liability 368 Asbestos Personal 460 Deportation 835 Patent-Abbreviated Student Loans □ 340 Marine Injury Product 470 Racketeer Influenced and New Drug Application (Excludes Veterans) □ 345 Marine Product Liability Corrupt Organizations 840 Trademark LABOR □ 153 Recovery of Overpayment PERSONAL PROPERTY 480 Consumer Credit Liability 880 Defend Trade Secrets 350 Motor Vehicle ☑ 370 Other Fraud (15 USC 1681 or 1692) of Veteran's Benefits 710 Fair Labor Standards Act of 2016 □ 160 Stockholders' Suits □ 355 Motor Vehicle □ 371 Truth in Lending 485 Telephone Consumer Act □ 190 Other Contract Product Liability □ 380 Other Personal □ 720 Labor/Management Protection Act SOCIAL SECURITY □ 195 Contract Product Liability Property Damage 490 Cable/Sat TV □ 360 Other Personal Relations ٦ 861 HIA (1395ff) 196 Franchise Injury □ 385 Property Damage 740 Railway Labor Act 850 Securities/Commodities/ п 862 Black Lung (923) 362 Personal Injury -Product Liability 751 Family and Medical Exchange 863 DIWC/DIWW (405(g)) Medical Malpractice Leave Act 890 Other Statutory Actions 864 SSID Title XVI REAL PROPERTY PRISONER PETITIONS □ 790 Other Labor Litigation □ 891 Agricultural Acts CIVIL RIGHTS □ 865 RSI (405(g)) 440 Other Civil Rights □ 791 Employee Retirement 893 Environmental Matters □ 210 Land Condemnation Habeas Corpus: Income Security Act 895 Freedom of Information □ 220 Foreclosure □ 441 Voting 463 Alien Detainee FEDERAL TAX S UITS Act □ 230 Rent Lease & Ejectment □ 442 Employment 510 Motions to Vacate 870 Taxes (U.S. Plaintiff Π 896 Arbitration □ 240 Torts to Land 443 Housing/ Sentence or Defendant) 899 Administrative Procedure □ 245 Tort Product Liability Accommodations 530 General 871 IRS-Third Party Act/Review or Appeal of □ 535 Death Penalty **IMMIGRATION** 290 All Other Real Property 445 Amer. w/Disabilities 26 USC 7609 Agency Decision Employment Other: 462 Naturalization Application 950 Constitutionality of 540 Mandamus & Other □ 465 Other Immigration 446 Amer. w/Disabilities State Statutes 550 Civil Rights Other Actions 555 Prison Condition □ 448 Education □ 560 Civil Detainee Conditions of Confinement V. ORIGIN (Place an "X" in One Box Only)  $\Box$  2 Removed from □ 4 Reinstated or □ 5 Transferred from □ 6 Multidistrict □ 8 Multidistrict ☑ 1 Original  $\square$  3 Remanded from State Court Proceeding Appellate Court Reopened Another District Litigation -Litigation -(specify) Transfer Direct File Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 28 U.S.C. § 1332 VI. CAUSE OF ACTION Brief description of cause: False advertising VII. REOUESTED IN CHECK IF THIS IS A CLASS ACTION **DEMAND \$** CHECK YES only if demanded in complaint: M **COMPLAINT:** UNDER RULE 23, F.R.Cv.P. 5,000,000 JURY DEMAND: ☑ Yes  $\square$  No VIII. RELATED CASE(S) (See instructions)

IF ANY	JUDGE		DOCKETNUM				
			DOCKET NUMBER				
DATE	SI	IGNATURE OF ATTORNEY OF RECORD					
May 15, 2021	/:	s/ Spencer Sheehan					
FOR OFFICE USE ONLY ANYNDC-5525856 RECEIPT # AMOUNT		APPLYING IFP	JUDGE		MAG. JUDGE		
RECEIPT #AMOUNT	\$402.00		JUDGE	FJS	MAG. JUDGE	ATB	

# **ClassAction.org**

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Class Action Claims McDaniel's Coffee Canisters Can't Make 'Anywhere Close' to Advertised</u> <u>Number of Cups</u>