United States District Court Eastern District of New York

1:18-cv-05257

Keith Kennedy individually and on behalf of all others similarly situated

Plaintiff

- against -

Complaint

Essentia Water, LLC

Defendant

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

- 1. Essentia Water, LLC ("defendant") manufactures, distributes, markets, labels and sells water products under the "Essentia" line in various sizes, including 33.8 oz (1 L).
- 2. The Products emphasize their ability to provide superior hydration, as measured by hydration markers, compared to non-Essentia products, thereby commanding a premium price.
- 3. The principal display panel contains the product name "Essentia," the statements "overachieving H2O," "Ionized Hydration," "9.5 pH or higher" and the logo of a "plus symbol" squared off by red bars of varying length.



4. The Information panel contains the logo and descriptive text:

We're here to put a flag in the ground and tell the world that a better you starts with a better water. **#EssentiaNation**

What Makes Essentia Better? Our proprietary process turns water from any source into supercharged ionized alkaline water. It's even too pure to be tested by pH strips.





5. The digital and print promotional materials emphasize the Product's special ability to achieve hydration, beyond traditional tap or bottled water.



6. The Product's website claims to have scientific support for the claims it delivers superior hydration and boasts the support of medical doctors.

overachieving H₂O°

The result is supercharged ionized alkaline water that has been clinically shown to be more effective at rehydrating.+

LEARN MORE

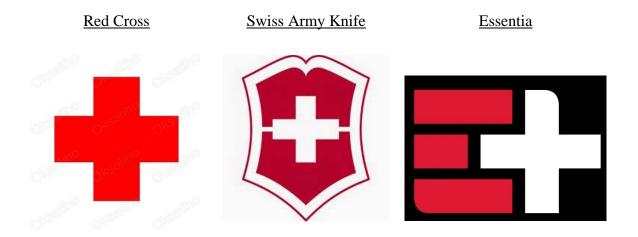
We believe proper hydration increases human potential. Essentia's proprietary ionization process creates a clean and smooth tasting 9.5pH or higher alkaline water that's better at rehydrating. We have backed it up with solid science. + Essentia was included in the first ever hydration study of its kind.

The clinical trial, published in the Journal of the International Society of Sports Nutrition (JISSN), measured how well a leading bottled water and Essentia Water rehydrated participants after moderate aerobic exercise. The results showed that Essentia Water was more effective at rehydrating.+

"These scientific findings reinforce feedback we've heard for several years from doctors, athletes, and all kinds of overachievers aiming to be at the top of their game. Essentia Water helps them rehydrate better," said Ken Uptain, founder and CEO of Essentia Water.

Essentia is the only bottled water listed in the Physicians' Desk Reference, commonly recommended by physicians for hydration.

- 7. Defendant's logo is a clever amalgam of the symbols for the International Red Cross and the Swiss Army knives made by the Victorinox company.
 - 8. Consumers are familiar with the Red Cross logo being synonymous with "first aid."
- 9. Likewise, familiarity with the white Swiss Army Knife cross emblazoned on a red shield is a symbol of protection and ingenuity, since its namesake penknife incorporates several blades and other tools such as scissors and a screwdriver.



- 10. Defendant's logo is viewed in conjunction with the claims that the Product's superiority in the realm of hydration is backed by scientific rigor, causing a reasonable consumer to believe that Essentia will be more effective and efficient in supplying hydration.
- 11. Defendant relies in part on its study, "Effect of electrolyzed high-pH alkaline water on blood viscosity in healthy adults" for support that Essentia, due to its pH, is superior to non-alkalinized water, for effectiveness of hydration. *Journal of the International Society of Sports Nutrition* 13.1 (2016): 45.
- 12. The study compared persons who consumed alkaline water with a control group that consumed purified reverse osmosis water, following dehydration because of exercise.
- 13. The conclusion was that the alkaline water supplied superior hydration, based on the reduction in blood viscosity vis-à-vis the control group.
- 14. Blood viscosity is influenced by hematocrit, red blood cell deformability, red blood cell aggregation, and plasma viscosity, but not impacted by discrete nutritional disturbances from consuming a non-medicinal beverage.
- 15. Moreover, dehydration can cause an increase in blood viscosity (thickness), so that an increase in water will reduce dehydration.

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- 16. The study's conclusion that the alkalinized water reduced blood viscosity greater than the control water is unrelated to the water being alkalinized.
- 17. This is because the control group was given purified reverse osmosis water, which has had all minerals and electrolytes removed, while the alkalinized water notably possesses electrolytes, though they are purportedly present "for taste."
- 18. Alkalinity is in relation to "acidic" and these terms refer to the pH level of different types of foods and beverages.
- 19. The acidity or alkalinity of any solution is indicated on the pH scale ranges from 0 (strongly acidic) to 14 (strongly basic or alkaline).
 - 20. A pH of 7.0 is neutral and pH of blood is slightly basic (7.35 7.45).
- 21. Food and beverages are unable to influence the pH of blood or intra- or extra-celluar liquids, as minor deviations cause serious sickness or death.
 - 22. The lungs, kidneys and buffer systems to regulate the blood's acid-base balance.
- 23. The kidney responds to disturbances of the acid base balance through changes in H+ secretion and HCO3- reabsorption and production on a time scale of hours to days.
- 24. The respiratory center in the medulla oblongata of the brain responds to pH and CO2 within minutes, adjusting the breathing rate.
- 25. The chemical buffer systems in both the extracellular and intracellular compartments act immediately to prevent excessive fluctuations of the blood pH.
- 26. The most important pH buffer system in the blood involves carbonic acid (a weak acid formed from the carbon dioxide dissolved in blood) and bicarbonate ions (the weak base).
 - 27. All consumed food travels to the highly acidic stomach, with a pH of c. 3.0.
 - 28. The low pH is necessary to break it down and sterilize any bacteria ingested.

- 29. After leaving the stomach, the matter goes to the intestines where it is neutralized and slightly alkalized by pancreatic solutions.
- 30. As a result, everything consumed once it gets to the intestines—is roughly the same pH, regardless of its pH at the time it was consumed.
- 31. If the pH of blood changes slightly, it will cause serious medical disturbances requiring hospitalization.
- 32. Extracellular levels of other ions such as Na, K, Ca and inorganic phosphate are also barely affected by fluctuations in their respective nutritional intakes, unless their variations are very large in quantity and extend over prolonged periods.
- 33. The only impact of consuming a product with a pH of 9.5 or above would be to alter the pH of the excreted urine to be more alkaline.
- 34. Moreover, significant amounts of the Product would have to be consumed to even achieve such a transient change in the pH of the blood, which would be almost impossible to do in a short period of time before the body adjusts the pH back to its normal level.
- 35. The claims are literally false because all reasonable scientists agree that mammalian physiology allows for no causality between alkalinized foods and a change in blood viscosity, especially none that can occur in a manner described in the study.
- 36. That the alkalinized water in the study achieved a reduction in blood viscosity is of no significance because (1) any effect from the alkalinity of the water is negated by the acids present in the stomach and (2) the presence of electrolytes likely caused the water to be absorbed better by the body.

- 37. The latter reason is why global health organizations promote rehydration solutions which contain sodium and electrolytes to combat potentially fatal dehydration in developing countries as opposed to providing purified reverse osmosis water.
- 38. The studies purporting to substantiate defendant's claims are poorly designed, incredible and represent the view of a minority of scientists.
- 39. Defendant's representations that its Product is any more effective at providing hydration than other non-alkalinized due to its pH level are false and misleading.
- 40. Excluding tax, the Products cost no less than \$2.99 for 33.8 oz, a premium price compared to non-alkalinized water.

Jurisdiction and Venue

- 41. Jurisdiction is proper pursuant to 28 U.S.C. § 1332(d)(2).
- 42. Upon information and belief, the aggregate amount in controversy is more than \$5,000,000.00, exclusive of interests and costs.
- 43. This Court has personal jurisdiction over defendant because it conducts and transacts business, contracts to supply and supplies goods within New York.
- 44. Venue is proper because plaintiff and many class members reside in this District and defendant does business in this District and in New York.
- 45. A substantial part of events and omissions giving rise to the claims occurred in this District.

Class Allegations

- 46. The classes consist of all consumers in the following states: <u>all, New York</u> who purchased any Products with actionable representations during the statutes of limitation.
 - 47. A class action is superior to other methods for fair and efficient adjudication of this

controversy.

- 48. The class is so numerous that joinder of all members, even if permitted, is impracticable, as there are likely hundreds of thousands of members.
- 49. Common questions of law or fact predominate and include whether the representations were likely to deceive reasonable consumers and if plaintiff(s) and class members are entitled to damages.
- 50. Plaintiff(s) claims and the basis for relief are typical to other members because all were subjected to the same representations.
- 51. Plaintiff(s) is/are an adequate representative because his/her/their interests do not conflict with other members.
- 52. No individual inquiry is necessary since the focus is only on defendant's practices and the class is definable and ascertainable.
- 53. Individual actions would risk inconsistent results, be repetitive and are impractical to justify, as the claims are modest.
- 54. Plaintiff(s) counsel is competent and experienced in complex class action litigation and intends to adequately and fairly protect class members' interests.
 - 55. Plaintiff(s) seeks class-wide injunctive relief because the practices continue.

Parties

- 56. Plaintiff is a citizen of Kings County, New York.
- 57. Defendant is a Delaware limited liability company with its principal place of business in Bothell, Washington, California, and no member thereof is a citizen of New York.
- 58. In 2017 and/or 2018, plaintiff purchased one or more of the Products for personal consumption, for no less than \$2.99 per 33.8 oz, excluding tax, at a store located within this district.
 - 59. Plaintiff paid this premium because prior to purchase, plaintiff saw and relied on the

misleading representations.

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

- 60. Plaintiffs incorporates by references all preceding paragraphs.
- 61. Defendant's acts, practices, advertising, labeling, packaging, representations and omissions are not unique to the parties and have a broader impact on the public.
- 62. Plaintiff desired to purchase products which provided the benefits described by defendant.
- 63. Defendant's representations are false, unfair, deceptive and misleading for the reasons described herein.
- 64. The representations and omissions were relied on by plaintiff and class members, who paid more than they would have otherwise, causing damages.

Negligent Misrepresentation

- 65. Plaintiff incorporates by references all preceding paragraphs.
- 66. Defendant misrepresented the ability of the Products to achieve the claimed effects.
- 67. Defendant had a duty to disclose, in a manner prescribed by law, that its Products were not capable of providing said effects.
- 68. At the time of the representations, defendant knew or should have known same were false or misleading.
 - 69. Defendant negligently misrepresented and/or negligently omitted material facts.
- 70. Plaintiff reasonably and justifiably relied on these negligent misrepresentations and omissions, which served to induce and did induce, the purchase of the Products.
- 71. Plaintiff and class members would not have purchased the Products or paid as much if the true facts had been known, thereby suffering damages.

Breach of Express Warranty and Implied Warranty of Merchantability

- 72. Plaintiff incorporates by references all preceding paragraphs.
- 73. Defendant manufactures and sells waters which have a higher pH level than most water products.
- 74. Defendant warranted to plaintiff and class members that the Products were superior to non-alkaline waters in providing hydration, when this was not truthful and was misleading.
- 75. The Products did not conform to their affirmations of fact and promises, wholly due to defendant's actions.
- 76. Plaintiff and class members relied on defendant's claims, paying more than they would have otherwise.

Fraud

- 77. Plaintiff incorporates by references all preceding paragraphs.
- 78. Defendant's purpose was to mislead consumers who seek foods which have a functional and beneficial effect.
- 79. Defendant is capitalizing on consumer's shift from sugary juices and carbonated soft drinks to calorie-free beverages with beneficial properties.
- 80. Plaintiff and class members observed and relied on defendant's claims, causing them to pay more than they would have otherwise, entitling them to damages.

Unjust Enrichment

- 81. Plaintiff incorporates by references all preceding paragraphs.
- 82. Defendant obtained benefits and monies because the Products were not as represented, to the detriment and impoverishment of plaintiff and class members, who seek restitution and disgorgement of such inequitably obtained profits.

Jury Demand and Prayer for Relief

Plaintiff demands a jury trial on all issues.

WHEREFORE, plaintiffs pray for judgment:

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

undersigned as counsel for the class;

2. Entering preliminary and permanent injunctive relief by directing defendant(s) to correct

such practices to comply with the law;

3. Awarding monetary damages and interest, including treble and punitive damages, pursuant

to the common law and GBL claims;

4. Awarding costs and expenses, including reasonable fees for plaintiffs' attorneys and

experts; and

5. Such other and further relief as the Court deems just and proper.

Dated: September 19, 2018

Respectfully submitted,

Sheehan & Associates, P.C.

/s/Spencer Sheehan

Spencer Sheehan 891 Northern Blvd., Suite 201 Great Neck, NY 11021

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spencer@spencersheehan.com

Levin-Epstein & Associates, P.C.

/s/Joshua Levin-Epstein

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New York, NY 10119

Tel: (212) 792-0046

joshua@levinepstein.com

| 1:18-cv-05257 |
|------------------------------|
| United States District Court |
| Eastern District of New York |

Keith Kennedy individually and on behalf of all others similarly situated

Plaintiffs

- against -

Essentia Water, LLC

Defendant(s)

Complaint

Sheehan & Associates, P.C. 891 Northern Blvd., #201 Great Neck, NY 11021 Tel: (516) 303-0052

Fax: (516) 234-7800

Pursuant to 22 NYCRR 130-1.1, the undersigned, an attorney admitted to practice in the courts of New York State, certifies that, upon information, and belief, formed after an inquiry reasonable under the circumstances, the contentions contained in the annexed documents are not frivolous.

Dated: September 19, 2018

/s/ Spencer Sheehan
Spencer Sheehan

JS 44 (Rev. 07/16)

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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.)

| purpose of initiating the civil de | ocket sneet. (SEE INSTRUC | ITONS ON NEXT PAGE O | FTHISFO | PRM.) | | |
|---|---|--|--|--|--|---|
| I. (a) PLAINTIFFS Keith Kennedy individually and on behalf of all others similarly situ | | | | DEFENDANTS Essentia Water, LL | .C | |
| (b) County of Residence of (E.) (c) Attorneys (Firm Name, A.) Sheehan & Associates, F. Neck, NY 11021, (516) 3 | Accept IN U.S. PLAINTIFF CA Address, and Telephone Numbe P.C., 891 Northern Bou | r) | Great | NOTE: IN LAND CO | of First Listed Defendant (IN U.S. PLAINTIFF CASES ON OF LAND INVOLVED. | , |
| II. BASIS OF JURISDI | CTION (Place an "X" in O | ne Box Only) | III. CI | TIZENSHIP OF PI | RINCIPAL PARTIES | (Place an "X" in One Box for Plainti |
| ☐ 1 U.S. Government ☐ 3 Federal Question Plaintiff (U.S. Government Not a Party) | | | (For Diversity Cases Only) PT en of This State | | | |
| ☐ 2 U.S. Government Defendant | 3 4 Diversity (Indicate Citizenship of Parties in Item III) | | Citiz | en of Another State | 2 2 Incorporated and F of Business In A | |
| IV. NATURE OF SUIT | P | | | en or Subject of a reign Country | 3 🗖 3 Foreign Nation | □ 6 □ 6 |
| CONTRACT | | ORTS | FO | ORFEITURE/PENALTY | BANKRUPTCY | OTHER STATUTES |
| □ 110 Insurance □ 120 Marine □ 130 Miller Act □ 140 Negotiable Instrument □ 150 Recovery of Overpayment | 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 Product Liability 350 Motor Vehicle Product Liability 360 Other Personal Injury 362 Personal Injury Medical Malpractice 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 | PERSONAL INJUR Bellow Personal Injury - Product Liability 367 Health Care/ Pharmaceutical Personal Injury Product Liability 368 Asbestos Personal Injury Product Liability PERSONAL PROPER 370 Other Fraud 371 Truth in Lending 380 Other Personal Property Damage 70 385 Property Damage 10 385 Property Damage 11 Property Damage Product Liability PRISONER PETITION 12 Habeas Corpus: 13 463 Alien Detainee 15 10 Motions to Vacate Sentence 15 30 General 15 35 Death Penalty 15 550 Civil Rights 15 55 Prison Condition 15 560 Civil Detainee - Conditions of Confinement | Y | 25 Drug Related Seizure of Property 21 USC 881 00 Other LABOR 10 Fair Labor Standards Act 20 Labor/Management Relations 10 Railway Labor Act 51 Family and Medical Leave Act 10 Other Labor Litigation 11 Employee Retirement Income Security Act IMMIGRATION 52 Naturalization Application 55 Other Immigration Actions | BANKUPTCY □ 422 Appeal 28 USC 158 □ 423 Withdrawal 28 USC 157 PROPERTY RIGHTS □ 820 Copyrights □ 830 Patent □ 840 Trademark SOCIAL SECURITY □ 861 HIA (1395ff) □ 862 Black Lung (923) □ 863 DIWC/DIWW (405(g)) □ 864 SSID Title XVI □ 865 RSI (405(g)) FEDERAL TAX SUITS □ 870 Taxes (U.S. Plaintiff or Defendant) □ 871 IRS—Third Party 26 USC 7609 | OTHER STATUTES □ 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 □ 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 |
| | moved from | Appellate Court | | , | r District Litigation Transfer | |
| VI. CAUSE OF ACTIO | I 28 USC § 1332 | • | ie ming (I | oo noi cue jurisaictional stati | mes uniess alversuy): | |
| VII. REQUESTED IN COMPLAINT: | <u>_</u> | IS A CLASS ACTION 3, F.R.Cv.P. | | EMAND \$ 5,000,000.00 | CHECK YES only JURY DEMAND: | if demanded in complaint: Yes No |
| VIII. RELATED CASI IF ANY | E(S) (See instructions): | JUDGE | | | DOCKET NUMBER | |
| DATE 09/19/2018 | | signature of at /s/ Spencer Sh | | OF RECORD | | |
| FOR OFFICE USE ONLY RECEIPT # AM | MOUNT | APPLYING IFP | | JUDGE | MAG. JUI | DGE |

Case 1:18-cv-05257 Document 1-1 Filed 09/19/18 Page 2 of 2 PageID #: 15

CERTIFICATION OF ARBITRATION ELIGIBILITY

Local Arbitration Rule 83.10 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000, exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed.

| I Spence | er Sheehan | counsel for plaintiff do hereby certify that the above captioned civil action is |
|--|--|--|
| ineligib | ole for co | , counsel for, do hereby certify that the above captioned civil action is ompulsory arbitration for the following reason(s): |
| | X | monetary damages sought are in excess of \$150,000, exclusive of interest and costs, |
| | X | the complaint seeks injunctive relief, |
| | | the matter is otherwise ineligible for the following reason |
| | | DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1 |
| | | Identify any parent corporation and any publicly held corporation that owns 10% or more or its stocks: |
| | | RELATED CASE STATEMENT (Section VIII on the Front of this Form) |
| provides because same jud case: (A) | that "A c the cases a lge and ma involves | is that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the agistrate judge." Rule 50.3.1 (b) provides that "A civil case shall not be deemed "related" to another civil case merely because the civil identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power remine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the |
| | | NY-E DIVISION OF BUSINESS RULE 50.1(d)(2) |
| 1.) | Is the ci | ivil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk |
| 2.) | | answered "no" above: the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk ? No |
| | b) Did t District | the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern ?? Yes |
| Suffolk | | o question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau ty? |
| | (N | Note: A corporation shall be considered a resident of the County in which it has the most significant contacts). |
| | | BAR ADMISSION |
| I am cui | rrently ac | dmitted in the Eastern District of New York and currently a member in good standing of the bar of this court. Yes |
| Are you | currentl | y the subject of any disciplinary action (s) in this or any other state or federal court? Yes (If yes, please explain) No |
| . | .1 | |
| 1 certify | ine accu | racy of all information provided above. |

Signature: /s/ Spencer Sheehan

UNITED STATES DISTRICT COURT

for the

Fastern District of New York

| | Eastern 1 | DISTRICT OF NEW YORK | |
|--|---|--|------------------|
| Keith Kennedy individually as similarly situated | nd on behalf of all others |)))))) | |
| Pla | iintiff(s) | <u> </u> | |
| | V. |) Civil Action No. 1:18-cv-05257 | |
| Essentia Water, LLC | |) | |
| Defe | endant(s) |))) | |
| | SUMMONS | S IN A CIVIL ACTION | |
| To: (Defendant's name and address) | Essentia Water, LLC c/o THE CORPORATIO CORPORATION TRUST WILMINGTON, DE 198 | T CENTER 1209 ORANGE ST | |
| A lawsuit has been filed | l against you. | | |
| the United States or a United Sta | ates agency, or an officer or en on the plaintiff an answer to the answer or motion must be serve | (not counting the day you received it) — or 60 days if imployee of the United States described in Fed. R. Civ. he attached complaint or a motion under Rule 12 of the ed on the plaintiff or plaintiff's states, P.C. 891 Northern Blvd., #201, Great Neck, NY | P. 12 Federal |
| If you fail to respond, ju You also must file your answer | | ered against you for the relief demanded in the compla | int. |
| | | DOUGLAS C. PALMER CLERK OF COURT | |
| Date: | <u> </u> | Signature of Clerk or Deputy Clerk | |
| | | O | |

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: Essentia Water's Claims of Providing 'Superior Hydration' Are Misleading, Class Action Claims