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Chant Yedalian, State Bar No. 222325 FILED (chant@chant.mobi) Superior Court of California CHANT & COMPANY County of Los Angeles A Professional Law Corporation 1010 N. Central Ave. OCT 2 0 2014 Glendale, CA 91202 Phone: 877.574.7100 Sherri R. Carter, Executive Officer/Clerk Fax: 877.574.9411 5 Counsel for Plaintiff 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 9 COUNTY OF LOS ANGELES 10 LARRY TRAN, on behalf of himself) BC 5 6 1 2 1 7 Case No.: 11 and all others similarly situated, **CLASS ACTION** 12 Plaintiff, **COMPLAINT FOR:** 13 1. Violations of California's Unfair 14 BLUE DIAMOND GROWERS, and Competition Law, California DOES 1 through 10, inclusive, Business & Professions Code § 15 17200 et seg., Defendants. 16 2. Violations of California's False Advertising Law, California 17 Business & Proféssions Code § 17500 *et seq.*, and 18 3. Violations of California's 19 Consumers Legal Remedies Act, California Civil Code § 1750 et seq. 20 21 DEMAND FOR JURY TRIAL 22 23 24 25 Plaintiff, by his counsel of record, brings this action on his own behalfand of 26 behalf of all others similarly situated, and alleges the following upon personal 27 knowledge, or where there is not personal knowledge, upon information and belief: 28 \$0.00 \$0.00

COMPLAINT AND DEMAND FOR JURY TRIAL

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INTRODUCTION

- 1. Food and beverage manufacturers have sought to capitalize on the fast-growing market for natural products, which is now a multi-billion dollar industry.
 - 2. Unfortunately, not all manufacturers truthfully represent their products.
- 3. Instead, some manufactures seek to capture a share of the market by touting their products as "Natural" when in fact that is not true.
- 4. Defendant BLUE DIAMOND GROWERS ("Blue Diamond") is an example of a manufacturer who has sought to exploit the market for natural products by representing that its products are "NATURAL."
- 5. Blue Diamond manufactures several food products, including a line of "Nut-Thins" cracker products which include the Nut-Thins Cheddar Cheese Nut & Rice Cracker product. Blue Diamond prominently and repeatedly labels its Nut-Thins Cheddar Cheese Nut & Rice Cracker product as "NATURAL" when in fact it contains non-natural ingredients, including artificial or synthetic ingredients.
- 6. This lawsuit seeks redress on behalf of a California class of consumers who purchased Blue Diamond's Nut-Thins Cheddar Cheese Nut & Rice Cracker product which claimed to be "NATURAL."

JURISDICTION AND VENUE

- 7. This class action is brought pursuant to California Code of Civil Procedure § 382 and California Civil Code § 1781.
- 8. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, Section 10, which grants the Superior Court "original jurisdiction" of this type of action.
- 9. The amount in controversy exceeds \$25,000 and, thus, exceeds the minimum jurisdiction limits of the Superior Court and will be established according to proof at trial. For example, but without limitation, the demand that Defendants refund and restore to Plaintiff and all Class members all monies they paid for the

Nut-Thins Cheddar Cheese Nut & Rice Cracker product, alone totals more than \$25,000 in the value of property or recovery sought. Moreover, among other relief, injunctive relief is sought.

- 10. This Court has personal jurisdiction over all Defendants because all Defendants are citizens of California, conduct business in California, intentionally avail themselves of the markets and benefits of California through their marketing and sales of the products at issue in California so as to render the exercise of jurisdiction by this Court consistent with traditional notions of fair play and substantial justice, and a substantial part of the acts and omissions giving rise to the claims occurred within California and the County of Los Angeles.
- 11. This Court is the appropriate venue for this action because Defendants have done and continue to do business in the County of Los Angeles, Defendants have intentionally availed themselves of the markets within the County of Los Angeles through the promotion, marketing, sale and distribution of their products within the County of Los Angeles, and this is a class action case in which a substantial part of the transactions, acts and omissions giving rise to the claims occurred within the County of Los Angeles, California.

PARTIES

- 12. Plaintiff, LARRY TRAN, is and at all times relevant hereto was a resident and citizen of the State of California.
- and existing under the laws of the State of California and, as such, is a citizen of the State of California. Defendant manufactures, markets, and sells its products throughout the State of California. Defendant is a leading producer of retail food products, including the product at issue herein. Defendant sells its food products to consumers through grocery and other retail stores throughout the State of California.

- 14. At all times mentioned in this Complaint, Defendants and each of them were the agents, employees, joint venturer, and or partners of each other and were acting within the course and scope of such agency, employment, joint venturer and or partnership relationship and or each of the Defendants ratified and or authorized the conduct of each of the other Defendants.
- 15. Plaintiff does not know the true names and capacities of defendants sued herein as DOES 1 through 10, inclusive, and therefore sues these defendants by such fictitious names. Plaintiff is informed and believes that each of the DOE defendants was in some manner legally responsible for the wrongful and unlawful conduct and harm alleged herein. Plaintiff will amend this Complaint to set forth the true names and capacities of these defendants when they have been ascertained, along with appropriate charging allegations.
- 16. Defendant BLUE DIAMOND GROWERS and DOES 1 through 10 are collectively referred to as Defendants.

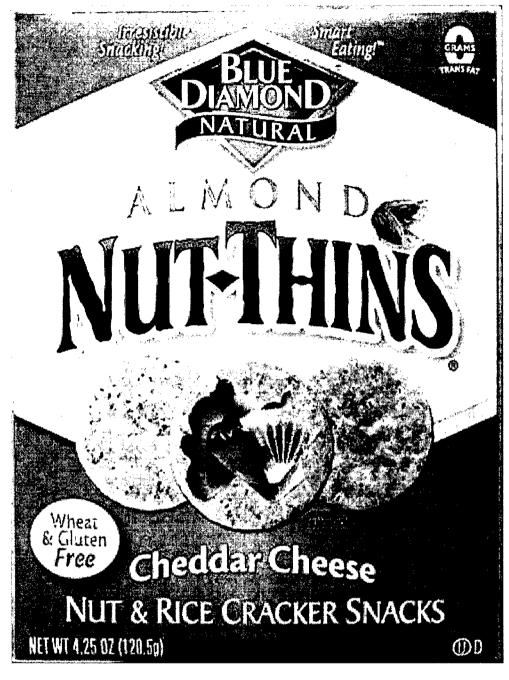
FACTUAL ALLEGATIONS CONCERNING BLUE DIAMOND'S PRODUCT

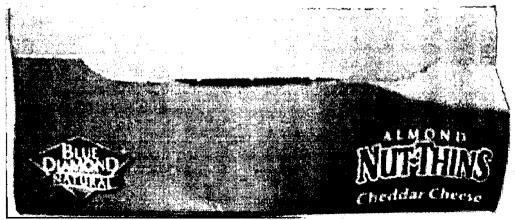
- 17. Within the last four years, Plaintiff Larry Tran purchased some of Defendants' Blue Diamond products, including the Nut-Thins Cheddar Cheese Nut & Rice Cracker product.
- 18. The Nut-Thins Cheddar Cheese Nut & Rice Cracker product purchased by Plaintiff Larry Tran has the following labels:

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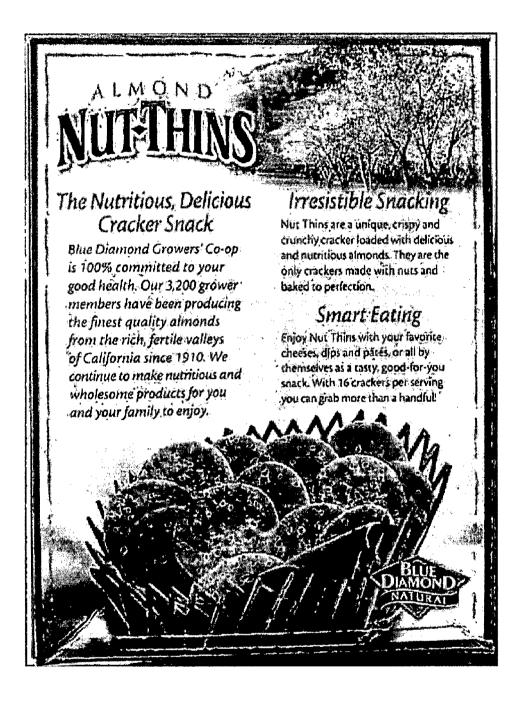
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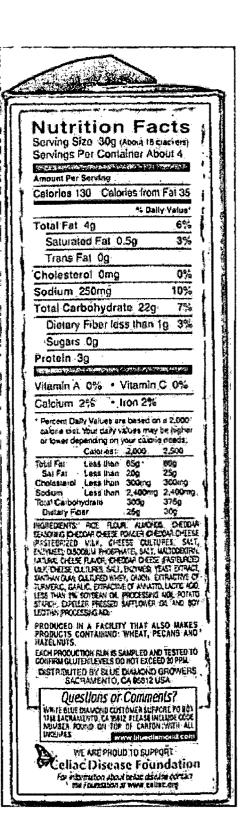
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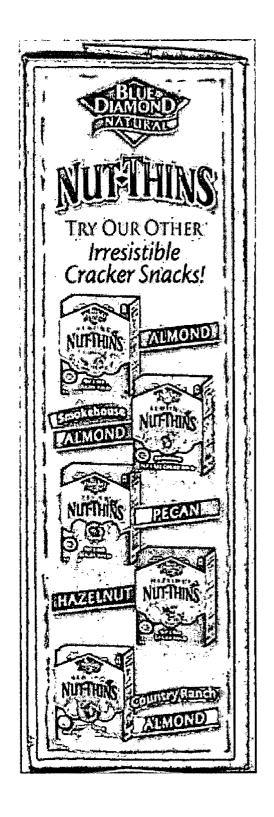


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19. The label of the Nut-Thins Cheddar Cheese Nut & Rice Cracker product includes the following representations on the product's package:

"NATURAL" (front of package),

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"NATURAL" (back of package),

"NATURAL" (side of package),

"NATURAL" (top of package).

20. The ingredients on the side label of the Nut-Thins Cheddar Cheese Nut & Rice Cracker product's package states as follows:

ALMONDS, CHEDDAR "INGREDIENTS: RICE FLOUR. CHEESE POWDER SEASONING [CHEDDAR (CHEDDAR CHEESE (PASTEURIZED MILK, CHEESE CULTURES, SALT, ENZYMES), DISODIUM PHOSPHATE), SALT, MALTODEXTRIN, NATURAL CHEESE FLAVOR (CHEDDAR CHEESE (PASTEURIZED MILK, CHEESE CULTURES, SALT, ENZYMES), YEAST EXTRACT, XANTHAN GUM), CULTURED WHEY, ONION, EXTRACTIVE OF TURMERIC, GARLIC, EXTRACTIVE OF ANNATTO, LACTIC ACID, LESS THAN 2% SOYBEAN OIL (PROCESSING AID)], POTATO STARCH, SAFFLOWER OIL, SOY LECITHIN EXPELLER PRESSED (PROCESSING AID)."

- 21. Defendants unlawfully misbranded and falsely, misleadingly and deceptively represented the Nut-Thins Cheddar Cheese Nut & Rice Cracker product as "NATURAL" despite that it contains non-natural ingredients, including the following artificial or synthetic ingredients: disodium phosphate and xanthan gum.¹
- 22. The size and placement of ingredients, which appear in smaller print and on the side of each package of the Nut-Thins Cheddar Cheese Nut & Rice Cracker product, are in stark contrast to the conspicuous "NATURAL" representations, which appear in larger print and in more prominent locations on the packaging.

¹ Plaintiff reserves the right to amend these allegations if additional investigation or discovery reveals other non-natural ingredients.

- 23. Reasonable consumers, including Plaintiff, do not have the specialized knowledge necessary to identify ingredients in Blue Diamond's products as being inconsistent with the "NATURAL" claims.
- 24. A claim that a product is "NATURAL" is material to a reasonable consumer.
- 25. A reasonable consumer would expect that a product labeled as "NATURAL" does not contain any artificial, synthetic or extensively processed ingredients.
- 26. This expectation of a reasonable consumer is consistent with the common use of the word "natural" as well as with the views of the federal government and its agencies.
- 27. The Food and Drug Administration ("FDA") has repeatedly stated its policy to restrict the use of the term "natural" in connection with added color, synthetic substances and flavors addressed in 21 C.F.R. § 101.22.
- 28. 21 C.F.R. § 101.22 distinguishes between artificial versus natural foods, spices, flavorings, colorings, and preservatives on food labels. Any coloring or preservative can preclude the use of the term "natural" even if the coloring or preservative is derived from natural sources.
- 29. The Food and Drug Administration ("FDA") has repeatedly affirmed its policy through guidelines that define the appropriate boundaries for using the term "natural." According to the FDA:

"The agency will maintain its current policy ... not to restrict the use of the term 'natural' except for added color, synthetic substances, and flavors as provided in § 101.22. Additionally, the agency will maintain its policy ... regarding the use of 'natural' as meaning that nothing artificial or synthetic (including all color additives regardless of source) has been included in, or has been added to, a food that would not normally be expected to be in the food. Further ... the agency will continue to distinguish between natural and

artificial flavors as outlined in § 101.22." 58 Federal Register 2302, 2407 (Jan. 6, 1993).

- 30. The FDA Compliance Policy Guide Sec. 587.100 further provides that: "The use of the words 'food color added,' 'natural color,' or similar words containing the term 'food' or 'natural' may be erroneously interpreted to mean the color is a naturally occurring constituent in the food. Since all added colors result in an artificially colored food, we would object to the declaration of any added color as 'food' or 'natural.'"
- 31. Defendants engaged in an extensive and long-term advertising campaign labeling and otherwise marketing their Nut-Thins Cheddar Cheese Nut & Rice Cracker product as "NATURAL" when, in fact, it is not "NATURAL."
- 32. Defendants and each of them were well aware that Disodium Phosphate and Xanthan Gum are not "NATURAL." Among other facts that were known to Defendants, Defendants knew about the facts set forth in paragraphs 33 through 35, below.
- 33. **Disodium Phosphate:** Disodium Phosphate (as with all Sodium Phosphates) is identified as a synthetic substance by the Code of Federal Regulations, at 7 C.F.R. § 205.605(b). Disodium Phosphate is produced using Phosphoric Acid, which is designated a "hazardous substance" by the Code of Federal Regulations at 40 C.F.R. § 116.4.
- 34. **Xanthan Gum:** Xanthan Gum is also identified as a synthetic substance by the Code of Federal Regulations, at 7 C.F.R. § 205.605(b). "The additive [Xanthan Gum] is a polysaccharide gum derived from Xanthomonas campestris by a pure-culture fermentation process and purified by recovery with isopropyl alcohol. It contains D-glucose, D-mannose, and D-glucuronic acid as the dominant hexose units and is manufactured as the sodium, potassium, or calcium salt." 21 C.F.R. § 172.695(a). Further, Isopropyl Alcohol, which as stated above, is

used in the manufacturing process of Xanthan Gum, is itself a synthetic substance. 21 C.F.R. § 172.515(b).

- 35. The Code of Federal Regulations defines the term "synthetic" as "A substance that is formulated or manufactured by a chemical process or by a process that chemically changes a substance extracted from naturally occurring plant, animal, or mineral sources, except that such term shall not apply to substances created by naturally occurring biological processes." 7 C.F.R. § 205.2; *Rojas v. General Mills, Inc.*, No. 12-cv-05099-WHO, 2014 WL 1248017 *1 (N.D. Cal. March 26, 2014).
- 36. Plaintiff Larry Tran purchased the Nut-Thins Cheddar Cheese Nut & Rice Cracker product in reliance on Defendants' representations and omissions on the product's labels that the product is "NATURAL."
- 37. Plaintiff Larry Tran reasonably and justifiably relied on the "NATURAL" representations on the Nut-Thins Cheddar Cheese Nut & Rice Cracker product, and based his decision to purchase the product in substantial part on such representations.
- 38. Plaintiff Larry Tran also reasonably assumed that the Nut-Thins Cheddar Cheese Nut & Rice Cracker product was not misbranded and was legal to offer for sale and to purchase.
- 39. Plaintiff Larry Tran was misled and deceived by Defendants' misbranded product and label representations and would not have purchased the Nut-Thins Cheddar Cheese Nut & Rice Cracker product in the absence of the foregoing "NATURAL" representations and omissions.
- 40. Plaintiff Larry Tran relied on Defendants' misbranded labels and false, misleading and deceptive labeling claims and omissions and suffered injury in fact and a loss of money with each purchase of Defendants' Blue Diamond products.
- 41. As a result of Defendants' misbranding and false, misleading and deceptive labeling claims and omissions, consumers such as Plaintiff did not receive

the benefit of their bargain when they purchased the Nut-Thins Cheddar Cheese Nut & Rice Cracker product.² They each paid money for a product that is misbranded (and therefore has no value as a matter of law), and is not what it claims to be or what they bargained for. They also paid a premium for the product and lost the opportunity to purchase and consume other, truly all natural foods.

- 42. Defendants know that consumers are willing to pay for natural products. Defendants advertised their Nut-Thins Cheddar Cheese Nut & Rice Cracker product with the intention that consumers rely on the affirmative misrepresentations of fact on their labeling that the product is "NATURAL." Further, Defendants' omissions of the material fact that the product includes ingredients that are not "NATURAL," but instead contains artificial, synthetic or extensively processed ingredients, are likely to deceive reasonable consumers.
- 43. Defendants know that the Nut-Thins Cheddar Cheese Nut & Rice Cracker product is misbranded and that its labeling claims and omissions are false, misleading, deceptive, and likely to deceive reasonable consumers.
- 44. Yet, Defendants have engaged and continue to engage in their misbranding and with their misrepresentations of fact and omissions of fact in furtherance of their motive to sell and profit from the Nut-Thins Cheddar Cheese Nut & Rice Cracker product on the backs and at the expense of consumers and the consuming public.

CLASS ACTION ALLEGATIONS

45. Plaintiff brings this class action on behalf of himself and all other persons similarly situated pursuant to California Code of Civil Procedure § 382 and California Civil Code Section § 1781.

² To the extent additional investigation or discovery shows any substantially similar Blue Diamond products which involve similar mislabeling issues, Plaintiff reserves the right to amend his complaint to make such allegations and include any such substantially similar Blue Diamond products.

46.	The class	("Class")	which Plaintiff seeks	to represent is defined a	as:
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"All persons, who are citizens of the State of California, and who, within four years from the date of filing this action, purchased the Nut-Thins Cheddar Cheese Nut & Rice Cracker product which was labeled "NATURAL."³

- 47. Excluded from the Class are Defendants and their directors, officers and employees, and any person who is not a citizen of the State of California.
- 48. <u>Numerosity</u>: The Class is so numerous that joinder of all individual members in one action would be impracticable. The disposition of their claims through this class action will benefit both the parties and this Court.
- 49. Plaintiff is informed and believes and thereon alleges that there are, at a minimum, many thousands of members that comprise the Class.
- 50. Members of the Class may be notified of the pendency of this action by techniques and forms commonly used in class actions, such as by published notice, e-mail notice, website notice, first-class mail, or combinations thereof, or by other methods suitable to this class and deemed necessary and or appropriate by the Court.
- 51. <u>Common Questions of Fact and Law</u>: There are a well-defined community of interest and common questions of fact and law affecting the members of the Class.
- 52. The questions of fact and law common to the Class predominate over questions which may affect individual members and include the following:
- (a) Whether Defendants' "NATURAL" representations are unlawful, unfair, deceptive, untrue or misleading;
- (b) Whether Defendants violated California Business and Professions Code § 17200 et seq.;

³ Plaintiff reserves the right to amend or otherwise modify the Class definition and/or add subclasses.

- (c) Whether Defendants violated California Business and Professions Code § 17500 et seq.;
- (d) Whether Defendants violated California Civil Code § 1750 et seq.; and
- (e) The relief, including injunctive and other equitable relief, to which Plaintiffs and the Class are entitled.
- 53. <u>Typicality</u>: Plaintiff's claims are typical of the claims of the entire Class. Plaintiff and all Class members each bought one or more of Defendants' product at issue in this case. The claims of Plaintiff and members of the Class are based on the same legal and remedial theories and arise from the same unlawful conduct.
- 54. <u>Adequacy of Representation</u>: Plaintiff is an adequate representative of the Class because his interests do not conflict with the interests of the Class which Plaintiff seeks to represent. Plaintiff will fairly, adequately, and vigorously represent and protect the interests of the Class and has no interests antagonistic to the Class. Plaintiff has retained counsel who is competent and experienced in the prosecution of class action litigation.
- 55. <u>Superiority</u>: A class action is superior to other available means for the fair and efficient adjudication of the claims of the Class. While the aggregate damages which may be and if awarded to the Class are likely to be substantial, the actual economic damages suffered by individual members of the Class are likely relatively small. As a result, the expense and burden of individual litigation makes it economically infeasible and procedurally impracticable for each member of the Class to individually seek redress for the wrongs done to them. The likelihood of individual Class members prosecuting separate claims is remote. Individualized litigation would also present the potential for varying, inconsistent or contradictory judgments, and would increase the delay and expense to all parties and the court system resulting from multiple trials of the same factual issues. In contrast, the

conduct of this matter as a class action presents fewer management difficulties, conserves the resources of the parties and the court system, and would protect the rights of each member of the Class. Plaintiff knows of no difficulty to be encountered in the management of this action that would preclude its maintenance as a class action.

56. <u>Injunctive or Declaratory Relief</u>: A class action is also appropriate because Defendants have acted or refused to act on grounds that apply generally to the Class, so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Class as a whole.

FIRST CAUSE OF ACTION

For Violation of California's Unfair Competition Law, California Business & Professions Code § 17200 et seq. (On Behalf of Plaintiff and the Class as against all Defendants including DOES 1 through 10)

- 57. Plaintiff hereby incorporates by reference the allegations contained in this Complaint.
- 58. Plaintiff asserts this claim on behalf of himself and the Class as against Defendants and each of them.
- 59. "California's unfair competition law (UCL) (§ 17200 et seq.) defines 'unfair competition' to mean and include 'any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising and any act prohibited by [the false advertising law (§ 17500 et seq.)]." Kasky v. Nike, Inc., 27 Cal.4th 939, 949 (2002).
- 60. "The UCL's purpose is to protect both consumers and competitors by promoting fair competition in commercial markets for goods and services." *Kasky*, 27 Cal.4th at 949.

61. Defendants have violated the UCL in several of the following ways, each of which are independently actionable:

Unlawful (Sherman Law Misbranding Violations)

- 62. Defendants' conduct of labeling, advertising and otherwise representing their products as "NATURAL" is unlawful and constitutes misbranding under the Sherman Food, Drug, And Cosmetic Law, California Health & Safety Code § 109875 *et seq.* (the "Sherman Law").
- 63. California's Sherman Law adopts, incorporates and is identical to the relevant provisions of the federal Food Drug and Cosmetic Act, 21 U.S.C. § 301 et seq. ("FDCA").⁴
- 64. The Sherman Law expressly states that "Any food is misbranded if its labeling is false or misleading in any particular." California Health & Safety Code § 110660.⁵
- 65. The Sherman Law also provides that "Any food is misbranded if any word, statement, or other information required pursuant to this part to appear on the label or labeling is not prominently placed upon the label or labeling with conspicuousness, as compared with other words, statements, designs, or devices in the labeling and in terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use." California Health & Safety Code § 110705.6
- 66. The Sherman Law expressly states that "Any food is misbranded if it bears or contains any artificial flavoring, artificial coloring, or chemical

⁴ Through the Sherman Law, California has also adopted all federal food labeling regulations as its own: "All food labeling regulations and any amendments to those regulations adopted pursuant to the federal act ... shall be the food labeling regulations of this state." California Health & Safety Code § 110100. "Federal act means the federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. Sec. 301 et seq.)." California Health & Safety Code § 109930.

⁵ Identical to FDCA 21 U.S.C. § 343(a).

⁶ Identical to FDCA 21 U.S.C. § 343(f).

preservative, unless its labeling states that fact." California Health & Safety Code § 110740.7

- 67. The Sherman Law also provides that a food is misbranded if its label does not clearly state "the common or usual name of the food" or "the common or usual name of each ingredient." California Health & Safety Code §§ 110720.
- 68. Misbranded food is unlawful and has no value as it may not be manufactured, delivered, held, offered for sale, or otherwise received in commerce.
- 69. "It is unlawful for any person to misbrand any food." California Health & Safety Code § 110765.
- 70. "It is unlawful for any person to manufacture, sell, deliver, hold, or offer for sale any food that is misbranded." California Health & Safety Code § 110760.
- 71. "It is unlawful for any person to receive in commerce any food that is misbranded or to deliver or proffer for delivery any such food." California Health & Safety Code § 110770.
- 72. Defendants manufactured, delivered, held, offered for sale, sold and/or otherwise received into commerce their misbranded Nut-Thins Cheddar Cheese Nut & Rice Cracker product.
- 73. Defendants sold their misbranded Nut-Thins Cheddar Cheese Nut & Rice Cracker product throughout California.
- 74. As a result of Defendants' conduct, Plaintiff and Class members purchased the Nut-Thins Cheddar Cheese Nut & Rice Cracker misbranded product which has no value and are not saleable, as a matter of law, and Plaintiff and Class

⁷ Identical to FDCA 21 U.S.C. § 343(k).

⁸ Identical to FDCA 21 U.S.C. § 343(g); and 21 C.F.R. § 101.4(a)(1), 21 C.F.R. § 102.5(a), (d).

members suffered injury in fact and lost money or property as a result of Defendants' conduct.

Unlawful (Other Violations)

- 75. In addition to Defendants' misbranding violations set forth above, Defendants have also violated the UCL by violating other laws including, but not limited to, the following:
- 76. Defendants' conduct violates the advertising prohibitions under the Sherman Law, California Health & Safety Code §§ 110390, 110395, 110398 and 110400.
- 77. Defendants' conduct violates California's False Advertising Law, California Business & Professions Code § 17500 et seq.
- 78. Defendants' conduct violates California's Consumers Legal Remedies Act., California Civil Code § 1750 et seq.

Unfair

- 79. Defendants' conduct is unfair under the UCL because it offends established public policy and/or is immoral, unethical, oppressive, unscrupulous and/or substantially injurious to Plaintiff and the Class. Defendants' conduct undermines and violates the spirit and policies underlying the Sherman Law, the False Advertising Law, and the Consumers Legal Remedies Act. There is no legitimate utility of Defendants' conduct, let alone any that would outweigh the harm to Plaintiff and the Class.
- 80. Plaintiff and Class members did not know and, as reasonable consumers had no way of reasonably knowing that the products were misbranded and were not properly marketed, advertised, packaged and labeled, and thus could not have reasonably avoided the injury each of them suffered.

Fraudulent

81. Defendants' conduct is also fraudulent under the UCL because it is likely to deceive reasonable consumers.

Unfair, Deceptive, Untrue or Misleading Advertising

82. As described herein, Defendants' conduct also violates the UCL because the conduct constitutes unfair, deceptive, untrue and/or misleading advertising.

Relief Sought

- 83. As a result of Defendants' conduct and violations of the UCL, Plaintiff and Class members suffered injury in fact and lost money or property.
 - 84. Defendants' conduct is ongoing and, unless restrained, likely to recur.
- 85. Plaintiff, on behalf of himself and Class members, seeks equitable relief requiring Defendants to refund and restore to Plaintiff and all Class members all monies they paid for the Nut-Thins Cheddar Cheese Nut & Rice Cracker product, and injunctive relief prohibiting Defendants from engaging in the misconduct described herein.

SECOND CAUSE OF ACTION

For Violation of California's False Advertising Law,
California Business & Professions Code § 17500 et seq.

(On Behalf of Plaintiff and the Class as against
all Defendants including DOES 1 through 10)

- 86. Plaintiff hereby incorporates by reference the allegations contained in this Complaint.
- 87. Plaintiff asserts this claim on behalf of himself and the Class as against Defendants and each of them.
- 88. Both the UCL and California's False Advertising Law prohibit "'not only advertising which is false, but also advertising which[,] although true, is either actually misleading or which has a capacity, likelihood or tendency to deceive or confuse the public.' [Citation.] Thus, to state a claim under either the UCL or the false advertising law, based on false advertising or promotional practices, 'it is

necessary only to show that `members of the public are likely to be deceived."" *Kasky v. Nike, Inc.*, 27 Cal.4th 939, 951 (2002).

- 89. As stated in this Complaint, Defendants publicly disseminated untrue or misleading advertising or intended not to sell the Nut-Thins Cheddar Cheese Nut & Rice Cracker product as advertised in violation of California Business & Professional Code § 17500 et seq., by, inter alia, representing that it is "NATURAL" when it is not.
- 90. Defendants committed such violations of the False Advertising Law with actual knowledge or in the exercise of reasonable care should have known the representations were untrue or misleading.
- 91. As a result of Defendants' conduct and violations of the UCL, Plaintiff and Class members suffered injury in fact and lost money or property.
 - 92. Defendants' conduct is ongoing and, unless restrained, likely to recur.
- 93. Plaintiff, on behalf of himself and Class members, seeks equitable relief requiring Defendants to refund and restore to Plaintiff and all Class members all monies they paid for the Nut-Thins Cheddar Cheese Nut & Rice Cracker product, and injunctive relief prohibiting Defendants from engaging in the misconduct described herein.

THIRD CAUSE OF ACTION

For Violation of California's Consumers Legal Remedies Act, California Civil Code § 1750 et seq.

(On Behalf of Plaintiff and the Class as against all Defendants including DOES 1 through 10)

- 94. Plaintiff hereby incorporates by reference the allegations contained in this Complaint.
- 95. Plaintiff asserts this claim on behalf of himself and the Class as against Defendants and each of them.

- 96. Defendants' representations, omissions and conduct have violated, and continue to violate California's Consumers Legal Remedies Act ("CLRA"), because they extend to transactions that are intended to result, or which have resulted, in the sale of goods to consumers, including Plaintiff and the Class.
- 97. Defendants' conduct violates the CLRA, Civil Code § 1770(a)(5) which prohibits "Representing that goods or services have ... characteristics, ingredients, uses, benefits, or quantities which they do not have."
- 98. Defendants' conduct violates the CLRA, Civil Code § 1770(a)(7) which prohibits "Representing that goods or services are of a particular standard, quality, or grade ... if they are of another."
- 99. Defendants' conduct violates the CLRA, Civil Code § 1770(a)(9) which prohibits "Advertising goods ... with intent not to sell them as advertised."
- 100. Defendants' conduct violates the CLRA, Civil Code § 1770(a)(16) which prohibits "Representing that the subject of a transaction has been supplied in accordance with a previous representation when it has not."
- 101. Defendants' Blue Diamond Nut-Thins Cheddar Cheese Nut & Rice Cracker product is "goods" within the meaning of Civil Code §§ 1761(a) and 1770.
- 102. Plaintiff and Class members are "consumers" within the meaning of Civil Code §§ 1761(d) and 1770.
- 103. Each purchase of Defendants' Nut-Thins Cheddar Cheese Nut & Rice Cracker product by Plaintiff and each Class member constitutes a "transaction" within the meaning of Civil Code §§ 1761(e) and 1770.
 - 104. Defendants' conduct is ongoing and, unless restrained, likely to recur.
- 105. Plaintiff, on behalf of himself and Class members, seek injunctive relief prohibiting Defendants from engaging in the misconduct described herein.
- 106. No relief of any kind, other than injunctive relief, is currently sought pursuant to this CLRA cause of action.

107. No damages of any kind are currently sought pursuant to this CLRA cause of action.

108. The CLRA Civil Code § 1782(d) states in pertinent part as follows: "An action for injunctive relief brought under the specific provisions of Section 1770 may be commenced without compliance with subdivision (a) [notice requirement]. Not less than 30 days after the commencement of an action for injunctive relief, and after compliance with subdivision (a) [notice requirement], the consumer may amend his or her complaint without leave of court to include a request for damages."

- 109. The CLRA, Civil Code § 1782(a), states as follows:
- "(a) Thirty days or more prior to the commencement of an action for damages pursuant to this title, the consumer shall do the following:
- (1) Notify the person alleged to have employed or committed methods, acts, or practices declared unlawful by Section 1770 of the particular alleged violations of Section 1770.
- (2) Demand that the person correct, repair, replace, or otherwise rectify the goods or services alleged to be in violation of Section 1770.

The notice shall be in writing and shall be sent by certified or registered mail, return receipt requested, to the place where the transaction occurred or to the person's principal place of business within California."

110. Pursuant to Civil Code § 1782(a), before filing this Complaint, Plaintiff provided BLUE DIAMOND GROWERS with notice of its CLRA violations by certified mail return receipt requested. If Defendant BLUE DIAMOND GROWERS fails to provide appropriate relief for the CLRA violations, Plaintiff will amend this Complaint to seek monetary damages (compensatory, punitive, etc.) and other relief under the CLRA on behalf of Plaintiff and the Class.

	1	111.	Attached hereto is the venue declaration required by CLRA, Civil Code
	2	§ 1780(d). ⁹	
	3		
	4		PRAYER FOR RELIEF
	5	WHE	EREFORE, Plaintiff, on behalf of himself and the Class, prays for:
	6	1.	An order certifying the Class and appointing Plaintiff as the
	7	representati	ve of the Class, and appointing counsel of record for Plaintiff as counsel
	8	for the Clas	s;
	9	2.	Equitable relief requiring Defendants to refund and restore to Plaintiff
	10	and all Clas	ss members all monies they paid for the Nut-Thins Cheddar Cheese Nut
	11	& Rice Cra	cker product;
	12	3.	Injunctive relief prohibiting Defendants from engaging in the
	13	misconduct	described herein;
	14	4.	An award of attorney's fees;
	15	5.	An award of costs;
	16	6.	An award of interest, including prejudgment interest; and
	17	7.	For such other and further relief as the Court may deem proper.
	18		20 2014 - 0111111111111111111111111111111111
	19	DATED: C	October 20 , 2014 CHANT & COMPANY A Professional Law Corporation
	20		
	21		Ву (Ш (Ш)
	22		Counsel For Plaintiff
N N	23		
(E)	24		
N NJ	25		
(<u>E</u>)	26		
<u>.</u>	27 28	9 A d	leclaration may be used in lieu of an affidavit. California Code of Civil
	20	Procedure §	3 2015.5.
			- 23 - COMPLAINT AND DEMAND FOR JURY TRIAL
		I	COMI DEMINI CAND DEMININD FOR FORT TRANS

Plaintiff demands a trial by jury on all claims so triable.

DATED: October **20**, 2014 CHANT & COMPANY A Professional Law Corporation

Counsel For Plaintiff

(<u>·</u>)

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DECLARATION BY PLAINTIFF LARRY TRAN

I, LARRY TRAN, hereby declare that:

- 1. The following facts stated in this Declaration are based upon my own personal knowledge, except as to the information which is based upon information and belief, which I believe to be true. If called upon to testify as to the information contained in this Declaration, I could and would competently do so.
 - 2. I am a named Plaintiff in this action.
 - 3. I am over 18 years of age.
- 4. I purchased the Nut-Thins Cheddar Cheese Nut & Rice Cracker product, which is shown in paragraph 18 of the attached Complaint, in the County of Los Angeles, California.
- 5. This Court is the appropriate venue for this action because Defendants have done and continue to do business in the County of Los Angeles, Defendants have intentionally availed themselves of the markets within the County of Los Angeles through the promotion, marketing, sale and distribution of their products within the County of Los Angeles, and this is a class action case in which a substantial part of the transactions, acts and omissions giving rise to the claims occurred within the County of Los Angeles, California.

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing Declaration is true and correct, and was executed by me in the City of Canyon Country,

California, on October 19, 2014

LARKY TRAN Declarant

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ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar Chant Yedalian, State Bar No. 222325 (cha	FOR COURT USE ONLY				
CHANT & COMPANY A Professional Law Corporation					
1010 N. Central Ave., Glendale, CA 91202		FILED			
TELEPHONE NO.: 877.574.7100	Superior Court of California				
ATTORNEY FOR (Name): Plaintiff, Larry Tran		Superior Court of California County of Los Angeles			
SUPERIOR COURT OF CALIFORNIA, COUNTY OF LO	OS ANGELES				
STREET ADDRESS: 111 North Hill Street		OCT 2 0 2014			
MAILING ADDRESS: 111 North Hill Street CITY AND ZIP CODE: Los Angeles, CA 900	12	33, 23211			
BRANCH NAME: Stanley Mosk Courth	ouse	Sherri R. Carter, Executive Officer/Clerk			
CASE NAME:		By M. Jolo Deputy			
Larry Tran, et al. v. Blue Diamond C	Growers, et al.	Moses Soto			
CIVIL CASE COVER SHEET	Complex Case Designation	CASE NUMBER:			
✓ Unlimited		BC 5 6 1 2 1 7			
(Amount (Amount	Counter Joinder	IUDGE:			
demanded demanded is	Filed with first appearance by defend	dant			
exceeds \$25,000) \$25,000 or less)	(Cal. Rules of Court, rule 3.402) ow must be completed (see instructions)				
1. Check one box below for the case type tha		UII paye 2).			
Auto Tort	•	Provisionally Complex Civil Litigation			
Auto (22)		(Cal. Rules of Court, rules 3.400-3.403)			
Uninsured motorist (46)	Rule 3.740 collections (09)	Antitrust/Trade regulation (03)			
Other PI/PD/WD (Personal Injury/Property	Other collections (09)	Construction defect (10)			
Damage/Wrongful Death) Tort	Insurance coverage (18)	Mass tort (40)			
Asbestos (04)	Other contract (37)	Securities litigation (28)			
Product liability (24)	Real Property	Environmental/Toxic tort (30)			
Medical malpractice (45)	Eminent domain/Inverse	Insurance coverage claims arising from the			
Other PI/PD/WD (23)	condemnation (14)	above listed provisionally complex case types (41)			
Non-PI/PD/WD (Other) Tort	Wrongful eviction (33)	Enforcement of Judgment			
Business tort/unfair business practice (07		Enforcement of judgment (20)			
Civil rights (08)	Unlawful Detainer Commercial (31)				
Defamation (13) Fraud (16)	Residential (32)	Miscellaneous Civil Complaint			
Intellectual property (19)	Drugs (38)	RICO (27)			
Professional negligence (25)	Judicial Review	Other complaint (not specified above) (42)			
Other non-PI/PD/WD tort (35)	Asset forfeiture (05)	Miscellaneous Civil Petition			
Employment	Petition re: arbitration award (11)	Partnership and corporate governance (21) Other petition (not specified above) (43)			
Wrongful termination (36)	Writ of mandate (02)	Cities petition (not specified above) (43)			
Other employment (15)	Other judicial review (39)	·			
		ules of Court. If the case is complex, mark the			
factors requiring exceptional judicial mana	_				
a. Large number of separately repre		er of witnesses			
b. 🗸 Extensive motion practice raising		with related actions pending in one or more court			
issues that will be time-consuming		ties, states, or countries, or in a federal court			
c. Substantial amount of documenta	ry evidence f. Substantial p	ostjudgment judicial supervision			
3. Remedies sought (check all that apply): a.	monetary b. nonmonetary;	declaratory or injunctive relief			
4. Number of causes of action (specify): 3					
5. This case 📝 is 🔲 is not a class	ss action suit.				
(6) If there are any known related cases, file a	and serve a notice of related case. (You i	may use form_CM-015.)			
Date: October 20, 2014		1. 11/1.			
Chant Yedalian, Esq.		w w			
(TYPE OR PRINT NAME)	NOTICE	SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)			
Plaintiff must file this cover sheet with the	NOTICE first paper filed in the action or proceedir	ng (except small claims cases or cases filed			
under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result					
in sanctions.					
• File this cover sheet in addition to any cover sheet required by local court rule. If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all					
other parties to the action or proceeding.					
Unless this is a collections case under rule	3 740 or a compley case, this cover she	eet will be used for statistical nurnoses only			

CASE NUMBER

BC 5 6 1 2 1 7

CIVIL CASE COVER SHEET ADDENDUM AND STATEMENT OF LOCATION (CERTIFICATE OF GROUNDS FOR ASSIGNMENT TO COURTHOUSE LOCATION)

This form is required pursuant to Local Rule 2.0 in all new civil case filings in the Los Angeles Superior Court.

Item I. Check the types of hearing and fill in the estimated length of hearing expected for this case:
JURY TRIAL? VES CLASS ACTION? VES LIMITED CASE? YES TIME ESTIMATED FOR TRIAL 10 HOURS! DAYS
Item II. Indicate the correct district and courthouse location (4 steps – If you checked "Limited Case", skip to Item III, Pg. 4):
Step 1: After first completing the Civil Case Cover Sheet form, find the main Civil Case Cover Sheet heading for your case in the left margin below, and, to the right in Column A , the Civil Case Cover Sheet case type you selected.
Step 2: Check one Superior Court type of action in Column B below which best describes the nature of this case.
Step 3: In Column C , circle the reason for the court location choice that applies to the type of action you have checked. For any exception to the court location, see Local Rule 2.0.
Applicable Reasons for Choosing Courthouse Location (see Column C below)

- Class actions must be filed in the Stanley Mosk Courthouse, central district.
 May be filed in central (other county, or no bodily injury/property damage).
 Location where cause of action arose.
 Location where bodily injury, death or damage occurred.
 Location where performance required or defendant resides.

- Location of property or permanently garaged vehicle.
 Location where petitioner resides.
 Location wherein defendant/respondent functions wholly.
 Location where one or more of the parties reside.
 Location of Labor Commissioner Office

Step 4: Fill in the information requested on page 4 in Item III; complete Item IV. Sign the declaration.

	A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above
9 H	Auto (22)	☐ A7100 Motor Vehicle - Personal Injury/Property Damage/Wrongful Death	1., 2., 4.
Auto Tort	Uninsured Motorist (46)	☐ A7110 Personal Injury/Property Damage/Wrongful Death – Uninsured Motorist	1., 2., 4.
rty ⊢	Asbestos (04)	□ A6070 Asbestos Property Damage □ A7221 Asbestos - Personal Injury/Wrongful Death	2.
Property	Product Liability (24)	☐ A7260 Product Liability (not asbestos or toxic/environmental)	1., 2., 3., 4., 8.
お T 〇 乙 / 〇 乙 / 〇 D /) Other Personal Injury/ Property Damage/ Wrongful Death Tort	Medical Malpractice (45)	☐ A7210 Medical Malpractice - Physicians & Surgeons ☐ A7240 Other Professional Health Care Malpractice	1., 4. 1., 4.
	Other Personal Injury Property Damage Wrongful Death (23)	 □ A7250 Premises Liability (e.g., slip and fall) □ A7230 Intentional Bodily Injury/Property Damage/Wrongful Death (e.g., assault, vandalism, etc.) □ A7270 Intentional Infliction of Emotional Distress □ A7220 Other Personal Injury/Property Damage/Wrongful Death 	1., 4. 1., 4. 1., 3. 1., 4.

CIVIL CASE COVER SHEET ADDENDUM AND STATEMENT OF LOCATION

Larry Tran, et al. v. Blue Diamond Growers, et al.

CASE NUMBER

Non-Personal Injury/ Property
Contract Employment Damage/ Wrongful Death Tort

/ 🖯 T Real Property

 $V = V \oplus V = V \oplus V = V$ Unlawful Detainer

A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above
Business Tort (07)	☐ A6029 Other Commercial/Business Tort (not fraud/breach of contract)	0 , 3.
Civil Rights (08)	☐ A6005 Civil Rights/Discrimination	1., 2., 3.
Defamation (13)	☐ A6010 Defamation (slander/libel)	1., 2., 3.
Fraud (16)	☐ A6013 Fraud (no contract)	1., 2., 3.
Professional Negligence (25)	□ A6017 Legal Malpractice □ A6050 Other Professional Malpractice (not medical or legal)	1., 2., 3. 1., 2., 3.
Other (35)	□ A6025 Other Non-Personal Injury/Property Damage tort	2.,3.
Wrongful Termination (36)	☐ A6037 Wrongful Termination	1., 2., 3.
Other Employment (15)	□ A6024 Other Employment Complaint Case □ A6109 Labor Commissioner Appeals	1., 2., 3. 10.
Breach of Contract/ Warranty (06) (not insurance)	 □ A6004 Breach of Rental/Lease Contract (not unlawful detainer or wrongful eviction) □ A6008 Contract/Warranty Breach -Seller Plaintiff (no fraud/negligence) □ A6019 Negligent Breach of Contract/Warranty (no fraud) □ A6028 Other Breach of Contract/Warranty (not fraud or negligence) 	2., 5. 2., 5. 1., 2., 5. 1., 2., 5.
Collections (09)	□ A6002 Collections Case-Seller Plaintiff □ A6012 Other Promissory Note/Collections Case	2., 5., 6. 2., 5.
Insurance Coverage (18)	□ A6015 Insurance Coverage (not complex)	1., 2., 5., 8.
Other Contract (37)	 □ A6009 Contractual Fraud □ A6031 Tortious Interference □ A6027 Other Contract Dispute(not breach/insurance/fraud/negligence) 	1., 2., 3., 5. 1., 2., 3., 5. 1., 2., 3., 8.
Eminent Domain/Inverse Condemnation (14)	☐ A7300 Eminent Domain/Condemnation Number of parcels	2.
Wrongful Eviction (33)	☐ A6023 Wrongful Eviction Case	2., 6.
Other Real Property (26)	□ A6018 Mortgage Foreclosure □ A6032 Quiet Title □ A6060 Other Real Property (not eminent domain, landlord/tenant, foreclosure)	2., 6. 2., 6. 2., 6.
Unlawful Detainer-Commercial (31)	☐ A6021 Unlawful Detainer-Commercial (not drugs or wrongful eviction)	2., 6.
Unlawful Detainer-Residential (32)	☐ A6020 Unlawful Detainer-Residential (not drugs or wrongful eviction)	2., 6.
Unlawful Detainer- Post-Foreclosure (34)	☐ A6020F Unlawful Detainer-Post-Foreclosure	2., 6.
Unlawful Detainer-Drugs (38)	☐ A6022 Unlawful Detainer-Drugs	2., 6.

SHORT TITLE:	CASE NUMBER
Larry Tran, et al. v. Blue Diamond Growers, et al.	

		<u> </u>	
	A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above
	Asset Forfeiture (05)	□ A6108 Asset Forfeiture Case	2., 6.
iew	Petition re Arbitration (11)	□ A6115 Petition to Compel/Confirm/Vacate Arbitration	2., 5.
Judiciał Review	Writ of Mandate (02)	□ A6151 Writ - Administrative Mandamus □ A6152 Writ - Mandamus on Limited Court Case Matter	2., 8.
ı,	Other Judicial Review (39)	□ A6153 Writ - Other Limited Court Case Review □ A6150 Other Writ /Judicial Review	2., 8.
ion	Antitrust/Trade Regulation (03)	☐ A6003 Antitrust/Trade Regulation	1., 2., 8.
itigat.	Construction Defect (10)	☐ A6007 Construction Defect	1., 2., 3.
Provisionally Complex Litigation	Claims Involving Mass Tort (40)	□ A6006 Claims Involving Mass Tort	1., 2., 8.
lly Co	Securities Litigation (28)	☐ A6035 Securities Litigation Case	1., 2., 8.
risiona	Toxic Tort Environmental (30)	☐ A6036 Toxic Tort/Environmental	1., 2., 3., 8.
Prov	Insurance Coverage Claims from Complex Case (41)	☐ A6014 Insurance Coverage/Subrogation (complex case only)	1., 2., 5., 8.
Enforcement of Judgment	Enforcement of Judgment (20)	 □ A6141 Sister State Judgment □ A6160 Abstract of Judgment □ A6107 Confession of Judgment (non-domestic relations) □ A6140 Administrative Agency Award (not unpaid taxes) □ A6114 Petition/Certificate for Entry of Judgment on Unpaid Tax □ A6112 Other Enforcement of Judgment Case 	2., 9. 2., 6. 2., 9. 2., 8. 2., 8.
23	RICO (27)	☐ A6033 Racketeering (RICO) Case	1., 2., 8.
Miscellaneous Civil Complaints	Other Complaints (Not Specified Above) (42)	 □ A6030 Declaratory Relief Only □ A6040 Injunctive Relief Only (not domestic/harassment) □ A6011 Other Commercial Complaint Case (non-tort/non-complex) □ A6000 Other Civil Complaint (non-tort/non-complex) 	1., 2., 8. 2., 8. 1., 2., 8. 1., 2., 8.
F-1	Partnership Corporation Governance (21)	☐ A6113 Partnership and Corporate Governance Case	2., 8.
丁 ① 《Miscelfaheðus/ 〔 Civil Petitions	Other Petitions (Not Specified Above) (43)	□ A6121 Civil Harassment □ A6123 Workplace Harassment □ A6124 Elder/Dependent Adult Abuse Case □ A6190 Election Contest □ A6110 Petition for Change of Name □ A6170 Petition for Relief from Late Claim Law □ A6100 Other Civil Petition	2., 3., 9. 2., 3., 9. 2., 3., 9. 2. 2., 7. 2., 3., 4., 8. 2., 9.

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SHORT TITLE:	CASE NUMBER	•
Larry Tran, et al. v. Blue Diamond Growers, et al.		

Item III. Statement of Location: Enter the address of the accident, party's residence or place of business, performance, or other circumstance indicated in Item II., Step 3 on Page 1, as the proper reason for filing in the court location you selected.

REASON: Check the appropriate boxes for the numbers shown under Column C for the type of action that you have selected for this case.			ADDRESS: 14440 Burbank Blvd.
∅1. □2. □3. □4. □	5. □6. □7. □8. □	∃9. □10.	
CITY:	STATE:	ZIP CODE:	1000
Sherman Oaks	CA	91401	
and correct and that the ab	ove-entitled matter	is properly file	erjury under the laws of the State of California that the foregoing is true of for assignment to the Stanley Mosk courthouse in the rnia, County of Los Angeles [Code Civ. Proc., § 392 et seq., and Local
Rule 2.0, subds. (b), (c) and ((d)].		
Dated: October 20, 2014			115/11/

PLEASE HAVE THE FOLLOWING ITEMS COMPLETED AND READY TO BE FILED IN ORDER TO PROPERLY **COMMENCE YOUR NEW COURT CASE:**

- 1. Original Complaint or Petition.
- 2. If filing a Complaint, a completed Summons form for issuance by the Clerk.
- 3. Civil Case Cover Sheet, Judicial Council form CM-010.
- 4. Civil Case Cover Sheet Addendum and Statement of Location form, LACIV 109, LASC Approved 03-04 (Rev. 03/11).
- 5. Payment in full of the filing fee, unless fees have been waived.
- 6. A signed order appointing the Guardian ad Litem, Judicial Council form CIV-010, if the plaintiff or petitioner is a minor under 18 years of age will be required by Court in order to issue a summons.
- 7. Additional copies of documents to be conformed by the Clerk. Copies of the cover sheet and this addendum must be served along with the summons and complaint, or other initiating pleading in the case. (3)

ClassAction.org

This complaint is part of ClassAction.org	s searchable <u>class action lawsuit database</u>
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