1	Kyle Gurwell (SBN 289298)				
2	LAW OFFICE OF KYLE GURWELL 7755 Center Ave Ste 1100				
3	Huntington Beach CA 92647 (714) 372-2245				
4	kng@lawofficekg.com				
5	Attorney for Plaintiff and the Putative Classes				
6	UNITED STATES DISTRICT COURT				
7	CENTRAL DISTRICT OF CALIFORNIA SOUTHERN DIVISION				
8	SOCIIII.				
9					
.0	Lisa Reingold, individually and on behalf of all Case No. 8:23-cv-00058				
.1	others similarly situated,				
.2	Plaintiff,				
.3	- against -	Class Action Complaint			
.4	Hopper (USA), Inc.,				
.5		T T' 1D 1 1			
6	Defendant	Jury Trial Demanded			
.7					
.8					
9	Plaintiff alleges upon information and belief, except for allegations about Plaintiff, which				
20	are based on personal knowledge:				
21	1. Hopper (USA), Inc. ("Defendant")	markets and sells travel savings products and			
22	services from its eponymous website and mobile a	pplication such as "Price Freeze."			
23	2. The in-app representations encourage	ge prospective customers to rely on Price Freeze			
24	to "Freeze prices, book when you're ready" because "Price Freeze helps you stay safe from price				
25	increases while you plan your trip."				
26	3. Then, "Once you've found a price you like, look for the Price Freeze button and pay				
27	a small fee to lock in the price."				
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Freeze prices, book when you're ready

Price Freeze helps you stay safe from price increases while you plan your trip. Here's how it works:



Plan your trip

Search for flights, hotels, and car rentals.



Freeze the price

Once you've found a price you like, look for the Price Freeze button and pay a small fee to lock in the price.

- 4. The description of Price Freeze tells customers it fully protects them from any price increases for a provided length of time.
- 5. The benefits of Price Freeze are described to potential travelers as allowing them to "Take your time [.] Finalize plans or wait for the next paycheck to come in. Once you've frozen the price, you can relax knowing you locked in your price."



Take your time

Finalize plans or wait for the next paycheck to come in. Once you've frozen the price, you can relax knowing you locked in your price.



Book (or don't book!) your trip

Come back anytime before your Price Freeze expires to book your trip. If the price goes up, Hopper covers the price increase. If the price goes down, you just pay the new, low price. Or, if you no longer want to book your trip, no worries!

6. Travelers are assured that with Price Freeze, they can:

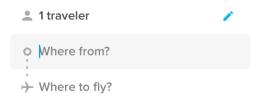
Book (or don't book!) your trip

Come back anytime before your Price Freeze expires to book your trip. If the price goes up, Hopper covers the price increase. If the price goes down, you just pay the new, low price. Or, if you no longer want to book your trip, no worries!

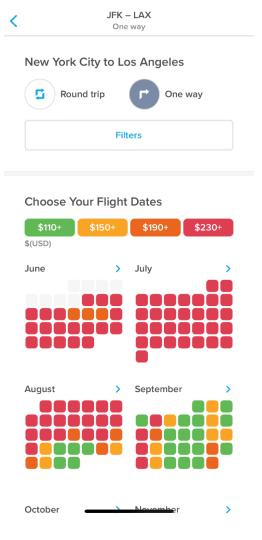
7. Defendant's website and mobile app offer options to begin the trip planning process.



8. Clicking on the airplane icon opens a flight search.



9. Once users select the number of travelers and provide the departure and arrival airports, a new page opens.



Cove

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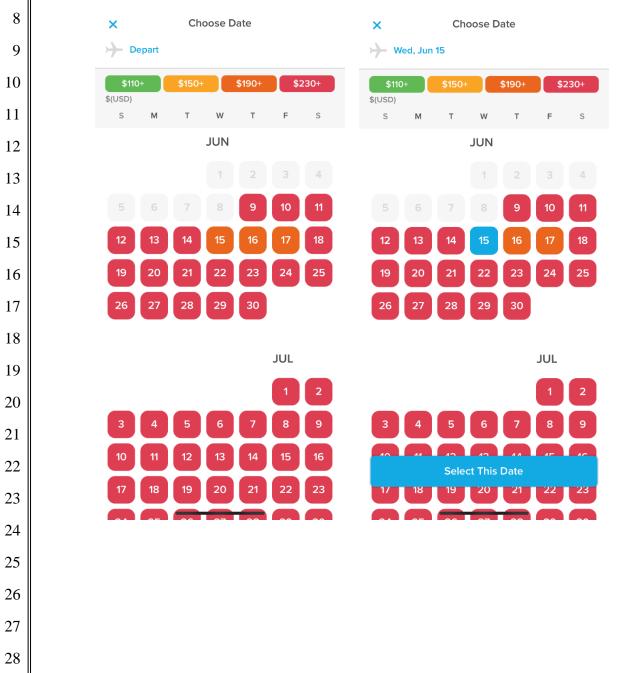
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- 10. Here, users can select between "Round trip" or "One way," and choose their flight date(s).
- 11. Dates are displayed in a color-coded calendar, where green means the lowest prices, yellow a bit higher, orange even higher, and red the highest.
 - 12. Clicking on any colored dot will change the display to a zoomed-in month view.
- 13. Clicking on a particular date allows users to select it and move forward in the trip planning process.



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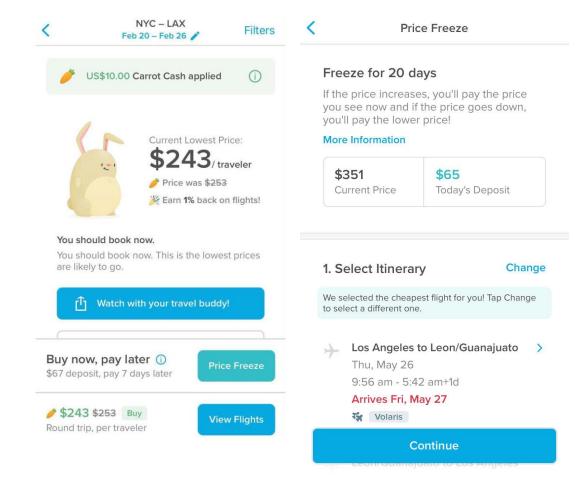
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- 14. The next page provides flight pricing, suggestions on when to book, the option to watch the selected trip, and the option to hold the current fare for a fee, known as "Price Freeze."
- Listed are the itinerary and Price Freeze details, "Current Price," "Today's Deposit," 15. an informational blurb, and a link to "More Information."



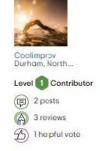
- 16. When travelers click on "Price Freeze," they are told this will "Freeze [the price] for 20 days" because "If the price increases, you'll pay the price you see now and if the price goes down, you'll pay the lower price!"
- 17. According to the Cambridge Dictionary, a price freeze is a "situation in which prices, or the price of a particular product, are fixed at a particular level and no increases are allowed."
- 18. Despite the marketing as a price assurance tool that protects travelers from price increases, Hopper's Price Freeze fails to cover the full price difference when the price of a flight increases beyond a pre-determined amount.
 - 19. The only way potential travelers can learn this is by clicking the circled "i" next to

"Buy now, pay later" or "More Information" under the other Price Freeze description. 1 2 Freeze for 20 days Buy now, pay later () If the price increases, you'll pay the price Price Freeze 3 you see now and if the price goes down, \$67 deposit, pay 7 days later you'll pay the lower price! 4 More Information 5 20. Either of these options pulls up a "How Price Freeze Works" info page for potential 6 travelers who are "Worried this price will go up? [or] Need more time to decide?," allowing them 7 to "Freeze the price right where it's at!" 8 21. For the fare in question, travelers can "Freeze the flight price for US\$67.00" and will 9 "have 20 days to apply [their] deposit towards purchase of the frozen flight before it expires." 10 22. However, "If the flight price increases, Hopper will cover you up to [only] 11 US\$100.00/traveler in savings." 12 13 14 15 **How Price Freeze Works** 16 Worried this price will go up? Need more time to decide? Freeze the price right where it's at! 17 Pick the flights you want to freeze. 18 Freeze the flight price for US\$67.00/ 19 traveler. 20 You'll have 20 days to apply your deposit towards purchase of the frozen flight before it expires. 21 If the flight price increases, Hopper will 22 cover you up to US\$100.00/traveler in savings. 23 If the flight price decreases, you will pay the lower price. 24 25 26 The fine print terms euphemistically describe this limitation as a "Service Cap." 23. 27

4. **Exercise.** In order to purchase the frozen flight during the applicable Exercise Window, you may select the Price Freeze on the Home screen in the Hopper mobile app. At the time of exercise, when the current ticket price is higher than the price indicated in your Price Freeze. You will only pay the frozen price less your Fee, in accordance with Section 6 and, if applicable, any price increase exceeding the Service Cap. Following purchase of the specified ticket(s), any refunds, cancellations

At the time of exercise, when the current ticket price is higher than the price indicated in your Price Freeze [] You will only pay the frozen price less your Fee, in accordance with Section 6 and, if applicable, any price increase exceeding the Service Cap.

- 24. Additional fine print explains that the "Service Cap" is the "maximum amount that Hopper will pay" in connection with the Price Freeze, and astonishingly, that "[t]he Service Cap will [only] be made clear and will be stated on the confirmation email," after users purchased the Price Freeze.
- 25. Should "the price of [the] Price Freeze flight [] increase[] more than the Service Cap amount, [the] stored payment method will be charged the current airline ticket price less the Service Cap."
 - 5. Service Cap. Price Freeze may be subject to a maximum amount that Hopper will pay for (Service Cap). The Service Cap will be made clear and will be stated on the confirmation email. Hopper will only pay for the amount of a price increase up to the stated Service Cap amount. If the price of your Price Freeze flight has increased more than the Service Cap amount, your stored payment method will be charged the current airline ticket price less the Service Cap. If there is no stated Service Cap, then Hopper will pay the full amount of any price increase upon exercise.
- 26. Nowhere throughout the flight selection process are travelers put on notice of the limitations of the Price Freeze.
- 27. Users of Hopper have complained about the opaque and non-disclosed limitations of the Price Freeze on websites including TripAdvisor and the Better Business Bureau ("BBB").



Aug 15, 2021, 10:32 PM

I was recently burned by hopper. I found a flight that appeared to be a good deal and fell for the "price freeze" scam. I put down my deposit and I thought that I had seven days to purchase my tickets at the agreed price. I understood that the tickets could increase in cost but felt comforted by the Hopper "we got your back" guarantee. Well they only give 100 dollars. Toward the increase, the rest is on you. Well my tickets went up almost three hundred dollars. I can't afford that so I lost my deposit. I played right into the scam. Avoid the bunny like the plague.

Complaint Type: Advertising/Sales Issues Status: Answered 🚱



07/11/2021

On July 8th I bought a ticket on Price Freeze from Hopper. Within the price freeze period I came to find out that Hopper isnt actually even freezing the price. If I would have known that I would have bought my ticket at the time that I saw it, but with the promise of paying just the deposit and then the frozen price later I thought it was a great deal. As it turns out, Hopper will pay for only \$100 of price increase, but with an international ticket thats nothing. Instead of the \$587 I froze my ticket at, Hopper wants me to pay nearly \$1,000 even when the airline I bought the ticket from is selling it for \$606. The claim of Price Freeze is false, and needs to be changed.



03/29/2022

TOTAL SCAM - FRAUD - FALSE AND DECEPTIVE ADVERTISING Less than a week ago, I paid Hopper \$68 for a price freeze on a ****** Airlines flight. When I just now, attempted to pay the balance and book the flight 5 days in advance, Hopper's price had increased SEVERAL HUNDRED DOLLARS. In order the complete the booking, I was required to pay Hopper several hundred dollars more, while Hopper was saying they SAVED ME \$100!In an immediate complaint with Hopper in a Chat Line, I booked my original flight with ****** at the exact same original price. THERE WAS NO PRICE INCREASE THAT HOPPER WAS CLAIMING.They refused to honor their original agreement and refused to refund the \$68I TOTAL SCAM AND RIP OFF



03/30/2022

I purchased the price freeze on Hopper for plane tickets going from ******* to ********. They charged me \$282 to lock in the price of \$403 for the flight with my understanding that the \$282 would go towards the ticket when I purchased it. Their customer service informed me that it would only cover \$100 towards the price increase if the ticket goes up. I was trying to exercise my price freeze to purchase the tickets for \$403 and they were trying to charge me the full price not deducting the 282 I paid towards the freeze. I contacted customer support again and they informed me that if the price went up at all they would only cover \$100 even though I paid \$282 for the coverage apparently. I have never seen such misleading terms and conditions and fine print to a ticket purchase in my life. I will definitely never use this service again and make it a point to let everyone I know what a scam it is. All this while I was trying to visit my sister who just had a stroke and is now a quadriplegic.

- 28. Potential travelers expect a "price freeze" service will fully protect them from any price increases.
- 29. Defendant makes other representations and omissions with respect to its Price Freeze and other services which are false and misleading.
- 30. The value of the tickets and Price Freeze service Plaintiff bought through Hopper was materially less than its value as represented by Defendant.
- 31. Defendant sold more tickets and Price Freeze options at higher prices than it would have in the absence of this misconduct, resulting in additional profits at the expense of consumers.

The aggregate amount in controversy exceeds \$5 million, including any statutory and

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§ 1332(d)(2).

53.

1	punitive damages, exclusive of interest and costs.	
2	54. Plaintiff is a citizen of California.	
3	55. Defendant is a Delaware corporation with a principal place of business in	
4	Massachusetts.	
5	56. The class of persons Plaintiff seeks to represent includes persons who are citizens o	
6	different states from which Defendant is a citizen.	
7	57. The members of the class Plaintiff seeks to represent are more than 100, because	
8	Price Freeze has been available to potential travelers for several years, with the representations	
9	described here.	
10	Venue is in this District because a substantial part of the events or omissions giving	
11	rise to these claims occurred in Orange County, including Plaintiff's purchase and/or use o	
12	Defendant's travel services including the Price Freeze option, and her awareness and/or experiences	
13	of and with the issues described here.	
14	59. This Court has personal jurisdiction over Defendant because it transacts business	
15	within California and sells tickets and its travel services to consumers within California.	
16	Intradistrict Assignment	
17	60. Pursuant to General Order No. 21-01, In the Matter of Assignment of Cases and	
18	Duties to District Judges, and Rule I.B.1.a.(1)(c) ("Non-Removed Cases Not Involving the United	
19	States"), this Action should be assigned to the Southern Division.	
20	61. This assignment is because 50% or more of the plaintiffs who reside in this Distric	
21	reside in the Southern Division, in Orange County.	
22	CLASS DEFINITION AND ALLEGATIONS	
23	62. Plaintiff brings this matter on behalf of herself and those similarly situated.	
24	63. Plaintiff seeks certification under Fed. R. Civ. P. 23 of the following classes:	
25	California Class: All persons in the State of California who	
26	purchased tickets and/or Price Freeze protection from Hopper during the statutes of limitations for each cause of action	
27	alleged; and Consumer Fraud Multi-State Class: All persons in the States	
28	of Arizona, Colorado, Montana, Nevada, Oregon, and 11	
	CLASS ACTION COMPLAINT	

Washington and who purchased tickets and/or Price Freeze protection from Hopper during the statutes of limitations for each cause of action alleged.

- 64. The California Class and Consumer Fraud Multi-State Class are referred to collectively as the "Class" or "Classes."
- 65. Plaintiff reserves the right to amend the Class definitions if discovery or further investigation reveal that any Class should be expanded or narrowed, divided into additional subclasses under Fed. R. Civ. P. 23(c)(5), or modified in any other way.
- 66. Excluded from the Class are: (a) Defendant, Defendant's board members, executive-level officers, and attorneys, and immediate family members of any of the foregoing persons; (b) governmental entities; (c) the Court, the Court's immediate family, and the Court staff; and (d) any person that timely and properly excludes himself or herself from the Class in accordance with Court-approved procedures.
- 67. Common questions of issues, law, and fact predominate and include whether Defendant's representations were and are misleading and if Plaintiff and class members are entitled to damages.
- 68. Plaintiff's claims and basis for relief are typical to other members because all were subjected to the same unfair, misleading, and deceptive representations, omissions, and actions.
- 69. Plaintiff is an adequate representative because her interests do not conflict with other members.
- 70. No individual inquiry is necessary since the focus is only on Defendant's practices and the class is definable and ascertainable.
- 71. 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.
- 72. Plaintiff's counsel is competent and experienced in complex class action litigation and intends to protect class members' interests adequately and fairly.

1	<u>CLAIMS FOR RELIEF</u>		
2 3	FIRST CLAIM Violation of California's Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, et seq. (On Behalf of Plaintiff and California Class Members)		
4	73.	Plaintiff incorporates all preceding paragraphs.	
5	74.	California's Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, et seq.	
6 7	("UCL"), prohibits any "unlawful, unfair or fraudulent business act or practice."		
8	75.	Defendant's conduct constitutes an "unfair" and/or "fraudulent" business practice, as	
9	set forth in (California Business & Professions Code §§ 17200, et seq.	
	76.	Defendant's conduct is "unlawful" because it violates the California's False	
Advertising Law, Cal. Bus. & Prof. Code § 17500, et seq. ("FAL"), and California's Co			
12	Legal Remedies Act, Cal. Civ. Code § 1750, et seq. ("CLRA").		
13	77.	Defendant's conduct was and continues to be unfair and fraudulent because it made	
14	materially false representations and omissions that cause(d) consumers to believe Price Freeze fully protected travelers from any price increases for a provided length of time.		
15			
16	78.	Defendant made express and implied representations that Prize Freeze would fully	
17	protected travelers from any price increases for a provided length of time.		
18	79.	Defendant is aware of the representations and omissions it has made about Price	
19	Freeze and i	ts protection from price increases for a set duration.	
20	80.	Had Plaintiff been aware of Defendant's practices, she would not have purchased	
21	tickets and/or Price Freeze protection or would have paid less.		
22	81.	In accordance with Cal. Bus. & Prof. Code § 17203, Plaintiff seeks an order enjoining	
23	Defendant from continuing to conduct business through unlawful, unfair, and/or fraudulent acts and		
24	practices and to commence corrective advertising.		
25	SECOND CLAIM		
26	Cal. Bus. & Prof. Code § 17200, et seq.,		
27	82.	The UCL prohibits any "unlawful, unfair or fraudulent business act or practice."	
28	83.	The false and misleading representations and omissions constitute "unfair" business 13	
		CLASS ACTION COMPLAINT	

1 acts and practices because they are immoral, unscrupulous, and offend public policy.

2	84.	The gravity of the conduct at issue outweighs any conceivable benefit.
3	85.	The representations and omissions constitute "fraudulent" business acts and practices
4	because they are false and misleading to Plaintiff and the Class Members.	
5	86.	Defendant's representations and omissions deceived Plaintiff and the Class Members
6	about Price Freeze's price protection for any increase in the price of flights.	
7	87.	In accordance with Cal. Bus. & Prof. Code § 17203, Plaintiff seeks an order enjoining
8	Defendant from continuing to conduct business through unlawful, unfair, and/or fraudulent acts and	
9	practices and to commence a corrective advertising campaign.	
10		THIRD CLAIM
11		Violation of California's False Advertising Law, Cal. Bus. & Prof. Code § 17500, et seq.
12	88.	The FAL prohibits "mak[ing] any false or misleading advertising claim."
13	89.	Defendant makes "false [and] misleading advertising claim[s]" by deceiving
14	consumers about the extent to which Hopper and Price Freeze protect(ed) travelers from any price	
15	increases for a provided length of time.	
16	90.	In reliance on this false and misleading advertising, Plaintiff purchased and used
17	Price Freeze protection from Hopper without knowledge Defendant would not fully protect traveler	
18	from any pric	ce increases for a provided length of time.
19	91.	Defendant knew or should have known that its representations and omissions were
20	likely to dece	eive consumers.
21	92.	Plaintiff and Class Members seek injunctive and equitable relief, restitution, and an
22	order for the disgorgement of the funds by which Defendant was unjustly enriched.	
23		FOURTH CLAIM
24	Violation of California's Consumers Legal Remedies Act, Cal. Civ. Code § 1750, et seq.	
25	93.	The CLRA adopts a statutory scheme prohibiting deceptive practices in connection
26	with the conduct of a business providing goods, property, or services primarily for personal, family	
27	or household purposes.	
28	94.	Defendant's policies, acts, and practices were designed to, and did, result in the 14
		CLASS ACTION COMPLAINT

Reingold v. Hopper (USA), Inc., No. 8:23-cv-00058

purchase and use of tickets and/or Price Freeze primarily for personal, family, or household

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promises or affirmations of fact made in marketing or advertising, because it was marketed as if it fully protected users from any price increases for a provided length of time.

- 111. Price Freeze was not merchantable because Defendant had reason to know the particular purpose for which it was bought by Plaintiff, because she expected it fully protected users from any price increases for a provided length of time, and she relied on Defendant's skill and judgment to select or furnish such a suitable travel savings product.
- 112. Plaintiff and class members would not have purchased Price Freeze or paid as much if the true facts had been known, suffering damages.

<u>SEVENTH CLAIM</u> Negligent Misrepresentation

- 113. Defendant had a duty to truthfully represent Price Freeze, which it breached.
- 114. This duty was non-delegable, and based on Defendant's position, holding itself out as having special knowledge and experience in this area, an innovative and trusted company, known for its travel savings tools, without the "fine print" of its competitors.
- 115. Defendant's representations and omissions regarding Price Freeze went beyond the specific representations made in marketing and advertising, as they incorporated the extra promises and commitments to transparency and putting customers first that it has been known for.
- 116. These promises were outside of the standard representations that other companies may make in a standard arms-length context.
- 117. The representations took advantage of consumers' cognitive shortcuts made at the point-of-sale and their trust in Defendant.
- 118. Plaintiff and class members reasonably and justifiably relied on these negligent misrepresentations and omissions, which served to induce and did induce, their purchase of Price Freeze when purchasing tickets.
- 119. Plaintiff and class members would not have purchased Price Freeze or paid as much if the true facts had been known, suffering damages.

1 2 1. Defendant misrepresented and/or omitted the attributes and qualities of Price Freeze, 3 that it fully protected users from any price increases for a provided length of time. 4 2. Moreover, the records Defendant is required to maintain, and/or the information 5 inconspicuously disclosed to consumers, provided it with actual and constructive knowledge of the 6 falsity and deception, through statements and omissions. 3. Defendant knew of the issues described here yet did not address them. 8 Defendant's fraudulent intent is evinced by its knowledge that Price Freeze was not 4. 9 10 consistent with its representations. 11 <u>NINTH CLAIM</u> **Unjust Enrichment** 12 Defendant obtained benefits and monies because Price Freeze was not as represented 5. 13 and expected, to the detriment and impoverishment of Plaintiff and class members, who seek 14 restitution and disgorgement of inequitably obtained profits. 15 PRAYER FOR RELIEF 16 WHEREFORE, Plaintiff, on behalf of herself and members of the proposed Class, pray for 17 18 judgment and relief on all of the legal claims as follows: 19 A. Certification of the Class, certifying Plaintiff as representative of the Class, and 20 designating Plaintiff's counsel as counsel for the Class; 21 В. A declaration that Defendant has committed the violations alleged herein; 22 For any and all injunctive relief the Court deems appropriate; C. 23 D. For restitution and disgorgement pursuant to, without limitation, the California Business & Professions Code §§ 17200, et seq. and Cal Civ. Code § 1780, except for 24 25 monetary damages under the CLRA; E. An award of compensatory damages, the amount of which is to be determined at trial, 26 27 except for monetary damages under the CLRA; F. 28 For punitive damages;

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Hopper's Price Freeze Protection Does Not Fully Protect Travelers from Ticket Price Increases, Class Action Says</u>