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1 2 3 4 5 6 7 8 9 10 11					
12		Case No:			
13 14					
14 15		CLASS ACTION COMPLAINT FOR VIOLATIONS OF:			
<ol> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> <li>24</li> <li>25</li> <li>26</li> <li>27</li> <li>28</li> </ol>	MONIC SERRANO, AND DEBRA SHAW, on behalf of themselves and all others similarly situated, V. CAMPBELL SOUP COMPANY Defendant.	<ul> <li>1. CALIFORNIA CONSUMERS LEGAL REMEDIES ACT, CAL. BUS. &amp; PROF. CODE §§ §§1750 et seq.</li> <li>2. CALIFORNIA UNFAIR COMPETITION LAW, CAL. BUS. &amp; PROF. CODE §§17200 et seq.</li> <li>3. CALIFORNIA FALSE ADVERTISING LAW, CAL. BUS. &amp; PROF. CODE §§ 17500, et seq</li> <li>4. NEW JERSEY CONSUMER FRAUD ACT, NJSA 56:8-1, et seq</li> <li>5. BREACH OF EXPRESS WARRANTY</li> <li>6. BREACH OF IMPLIED WARRANTY</li> <li>7. INTENTIONAL MISREPRESENTATION</li> <li>8. NEGLIGENT MISREPRESENTATION</li> <li>9. FRAUD BY OMISSION</li> <li>10. FRAUD IN THE INDUCEMENT</li> </ul>			
20	CLAS	SS ACTION COMPLAINT			

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Monic Serrano and Debra Shaw ("Plaintiffs"), on behalf of themselves and all
 others similarly situated, by and through undersigned counsel hereby bring this action
 against Campbell Soup Company, and on information and belief and investigation of
 counsel, allege as follows:

#### I. <u>INTRODUCTION</u>

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6 1. This is a proposed consumer class action for the violation of state consumer
7 protection, unfair competition, and false advertising statutes, as well as for breach of
8 express and implied warranties, negligent and intentional misrepresentation, and fraud
9 by omission and in the inducement.

10 2. Defendant Campbell Soup Company ("Campbell" or "Defendant")
11 manufactures, packages, labels, and sells a line of beverages called "V8 Splash."

12 3. The V8 Splash products are labeled with names like, "Berry Blend,"
13 "Strawberry Kiwi," and "Fruit Medley."

14 4. These products are marketed to families with children as wholesome,15 naturally-flavored, healthful fruit-juice beverages for kids.

16 5. They are none of those things.

Rather than wholesome, natural fruit-juice beverages as marketed, the "V8
Splash" products included in this action (the "Products") are almost entirely water and
high fructose corn syrup, artificially flavored to taste like fruit juice.

7. The Products are labeled as if they were solely naturally-flavored
beverages, with the names of fruits and berries and photo-realistic images of fresh, ripe,
natural fruits and berries.

8. Instead the Products are predominantly water and sweeteners, artificially
flavored to mimic the taste of fruit.

9. The Products contain at most token amounts, 1-2% *or less*, of the juice of
any of the fruits and berries shown on the labels.

10. This quantity is not enough to make any of the Products taste like any of thefruits or berries displayed on the labels.

1 11. Some varieties of the Products contain <u>no fruit juice whatsoever</u>: just
 2 sugar-water and flavorings with a token amount of reconstituted dried carrot or sweet
 3 potato juice.

12. The "V8 Splash Berry Blend" Product, for example, features attractive
pictures of fresh, ripe strawberries, blackberries, and raspberries on the label, but
contains no fruit or berry juice whatsoever – no strawberry, no blackberry, no raspberry
juice, no fruit of any kind.

13. "V8 Splash Berry Blend" is a "blend" of 0.00% fruit or berry juice.

9 14. To mimic the taste of the missing fruit, Defendant adds an undisclosed10 artificial flavor.

11 15. The artificial flavoring simulates, resembles, and reinforces the
12 characterizing tart flavors of the fruits and berries that are listed and shown on the labels
13 but are absent from the Products.

14 16. The Product labels are designed to lead reasonable consumers to believe the
15 beverages consist of and are flavored solely with natural fruit and fruit juices – or at least
16 contain <u>some</u> fruit juice.

17 17. Defendant violates multiple states' consumer protection laws by
misbranding the Products and by failing to disclose and actively concealing from
consumers that the Products contain artificial flavoring, and inducing consumers to
believe that the Products contain significant amounts of healthful fruit juice when those
Products instead are artificially flavored sugar-water with either minuscule amounts of
fruit juice or no fruit juice at all.

23 18. Real fruits contain important nutrients: natural vitamins and minerals,
24 enzymes and fiber and prebiotics.

19. High-sugar beverages contain none of these things but instead prevent
effective metabolism and rob the body of these important nutrients. They are not healthy
for children, and neither are ultra-sweet artificially-sweetened beverages.

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20. These Products are both: they are highly-sugared *and* artificially
 sweetened, artificially-flavored imitation fruit juice misleadingly labeled and sold to
 consumers as if they were actual fruit-juice beverages.

4 21. Plaintiffs, who purchased the Products multiple times and were deceived by
5 Defendant's unlawful and misleading labeling and advertising, bring this action on their
6 own behalf and on behalf of those similarly situated to halt and to remedy Defendant's
7 unlawful conduct.

8 22. On behalf of the Class as defined herein, Plaintiffs seek an order compelling 9 Defendant to, *inter alia*: (1) cease falsely advertising and labeling the Products in 10 violation of state consumer protection laws; (2) inform consumers regarding the 11 Products' composition and misbranding; (3) award Plaintiffs and the other Class 12 members restitution, actual damages, and punitive damages; and (4) pay all costs of suit, 13 expenses, and attorney fees.

14 **II.** 

## JURISDICTION AND VENUE

15 23. Plaintiffs bring this proposed class action in this Court pursuant to the Class
16 Action Fairness Act of 2005 ("CAFA"), Pub. L. No. 109-2, 119 Stat. 4 (2005).

17 24. This Court has subject matter jurisdiction over this proposed class action
18 under CAFA, 28 U.S. Code § 1332(d), which provides the federal courts with original
19 jurisdiction over any class action in which any member of the plaintiff class is a citizen
20 of a state different from any defendant and the matter in controversy exceeds \$5 million
21 in the aggregate, exclusive of interest and costs.

22 25. Minimal diversity as required by 28 U.S.C. §§ 1332(a)(1), (d)(2)(A) is
23 satisfied as Plaintiffs as well as other members of the proposed class are citizens of
24 states other than New Jersey and Defendant is a citizen of New Jersey.

25 26. The jurisdictional amount in controversy is satisfied. Plaintiffs allege on
26 information and belief that the total claims of the members of the proposed Class in this
27 action exceed \$5 million in the aggregate, exclusive of interest and costs, as required by
28 U.S.C. § 1332(d)(2), (5).

27. This matter is not a "local controversy" pursuant to 28 U.S.C.
 §1332(d)(5)(B). Plaintiffs allege on information and belief that more than two-thirds of
 the members of the proposed Class are citizens of states other than New Jersey and that
 the proposed Class contains more than 100 persons.

5 28. This Court has both general and specific personal jurisdiction over the6 Defendant.

7 29. This Court has personal jurisdiction over Defendant because Campbell has
8 affirmatively established and maintained contacts with the State of California and is
9 registered to do business in California.

30. This Court further has specific personal jurisdiction arising from
Defendant's decision to market, distribute, and sell the products that are the subject of
this action in California.

13 31. Defendant has sufficient minimum contacts with this State and sufficiently
14 avails themselves of the markets and legal protections of this State through their
15 promotion, marketing, sales, and distributing of the Products within the State to render
16 the exercise of jurisdiction by this Court reasonable and fair.

32. Venue is proper in this County and this judicial district pursuant to 28
U.S.C. §1391(a) because, as set forth below, Defendant conducts business in this district
and Plaintiff Monic Sanchez purchased the subject products of this action in this judicial
district. Defendant conducts business and engages in substantial transactions here, and
many of the transactions complained of herein occurred in this district including
specifically the transactions between Plaintiff and Defendant.

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#### III. <u>PARTIES</u>

33. Defendant Campbell Soup Company ("Defendant" or "Campbell") is
incorporated in New Jersey and maintains a corporate headquarters in Camden, New
Jersey.

34. All fundamental decisions regarding Product formulations and ingredientsand Product packaging, labeling, advertising, and marketing are controlled by Defendant

1 at Defendant's corporate headquarters in New Jersey.

2 35. Defendant advertises, markets, distributes, and sells the Products in New
3 Jersey, California, and throughout the United States.

36. Plaintiff Monic Serrano is a resident and citizen of California, and purchased
the Products multiple times in Los Angeles, California, for personal and household
consumption.

7 37. Plaintiff Debra Shaw is a resident and citizen of California, and purchased
8 the Products multiple times in Riverside County, California, for personal and household
9 consumption.

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### IV. FACTUAL ALLEGATIONS

# <u>1. Defendant sells artificially-flavored sugar-water masquerading as fruit juice.</u>

38. Defendant Campbell Soup Company manufactures, packages, labels, markets, and sells a line of beverages called "V8 Splash."

39. These products are marketed to families with children as wholesome, naturally-flavored, healthful fruit-and-vegetable-juice beverages for kids.

40. Rather than wholesome, natural fruit-juice beverages as advertised, the "V8 Splash" products described in this action (the "Products") consist almost entirely of water and high-fructose corn syrup, artificially flavored to taste like fruit juice.

41. These Products are labeled as if they contain only natural juices and flavors but in fact are highly-sweetened beverages containing undisclosed artificial flavoring made from petrochemicals.

42. The Products violate federal FDA regulations and multiple state laws. They are misbranded and illegal to sell in the United States.

43. Below is a true and accurate representation of the "V8 Splash Berry Blend" product.



44. The "Berry Blend" Product's front label shows photographic images of ripe
strawberries, raspberries, and blackberries, as well as a slice of what appear to be a carrot
and sweet potato.

14 45. The "V8 Berry Blend" Product consists almost entirely of water and high
15 fructose corn syrup with token amounts of reconstituted dried carrot and sweet potato
16 juice, and artificial flavoring and synthetic "Red 40" dye added to make it appear to be
17 fruit juice.

46. The ingredient list for this Product is, "Water, high fructose corn syrup,
sweet potato juice concentrate, carrot juice concentrate, natural flavoring, citric acid,
malic acid, vitamin C (ascorbic acid), Sucralose, Red 40, niacinamide (vitamin B3),
licorice extract (for flavor), pyridoxine hydrochloride (vitamin B6), cyanocobalamin
(vitamin B12)."

47. The Product contains no fruit juice of any kind. It is water, high-fructose
corn syrup, artificial sweetener, and added flavoring, with 2-3% or less each of
reconstituted dried carrot and sweet potato juice.

48. The labeled "malic acid" is actually dl-malic acid, a synthetic petrochemical
flavoring compound, an artificial flavor added to make the product resemble fruit juice.

49. To label this product "Berry Blend" with pictures of fresh, ripe, actual
 berries, and to affirmatively conceal that the Product is artificially flavored, is
 intentionally misleading.

50. It also violates federal labeling regulations and multiple state laws.

5 51. The covert added artificial flavoring, as discussed further below, is required
6 by federal and state law to be disclosed prominently on the front label.

7 52. Instead, the Product unlawfully is labeled as if it contained only natural8 flavors.

9 53. The other Products included in this action are similarly unlawfully labeled
10 and misbranded with names like "Strawberry Kiwi."<sup>1</sup>

54. The Products are all labeled as if they were solely naturally-flavored
beverages, with the names of fruits and berries and photo-realistic images of fresh, ripe,
natural fruits and berries.

14 55. The Products all fail to disclose that they are artificially flavored and contain
15 little or no actual fruit juice, affirmatively and intentionally misrepresenting the Products
16 as solely naturally flavored.

17 56. Consumers buy these Products because they are labeled and marketed as if
18 they contain substantial amounts of healthful fruit juice: the advertised fruit and berry
19 juices.

20 57. Consumers are misled, as Defendant intends, and are damaged thereby.

58. None of the Products contain sufficient fruit or berry juice to make thebeverage taste anything like the fruits named and shown on the labels.

59. Instead, the Products are flavored with undisclosed artificial flavoring that
creates, simulates, resembles, and reinforces the misleadingly labeled and depicted fruits
and berries.

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<sup>&</sup>lt;sup>1</sup> The Products include V8 Splash Berry Blend, Diet Berry Blend, Tropical Blend, Diet Tropical Blend, Strawberry Kiwi, Cherry Pomegranate, and Fruit Medley.

# 2. The Products violate federal and state law requiring labeling of artificial flavors

60. An artificial flavor is "any substance, the function of which is to impart flavor, which is not derived from a spice, fruit or fruit juice, vegetable or vegetable juice, edible yeast, herb, bark, bud, root, leaf or similar plant material, meat, fish, poultry, eggs, dairy products, or fermentation products thereof." 21 CFR 101.22(a)(1).

61. The dl-malic acid that Defendant adds to the Products is made from petrochemicals, predominantly benzene or butane, with highly toxic intermediates and byproducts.<sup>2</sup>

62. Dl-malic acid is not made from "a spice, fruit or fruit juice, vegetable or vegetable juice, edible yeast, herb, bark, bud, root, leaf or similar plant material. . . ."

63. There is a naturally-occurring version of malic acid.

64. The dl-malic acid that Defendant puts in the Products, however, is not natural; it is a synthetic petrochemical manufactured in a chemical factory from petroleum feedstocks.

65. Artificial dl-malic acid tastes similar to natural malic acid; it has never, however, been extensively tested for safety in human food.

66. Natural malic acid is referred to colloquially as "apple acid."<sup>3</sup> Natural malic acid is found in apples, cherries, berries, and other tart fruits; it has a unique tart flavor that helps create and is associated with the taste of these fruits.

67. All the fruits and berries the Products are named for and that are shown on the Product labels would – if they were actually present in the Products – contain <u>natural</u> malic acid that would contribute to the tart flavor consumers expect from such fruits and berries.

68. Natural malic acid is a dominant fruit acid and fruit flavor in the fruits and

<sup>3</sup> U.S. Department of Agriculture, Summary of TAP Reviewer's Analysis, April 2003, *available at* https://www.ams.usda.gov/sites/default/files/media/L-Malic%Acid%20TR.pdf, pp. 3-5.

<sup>&</sup>lt;sup>2</sup> Dl-malic acid is also known as 2-hydroxybutanedioic acid, hydroxysuccinic acid, or 1-hydroxy-1,2ethanedicarboxylic acid.

1 berries named and shown on the Products' labels.

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2 69. Under federal regulations, any recognizable primary flavor identified on the
3 front label of a food Product is referred to as a "characterizing flavor."

- 70. Federal regulations state that if "the label, labeling, or advertising of a food
  makes any direct or indirect representations with respect to the primary recognizable
  flavor(s), by word, vignette, e.g., depiction of a fruit, or other means" then such flavor
  shall be considered the characterizing flavor. *See* 21 C.F.R. 101.22(i).
- 8 71. All of the fruits and berries listed on the Products' front-labels are primary
  9 recognizable flavors and are therefore by law characterizing flavors of the Products.
- 10 72. If a product's characterizing flavor is not created exclusively by the named
  11 ingredient, the product's front label must state that the product includes either natural
  12 flavor or artificial flavor or both.
- 13 73. If any artificial flavor "simulates, resembles or reinforces" the characterizing
  14 flavor in the product, the food must be prominently labeled as "Artificially Flavored." 21
  15 C.F.R. 101.22(i) (3), (4).
  - 74. Defendant admits that the malic acid used in their products is not natural.<sup>4</sup>
- 17 75. Defendant admits that malic acid is added to its products for flavor.
  18 Defendant states that they use artificial malic acid for flavoring "in products where a tart
  19 taste is expected . . . . "<sup>5</sup>
- 20 76. A commercial food laboratory confirmed that the "malic acid" in the21 Products is artificial dl-malic acid.
- 77. The tart flavor of artificial dl-malic acid simulates, resembles, and reinforces
  the Products' characterizing tart fruit flavors.
- 78. The dl-malic acid in the Products provides the characterizing tart flavor ofthe fruits and berries listed and shown on the Products' front labels.
- 26 79. The dl-malic acid that Defendant adds to the Products is an artificial flavor
- 28 <sup>4</sup> Campbell, https://www.campbells.com/v8/v8-blends-ingredients, last visited September 8, 2023. <sup>5</sup> Id.

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under federal regulations and state law. 1

2 80. Food ingredient suppliers offer both the natural and artificial versions of the 3 flavoring ingredient malic acid.

81. Defendant uses artificial dl-malic acid as a flavoring agent in the Products 4 5 because it is cheaper than using natural fruits, fruit juices or flavors.

6 82. 21 C.F.R. 101.22(c) require all foods containing artificial flavoring to 7 include:

A statement of artificial flavoring . . . [which] shall be placed on the food or on its container or wrapper, or on any two or all three of these, as may be necessary to render such a statement likely to be read by the ordinary person under customary conditions of purchase and use of such food.

11 Because the Products contain added artificial flavorings that simulate, 83. 12 resemble, and reinforce the Products' characterizing fruit and berry flavors, the Products' 13 front labels are required by law to disclose the presence of those artificial flavorings 14 rather than deceptively claim that the Products' flavor is conferred only by natural 15 flavorings.

84. The Products all violate 21 C.F.R. 101.22(c).

85. California's Sherman Law incorporates federal FDA regulations verbatim.

18 86. Conduct that violates FDA regulations therefore by definition also violates 19 California law.

In addition, under California's Health & Safety Code, "[a]ny food is 87. misbranded if it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless its labeling states that fact." Cal. Health & Saf. Code § 110740.

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All of the Products violate the California Health and Safety Code. 88.

24 Under New Jersey state law similarly, a food or beverage product is 89. 25 misbranded and unlawful to sell "If it bears or contains any artificial flavoring, artificial 26 coloring, or chemical preservative, unless it bears labeling stating that fact[.]" NJ Rev Stat § 24:5-17 (2022) 28

90. The Products all contain an artificial flavoring and none bears labeling
 stating that fact. The Products are all misbranded under New Jersey state law.

91. Other states' laws including New Jersey further prohibit unlawful and
misleading labeling; Defendant's intentional mislabeling and misbranding of the Products
with respect to the Products' undisclosed artificial flavoring is inherently misleading and
violates state law.

92. Because it contains an artificial flavor, federal regulations and state laws
including specifically the laws of California and New Jersey require the Products to
display both front- and back-label disclosures to inform consumers that they are
artificially flavored.

11 93. The Products have none of the required disclosures but instead falsely claim12 to be flavored only with "other natural flavors."

13 94. The Products violate federal FDA regulations and state consumer protection14 laws.

15 95. Defendant knowingly chose to label the Products unlawfully, deceiving and16 damaging consumers thereby.

17 96. The Products are all misbranded and illegal to distribute or sell in commerce18 in California, New Jersey, or anywhere in the U.S.

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# **3.** The Product labels affirmatively conceal that the Products are artificially <u>flavored</u>

97. All of the Products contain the undisclosed artificial flavor dl-malic acid.

98. Because the Products contain either no fruit juice at all or only minuscule amounts, Defendant adds artificial dl-malic acid to the Products to simulate, resemble, and reinforce a tart fruit taste that consumers expect from the fruits and berries advertised on the Product labels.

99. FDA regulations set forth a <u>mandatory</u> labeling system which requires food and beverage manufacturers to choose one of three allowable label claims regarding natural and artificial flavors. 1 100. Pursuant to federal and state law, a food or beverage may *only* be labeled
 2 "Naturally Flavored," "Artificially flavored," or "Naturally and Artificially Flavored."

3 101. Unmodified label claims to be "naturally flavored," "natural flavors," or
4 "other natural flavors" are <u>prohibited</u> if the product contains artificial flavors.

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102. A manufacturer choosing to label a food product as "naturally flavored" or "other natural flavors" when that product contains artificial flavor is intentionally and affirmatively choosing to conceal from consumers that the product is artificially flavored.

8 103. None of the Products' labels display the federal- and state-required
9 "Artificial Flavor" label statement but instead affirmatively describe the Product as
10 instead containing natural flavors.

11 104. None of the Products include on either the front or back label any indication12 that any of the Products contains artificial flavoring.

13 105. These Product labels warrant to consumers that the Products are exclusively14 flavored only with natural fruits and berries and natural fruit and berry flavors.

15 106. Representative front label images are shown below for the V8 Splash
16 "Strawberry Kiwi" and "Fruit Medley" products.



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107. All of the Product labels, like that of the "Berry Blend" product,
 purposefully omit the legally-required disclosures that the Products contain artificial
 flavor and instead affirmatively misbrand the Products as containing only "other natural
 flavors" when they in fact contain artificial flavor.

- 108. The ingredient list for "V8 Splash Strawberry Kiwi" shows that the Product
  consists of "Water, high fructose corn syrup, vegetable juice (water and concentrated
  juice of carrots), <u>malic acid</u>, natural flavoring, vitamin C (ascorbic acid), <u>Sucralose</u>, <u>Red</u>
  40, niacinamide (vitamin B), pyridoxine hydrochloride (vitamin B6), cyanocobalamin
  (vitamin B12)."<sup>6</sup> (Emphasis added.)
- 10 109. These are the ingredients listed on Product labels and on Defendant's
  11 webpage for this Product in 2022. At some time since then Defendant apparently began
  12 adding token amounts of kiwi and strawberry juice to the Product.
- 13 110. The "malic acid" in these Products is similarly dl-malic acid, a synthetic
  14 petrochemical made from benzene or butane. "Sucralose" is an artificial sweetener and
  15 "Red 40" is synthetic food dye.
- 16 111. The "Strawberry Kiwi" product contains insufficient fruit or berry juice to
  17 create either the taste or appearance of strawberry or kiwi, but instead contains artificial
  18 flavor, artificial sweetener, and artificial food dye to make the product look and taste as if
  19 it were fruit juice, which it is not.
- 20 112. Even V8 Splash Product varieties that contain some fruit juice contain only
  21 token amounts less than 1% of any of the named fruit juices.

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- 113. These products contain barely more fruit juice than chemical Red Dye #40.
- 23 114. Under federal regulations and state law, the Product back-label ingredient
  24 lists are also required to disclose the presence of artificial flavorings.
- 115. Federal regulations and state consumer protection laws require all foodproducts that contain artificial flavor to disclose this fact to consumers prominently on
- 28 <sup>6</sup>https://web.archive.org/web/20220120135307/https://www.campbellsfoodservice.com/product/juice-drink-strawberry-kiwi-2, January 20, 2022.

1 both the front and back labels.

2 116. None of the Products' labels anywhere include the required artificial-flavor
3 disclosures.

4 117. None of the Product labeling or ingredient lists inform the consumer, as5 required by law, that the Products contain artificial flavor.

6 118. A food or beverage product may not be labeled "Naturally flavored" or
7 "other natural flavors" if it contains <u>any</u> artificial flavoring that simulates, resembles, or
8 reinforces the labeled characterizing flavor.

9 119. The Products' affirmative label claims are <u>prohibited</u> label declarations for
10 these Products: they violate federal and state law and falsely warrantee that the Products
11 contain no artificial flavor.

12 120. These Product label statements "Berry flavored," "Strawberry and Kiwi
13 flavored," or "other natural flavors" are all illegal label claims in the absence of an
14 accompanying artificial flavor disclosure. The Products are required by federal and state
15 law to state prominently on the front labels, "Artificially flavored."

16 121. Under the uniform mandatory national federal food-product labeling system,
17 the Products' labels are affirmative statements constituting express warranties that the
18 Products contain only natural flavors and contain no artificial flavors.

19 122. Reasonable consumers are by now accustomed to and rely on the uniform,
20 nation-wide requirements that every food or beverage that contains artificial flavors states
21 this fact prominently on the product's front label.

123. American consumers may not be prepared to recite FDA regulations but are well-familiar by this time with the uniform nationwide food and beverage labeling practices that reflect those decades-old national requirements: if a food or beverage product contains artificial flavoring it will always state prominently on the front label that the product contains "Artificial Flavor" or is "Artificially Flavored."

27 124. Consumers therefore reasonably conclude from the Product packaging,
28 consistent with decades of experience purchasing food products that comply with the

uniform nationwide legal requirements, that the Products contain only natural juices and
 flavorings.

125. Defendant deceptively fails to disclose the presence of artificial flavoring in
the Products, and affirmatively misrepresents the Products as solely naturally flavored,
unlawfully misleading consumers to believe that the Products are naturally-flavored fruit
juice products when in fact they are artificially flavored and either contain no fruit juice
or only token amounts.

8 126. Because Defendant failed to label the Products lawfully, and instead
9 affirmatively and misleadingly labeled the Products as if they were solely naturally
10 flavored, Plaintiffs were unaware that the Products contained artificial flavors when they
11 purchased them.

12 127. When purchasing the Products, Plaintiffs were seeking products of particular
13 qualities, specifically products that were flavored only with the natural ingredients
14 claimed on the labels and that did not contain artificial flavors.

15 128. Plaintiffs are reasonable, ordinary consumers. Consumer surveys
16 consistently show that the overwhelming majority of consumers will pay more for foods
17 perceived as natural, specifically including foods with no artificial flavors.

18 129. Plaintiffs and the Class lost money as a result of Defendant's conduct
19 because they purchased products that contained undisclosed and undesirable artificial
20 flavors.

21 130. Defendant's marketing of the Products reflects this knowledge of
22 consumers' preferences for natural products. Defendant intentionally conceals from
23 consumers that the Products are artificially flavored.

# 24 4. The Products also violate federal and state food-ingredient "presence or 25 25 absence" laws

131. The Products also violate 21 C.F.R. 102.5(c) and the corresponding state
laws, including specifically California law which incorporates FDA regulations by
reference and New Jersey law which prohibits misleading food labeling.

1 132. A food product's label must also include a statement of the "presence or
absence of any characterizing ingredient(s) or component(s) . . . when the presence or
absence of such ingredient(s) or component(s) in the food has a material bearing on price
or consumer acceptance . . . and consumers may otherwise be misled about the presence
or absence of the ingredient(s) or component(s) in the food." 21 C.F.R. 102.5(c).

6 133. Such a statement must be in boldface print on the front display panel and of
7 sufficient size for an average consumer to notice.

8 134. The "presence or absence" of <u>any</u> actual fruit juice in products marketed as
9 fruit-juice-based beverages has a material bearing on price and consumer acceptance.

10 135. Under the federal regulations and state laws incorporating or reflecting those
11 standards, Defendant must also inform consumers that the Products contain no fruit or
12 berry juice, or only minuscule amounts of such juices, in addition to the mandatory
13 artificial-flavor label statements.

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136. The Products' labels do not include any of the required label statements.

15 137. U.S. Food, Drug, and Cosmetic Act regulations also require that a food's
16 label accurately describe the food product and all ingredients. *See*, 21 C.F.R. 102.5(a).

17 138. The Products' labels therefore also violate 21 C.F.R. 102.5(a) and (c), and18 the similar laws of other states.

19 139. California law prohibits any entity from making untrue or misleading
20 statements about goods, engaging in unethical practices injurious to California residents
21 or competing corporations and other entities, and from violating FDA and other federal
22 regulations and the laws of other states regarding consumer protections.

140. New Jersey law protects consumers by prohibiting deceptive sales practices
to include affirmative misrepresentations, concealment or omission of material facts,
false promises or pretenses, and unconscionable commercial practices in consumer
transactions. New Jersey law also makes unlawful the breach of warranties made by
product manufacturers.

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141. Other states' laws similarly require that food product labels must disclose

1 the presence of artificial flavoring and be accurate and complete and not misleading.

142. Defendant was required to place prominently on the Products' front labels a
notice sufficient to allow consumers to understand that the Products contain artificial
flavorings and that they contain either no fruit juice whatsoever or only token amounts.

5 143. Defendant failed to disclose in their labels not only that the Products contain
6 artificial flavoring but also that some of the Products contain no fruit juice whatsoever
7 and no Product contains any more than a token amount.

8 144. FDA regulations further require that a food or beverage product label inform
9 the consumer when any ingredient promised by the name or labeling of the product is
10 absent.

11 145. The federal guidance gives as an example that a product labeled "Strawberry
12 Shortcake" that includes no actual strawberries must inform consumers on the label that
13 the product "Contains no strawberries."

14 146. Those Products that contain no actual fruit juice or only de minimis amounts
15 but are named for and show pictures on the labels of multiple fruits or berries must
16 inform the consumer they contain no actual fruits or berries or juice thereof.

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147. "V8 Splash Berry Blend" contains no berries or the juice of any berries.

18 148. The Products that contain no actual fruit juice are required to further inform
19 the consumer that they "contain 0% berry juice" or "contain 0% fruit juice" or "contain
20 less than 1% kiwi juice".

21 149. Defendant is a sophisticated manufacturer, marketer, and distributor of foods22 and beverages and is well aware of federal and state food labeling laws and regulations.

23 150. Defendant chose not to comply with federal and state labeling laws.

24 151. Defendant knew or should have known that the Products are mislabeled and25 misbranded.

26 152. Defendant willfully and affirmatively conceals from consumers the fact that
27 the Products are artificially flavored and contain little or no actual fruit juice.

## 5. The Products also violate federal and state food-fortification policy and

CLASS ACTION COMPLAINT

#### <u>laws</u>

153. The Products further violate federal and state food-fortification labeling 2 3 policy and are misleadingly advertised as a source of antioxidant vitamins.

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154. US FDA fortification policy states that random addition of vitamins to food and beverage products is improper.<sup>7</sup> 5

155. Such addition, and in particular the advertising or labeling of such nutrient 6 additions, is inherently misleading as it creates the impression that the advertised junk 7 8 food is a healthy choice.

156. That is exactly the consumer misimpression that Defendant attempts to 9 10 create here.

157. The Product labels announce on the front of the packages in boldest font that 11 12 they contain "ANTIOXIDANT VITAMINS".

13 158. Real fruit and fruit juice would indeed contain significant amounts of such vitamins as well as other essential nutrients important for the metabolism of those 14 vitamins. 15

159. Instead of the significant amounts of naturally-occurring vitamins and 16 minerals that would accompany real fruit and fruit juice, a minimal amount of a few 17 synthetic vitamins are "sprinkled in" to the Products in manufacturing. The Products do 18 19 not contain anything approaching the normal amount of naturally-occurring vitamins, minerals, antioxidants, enzymes, or fiber that would be expected if they actually 2021 contained anything other than negligible amounts of real fruit juice.

22 160. The Products instead contain large amounts of added sugar as well as artificial sweetener; the added sugar, in fact, robs the body of such essential nutrients. 23

24 161. Excess sugar consumption depletes vitamins and minerals, including those necessary for beneficial antioxidant health effects. Excess sugar consumption prevents 25

<sup>&</sup>lt;sup>7</sup> "Nutritional Quality of Foods; Addition of Nutrients" in the Federal Register (45 FR 6314), and see 27 Code of Federal Regulations (21 CFR 104.20). "The fortification policy discourages indiscriminate addition of nutrients to foods." 28

1 antioxidant vitamins and minerals from working effectively in the body.

2 162. Excess sugar consumption interferes with the body's metabolism of vitamins
3 including vitamin C.

4 163. Excess sugar consumption also depletes and blocks the absorption of
5 vitamin D, calcium, magnesium, potassium, and chromium.

6 164. Excess sugar consumption depletes thiamine, riboflavin, niacin, and cellular
7 phosphate necessary for energy metabolism.

8 165. Far from being a good source of antioxidants or antioxidant vitamins, the
9 Products contribute to the depletion of all these nutrients from the human body.

10 166. Defendants misleadingly label the Products as if they contain healthful fruit
11 juices and supply healthful vitamins, when in fact they consist largely of sugar-water, the
12 excess consumption of which interferes with the proper metabolism of those vitamins.

13 167. Even apart from the fortification policy that the Products violate, it is
14 misleading to consumers to trumpet the Products as sources of "ANTIOXIDANT []
15 VITAMINS."

16 168. Rather than being a source of antioxidants, the added refined sugar in the
17 Products depletes the body of antioxidants and blocks vitamin and mineral absorption and
18 cellular benefits.

19 169. California, New Jersey, and similar state laws prohibit labeling that is20 inherently misleading.

21 170. The Products violate federal FDA and state food fortification and labeling22 policy as well.

# 23 <u>6. Defendant has known since at least 2014 that the Products' labeling was</u> 24 <u>deceptive</u>

171. In 2014, the Center for Science in the Public Interest (CSPI) wrote and
published a letter to Defendant informing Defendant that these Product labels were
inherently deceptive to consumers.

28 172. The CSPI informed Defendant in 2014 that,

"The pictures of fruits and vegetables [on the product packages] in conjunction with bold antioxidant vitamin claims on V8 packaging, websites, Facebook pages, and other advertising serve to confuse consumers as to which product lines contain juice and which products are primarily sugar water. Campbell misleads consumers by creating the erroneous impression that the vitamins contained in its Products are sourced from the fruits and vegetables depicted on its labels and that all of its Products are wholesome, healthful alternatives to consuming fresh fruits and vegetables."<sup>8</sup>

173. The CSPI further informed Defendant that "It is also misleading to overstate 9 10 the highlighted nutrients benefits while omitting the amounts of sugar and other potentially harmful ingredients that comprise the rest of the beverage."910 11

12 174. Defendant further misleads consumers by taking advantage of consumers' association of the "V8" brand with healthful fruit and vegetable beverages. 13

175. V8 Vegetable Juice, or simply "V8," is the registered trademark name for 14 the well-known vegetable-juice beverage made from eight actual vegetable juices. 15

176. "V8" is an established and trusted brand name, a trademark registered with 16 the US Patent and Trademark Office and understood by consumers to represent a natural 17 beverage made from eight actual vegetable juices. 18

19 177. Defendant labels and advertises its "V8 Splash" Products as part of this same brand image that promises wholesome natural beverages, health, well-being, and 20 transparency, promising, "food you can feel good about eating-made with ingredients 21 you can trust."<sup>11</sup> 22

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178. With respect to every one of the Products this is a false promise.

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CSPI letter, 2014; https://www.cspinet.org/sites/default/files/attachment/v8demand1.pdf; last visited 25 January 21, 2024. Id.

26

28 <sup>11</sup> https://www.campbellsoupcompany.com/our-impact; last visited September 12, 2023.

<sup>10</sup> Because Defendant concealed this fact from purchasers, the CSPI was not aware at the time that the 27 Products were also artificially flavored.

1 179. Defendant misleads consumers and takes advantage of the reputation, image,
 2 and consumer acceptance of its V8 juice products to sell consumers the artificially 3 flavored, artificially sweetened, highly-sugared junk beverages that are the Products.

180. Highly-sweetened beverages are unhealthy for children.

5 181. Sugar-sweetened beverages contribute to childhood obesity, diabetes, and
6 metabolic syndrome, among other health problems.

7 182. At times during the Class period, V8 Splash Products contained as much
8 sugar as Grape Kool Aid.

9 183. Artificial sweeteners are also not healthy for young children.

10 184. Artificial sweeteners permanently alter children's taste preferences for ultra11 sweet foods, setting the stage for a lifetime of unhealthy food and beverage choices.

12 185. Highly-sweetened beverages – both sugar-sweetened and artificially13 sweetened – strongly influence a child's taste preferences, leading them to prefer and
14 seek out only other highly-sweetened foods, often to the exclusion of all other nutritious
15 food and often at a very young age.

16 186. The Products contain large amounts of added sweeteners in the form of <u>both</u>
17 high-fructose corn syrup and artificial sweeteners.

18 187. Defendant takes advantage of consumer trust in the V8 reputation and
19 trademark by labeling and selling artificially-sweetened, artificially flavored sugar-water
20 packaged as if it were healthy fruit juice.

21 188. Defendant intentionally markets the Products to parents as a healthy juice22 drink for children.

23 189. Defendant misleads consumers into thinking they are buying a healthful24 blend of fruit and vegetable juices instead of artificially-flavored sugar-water.

190. The Products trick parents into believing they are purchasing and serving
fruit-juice-based beverages to their families, beverages that provide at least some of the
health benefits of fruit juice.

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1 191. Defendant's labeling and marketing of the Products is inherently misleading
 2 and violates state consumer protection laws.

## 7. Defendant's competitors label their products lawfully

4 192. Defendant not only deceives and harms consumers but also gains an unfair
5 commercial advantage in the marketplace by labeling the Products deceptively.

6 193. Other manufacturers of competing beverage products label their products7 lawfully.

8 194. Other competing manufacturers, offering products whose labels suggest as
9 Defendant does that such products are naturally flavored, truly make their products only
10 with natural ingredients.

11 195. Other manufacturers of artificially flavored beverage products accurately
12 and lawfully label their products as "Artificially Flavored" and clearly disclose the
13 presence of artificial flavoring to consumers.

14 196. The front labels on competing artificially-flavored fruit-flavored juice drinks15 lawfully disclose the presence of artificial flavors.

16 197. Those competing, lawfully-labeled products are priced lower because17 consumers will not pay as much for artificially-flavored drinks.

18 198. Unlike its competitors, Defendant conceals the use of artificial flavoring,
19 thus deceiving consumers, illegally cutting costs and increasing profits, and competing
20 unfairly and unlawfully in the marketplace against beverage companies whose labels and
21 marketing comply with federal regulations and state law.

199. Defendant's conduct injures competing manufacturers that do not engage in
the same illegal behavior. Those manufacturers compete for market share and limited
shelf space, as well as for consumers' buying preferences and dollars. Defendant's
competitors do so lawfully. Defendant does not.

# 26 8. Plaintiffs and the Class pay a price premium for Defendant's misbranded 27 Products

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200. Plaintiffs purchased the Products in California during the Class Period as
 defined herein.

201. Plaintiff Monic Serrano purchased the Products two to three times per month
from about 2020 until the present, at Ralphs, Food 4 Less, CVS, and Smart and Final
stores located in or near North Hollywood, California.

202. Plaintiff Debra Shaw purchased the Products one to two times per month
beginning in about 2018, at various locations in California, most recently at a Walmart
warehouse store located at 3750 S. Mooney Boulevard, Visalia, CA 93277.

9 203. Plaintiffs purchased the Products at the marked retail prices, typically at
10 average unit prices ranging from \$3.00 to \$5.00, and from time to time at other
11 promotional prices.

12 204. Plaintiffs first discovered Defendant's unlawful conduct in October 2023
13 when they learned that the Products contained undisclosed artificial flavoring.

14 205. Plaintiffs saw, were deceived by, and relied upon the Products' deceptive
15 labeling, including Defendant's omission of the required artificial-flavor disclosures and
16 affirmative false labeling.

17 206. Plaintiffs purchased the Products believing they were exclusively naturally
18 flavored, based on the Products' deceptive labeling and failure to disclose the artificially
19 flavoring.

20 207. Plaintiffs, and the Class, as reasonable consumers, are not required to subject 21 consumer food products to laboratory analysis, to scrutinize the back of the label to 22 discover that Product front labels are false and misleading, or conduct further research to 23 find information that state law and federal regulations require be displayed prominently 24 on the front labels of these Products.

25 208. Defendant, but not Plaintiffs, knew or should have known that the Products'
26 labeling was false or misleading and violated federal regulations and state laws.

27 209. Because Plaintiffs reasonably assumed the Products to be free of artificial
28 flavoring based on the Products' labels when they were not, they did not receive the full

benefit of their purchases. Instead of receiving the benefit of products free of artificial
 flavoring, Plaintiffs received Products that were artificially flavored and unlawfully
 labeled to deceive consumers.

210. Plaintiffs and the Class would not have purchased the Products in the
absence of Defendant's affirmative misrepresentations and omissions. Had Defendant not
violated state law and federal regulations, Plaintiffs and the Class would not have been
injured.

8 211. American consumers prefer natural food products and are willing to pay
9 significantly more for such products when compared to food products with artificial
10 ingredients.

11 212. Products that consumers believe to be naturally flavored sell at a price12 premium compared to products that contain artificial flavors.

13 213. Food products that are naturally flavored and contain only natural flavorings
14 - or are labeled and marketed as if they were only naturally-flavored - therefore
15 command a price premium.

16 214. Plaintiffs and the Class members would not have paid as much for the17 Products absent Defendant's false and misleading affirmative statements and omissions.

18 215. The Products were therefore worth less to Plaintiffs and other Class19 members than they paid for them.

20 216. Defendant's unlawful and deceptive labeling practices and knowing and
21 willful omissions caused Plaintiffs and the Class to lose money. Plaintiffs, and each Class
22 member, altered their financial positions to their detriment and suffered losses equal to
23 the price premium they paid believing the products contained no artificial flavors.

24 217. Defendant sold the Products to retail intermediaries for the express purpose25 of further sale to consumers including Plaintiffs and the Class members.

26 218. Plaintiffs and the Class members were intended beneficiaries of the contracts
27 for the sale of the Products between Defendant and retail intermediaries.

- 28
- 219. Because human memory is imperfect, Plaintiff and class members may

mistakenly purchase the Products again in the future, particularly as the packaging and
 labeling is intentionally deceptive, without realizing that those Products contain artificial
 flavoring and are still deceptively packaged and labeled.

220. Plaintiff may also inadvertently purchase the Products in the future despite
the fact that the Products contain undisclosed artificial flavor and are falsely labeled and
advertised, as she may reasonably but incorrectly assume the unlawful practice of adding
undisclosed artificial flavoring ceased.

8 221. Plaintiffs intend to, desire to, and will purchase the Products again when 9 they can do so with the assurance that the Products' labels, which warrant that the 10 Products are solely naturally flavored, are lawful and consistent with the Products' 11 ingredients.

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#### V. <u>DELAYED DISCOVERY</u>

13 222. Plaintiffs did not discover that Defendant's labeling of the Products was
14 false and misleading until November 2023 when they learned the Products contained
15 undisclosed artificial flavoring.

223. Plaintiffs are reasonably diligent consumers who exercised reasonable 16 diligence in their purchases and consumption of the Products. Nevertheless, they would 17 not have been able to discover Defendant's deceptive practices and lacked the means to 18 19 discover them given that, like nearly all consumers, they rely on and are entitled to rely 20on the manufacturer's obligation to label its products in compliance with federal regulations and state law. Furthermore, Defendant's labeling practices and non-21 disclosures-in particular, misnaming and failing to correctly identify the artificial 22 flavors in the ingredient list, or to disclose that the Products contained artificial flavoring, 23 or to accurately identify the kind of malic acid that Defendant puts in the Products, and 24 25 Defendant's affirmative false labeling statements impeded Plaintiffs' and the Class members' abilities to discover the deceptive and unlawful labeling of the Products 26 27 throughout the Class Period.

224. Because Defendant actively concealed the illegal conduct, preventing
 Plaintiffs and the Class from discovering the violations of state and federal law, Plaintiffs
 and the Class are entitled to delayed discovery and an extended Class Period tolling the
 applicable statute of limitations.

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#### VI. <u>CLASS ACTION ALLEGATIONS</u>

6 225. Plaintiffs bring this action on behalf of themselves and all others similarly
7 situated (the "Class") pursuant to the Class Action Fairness Act, 28 U.S.C. § 1332(d).

226. The Class is defined as follows:

All U.S. residents who purchased the Products in the United States on or after January 1, 2016 and until the date the Class is certified by the Court, excluding Defendant and Defendant's officers, directors, employees, agents, and affiliates, and the Court and its staff.

13 227. Plaintiffs also propose to represent a California Sub-Class, defined as14 follows:

All California residents who purchased the Products in California on or after January 1, 2018 and until the date the Sub-Class is certified by the Court, excluding Defendant and Defendant's officers, directors, employees, agents, and affiliates, and the Court and its staff.

19 228. Plaintiffs also propose to represent a multi-state express- and implied-20 warranty class.

21 229. The proposed multi-state express- and implied-warranty class is defined, per
22 prior California federal district court authority, as:

All residents of California, Delaware, District of Columbia, Kansas, Missouri, New Jersey, Ohio, Utah, Virginia, or West Virginia, who purchased one or more of the Products as defined herein in one of those states on or after January 01, 2018, and until the date the Class is certified by the Court, excluding Defendant and Defendant's officers, directors, employees, agents, and affiliates, and the Court and its staff.

230. Plaintiffs also propose to represent a multi-state breach of contract, breach of
 good faith, and fraudulent inducement class.

3 231. The multi-state breach of contract, breach of good faith, and fraudulent
4 inducement class is defined consistent with California federal court authority, as:

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All residents of California, Alabama, Alaska, Colorado, Connecticut, Florida, Illinois, Indiana, Iowa, Kansas, Louisiana, Massachusetts, Missouri, New Jersey, New York, North Dakota, Oregon, Texas, Utah, or West Virginia, who purchased one or more of the Products as defined herein in one of those states on or after January 01, 2018, and until the date the Class is certified by the Court, excluding Defendant and Defendant's officers, directors, employees, agents, and affiliates, and the Court and its staff.

13 232. During the Class Period, the Products unlawfully contained an undisclosed14 artificial flavor and were otherwise improperly and unlawfully labeled.

15 233. During the Class Period, Class members purchased one or more of the16 Products and incurred the same injuries as alleged herein for the Plaintiffs.

17 234. The proposed Class meets all criteria for a class action, including
18 numerosity, typicality, superiority, and adequacy of representation; there is a well19 defined community of interest in questions of law and fact common to the Class.

20 235. The proposed Class satisfies numerosity. Defendant distributes the products
21 through numerous mass-market retailers nationwide; the Class numbers at least in the
22 tens of thousands of consumers. Individual joinder of the Class members in this action is
23 impractical. Addressing the Class members' claims through this class action will benefit
24 Class members, the parties, and the courts.

25 236. The proposed Class satisfies typicality. Plaintiffs' claims are typical of and
26 are not antagonistic to the claims of other Class members. Plaintiffs and the Class
27 members all purchased the Products, were deceived by the false and deceptive labeling,
28 and lost money as a result.

237. Further both Plaintiffs and every class member were exposed to the
 fraudulent labeling because the front labels themselves were deceptive and every
 purchaser saw the Product labels at the point of purchase.

4 238. Further, because New Jersey law includes a presumption of extra5 territoriality, and under that presumption where products or conduct emanating from New
6 Jersey violate New Jersey consumer protection law, that law may be applied uniformly to
7 purchases in the U.S. outside New Jersey. The same state law may therefore be applied to
8 all purchases by members of the proposed nationwide class.

9 239. The proposed Class satisfies superiority. A class action is superior to any
10 other means for adjudication of the Class members' claims because each Class member's
11 claim is modest, based on the Products' retail purchase price which is generally under
12 \$5.00 per unit. It would be impractical for individual Class members to bring individual
13 lawsuits to vindicate their claims. If this action is not brought as a class action, Defendant
14 can continue to deceive consumers, unfairly compete with other companies, and violate
15 federal and state law with impunity.

16 240. Because Defendant made misrepresentations on the label of the Products
17 themselves, all Class members including Plaintiffs were exposed to and continue to be
18 exposed to the omissions and affirmative misrepresentations.

19 241. The proposed Class representatives satisfy adequacy of representation. The
20 Plaintiffs are adequate representatives of the Class as they seek relief for the Class, their
21 interests do not conflict with the interests of the Class members, and they have no
22 interests incompatible with those of other Class members. Plaintiffs have retained counsel
23 competent in the prosecution of consumer fraud and class action litigation.

24 242. There is a well-defined community of interest in questions of law and fact
25 common to the Class, and these predominate over any individual questions affecting
26 individual Class members in this action.

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243. Questions of law and fact common to Plaintiffs and the Class include:

1	a.	Whether Defendant adds artificial dl-malic acid to the products;		
2	b.	Whether the malic acid in the Products acts as a flavoring;		
3	с.	Whether Defendant unlawfully failed to disclose the presence		
4		of artificial flavoring in the Products;		
5	d.	Whether Defendant knowingly and purposefully failed to		
6		disclose the presence of artificial flavoring in the Products;		
7	e.	Whether Defendant violated U.S. Food and Drug		
8		Administration labeling regulations and corresponding state		
9		laws;		
10	f.	Whether Defendant's labeling omissions and affirmative false		
11		representations constituted false advertising under state law;		
12	g.	Whether Defendant's conduct constituted violations of California's		
13		Consumers Legal Remedies Act, Cal. Civ. Code §§1750 et seq.		
14	h.	Whether Defendant's conduct constituted violations of California's		
15		Unfair Competition Law, Cal. Bus. & Prof. Code §§17200, et seq.		
16	i.	Whether Defendant's conduct constituted violations of California's		
17		False Advertising law, Cal. Bus. & Prof. Code §§ 17500, et seq.		
18	j.	Whether Defendant's conduct constituted violations of New Jersey		
19		Consumer Fraud Act ("CFA"), N.J.S.A. 56:8-1, et seq;		
20	k.	Whether Defendant's conduct constituted a violation of other		
21		states' consumer protection statutes;		
22	1.	Whether Defendant's conduct constituted a violation of state		
23		common-law consumer protection and unfair competition		
24		statutes;		
25	m.	Whether Defendant's advertising and label statements		
26		describing natural fruit and berry flavors were an affirmative		
27		representation of the Products' composition creating an express		
28		warranty;		
		29		

1	n. Whether Defendant's conduct constitutes a breach of implied						
2	warranties under state statutes and common law;						
3		0.	Whether	Defendant's	conduct	constitutes	negligent
4			misreprese	entation;			
5		p.	Whether D	Defendant's cond	duct constitu	ites fraud by o	mission;
6		q.	Whether	Defendant's	conduct	constitutes	fraudulent
7		inducement.					
8	r. Whether the statute of limitations should be tolled on behalf of						
9	the Class due to Defendant's deceptive conduct in intentionally						
10	concealing the presence of artificial flavoring ingredients in the						
11	Products;						
12	s. Whether Plaintiffs and the Class are entitled to restitution or						
13	rescission, actual damages, punitive damages, attorneys' fees						
14	and costs of suit, and injunctive relief; and						
15	t. Whether Plaintiffs and the Class are entitled to any such further						
16	relief as the Court deems appropriate.						
17	244. Class members lost money as a result of Defendant's unlawful behavior.						
18	245. Class members altered their financial positions to their detriment and						
19	suffered individual loss in an amount equal to the price or the price premium they paid						
20	for the Products as falsely labeled and advertised.						
21	246. The New Jersey Consumer Fraud Act, NJSA 56:8-1, et seq, under which						
22	<i>inter alia</i> Plaintiffs and the proposed Class allege many of the above-described violations						
23	and causes of action, as interpreted by the New Jersey Supreme Court includes a						
24	presumption of extraterritoriality for any harms arising from violative conduct occurring						
25	in or emanating from the state of New Jersey.						
26	247. Further, Defendant has acted on grounds applicable to the entire Class,						
27	making final injunctive relief or declaratory relief appropriate for the Class as a whole.						

- 28
- 248. Class treatment is therefore appropriate for this Action.

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## VII. <u>CAUSES OF ACTION</u>

# FIRST CAUSE OF ACTION: Violation of the Consumers Legal Remedies Act

Cal. Civ. Code §§ 1750, et seq. (on behalf of the California Sub-Class)

4 249. Plaintiffs reallege and incorporate by reference the allegations made
5 elsewhere in the Complaint as if set forth in full herein.

6 250. The Consumers Legal Remedies Act (CLRA) prohibits any unfair, deceptive
7 and unlawful practices, and unconscionable commercial practices in connection with the
8 sale of any goods or services to consumers.

9 251. Plaintiffs and the California Sub-Class are "consumers" as defined by Cal.
10 Civ. Code §1761(d).

252. The Products are "goods" as defined by Cal. Civ. Code §1761.

12 253. Defendant's failure to label the Products in accord with federal and state
13 labeling regulations, omitting the required information that the Products contain artificial
14 flavoring, was an unfair, deceptive, unlawful and unconscionable commercial practice.

254. Defendant's conduct violates the Consumer Legal Remedies Act.

16 255. As a result of Defendant's violations, Plaintiffs and the Class suffered 17 ascertainable losses in the form of the price premiums they paid for the unlawfully 18 labeled and marketed Products, which they would not have paid had Defendant labeled 19 the Products in accordance with federal regulations and California law, and in the form of 20 the reduced value of the Products purchased compared to the Products as labeled, 21 advertised, and warranted.

22 256. On or about February 12, 2024, Plaintiffs sent a notice letter to Campbell
23 which complies with California Civil Code § 1782 (a). Plaintiffs sent Defendant,
24 individually and on behalf of the proposed Class, a letter via Certified Mail, demanding
25 that Defendant rectify the violations described above by agreeing to be bound by their
26 legal obligations, providing monetary relief, and giving notice to all affected customers of
27 their intent to do so.

28

257. If Defendant does not comply with the notice letter within thirty (30) days,

Plaintiffs will amend this complaint accordingly. Until such time, this Complaint seeks
 only injunctive relief and not damages under § 1770 and § 1782.

- 3 SECOND CAUSE OF ACTION: Violation of the Unfair Competition Law
   4 Cal. Bus. & Prof. Code §§ 17200, *et seq.* (on behalf of the California Sub-Class)
  - Unfair Competition Law, Unlawful Prong

6 258. Plaintiffs reallege and incorporate by reference each and every allegation
7 contained elsewhere in this Complaint, as if fully set forth herein.

8 259. The Unfair Competition Law (UCL) prohibits any "unlawful," "unfair" or
9 "fraudulent" business practice. Section 17200 specifically prohibits any "unlawful . . .
10 business act or practice."

260. The UCL recognizes violations of other federal and state laws and statutes
and considers those violations also to constitute violations of California law when the
violations occur in California.

14 261. Defendant's practices as described herein were at all times during the Class
15 Period and continue to be unlawful under, *inter alia*, FDA regulations and California's
16 Sherman Law.

17 262. Among other violations, Defendant's conduct in unlawfully distributing the
18 Products in commerce in California violated U.S. FDA packaging and labeling
19 regulations.

20 263. The Products' front labels fail to disclose that the Products contain synthetic
21 artificial flavoring in violation of 21 CFR § 101.22 and California's Sherman Law and
22 are therefore misbranded.

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264. The Products contain dl-malic acid.

24 265. The dl-malic acid is an artificial flavoring material, and is included in the
25 Products to create, simulate, and reinforce the Products' characterizing fruit and berry
26 flavors.

27 266. The dl-malic acid in the Products is not derived from any natural material as
28 defined in 21 CFR § 101.22 and is therefore by law an artificial flavor.

267. Defendant failed to inform consumers of the presence of the artificial flavor
 in the Products, on either the front or back-label as required by law, and distributed the
 Products in interstate commerce and in California.

4 268. Defendant's practices are therefore unlawful as defined in Section 17200, *et*5 *seq.*, of the California Civil Code.

269. Pursuant to California Business & Professions Code §17203, Plaintiffs seek
an order requiring Defendant to immediately cease such acts of unlawful, unfair and
fraudulent business practices and requiring Defendant to return the full amount of money
improperly collected to all those who purchased the Products.

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#### Unfair Competition Law, Unfair Prong

270. Section 17200 of the California Business & Professions Code ("Unfair
Competition Law" or "UCL") prohibits any "unfair . . . business act or practice."
Defendant's practices violate the Unfair Competition Law "unfair" prong as well as the
"unlawful" prong.

15 271. Defendant's practices as described herein are "unfair" within the meaning of
16 the California Unfair Competition Law because the conduct is unethical and injurious to
17 California residents and the utility of the conduct to Defendant does not outweigh the
18 gravity of the harm to consumers.

19 272. Defendant's sale and distribution of misbranded Products in violation of 20 federal and state law may have some utility to Defendant in that it allowed Defendant to 21 sell the Products to consumers who otherwise would not purchase an artificially flavored 22 food or beverage product at the retail price or at all if it were labeled correctly, and to 23 realize higher profits than if the Products were formulated or labeled lawfully. But this 24 utility is small and is far outweighed by the gravity of the harm Defendant inflicted upon 25 California consumers.

26 273. Defendant's conduct also injures competing food product manufacturers,
27 distributors, and sellers, who do not engage in the same unlawful, unfair, and unethical
28 behavior.

274. Moreover, Defendant's practices violate public policy expressed by specific
 constitutional, statutory, or regulatory provisions, including the Sherman Law, the False
 Advertising Law, and the FDA regulations cited herein.

4 275. Plaintiffs' and the California Subclass purchases of the Products took place
5 in California.

6 276. Defendant labels the Products in violation of federal regulations and
7 California law requiring truth in labeling.

8 277. Defendant consciously failed to disclose material facts to Plaintiffs and the
9 California Sub-Class in Defendant's advertising and marketing of the Products.

278. Defendant's conduct is unconscionable because in addition to the breach of
consumer trust, Defendant willfully violated 21 C.F.R. § 101.22(c), which requires all
foods containing artificial flavoring to include a "statement of artificial flavoring . . .
likely to be read by the ordinary person under customary conditions of purchase and use
of such food."

15 279. Defendant's conduct is "unconscionable" because it violates, *inter alia*, 21
16 C.F.R. § 101.22, which requires all food products distributed in commerce in the U.S. for
17 which artificial flavoring provides a characterizing flavor to disclose this fact
18 prominently on the product's front label, as well as California's Health and Safety Code.

19 280. Defendant intended that Plaintiffs and the Sub-Class rely on Defendant's
20 acts or omissions so that Plaintiffs and the other Sub-Class members would purchase the
21 Products.

22 281. Had Defendant disclosed all material information regarding the Products in
23 their advertising and marketing, Plaintiffs and the Sub-Class would not have purchased
24 the Products or would have paid less for the Products.

25 282. Plaintiffs and the California Sub-Class suffered injury in fact and lost money
26 or property as a result of Defendant's deceptive advertising: they were denied the benefit
27 of the bargain when they purchased the Products based on Defendant's violation of the
28 applicable laws and regulations, and purchased the Products rather than competitors'

products which are lawfully labeled, and are either less expensive or contain no artificial
 flavoring.

283. Plaintiffs and the Sub-Class suffered an ascertainable loss of money. Defendant's acts, omissions and practices detailed herein proximately caused Plaintiffs and other members of the Sub-Class to suffer an ascertainable loss in the form of, *inter alia*, monies spent to purchase the Products they otherwise would not have, and they are entitled to recover such damages, together with appropriate penalties, including restitution, damages, attorneys' fees and costs of suit.

9 284. Section 17200 also prohibits any "unfair, deceptive, untrue or misleading
10 advertising." For the reasons set forth above, Defendant engaged in unfair, deceptive,
11 untrue and misleading advertising in violation of California Business & Professions Code
12 § 17200.

285. Pursuant to California Business & Professions Code §17203, Plaintiffs seek
an order requiring Defendant to immediately cease such acts of unlawful and unfair
business practices and requiring Defendant to return the full amount of money improperly
collected from Plaintiffs and the California Sub-Class.

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### THIRD CAUSE OF ACTION: Violations of False Advertising Law

Cal. Bus. & Prof. Code §§ 17500, *et seq*. (on behalf of the California Sub-class)

19 286. Plaintiffs reallege and incorporate by reference each and every allegation20 contained elsewhere in this Complaint as if fully set forth herein.

21 287. Defendant distributed, in California and in interstate commerce, Products
22 that unlawfully fail to disclose artificial flavoring on their packaging as required by
23 federal food labeling regulations.

24 288. The Products' labeling and advertising in California falsely represent the25 Products as if they were solely naturally flavored.

26 289. Under California's False Advertising Law, Business and Professions Code
27 §17500 *et seq*, it is unlawful "to make or disseminate or cause to be made or
28 disseminated before the public in this state . . . any statement, concerning that real or

personal property . . . which is untrue or misleading, and which is known, or which by the 1 exercise of reasonable care should be known, to be untrue or misleading. . . ." Cal. Bus. 2 & Prof. Code §17500. 3

290. The labeling and advertising statements on the Products conceal the fact that 4 the Products contain a synthetic artificial flavor and Defendant, at a minimum by the 5 exercise of reasonable care, should have known that the labeling was false and 6 misleading. 7

8 291. Defendant profited from the false advertising displayed on the Products' labels. 9

10 292. Defendant's conduct violates California's False Advertising Law.

293. Plaintiffs, the Class, and the California Sub-Class are therefore entitled to 11 12 the return of money Defendant improperly collected from all those who were exposed to the above-described false advertising and who purchased the Products when they 13 otherwise would not have or who paid a price premium for the falsely advertised 14 Products. 15

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#### 17 FOURTH CAUSE OF ACTION: Violation of the New Jersey Consumer Fraud 18 Act

N.J.S.A. 56:8-1, et seq (Nationwide Class)

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294. Plaintiffs reallege and incorporate by reference the allegations found elsewhere in the Complaint as if set forth in full herein. 22

The Products violate the New Jersey Consumer Fraud Act (CFA). 295.

The Products are "merchandise" as defined by the CFA because they are 296. 24 consumer goods. 25

297. Plaintiffs and Class members are "persons" as defined by the CFA. 26

298. Plaintiffs' and Class members' purchases of the Products were sales as 27 defined in the CFA. 28

299. Defendant's unlawful conduct, as described herein, occurred in New Jersey
 and relates to the manufacture, packaging, labeling, advertisement, distribution, and sale
 of the Products.

300. Defendant manufactured, labeled, and distributed the Products to retail
intermediaries with the intention and for the purpose of further sale of the Products to
members of the putative Class.

301. Defendant labeled and advertised the Products to induce Plaintiffs and Class
members to purchase the Products and to pay the premium prices consumers are willing
to pay for beverages and foods that do not contain artificial flavoring agents.

302. Defendant's intentional affirmative mislabeling of the Products and failure
to disclose the artificial flavoring in the Products is an unconscionable commercial
practice because it deceives consumers and is unfair to manufacturers of similar products
who label their products in accordance with federal regulations and state law.

14 303. Under New Jersey state law as well as federal regulations, Defendant had a15 duty to disclose to consumers the presence of an artificial flavoring agent in the Products.

16 304. The labeling and advertising statements on the Products deliberately omit17 and affirmatively conceal the fact that the Products contain a synthetic artificial flavor.

18 305. Defendant was aware that the Products contained the artificial version of19 malic acid and that this malic acid acted as a flavoring agent.

306. Defendant knew or should have known that the Product labeling was falseand misleading.

307. Defendant knowingly omitted from the Products' labels the material fact thatthe Products contain artificial flavoring.

308. Defendant affirmatively misrepresented to Plaintiffs and to the putative
Class that the Products were solely naturally flavored and did not contain artificial
flavoring agents.

27 309. Defendant intended that Plaintiffs and Class members would rely on
28 Defendant's knowing concealment and omission of the material fact that the Products

contain artificial flavoring when deciding to purchase the Products, comparing the
 Products to other similar products, and deciding what they were willing to pay.

3 310. But for Defendant's unlawful conduct, Plaintiffs and Class members would
4 either have not purchased the Products or would only have purchased the Products at
5 lower prices than they paid, consistent with other artificially-flavored imitation juice
6 drink products.

311. Defendant's unlawful conduct induced Plaintiffs and members of the Class
to purchase products they otherwise would not have purchased or to pay prices higher
than they otherwise would be willing to pay for a beverage containing artificial flavoring.

312. Defendant's unlawful conduct directly caused quantifiable economic
damage in the form of either the Products' purchase prices or the price premiums for the
Products.

313. Under New Jersey law, every class member who purchased the Products
anywhere in the U.S. suffered an injury-in-fact in New Jersey where Defendant, the
company that manufactured and labeled the Products, is located and where the violative
conduct occurred.

17 314. The New Jersey Consumer Fraud Act applies a six-year statute of18 limitations.

19 315. As a proximate result of Defendant's violations of New Jersey law, Plaintiffs20 and Class members have been damaged in an amount to be determined at trial.

21

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# FIFTH CAUSE OF ACTION: Breach of Express Warranties

Cal. Comm. Code § 2313 & similar state laws

23 (California sub-class & multi-state sub-class, all states with substantially similar laws)

24 316. Plaintiffs reallege and incorporate by reference the allegations found25 elsewhere in the Complaint as if set forth in full herein.

317. The Products' front labels misleadingly claim, by operation of California
law and similar laws of other states, that the Products are flavored only with the listed
characterizing flavors.

318. These labels warrant, under federal law that the Products are flavored only
 with natural juices and natural flavors.

3 319. The Products' front labels fail to disclose the use of artificial flavoring 4 "immediately and conspicuously preced[ing] or follow[ing]" the names of the 5 characterizing flavors, as required by law. *See, e.g.*, 21 C.F.R. 101.22(i)(3).

320. The Products front labels further display prohibited affirmative label claims
that the Products are [fruit] flavored and include only "other natural flavors" rather than
artificial flavors.

9 321. Defendant's failure to disclose the use of artificial flavoring on the Products'
10 front labels, and affirmative prohibited label claims, by operation of law inform
11 consumers that the Products do not contain artificial flavors.

322. The Products' front labels falsely warrant by operation of law that the
Products are flavored only with the listed or depicted fruits and berries and natural
flavors.

15 323. Defendant's affirmations of fact, promises, and warranties that the Products
16 contained only natural flavors became part of the basis of the bargain between the parties
17 and thus constituted express warranties.

18 324. The Products did not conform to Defendant's affirmations of fact, promises,19 and warranties because they contain artificial flavors.

325. As a result, Plaintiffs, the California Sub-Class, and other U.S. consumers
did not receive goods as warranted by Defendant.

326. Defendant breached their express warranties that the Products containedonly natural flavors.

327. Defendant sold the Products under contracts to retail intermediaries whosold the Products to Plaintiffs and the Class members.

26 328. Defendant sold the Products to retail intermediaries for the express purpose
27 of further sale to consumers including Plaintiffs and the Class members.

28 329. Plaintiffs and the Class members are intended beneficiaries of the contracts

1 for the sale of the Products between Defendant and retail intermediaries.

330. Within a reasonable amount of time after Plaintiffs discovered that the
Products contained synthetic flavoring ingredients, Plaintiffs notified Defendant of
breach of warranties.

331. As a proximate result of this breach of express warranties, Defendant
damaged Plaintiffs, the California Sub-Class, and other consumers in an amount to be
determined at trial.

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#### SIXTH CAUSE OF ACTION: Breach of Implied Warranties

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Cal. Comm. Code § 2314 & similar state laws

10 (on behalf of the California Sub-Class and all states with substantially similar laws)

332. Plaintiffs reallege and incorporate all of the allegations elsewhere in thecomplaint as if set forth in full herein.

13 333. Defendant's label representations also create implied warranties that the
14 Products are suitable for a particular purpose, specifically as naturally flavored beverage
15 products containing no artificial flavors. Defendant breached this warranty as well.

334. Because the Products do not display an "artificially flavored" disclosure as
required by law and describe the Products' flavoring as "other natural flavors," the
Products' front labels misleadingly warrant that the Products are not flavored with
artificial flavoring ingredients and are flavored solely with natural ingredients comprising
the characterizing flavors.

335. As alleged in detail above, at the time of purchase Defendant had reason to
know that Plaintiffs as well as all members of the California Sub-Class and other U.S.
consumers intended to use the Products as naturally-flavored products that did not
contain artificial flavoring.

25 336. This became part of the basis of the bargain between the parties.

337. Based on that implied warranty, Defendant sold the goods to Plaintiffs and
other Class members who bought the goods from Defendant.

28

338. At the time of purchase, Defendant knew or had reason to know that

Plaintiffs, the California Sub-Class members, and other U.S. consumers were relying on
 Defendant's skill and judgment to select or furnish products that were suitable for this
 particular purpose, and Plaintiffs justifiably relied on Defendant's skill, judgment, and
 adherence to good faith and fair dealing practices.

- 5
- 339. The Products were not suitable for this purpose.

340. Plaintiffs, the California Sub-Class, and other U.S. consumers purchased the
Products reasonably believing they had the qualities they sought, based on the deceptive
advertising and labeling, but the Products were actually unsatisfactory for the reasons
described herein.

10 341. In addition, Defendant breached the implied warranty of merchantability
11 because the Products were not merchantable in California, or anywhere in the U.S., as
12 they were not of the same quality as other products in the category generally acceptable
13 in the trade.

14 342. The Products would not pass without objection in the trade when packaged
15 with their existing labels because the Products were misbranded and illegal to sell in
16 California. *See* Cal. Comm. Code 2314(2)(a).

17

343. Defendant breached the implied warranty of merchantability.

18 344. The Products also were not acceptable commercially and breached their
19 implied warranty because they were not adequately packaged and labeled as required.
20 Cal. Comm. Code 2314(2)(e).

345. The Products also were not acceptable commercially and breached their
implied warranty because they did not conform to the promises or affirmations of fact
made on the containers or labels, Cal. Comm. Code 2314(2)(f), and other grounds as set
forth in Commercial Code section 2314(2).

346. By offering the Products for sale and distributing the Products in California,
Defendant also warranted that the Products were not misbranded and were legal to sell in
California.

28

347. Because the Products were misbranded in multiple regards and were 41

therefore illegal to sell or offer for sale in California, Defendant breached this warranty as
 well.

3 348. As a result of this breach, Plaintiffs, the California Sub-Class and other U.S.
4 consumers did not receive goods as impliedly warranted by Defendant.

5 349. Defendant's conduct violated similar state warranty laws in states other than
6 California.

7 350. Within a reasonable amount of time after the Plaintiffs discovered that the
8 Products contained synthetic ingredients, Plaintiffs notified Defendant of such breach.

9 351. As a proximate result of Defendant's breach of warranty, Plaintiffs and other
10 California and other states' consumers have been damaged in an amount to be determined
11 at trial.

352. As a result, Plaintiffs, the California Sub-Class, and other U.S. consumers
are entitled to injunctive and equitable relief, restitution, and an order for the
disgorgement of the funds by which Defendant was unjustly enriched.

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### **SEVENTH CAUSE OF ACTION: Intentional Misrepresentation**

Cal Civ. Code §§ 1709-1710 and the common law of all states with similar laws
353. Plaintiffs reallege and incorporate the allegations elsewhere in the
Complaint as if set forth in full herein.

354. Defendant represented to Plaintiffs and the Class directly on the Products'
labels that the Products were flavored solely with natural flavors and contained no
artificial flavors.

24 355. Defendant had no reasonable basis for representing that the Products were25 free of artificial flavors.

26 356. These representations were false. Defendant admits and Plaintiffs
27 confirmed by analytical testing that the Products contain artificial dl-malic acid.

28 357. Defendant knew that these representations were false. Defendant admits

1 that it uses artificial malic acid, not natural, and that the dl-malic acid is used to provide
2 a tart flavor in its products.<sup>12</sup>

3 358. Defendant represented that the Products were free of artificial flavors
4 although Defendant knew that the Products contain artificial dl-malic acid and that this
5 artificial compound functions as a flavoring.

6 359. Defendant willfully deceived Plaintiffs and the Class by failing to disclose
7 the fact that the Products were flavored by an artificial flavoring agent and intended that
8 this deceit would influence consumer purchasing decisions to the detriment of those
9 purchasing the Products.

360. Defendant concealed the fact the Products contained an artificial flavor
from Plaintiffs and the putative Class even though Defendant knew that the presence or
absence of artificial flavoring is important to American consumers.

361. As a sophisticated manufacturer of foods and beverages, Defendant knew
that whether a beverage contains artificial flavoring is a material fact to American
consumers that can influence the beverages they purchase and how much they are
willing to pay.

17 362. Defendant intended that Plaintiffs and other consumers would rely on these
18 false representations when choosing to purchase the Products rather than those of
19 competing beverage manufacturers.

20 363. Plaintiffs and the Class reasonably relied upon the false representations.

364. Plaintiffs and other consumers also reasonably relied upon Defendant's
false representations since a reasonable consumer can rely on food and beverage
companies to comply with federal regulations and state product labeling law.

365. Reasonable consumers are not required to send samples of food productsfor analytical laboratory testing before consuming them.

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<sup>&</sup>lt;sup>12</sup> https://www.campbells.com/v8/v8-blends-ingredients, last visited September 8, 2023.

366. Plaintiffs and the Class had no reasonable way to ascertain that the Products
 contained artificial flavoring in contradiction to the affirmative false representations on
 the Product labels.

367. Defendant as a sophisticated food manufacturer had superior knowledge
compared to Plaintiffs and the Class regarding ingredients in the Products.

368. Plaintiffs and the Class were financially harmed when they paid more for
the beverages than they would have paid had Defendant disclosed the presence of an
artificial flavoring agent, or simply purchased the Products based on Defendant's
unlawful labeling.

369. Plaintiffs' and the Class's reliance on Defendant's misrepresentations was a
substantial factor in causing their financial harm.

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# EIGHTH CAUSE OF ACTION: Negligent Misrepresentation

Cal. Civ. Code §§ 1709-1710 and the common law of all states

(on behalf of the Nationwide Class and the California Sub-Class)

15 370. Plaintiffs reallege and incorporate the allegations elsewhere in the16 Complaint as if set forth in full herein.

371. Defendant had a duty to disclose to Plaintiffs, the California Sub-Class, and
other U.S. consumers on the front label of the Products its use of artificial flavoring
ingredients pursuant to California and federal law.

372. Defendant was in a superior position regarding that information such that
reliance by Plaintiffs, the California Sub-Class, and other U.S. consumers was justified.
Defendant possessed the skills and expertise to know this type of information would
influence a consumer's purchasing decision.

373. During the Class Period, Defendant negligently or carelessly
misrepresented, omitted, and concealed from consumers material facts regarding the
Products, including the use and presence of artificial flavoring.

374. The label representations negligently misrepresented the Products as if they
were exclusively naturally flavored.

375. Defendant was negligent in distributing Products labeled as if they were
 exclusively naturally flavored and in failing to identify the Products as artificially
 flavored.

376. Defendant represented the Products to Plaintiffs, the California Sub-Class,
and other U.S. consumers as solely naturally flavored as if this were true.

6 377. Defendant intended for Plaintiffs, the California Sub-Class, and other U.S.
7 consumers to rely on this representation.

8 378. Defendant's representations were not true.

9 379. Defendant's Products are not exclusively naturally flavored but are instead
10 artificially flavored as described herein.

380. Defendant failed to secure a reasonable basis for believing and was careless
in ascertaining the truth of its representations that the Products were solely naturally
flavored and contained no artificial flavorings.

14 381. Plaintiffs, the California Sub-Class, and other U.S. consumers could not15 reasonably have discovered the use of artificial flavoring in the Products.

16 382. Plaintiffs, the California Sub-Class, and other U.S. consumers reasonably
17 relied on this representation. They were unaware of Defendant's unlawful
18 misrepresentations and omissions and, as a result, justifiably relied on them when
19 making the decision to purchase the Products.

383. Because of the Products' relatively small purchase price, reasonable
consumers would not spend the time and money necessary to investigate whether
Defendant's representations that the Products did not contain artificial flavoring were
false.

24 384. Defendants' representations that the Products contain no artificial flavoring
25 would not be obviously false to a reasonable consumer.

385. Reasonable consumers should not have to subject food products to
analytical laboratory testing before consumption to determine whether product label
statements are true or false.

386. Defendant as a sophisticated manufacturer of beverages had superior
 knowledge compared to Plaintiffs and the Class regarding the presence of any
 ingredients in the Products.

387. Defendant harmed Plaintiffs, the California Sub-Class, and other U.S.
consumers as alleged herein. Plaintiffs, the California Sub-Class, and other U.S.
consumers would not have purchased the Products or would have paid less for the
Products than they did if the true facts had been known.

8 388. Plaintiffs, the California Sub-Class, and other U.S. consumers reliance on
9 Defendant's misrepresentations was a substantial factor in that harm.

389. As a result, Plaintiffs, the California Sub-Class, and other U.S. consumers
are entitled to injunctive and equitable relief, rescission or restitution, and an order for
the disgorgement of the funds by which Defendant was unjustly enriched.

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# **NINTH CAUSE OF ACTION: Fraud by Omission**

Cal Civ. Code §§ 1709-1710 and the common law of all states with substantially similar
 laws (on behalf of the Nationwide Class and the California Sub-Class)

16 390. Plaintiffs reallege and incorporate the allegations elsewhere in the17 Complaint as if set forth in full herein.

391. Plaintiffs bring this claim for fraud by omission pursuant to California Civil
Code §§ 1709-1710 *et seq.* and the common law of all states. The elements of fraud are
substantially similar from state to state, thus making multi-state class certification
appropriate.

392. Defendant omitted material facts, in whole or in part, with the intent to
induce Plaintiffs and the members of the Class, the California Sub-Class, and other U.S.
consumers to purchase the Products and pay premium prices for the Products.
Specifically, Defendant actively concealed the truth about the Products by failing to
provide the legally required "artificially flavored" disclosure on the front label of the
Products as is required by California and federal law.

28

393. Because of the Products' relatively small purchase price, reasonable

consumers would not and should not have to spend the time and money necessary to
 investigate whether Defendant's labeling omitting legally-required disclosures of
 artificial flavor was accurate.

394. Defendant, as a sophisticated food and beverage manufacturer had superior
5 knowledge compared to Plaintiffs and the Class regarding ingredients in the Products.

395. Plaintiffs, the Class, the California Sub-Class, and other U.S. consumers
were unaware of this omitted material fact and would not have purchased the Products,
or would have paid less for the Products, if they had known of the omitted fact.

9 396. Plaintiffs, the Class, the California Sub-Class, and other U.S. consumers
10 suffered injuries that were proximately caused by Defendant's omissions of material
11 facts.

397. Defendant's omissions were a substantial factor in causing the harm
suffered by Plaintiffs, the Class, the California Sub-Class, and other U.S. consumers as
they would not have purchased the Products at all or would have paid less for the
Products than they did if these material facts were properly disclosed.

398. As a result, Plaintiffs, the Class, the California Sub-Class, and other U.S.
consumers are entitled to injunctive and equitable relief, restitution, and an order for the
disgorgement of the funds by which Defendant was unjustly enriched.

19

#### **TENTH CAUSE OF ACTION:** Fraud in the Inducement

Cal Civ. Code §§ 1709-1710; New Jersey Consumer Fraud Act N.J.S.A. 56:8-1, et seq
 and the common law of all states with similar laws

399. Plaintiffs reallege and incorporate the allegations elsewhere in theComplaint as if set forth in full herein.

24 400. Defendant represented to Plaintiffs and the Class that the Products were25 flavored solely with natural juices and natural flavors.

401. These representations were false; the Products contained artificial flavoring.
402. The false representations were seen by Plaintiffs and by all Class members;

28 the false representations were made on the front labels of each of the Products.

403. Plaintiffs and the Class purchased the Products based on this false
 representation.

404. As a sophisticated manufacturer of foods and beverages, Defendant knew
that these representations were false: Defendant admits that it uses artificial malic acid
to provide tart fruit flavors in the Products.

6 405. Defendant labeled the Products as if the Products were free of artificial
7 flavors although Defendant knew that the Products contain artificial dl-malic acid that
8 functioned as a flavoring.

9 406. Defendant willfully deceived Plaintiffs and the Class by failing to disclose
10 the fact that the Products were flavored by an artificial flavoring agent and intended that
11 this deceit would alter consumer purchasing decisions to the detriment of those
12 purchasing the Products.

407. Defendant concealed the fact the Products contained an artificial flavor
from Plaintiffs and the putative Class even though Defendant knew that the presence or
absence of artificial flavoring is important to a large percentage of American consumers.

408. As a sophisticated manufacturer of foods and beverages, Defendant knew
that whether a beverage contains artificial flavoring is a material fact to American
consumers which can influence which beverages they purchase and how much they are
willing to pay for any given beverage.

20 409. Defendant intended that Plaintiffs and other consumers would rely on these
21 false representations when deciding to purchase the Products rather than those of
22 competing beverage manufacturers.

410. Reasonable consumers rely on and expect food and beverage manufacturers
to comply with federal regulations and state laws requiring the disclosure of artificial
flavoring agents.

411. Defendant, a manufacture and mass-marketer of beverage products, had
superior knowledge to Plaintiffs and the Class regarding the ingredients in the Products.

28

412. Defendant's unlawful affirmative representations and fraudulent omissions

1 induced Plaintiff and the Class to purchase the Products at the listed retail prices.

413. Plaintiffs and the Class were financially harmed when they paid more for
the beverages than they would have paid had Defendant disclosed the presence of an
artificial flavoring agent, or simply would not have purchased the Products at all had
Defendant made the legally required disclosures.

6 414. Plaintiffs' and the Class's reliance on Defendant's misrepresentations were
7 a substantial factor in causing their financial harm.

8 415. Because Plaintiffs and the Class were fraudulently induced to provide
9 monies in exchange for the mislabeled and misrepresented Products, Plaintiffs and Class
10 members were injured financially.

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# VIII. <u>PRAYER FOR RELIEF</u>

WHEREFORE, Plaintiffs, on behalf of themselves and all others similarly situated
in California, New Jersey, and in the U.S., pray for judgment against Defendant as
follows:

- A. An order confirming that this action is properly maintainable as a class
   action as defined above, appointing Plaintiffs and their undersigned counsel
   to represent the Class and the Sub-classes, and requiring Defendant to bear
   the cost of class notice;
  - B. An order declaring that the conduct complained of herein violates the California CLRA;
- C. An order declaring that the conduct complained of herein violates the
   California UCL;
  - D. An order declaring that the conduct complained of herein violates the California FAL;
    - E. An order declaring that the conduct complained of herein violates the New Jersey Consumer Fraud Act.
- F. An order declaring that the conduct complained of herein violates
   corresponding consumer protection laws in states other than California;

- G. An order declaring that the conduct complained of herein breached express warranties, implied warranties, or both;
- H. An order declaring that Defendant is liable for intentional misrepresentations;
- I. An order declaring that Defendant is liable for fraud in the inducement;
- J. An order requiring Defendant to disgorge any benefits received from Plaintiffs and the Class and any unjust enrichment realized as a result of the improper and misleading labeling, advertising, and marketing of the Products;
- K. An order voiding the sale of the Products due to fraudulent inducement of the purchases;
- L. An order requiring Defendant to pay restitution and damages to Plaintiffs and Class members so that they may be restored any money which was acquired by means of any unfair, deceptive, unconscionable or negligent acts;
- M. An award of punitive damages in an amount to be proven at trial;
  - N. An award of mandatory treble damages under New Jersey law;
- O. An award of mandatory attorneys' fees under New Jersey law;
- P. An order enjoining Defendant's deceptive and unfair practices;
- 20 Q. An order requiring Defendant to conduct corrective advertising;
- 21 R. An award of pre-judgment and post-judgment interest;
- 22 S. An award of mandatory attorney fees and costs; and
  - T. Such other and further relief as this Court may deem just, equitable, or proper.

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# IX. JURY DEMAND

Plaintiffs demand a trial by jury on all claims for damages. Plaintiffs do not seek a jurytrial for claims sounding in equity.

1	Dated: February 12, 2024	Respectfully Submitted,
2 3 4		By: <u>/s/ Marc L. Godino</u> GLANCY PRONGAY & MURRAY LLP Marc L. Godino (SBN 182689) Keven F. Ruf (SBN 136901)
5		1925 Century Park East, Suite 2100
6		Los Angeles, CA 90067 Telephone: (310) 201-9150
7		Facsimile: (310) 201-9160
8		Email: mgodino@glancylaw.com Email: kruf@glancylaw.com
9		
10		Attorneys for Plaintiffs and the Proposed Class
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CLASS ACTION COMPLAINT		

# **ClassAction.org**

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Water and Sugar? V8 Splash Lawsuit Says</u> <u>Drinks Are Falsely Advertised as 'Healthy'</u>