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22 *Counsel for Plaintiffs and the Proposed Class*

23 **UNITED STATES DISTRICT COURT**
24 **SOUTHERN DISTRICT OF CALIFORNIA**

25 ELIZABETH ZEMOLA and MATTHEW
26 BEAUMONT, on behalf of themselves, all
27 others similarly situated, and the general
28 public,

Plaintiffs,

v.

CARRINGTON TEA COMPANY, LLC,

Defendant.

'17CV760 MMAKSC

CLASS ACTION

**COMPLAINT FOR VIOLATIONS OF
CAL. BUS. & PROF. CODE §§17200 *et*
seq.; CAL. BUS. & PROF. CODE
§§17500 *et seq.*; and CAL. CIV. CODE
§§ 1750 *et seq.*; and BREACH OF
EXPRESS & IMPLIED
WARRANTIES.**

DEMAND FOR JURY TRIAL

1 Plaintiffs Elizabeth Zemola and Matthew Beaumont, on behalf of themselves, all others
2 similarly situated, and the general public, by and through their undersigned counsel, hereby
3 sue defendant Carrington Tea Company, LLC (“Carrington”), and allege the following upon
4 their own knowledge, or where they lack personal knowledge, upon information and belief,
5 including the investigation of their counsel.

6 **INTRODUCTION**

7 1. Carrington misleadingly markets various Carrington Farms brand coconut oil
8 products as both healthy, and a healthy alternative to butter and various cooking oils, despite
9 that coconut oil is actually *unhealthy*, and is not a healthy alternative. Carrington’s coconut
10 oil products’ labeling and advertising also violates several federal and California state food
11 regulations.

12 2. Plaintiffs relied upon Carrington’s misleading and unlawful claims when
13 purchasing the Carrington Farms coconut oil products, and were damaged as a result. They
14 brings this action on behalf of themselves, all others similarly situated, and the general public,
15 alleging violations of the California Consumer Legal Remedies Act, Cal. Civ. Code §§ 1750
16 *et seq.* (“CLRA”), Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200 *et seq.*
17 (“UCL”), and False Advertising Law, *id.* §§ 17500 *et seq.* (“FAL”). Plaintiffs further allege
18 that Carrington breached express and implied warranties under California law.

19 3. Plaintiffs seek an order, *inter alia*, compelling Carrington to (a) cease marketing
20 its coconut oil products using the misleading and unlawful tactics complained of herein, (b)
21 destroy all misleading, deceptive, and unlawful materials, (c) conduct a corrective advertising
22 campaign, (d) restore the amounts by which it has been unjustly enriched, and (e) pay
23 damages, restitution and attorneys’ fees as allowed by law.

24 **PARTIES**

- 25 4. Plaintiff Elizabeth Zemola is a resident of Escondido, California.
26 5. Plaintiff Matthew Beaumont is a resident of San Pedro, California.

1 6. Defendant Carrington Tea Company, LLC is a New Jersey limited liability
2 company with its principal place of business at 7 Reuten Drive, Building A, Closter, New
3 Jersey, 07624. Carrington Tea Company, LLC is registered to do business in California under
4 entity number 201316210134.

5 **JURISDICTION & VENUE**

6 7. This Court has original jurisdiction over this action under 28 U.S.C. § 1332(d)(2)
7 (The Class Action Fairness Act) because the matter in controversy exceeds the sum or value
8 of \$5,000,000, exclusive of interest and costs, and because more than two-thirds of the
9 members of the Class reside in states other than the state of which Carrington is a citizen.

10 8. The Court has personal jurisdiction over Carrington because it has consented to
11 jurisdiction as it is registered to do business in California, and has purposely availed itself of
12 the benefits and privileges of conducting business within California.

13 9. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because plaintiff
14 Elizabeth Zemola resides in and suffered injuries as a result of Defendant’s acts in this
15 District, many of the acts and transactions giving rise to this action occurred in this District,
16 and Defendant (1) is authorized to conduct business in this District, (2) has intentionally
17 availed itself of the laws and markets of this District through the promotion, marketing,
18 distribution, and sale of its products in this District, and (3) is subject to personal jurisdiction
19 in this District.

20 **FACTS**

21 **I. Saturated Fat Consumption Increases the Risk of Cardiovascular Heart Disease**
22 **and Other Morbidity**

23 **A. The Role of Cholesterol in the Human Body**

24 10. Cholesterol is a waxy, fat-like substance found in the body’s cell walls. The body
25 uses cholesterol to make hormones, bile acids, vitamin D, and other substances. The body
26 synthesizes all the cholesterol it needs, which circulates in the bloodstream in packages called
27
28

1 lipoproteins, of which there are two main kinds—low density lipoproteins, or LDL
2 cholesterol, and high density lipoproteins, or HDL cholesterol.

3 11. LDL cholesterol is sometimes called “bad” cholesterol because it carries
4 cholesterol to tissues, including the arteries. Most cholesterol in the blood is LDL cholesterol.

5 12. HDL cholesterol is sometimes called “good” cholesterol because it takes excess
6 cholesterol away from tissues to the liver, where it is removed from the body.

7 **B. High Total and LDL Blood Cholesterol Levels are Associated with**
8 **Increased Risk of Morbidity, Including Coronary Heart Disease and Stroke**

9 13. Total and LDL cholesterol blood levels are two of the most important risk factors
10 in predicting coronary heart disease (CHD), with higher total and LDL cholesterol levels
11 associated with increased risk of CHD.¹

12 14. High LDL cholesterol levels are dangerous because “[e]levated blood LDL
13 cholesterol increases atherosclerotic lipid accumulation in blood vessels.”² That is, if there is
14 too much cholesterol in the blood, some of the excess may become trapped along artery walls.
15 Built up formations of cholesterol on arteries and blood vessels are called plaque. Plaque
16 narrows vessels and makes them less flexible, a condition called atherosclerosis.

17 15. This process can happen to the coronary arteries in the heart and restricts the
18 provision of oxygen and nutrients to the heart, causing chest pain or angina.

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21 ¹ See, e.g., Dr. Dustin Randolph, *Coconut Oil Increases Cardiovascular Disease Risk and*
22 *Possible Death Due to Heart Attacks and Stroke* (Sept. 19, 2015) (“Heart attack and stroke
23 risk can be largely predicted based on total and LDL cholesterol levels in people” because “as
24 cholesterol levels increase so does one’s risk of symptomatic and deadly heart disease.”),
available at <http://www.pursueahealthyyou.com/2015/04/coconut-oil-increases-cardiovascular.html>.

25 ² USDA Center for Nutrition Policy and Promotion, *Dietary Saturated Fat and*
26 *Cardiovascular Health: A Review of the Evidence*, Nutrition Insight 44 (July 2011)
27 [hereinafter, “USDA, Review of the Evidence”], available at
http://www.cnpp.usda.gov/sites/default/files/nutrition_insights_uploads/Insight44.pdf.

1 16. When atherosclerosis affects the coronary arteries, the condition is called
2 coronary heart disease, or CHD.

3 17. Cholesterol-rich plaques can also burst, causing a blood clot to form over the
4 plaque, blocking blood flow through arteries, which in turn can cause an often-deadly or
5 debilitating heart attack or stroke.

6 18. Thus, “[f]or the health of your heart, lowering your LDL cholesterol is the single
7 most important thing to do.”³

8 **C. Saturated Fat Consumption Causes Increased Total and LDL Blood**
9 **Cholesterol Levels, Increasing the Risk of CHD and Stroke**

10 19. The consumption of saturated fat negatively affects blood cholesterol levels
11 because the body reacts to saturated fat by producing cholesterol. More specifically, saturated
12 fat consumption causes coronary heart disease by, among other things, “increas[ing] total
13 cholesterol and low density lipoprotein (LDL) cholesterol.”⁴

14 20. Moreover, “[t]here is a positive linear trend between total saturated fatty acid
15 intake and total and low density lipoprotein (LDL) cholesterol concentration and increased
16 risk of coronary heart disease (CHD).”⁵

17 21. This linear relationship between saturated fat intake and risk of coronary heart
18 disease is well established and accepted in the scientific community.

19 22. For example, the Institute of Medicine’s Dietary Guidelines Advisory
20 Committee “concluded there is strong evidence that dietary [saturated fatty acids] SFA
21

22 ³ Pritikin Longevity Center, *Is Coconut Oil Bad for You?*, available at
23 <https://www.pritikin.com/your-health/healthy-living/eating-right/1790-is-coconut-oil-bad-for-you.html>.

24 ⁴ USDA Review of the Evidence, *supra* n.2.

25 ⁵ Institute of Medicine, *Dietary Reference Intakes for Energy, Carbohydrate, Fiber, Fat, Fatty Acids, Cholesterol, Protein, and Amino Acids*, at 422 (2005) [hereinafter “IOM, Dietary Reference Intakes”], available at http://www.nap.edu/catalog.php?record_id=10490.

1 increase serum total and LDL cholesterol and are associated with increased risk of
2 [cardiovascular disease] CVD.”⁶

3 23. In addition, “[s]everal hundred studies have been conducted to assess the effect
4 of saturated fatty acids on serum cholesterol concentration. In general, the higher the intake
5 of saturated fatty acids, the higher the serum total and low density lipoprotein (LDL)
6 cholesterol concentrations.”⁷

7 24. Importantly, there is “no safe level” of saturated fat intake because “any
8 incremental increase in saturated fatty acid intake increases CHD risk.”⁸

9 25. For this reason, while the Institute of Medicine sets tolerable upper intake levels
10 (UL) for the highest level of daily nutrient intake that is likely to pose no risk of adverse
11 health effects to almost all individuals in the general population, “[a] UL is not set for
12 saturated fatty acids.”⁹

13 26. In addition, “[t]here is no evidence to indicate that saturated fatty acids are
14 essential in the diet or have a beneficial role in the prevention of chronic diseases.”¹⁰

15 27. Further, “[i]t is generally accepted that a reduction in the intake of SFA
16 [saturated fatty acids] will lower TC [total cholesterol] and LDL-cholesterol.”¹¹

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20 _____
21 ⁶ USDA Review of the Evidence, *supra* n.2.

22 ⁷ IOM, Dietary Reference Intakes, *supra* n.5, at 481.

23 ⁸ *Id.* at 422.

24 ⁹ *Id.*

25 ¹⁰ *Id.* at 460.

26 ¹¹ Shanthi Mendis et al., *Coconut fat and serum lipoproteins: effects of partial replacement*
27 *with unsaturated fats*, 85 *Brit. J. Nutr.* 583, 583 (2001) [hereinafter “Mendis, Coconut fat”].

1 28. For these reasons, “reduction in SFA intake has been a key component of dietary
2 recommendations to reduce risk of CVD.”¹²

3 29. The Institute of Medicine’s Dietary Guidelines for Americans, for example,
4 “recommend reducing SFA intake to less than 10 percent of calories.”¹³ And “lowering the
5 percentage of calories from dietary SFA to 7 percent can further reduce the risk of CVD.”¹⁴

6 30. The USDA and DHHS state that “[s]trong and consistent evidence from
7 [randomized control trials] shows that replacing [saturated fats] with unsaturated fats,
8 especially [polyunsaturated fats], significantly reduces total and LDL cholesterol.”¹⁵

9 31. Therefore, the USDA and DHHS specifically recommend replacing “tropical
10 oils (e.g., palm, palm kernel, *and coconut oils*)” with “vegetable oils that are high in
11 unsaturated fats and relatively low in SFA (e.g., soybean, corn, olive, and canola oils).”¹⁶

12 32. In short, consuming saturated fat increases the risk of CHD and stroke.¹⁷

13 **II. Because of its High Saturated Fat Content, the Consumption of Coconut Oil**
14 **Increases the Risk of Cardiovascular Heart Disease and Other Morbidity**

15 33. Although it is well established that diets generally high in saturated fatty acids
16 increase the risk of CHD,¹⁸ several studies have specifically shown that consuming coconut
17 oil—which is approximately 90 percent saturated fat—increases the risk of CHD and stroke.

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19 _____
20 ¹² USDA Review of the Evidence, *supra* n.2.

21 ¹³ *Id.*

22 ¹⁴ *Id.*

23 ¹⁵ *Id.* Part D, Chapter 6, at 12.

24 ¹⁶ *Id.* (emphasis added).

25 ¹⁷ See Mendis, Coconut fat, *supra* n.11, at 583.

26 ¹⁸ See Mendis, Coconut fat, *supra* n.11, at 583.

1 34. For example, in 2001 the British Journal of Nutrition published a 62-week
2 intervention study that examined the “effect of reducing saturated fat in the diet . . . on the
3 serum lipoprotein profile of human subjects.”¹⁹ The study had two intervention phases. In
4 Phase 1 (8 weeks), “the total fat subjects consumed was reduced from 31 to 25 % energy . . .
5 by reducing the quantity of coconut fat (CF) in the diet from 17.8 to 9.3 % energy intake.”²⁰
6 “At the end of Phase 1, there was a 7.7 % reduction in cholesterol and 10.8 % reduction in
7 LDL and no significant change in HDL and triacylglycerol.”²¹

8 35. In Phase 2 (52 weeks), the total fat consumed by subjects was reduced from 25
9 to 20 % energy by reducing the coconut fat consumption from 9.3 to 4.7 % energy intake.²²
10 At the end of phase 2, these subjects exhibited a 4.2% mean reduction of total cholesterol and
11 an 11% mean reduction in LDL cholesterol.²³

12 36. The authors of the study noted that “[a] sustained reduction in blood cholesterol
13 concentration of 1 % is associated with a 2-3 % reduction of the incidence of CHD (Law et
14 al. 1994).” Further, “[i]n primary prevention, a reduction of cholesterol by 20% has produced
15 a 31% reduction in recurrent coronary morbidity, a 33% reduction in coronary mortality, and
16 22% less total mortality (Grundy, 1997).”²⁴

21 ¹⁹ *Id.*

22 ²⁰ *Id.*

23 ²¹ *Id.*

24 ²² *Id.*

25 ²³ *Id.* at 586.

26 ²⁴ *Id.* at 588.

1 37. Based on these relationships, the researchers estimated that “the reduction in
2 coronary morbidity and mortality brought about by the current dietary intervention would be
3 of the order of about 6-8 %.”²⁵

4 38. Simply put, the results of the yearlong study showed that reducing coconut oil
5 consumption “results in a lipid profile that is associated with a low cardiovascular risk.”²⁶

6 39. The detrimental health effects of consuming coconut oil are not limited to long-
7 term consumption. To the contrary, a 2006 study published in the Journal of the American
8 College of Cardiology found that consuming a single high-fat meal containing fat from
9 coconut oil “reduces the anti-inflammatory potential of HDL and impairs arterial endothelial
10 function.”²⁷ In the study, researchers examined the effect of consuming a single isocaloric
11 meal that contained “1 g of fat/kg of body weight,” with “coconut oil (fatty acid composition:
12 89.6% saturated fat, 5.8% monounsaturated, and 1.9% polyunsaturated fat)” as the source of
13 fat.²⁸ They found that consuming the coconut oil meal significantly “reduces the anti-
14 inflammatory potential of HDL and impairs arterial endothelial function.”²⁹ In contrast, when
15 the fat from the same isocaloric meal came from “safflower oil (fatty acid composition: 75%
16 polyunsaturated, 13.6% monounsaturated, and 8.8% saturated fat),” “the anti-inflammatory
17 activity of HDL improve[d].”³⁰

18
19 ²⁵ *Id.*

20 ²⁶ *Id.* at 587.

21
22 ²⁷ Stephen J. Nicholls et al., *Consumption of Saturated Fat Impairs the Anti-Inflammatory*
23 *Properties of High-Density Lipoproteins and Endothelial Function*, 48 J. Am. Coll. Cardio.
715 (2006).

24 ²⁸ *Id.*

25 ²⁹ *Id.*

26 ³⁰ *Id.* at 715.
27
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1 40. Other studies have similarly demonstrated that coconut oil consumption
2 negatively affects blood plasma markers when compared to other fats.

3 41. A 2011 study published in the American Journal of Clinical Nutrition found that
4 consuming coconut oil, unlike consuming palm olein and virgin olive oil, decreased
5 postprandial lipoprotein(a), which is associated with an increased the risk of cardiovascular
6 disease.³¹

7 42. Similarly, a study comparing the effects of consuming coconut oil, beef fat, and
8 safflower oil found that coconut oil consumption had the worst effect on subjects' blood lipid
9 profiles.³² The authors noted that “[o]f these fats, only CO [coconut oil] appears to
10 consistently elevate plasma cholesterol when compared with other fats.”³³

11 43. Finally, in another study, researchers found that that subjects who consumed 30
12 percent of energy from fat, with 66.7% coming from coconut oil, had “increased serum
13 cholesterol, LDL, and apo B.”³⁴ Apo B is a protein involved in the metabolism of lipids and
14 is the main protein constituent of VLDL (very low-density lipoproteins) and LDL.
15 Concentrations of apo B tend to mirror those of LDL, so the higher the level of apo B, the
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20 ³¹ P.T. Voon et al., *Diets high in palmitic acid (16:0), lauric and myristic acids (12:0 + 14:0),*
21 *or oleic acid (18:1) do not alter postprandial or fasting plasma homocysteine and*
inflammatory markers in healthy Malaysian adults, 94 Am. J. Clin. Nutr. 1451 (2011).

22 ³² Raymond Reiser et al., *Plasma lipid and lipoprotein response of humans to beef fat,*
23 *coconut oil and safflower oil*, 42 Am. J Clin. Nutr. 190, 190 (1985).

24 ³³ *Id.*

25 ³⁴ V. Ganji & C.V. Kies, *Psyllium husk fiber supplementation to the diets rich in soybean or*
26 *coconut oil: hypercholesterolemic effect in healthy humans*, 47 Int. J. Food Sci. Nutr. 103
27 (Mar. 1996).

1 greater the risk of heart disease. In sum, the study found that consuming coconut oil increased
2 all three cholesterol markers, signifying an increased risk of cardiovascular disease.³⁵

3 **III. Carrington’s Manufacture, Marketing, and Sale of Carrington Farms Coconut**
4 **Oil**

5 **A. Carrington’s History and Sale of Coconut Oil**

6 44. Defendant has manufactured, distributed, marketed, and sold various Carrington
7 Farms brand coconut oil products nationwide beginning in an around 2012.

8 45. According to Carrington’s website, its products are sold nationally at major
9 retailers such as Walmart, Albertsons, Whole Foods Market, Sprouts Farmers Market, Meijer,
10 H.E.B., and Publix Supermarket, among others.³⁶

11 46. Carrington Farms brand coconut oil products challenged in this lawsuit include
12 at least the following: (a) Extra Virgin Coconut Oil, and (b) Coconut Cooking Oil, which
13 comes in garlic, rosemary, sriracha, and unflavored varieties (collectively the “Coconut Oil
14 Products”).

15 47. Carrington Farms Extra Virgin Coconut Oil is available in several sizes
16 including at least 54-, and 78-fluid-ounce cylindrical jars, 12-, and 25-fluid-ounce rectangular
17 tubs, and boxes of eight single-serve packets. Carrington’s Coconut Cooking Oil is available
18 in 16-fluid-ounce bottles.

19 48. On information and belief, Carrington Farms began selling its 12-ounce Extra
20 Virgin Coconut Oil in 2012. Carrington then introduced its other Coconut Oil Products from
21 2012 through 2015.

22 49. Exemplars of the rectangular tubs of Extra Virgin Coconut Oil are depicted
23 below:

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26 ³⁵ *Id.*

27 ³⁶ Carrington Farms, Store Locator, *available at* <http://carringtonfarms.com/store-locator>.
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12-fluid-ounce Extra Virgin Coconut Oil:



Front & Back Panel



Side Panel



Side Panel



Bottom

1 **25-fluid-ounce Extra Virgin Coconut Oil:**



21 Front & Back Panel

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Bottom

Nutrition Facts
 Serving Size: 1 tbsp (14g)
 Servings Per Container 53

Amount Per Serving	% Daily Value*
Calories 130	Calories from Fat 130
Total Fat 14g	22%
Saturated Fat 12g	58%
Trans Fat 0g	
Polyunsaturated Fat 0g	
Monounsaturated Fat 0.5g	
Cholesterol 0mg	0%
Sodium 0mg	0%
Total Carbohydrates 0g	0%
Dietary Fiber 0g	
Sugars 0g	
Protein 0g	0%
Lauric Acid 6.2 g	†
Caprylic Acid 1g	†
Capric Acid 800 mg	†
Vitamin A 0%	Vitamin C 0%
Calcium 0%	Iron 0%

* Percent Daily Values (DV) are based on a 2,000 calorie diet.
 † Daily value (DV) not established



Ingredients: 100% Unrefined Organic Extra Virgin Coconut Oil.

Manufactured for
 Carrington Farms
 PO Box 102
 Closter, NJ 07624
 www.carringtonfarms.com
 Certified Organic by QAI
 Country of Origin Philippines
 Packaged in North America



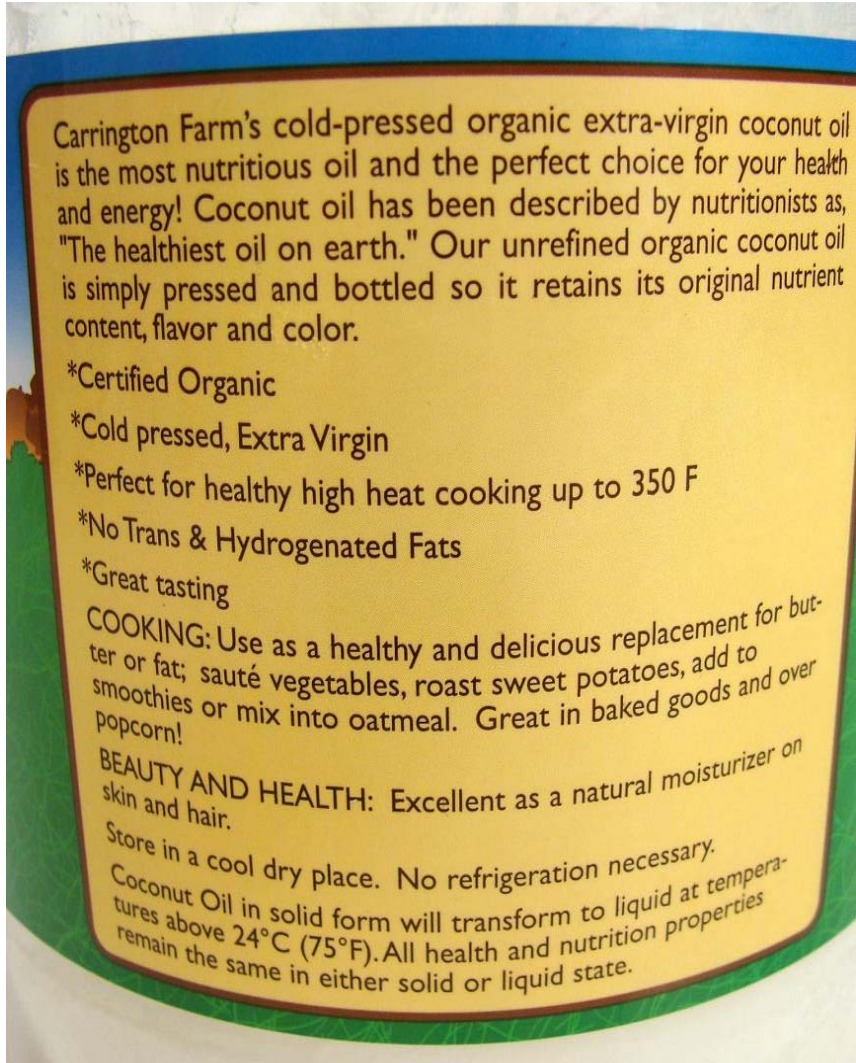
1 50. Exemplars of the cylindrical jars of Extra Virgin Coconut Oil are depicted
2 below:

3 **54-fluid-ounce Extra Virgin Coconut Oil:**



27 Front Panel

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Side Panel



Side Panel

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2 **78-fluid-ounce Extra Virgin Coconut Oil:**



27 Front Panel

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Side Panel

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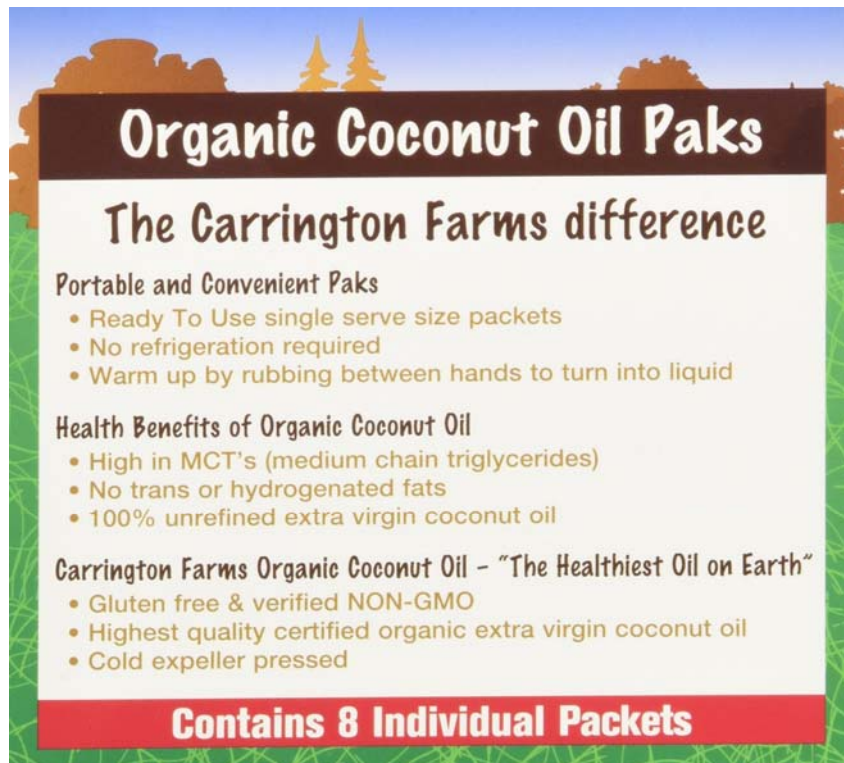


Side Panel

1 51. Exemplars of the boxes of eight single-serve packets of Extra Virgin Coconut
2 Oil are depicted below:



14 Front of Box



27 Back of Box

READY TO USE ORGANIC EXTRA VIRGIN COCONUT OIL has been described by nutritionists as, “the healthiest oil on earth”. Carrington Farms coconut oil is derived from fresh coconuts and we do not use any chemicals or high heat in the process. This all natural process results in a fresh coconut taste and pure white color. Carrington Farms coconut oil paks are certified 100% organic. Coconut oil will transform from solid to liquid at 75°F (24°C). Health and nutrition properties remain the same.

SERVING SUGGESTIONS: 1-2 packets daily. Add to coffee, smoothies, oatmeal and popcorn - sauté vegetables. Pre-portioned for easy use for cooking. Use in hair for conditioner or as a natural skin moisturizer.

Nutrition Facts	
Serving Size: 1 tbsp (14g)	
Servings Per Container 8	
Amount Per Serving	%DV*
Calories 130	Calories from Fat 130
Total Fat 14g	22%
Saturated Fat 12g	58%
<i>Trans</i> Fat 0g	
Polyunsaturated Fat 0g	
Monounsaturated Fat 0.5g	
Cholesterol 0mg	0%
Sodium 0mg	0%
Total Carbohydrates 0g	0%
Dietary Fiber 0g	
Sugars 0g	
Protein 0g	
Vitamin A 0%	Vitamin C 0%
Calcium 0%	Iron 0%

*Percent Daily Values (DV) are based on a 2,000 calorie diet.

Ingredients: 100% Unrefined Organic Extra Virgin Coconut Oil

C L5327 E BEST BY:



Carrington Farms
P.O. Box 102
Closter NJ 07624
www.CarringtonFarms.com
800-505-9546
Certified Organic by QAI




Side Panels

52. Exemplars of the Coconut Cooking Oils are depicted below:

Flavored Coconut Cooking Oils:



SUGGESTED USES: Healthy Cooking, Sautéing, Baking, Salad Dressing, Dips, Smoothies, Eggs and Popcorn. For more recipe ideas, visit www.carringtonfarms.com

A Healthy Cooking Oil Alternative

- Easily digestible
- Non-hydrogenated and free of harmful saturated and trans fatty acids
- Hexane-free, Solvent free and BPA free bottle
- Healthy alternative to Canola, Soybean, Vegetable, Olive Oil and Butter

Naturally Rich in Medium Chain Triglycerides (MCT)

- 5 times more MCTs than regular coconut oil
- MCTs are efficiently utilized by the body for energy production
- High in Lauric, Caprylic and Capric Acid
- Rapidly metabolized
- Excellent for a healthy lifestyle

Stays Liquid at Room Temperature

- An easy-to-use alternative to regular coconut oil for a wide range of uses
- Can be used for baking and sautéing in temperatures as high as 350°F
- Do not refrigerate

	Soybean oil	Canola oil	Olive oil	Carrington Farms Coconut Cooking Oil
MCT	NO	NO	NO	YES
Lauric Acid	NO	NO	NO	YES
Stability	NO	NO	NO	YES

Nutrition Facts

Serving Size: 1 tbsp (15mL)
Servings Per Container: 32

Amount Per Serving	% Daily Value*
Calories 130	Calories from Fat 130
Total Fat 14g	22%
Saturated Fat 13g	67%
Trans Fat 0g	
Polyunsaturated Fat <0.5g	
Monounsaturated Fat <0.5g	
Cholesterol 0mg	0%
Sodium 0mg	0%
Total Carbohydrates 0g	0%
Dietary Fiber 0g	0%
Sugars 0g	
Protein 0g	
Lauric Acid 0.7g	+
Caprylic Acid 4.6g	+
Capric Acid 3.7g	+
Vitamin A 0%	Vitamin C 0%
Calcium 0%	Iron 0%

*Percent Daily Values (DV) are based on a diet of 2,000 calories per day.
† Daily value (DV) not established.

Product of the Philippines
Manufactured for Carrington Farms



Carrington Farms
PO Box 102
Closter, NJ 07624
www.carringtonfarms.com



Unflavored Coconut Cooking Oil:



B. The Composition of the Carrington Farms Coconut Oil Products

53. The Nutrition Facts boxes for Carrington’s Extra Virgin Coconut Oil and Coconut Cooking Oil, respectively, are pictured below. Each 1 tablespoon (14 g or 15 mL) serving of Carrington Farms coconut oil (whether “Extra Virgin,” or “Cooking”) contains 130 calories, all of which come from fat: in each 14-gram serving there are 14 grams of fat.

Further, each 14-gram serving of the Extra Virgin Oil contains 12 grams of saturated fat, while each 14-gram serving of the Cooking Oil contains 13 grams of saturated fat.

Nutrition Facts	
Serving Size: 1 tbsp (14g)	
Servings Per Container 109	
Amount Per Serving	% Daily Value*
Calories 130	Calories from Fat 130
Total Fat 14g	22%
Saturated Fat 12g	58%
Trans Fat 0g	
Polyunsaturated Fat 0g	
Monounsaturated Fat 0.5g	
Cholesterol 0mg	0%
Sodium 0mg	0%
Total Carbohydrates 0g	0%
Dietary Fiber 0g	
Sugars 0g	
Protein 0g	0%
Vitamin A 0%	Vitamin C 0%
Calcium 0%	Iron 0%
*Percent Daily Values are based on a 2,000 calorie diet.	
Ingredients: 100% Unrefined Organic Extra Virgin Coconut Oil	

Extra Virgin

Nutrition Facts	
Serving Size: 1 tbsp (15mL)	
Servings Per Container 32	
Amount Per Serving	% Daily Value*
Calories 130	Calories from Fat 130
Total Fat 14g	22%
Saturated Fat 13g	67%
Trans Fat 0g	
Polyunsaturated Fat <0.5g	
Monounsaturated Fat <0.5g	
Cholesterol 0mg	0%
Sodium 0mg	0%
Total Carbohydrates 0g	0%
Dietary Fiber 0g	0%
Sugars 0g	
Protein 0g	
Lauric Acid 0.7g	†
Caprylic Acid 4.6g	†
Capric Acid 3.7g	†
Vitamin A 0%	Vitamin C 0%
Calcium 0%	Iron 0%
* Percent Daily Values (DV) are based on a 2,000 calorie diet. † Daily value (DV) not established	
Ingredients: Coconut Oil	

Cooking

IV. Carrington Markets its Carrington Farms Coconut Oil Products with Misleading Health and Wellness Claims

54. Consumers are generally willing to pay more for foods they perceive as being healthy, or healthier than other alternatives. Nielsen’s 2015 Global Health & Wellness

1 Survey, for instance, found that “88% of those polled are willing to pay more for healthier
2 foods.”³⁷

3 55. Carrington is well aware of consumer preference for healthful foods, and
4 therefore employs, and has employed, a strategic marketing campaign intended to convince
5 consumers that the Carrington Farms Coconut Oil Products are healthy, despite that they are
6 almost entirely composed of unhealthy saturated fat.

7 56. Through statements placed directly on the labels of the Carrington Farms
8 Coconut Oil Products, Carrington markets and advertises the products as both inherently
9 healthy, and healthy alternatives to butter and other oils, even though the Products’ total and
10 saturated fat content render them unhealthy. Moreover, Carrington’s labeling claims are
11 designed to conceal or distract consumers from noticing that its Carrington Farms Coconut
12 Oil Products are pure fat, almost all of which is saturated fat.

13 **1. Carrington Places Misleading Health and Wellness Claims Directly**
14 **on the Carrington Farms Extra Virgin Coconut Oil Label**

15 57. Directly on the Carrington Farms Extra Virgin Coconut Oil label, Carrington
16 prominently places the phrase “Healthy Foods for a Healthy Soul.” This claim taken
17 individually and in context of the label as a whole, is false and misleading because Carrington
18 Farms Extra Virgin Coconut Oil is actually unhealthy due to its high saturated fat content.

19 58. To further convince consumers to that the Product is healthy, Carrington claims
20 that “Carrington Farm’s cold-pressed organic extra virgin coconut oil is the most nutritious
21 oil and the perfect choice for your health and energy!” This claim, taken individually and in
22 context of the label as a whole, is false and misleading because Carrington Farms Extra Virgin
23 Coconut Oil is unhealthy and contains dangerous amounts of saturated fat, the consumption
24 of which causes morbidity including heart disease and stroke.

25
26
27 ³⁷ Nancy Gagliardi, Forbes, Consumers Want Healthy Foods--And Will Pay More For Them
28 (Feb. 18, 2015) (citing Neilson, 2015 Global Health & Wellness Survey, at 11 (Jan. 2015)).

1 59. On the label, Carrington also states that “Coconut oil has been described by
2 nutritionists as ‘The healthiest oil on earth.’ Our unrefined organic coconut oil is simply
3 pressed and bottled so it retains its original nutrient content.” This claim taken individually
4 and in context of the label as a whole, is false and misleading because the Carrington Farms
5 Extra Virgin Coconut Oil is actually unhealthy due to its high saturated fat content.

6 60. The Extra Virgin Coconut Oil label states that it has “No Trans & Hydrogenated
7 Fats,” and is “perfect for healthy high heat cooking.” These claims taken individually and in
8 context of the label as a whole are false and misleading because Carrington Farms Extra
9 Virgin Coconut Oil is actually unhealthy due to its high saturated fat content.

10 61. In conjunction with these misleading health claims, the Carrington Farms Extra
11 Virgin Coconut Oil label encourages consumers to “use as a healthy and delicious
12 replacement for butter or fat.” This misleadingly suggests that replacing butter or other fats
13 with Carrington Farms Extra Virgin Coconut Oil is a healthy choice despite that doing so
14 would increase consumption of saturated fat and decrease consumption unsaturated fat,³⁸ and
15 despite that “Strong and consistent evidence from RCTs [randomized controlled trails] and
16 statistical modeling in prospective cohort studies shows that replacing SFA [saturated fatty
17 acids] with PUFA [polyunsaturated fatty acids] reduces the risk of CVD [cardiovascular
18 disease] events and coronary mortality.”³⁹

19 62. Finally, Carrington claims that “[a]ll health and nutrition properties remain the
20 same in either solid or liquid state.” This claim taken individually and in context of the label
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22
23 ³⁸ The USDA’s National Nutrient Database for Standard Reference lists a 14 gram serving of
24 butter as being composed of 12 grams of fat, 7 of which are saturated, 3 of which are
25 monounsaturated, and .5 of which is polyunsaturated. *See* USDA Agricultural Research
26 Service, *National Nutrient Database for Standard Reference Release 28*, NDB No. 01001,
27 Butter, salted, *available at* <http://ndb.nal.usda.gov/ndb/foods>.

28 ³⁹ USDA & HHS, *Dietary Guidelines for Americans, Part D, Chapter 6 at 12*, *available at*
<http://health.gov/dietaryguidelines/2015-scientific-report/pdfs/scientific-report-of-the-2015-dietary-guidelines-advisory-committee.pdf>.

1 as a whole, is false and misleading because the Carrington Farms Extra Virgin Coconut Oil
2 is actually unhealthy due to its high saturated fat content

3 63. Collectively these claims misleadingly imply, by affirmative representations and
4 material omissions, that Carrington Farms Extra Virgin Coconut Oil is healthy, when it is not,
5 and that it is a healthy alternative to butter and other fats or oils, which it is not.

6 64. In sum, the totality of the Carrington Farms Extra Virgin Coconut Oil label and
7 packaging conveys the concrete message to a reasonable consumer that the product is healthy,
8 and a healthful alternative to butter and other fats. Carrington intended consumers to rely
9 upon this message, which is false and misleading for the reasons stated herein.

10 **2. Carrington Places Misleading Health and Wellness Claims Directly**
11 **on the Carrington Farms Coconut Cooking Oil Label**

12 65. As with the Carrington Farms Extra Virgin Coconut Oil, Carrington deceptively
13 markets its Carrington Farms Coconut Cooking Oil with a variety of labeling claims intended
14 to convince consumers that the product is healthy, and to conceal or distract from the fact that
15 it is pure fat, almost all of which is unhealthy saturated fat.

16 66. On the front of the label, Carrington prominently claims that Carrington Farms
17 Coconut Cooking Oil is “a healthy cooking oil” and a “natural energy source.” These claims
18 taken individually and in context of the label as a whole, are false and misleading because
19 Carrington Farms Coconut Cooking Oil is actually unhealthy due to its high saturated fat
20 content.

21 67. On the Carrington Farms Coconut Cooking Oil label, Carrington further
22 represents that the product is “a healthy cooking alternative,” and a “healthy alternative to
23 canola, soybean, vegetable, olive oil and butter.” This misleadingly suggests that replacing
24 canola, soybean, vegetable, olive oil and butter with Carrington Farms Coconut Cooking Oil
25 is a healthy choice despite that doing so would increase consumption of saturated fat and
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28

1 decrease consumption unsaturated fat,⁴⁰ and despite that “Strong and consistent evidence
2 from RCTs and statistical modeling in prospective cohort studies shows that replacing SFA
3 with PUFA reduces the risk of CVD events and coronary mortality.”⁴¹

4 68. To reinforce these misleading health claims, Carrington represents that
5 Carrington Farms Coconut Cooking Oil is “non-hydrogenated and free of harmful saturated
6 and trans fatty acids,” is “Naturally rich in medium chain triglycerides (MCT),” is “high in
7 Lauric, Caprylic, and Capric acid,” and has “5 times more MCT than regular coconut oil.”
8 These claims, taken individually and in context of the label as a whole, are false and
9 misleading (even to the extent some may be literally true) because the Carrington Farms
10 Coconut Cooking Oil is actually unhealthy due to its high saturated fat content.

11 69. In addition, Carrington claims “MCTs are efficiently utilized by the body for
12 energy production,” and “Rapidly metabolized, and “Excellent for a healthy lifestyle.” These
13 claims, taken individually and in context of the label as a whole, are false and misleading
14 because the Carrington Farms Coconut Cooking Oil is actually unhealthy due to its high
15 saturated fat content.

16
17
18 ⁴⁰ The USDA’s National Nutrient Database for Standard Reference lists a 14 gram serving of
19 butter as being composed of 12 grams of fat, 7 of which are saturated, 3 of which are
20 monounsaturated, and .5 of which is polyunsaturated; lists a 14 gram serving of canola oil as
21 being composed of 14 grams of fat, 1 of which is saturated, 9 of which are monounsaturated,
22 and 4 of which are polyunsaturated; lists a 13.6 gram serving of soybean oil as being
23 composed of 13.6 grams of fat, 2 of which are saturated, 3 of which are monounsaturated,
24 and 8 of which are polyunsaturated; lists a 13.6 gram serving of vegetable oil as being
25 composed of 13.6 grams of fat, 1 of which is saturated, 3 of which are monounsaturated, and
26 9 of which are polyunsaturated; and lists a 13.5 gram serving of olive oil as being composed
27 of 13.5 grams of fat, 2 of which are saturated, 10 of which are monounsaturated, and 1.5 of
28 which are polyunsaturated. *See* USDA Agricultural Research Service, *National Nutrient
Database for Standard Reference Release 28*, NDB No. 01001, Butter, salted; NDB No.
04582, Canola Oil, NDB No. 04044, Soybean Oil; NDB No. 04670, Vegetable Oil; NDB No.
04053, Olive Oil, *available at* <http://ndb.nal.usda.gov/ndb/foods>.

⁴¹ USDA & HHS, *Dietary Guidelines*, *supra* n.39, Part D, Chapter 6 at 12.

1 70. Further, the Carrington Farms Coconut Cooking Oil bears a chart comparing the
2 product to soybean, canola, and olive oils, misleadingly suggesting that the product is a
3 healthier alternative. This chart, taken individually and in context of the label as a whole, is
4 false and misleading (even to the extent some portions may be literally true) because the
5 Carrington Farms Coconut Cooking Oil is actually unhealthy due to its high saturated fat
6 content, and less healthy than these alternatives.

7 71. Collectively the claims on the Carrington Farms Coconut Cooking Oil labels
8 misleadingly imply, by affirmative representations and material omissions, that Carrington
9 Farms Coconut Cooking Oil is healthy, when it is not, and that it is healthier or more nutritious
10 than canola, soybean, vegetable, olive oil, and butter, which it is not.

11 72. In short, the totality of the labeling conveys the concrete message to a reasonable
12 consumer that Carrington Farms Coconut Cooking Oil is healthy, and a more healthful
13 alternative to canola, soybean, vegetable, olive oil, and butter. Carrington intended consumers
14 to rely upon this message, which is false and misleading for the reasons stated herein.

15 **C. The Carrington Farms Website Contains Misleading Health and Wellness**
16 **Claims About the Coconut Oil Products**

17 73. The labels of the Carrington Farms coconut oil products direct consumers to the
18 Carrington Farms website (www.carringtonfarms.com), which Carrington uses as a platform
19 for furthering its health marketing campaign.

20 74. Through statements on the Carrington Farms website, Carrington portrays itself
21 as a company devoted making “health food products accessible to nutrition-conscious
22 consumers” and that “all of Carrington Farms’ vitamin and mineral-full health food products
23 are a great way to start adding a little more nutrition to everyday life.”⁴²

24
25
26 _____
27 ⁴² Carrington Farms, About Us, <http://carringtonfarms.com/about-us>.

1 75. Carrington further assures consumers that “By staying on top of the latest
2 research and media, Carrington Farms is on the forefront of nutrition.”⁴³

3 76. The Carrington Farms website also extolls the “health benefits” of coconut oil
4 claiming that “Coconut Oil possesses a wide variety of benefits due to its fiber and nutritional
5 content.”⁴⁴

6 77. Carrington further claims that “Coconut oil is made up of medium chain fatty
7 acids (MCFA). These fatty acids do not have a negative effect on cholesterol. . . . MCT’s are
8 just now being used as cooking oils due to their beneficial properties. This type of triglyceride
9 is cholesterol-neutral, meaning it has a very small effect on serum cholesterol levels in the
10 body, and does not add trans-fats to formulas.”⁴⁵

11 **IV. The Labeling of the Carrington Farms Coconut Oil Products Violates California**
12 **and Federal Law**

13 **A. Any Violation of Federal Food Labeling Statutes or Regulations is a**
14 **Violation of California Law**

15 78. Pursuant to the California Sherman Food, Drug, and Cosmetic Law, Cal. Health
16 & Safety Code §§ 109875 *et. seq.* (the “Sherman Law”), California has adopted the federal
17 food labeling requirements as its own, *see id.* § 110665 (“Any food is misbranded if its
18 labeling does not conform with the requirements for nutrition labeling as set forth in Section
19 403(q) (21 U.S.C. Sec. 343(q)) of the federal act and the regulation adopted pursuant
20 thereto.”).

21 79. The Federal Food, Drug, and Cosmetic Act expressly authorizes state
22 regulations, such as the Sherman Law, that are “identical to the requirement[s]” of the FDCA
23 and federal regulations. *See* 21 U.S.C. § 343-1.

24
25 _____
⁴³ *Id.*

26 ⁴⁴ Carrington Farms, Health Benefits, <http://carringtonfarms.com/health-benefits>.

27
28 ⁴⁵ *Id.*

1 80. Because the Sherman Law’s requirements are identical to the requirements of
2 the Federal Food, Drug, and Cosmetic Act and FDA regulations the Sherman law is explicitly
3 authorized by the FDCA.

4 **B. The Carrington Farms Coconut Oil Products’ False and Misleading**
5 **Labeling Claims Render the Products Misbranded Under California and**
6 **Federal Law**

7 81. Carrington’s deceptive statements described herein violate Cal. Health & Safety
8 Code § 109875, and 21 U.S.C. § 343(a), which deem a food misbranded if its labeling is
9 “false or misleading in any particular.”

10 82. In addition, the Coconut Oil Products’ labeling is misleading, and thus
11 misbranded, because “it fails to reveal facts that are material in light of other representations.”
12 21 C.F.R § 1.21.

13 **C. The Carrington Farms Coconut Oil Products are Misbranded Because**
14 **They Make Unauthorized Express Nutrient Content Claims**

15 83. The Carrington Farms Coconut Oil Products are misbranded because their labels
16 bear nutrient content claims even though the Products do not meet the requirements to make
17 such claims.

18 84. Under 21 U.S.C. § 343(r)(1)(A), a claim that characterizes the level of a nutrient
19 which is of the type required to be in the labeling of the food must be made in accordance
20 with a regulation promulgated by the Secretary (or, by delegation, FDA) authorizing the use
21 of such a claim. *See also* Cal. Health & Safety Code § 110670 (“Any food is misbranded if
22 its labeling does not conform with the requirements for nutrient content or health claims” set
23 by federal law.).

24 85. Characterizing the level of a nutrient on food labels and labeling of a product
25 without complying with the specific requirements pertaining to nutrient content claims for
26 that nutrient renders a product misbranded under 21 U.S.C. § 343(r)(1)(A).

1 86. The label of the Carrington Farms Extra Virgin Coconut Oil bears the phrases
2 “Our unrefined . . . coconut oil is simply pressed and bottled so it retains its original nutrient
3 content . . . No Trans & Hydrogenated Fats.”

4 87. The label of the Carrington Farms Coconut Cooking Oil bears the phrases “non-
5 hydrogenated and free of harmful saturated and trans fatty acids,” “Naturally rich in medium
6 chain triglycerides (MCT),” “high in Lauric, Caprylic, and Capric acid,” and “5 times more
7 MCT than regular coconut oil.”

8 88. These phrases meet the definition of nutrient content claims because they
9 characterize the level of trans fat, and fatty acids, in the Coconut Oil Products, which are
10 nutrients of the type required to be in nutrition labeling. *See* 21 C.F.R. § 101.13(b)(1).

11 89. Under 21 C.F.R. § 101.13(h), a food that bears an express or implied nutrient
12 content claim, and that contains more than 13 grams of total fat or 4 grams of saturated fat
13 per serving, must also bear a disclosure statement on the label, immediately adjacent to the
14 claim, referring the consumer to nutrition information for that nutrient, e.g., “See nutrition
15 information for total fat and saturated fat content.” 21 C.F.R. § 101.13(h)(1).

16 90. Despite that both Carrington Farms Coconut Oil Products contain 14 grams of
17 total fat and 12 or more grams of saturated fat per serving, their labels fail to bear these
18 mandatory disclosure statements, which provide consumers with material nutrition
19 information. Therefore, Carrington Farms Extra Virgin Coconut Oil and Carrington Farms
20 Coconut Cooking Oil are misbranded.

21 91. Further, even if the Carrington Farms Coconut Oil Products had contained the
22 required disclosures, they would still be misbranded because “no trans fat” is an unauthorized
23 nutrient content claim that may not be used in the labeling of any foods. *See Reid v. Johnston*
24 *& Johnson*, 780 F.3d 952, 962-63 (2015). The FDA similarly has no defined nutrient content
25 claims for “non-hydrogenated,” or any statements about MCTs, but all such claims must, in
26 any event, be not misleading. *See* 21 C.F.R. § 101.13(i)(iii).

1 92. That Carrington’s labeling and marketing renders the product misbranded is
2 supported by the FDA’s sending Carrington a warning letter, on January 13, 2015, advising
3 the company of its violations. (*See* FDA Warning Letter to Carrington Farms, attached hereto)

4 93. Plaintiffs and members of the Class would not have purchased the Carrington
5 Farms Coconut Oil Products if they knew the Products were and are misbranded pursuant to
6 California and federal regulations because their labels make unauthorized nutrient content
7 claims despite containing disqualifying amounts of total and saturated fat and omit material
8 information and disclosures.

9 **D. The Carrington Farms Coconut Oil Products are Misbranded Because**
10 **They Make Unauthorized “Healthy” Nutrient Content Claims**

11 94. In addition, Carrington Farms Coconut Oil Product labels are misbranded (and
12 also misleading), because the labels claim that the products are healthy based their nutrient
13 content, but the Products do not meet the requirements for making such implied nutrient
14 content claims as set forth in 21 C.F.R. § 101.65(d).

15 95. The Carrington Farms Extra Virgin Coconut Oil label bears the claims “Healthy
16 Foods,” “The healthiest oil on earth,” “Perfect for healthy . . . cooking,” and “Use as a healthy
17 . . . replacement for butter or fat” in connection with the statement “Our unrefined . . . coconut
18 oil is simply pressed and bottled so it retains its original nutrient content . . . No Trans &
19 Hydrogenated Fats.”

20 96. The Carrington Farms Coconut Cooking Oil label bears the claims “a healthy
21 cooking oil,” “healthy alternative to canola, soybean, vegetable, olive oil and butter,”
22 “Excellent for a healthy lifestyle” in connection with the statements “non-hydrogenated and
23 free of harmful saturated and trans fatty acids,” “Naturally rich in medium chain triglycerides
24 (MCT),” “high in Lauric, Caprylic, and Capric acid,” and “5 times more MCT than regular
25 coconut oil.”

26 97. To “use the term ‘healthy’ or related terms (e.g., ‘health,’ ‘healthful,’
27 ‘healthfully,’ ‘healthfulness,’ ‘healthier,’ ‘healthiest,’ ‘healthily,’ and ‘healthiness’)” as an
28

1 implied nutrient content claim, a food must satisfy specific “conditions for fat, saturated fat,
2 cholesterol, and other nutrients.” 21 C.F.R § 101.65(d)(2).

3 98. The Carrington Farms Coconut Oil Products are “not specifically listed” in the
4 table contained in 21 C.F.R § 101.65(d)(2)(i), and therefore are governed by section (F) of
5 the table. *See* 101.65(d)(2)(i)(F).

6 99. Under 21 C.F.R. § 101.65(d)(2)(i)(F), to use a “healthy” term, a food must (1)
7 be “Low fat as defined in § 101.62(b)(2),” (2) be “Low saturated fat as defined in §
8 101.62(c)(2),” and (3) contain “At least 10 percent of the RDI [recommended daily intake]
9 or the DRV [dietary reference values] per RACC [reference amount customarily consumed]
10 of one or more of vitamin A, vitamin C, calcium, iron, protein or fiber.” *See* 21 C.F.R. §
11 101.65(d)(2)(i)(F) (incorporating by reference total fat requirement, 21 C.F.R. § 101.62(b)(2),
12 and saturated fat requirement, 21 C.F.R. § 101.62(c)(2)). In addition, the food must comply
13 “with the definition and declaration requirements in this part 101 for any specific nutrient
14 content claim on the label or in labeling.” 21 C.F.R. § 101.65(d)(2)(iii).

15 100. Section 101.62(b)(2)(i)(B) provides the applicable definition of “low fat” for the
16 Carrington Farms coconut oil products because they have RACCs (reference amounts
17 customarily consumed) and labeled servings of less than 30 grams.

18 101. Under section 101.62(b)(2)(i)(B), a food is low fat only if it “contains 3 g or less
19 of fat per reference amount customarily consumed and per 50 g of food.”

20 102. The Carrington Farms Coconut Oil Products both contain 14 grams of total fat
21 per RACC or labeled serving, and 50 grams of total fat per 50 grams. Thus the Carrington
22 Farms Coconut Oil Products do not meet the total fat requirement in section
23 101.65(d)(2)(i)(F), and as a result, their use of a “healthy” term renders the products
24 misbranded.

25 103. Under section 101.62(c)(2), a food is “low saturated fat” only if it “contains 1 g
26 or less of saturated fatty acids per reference amount customarily consumed and not more than
27 15 percent of calories from saturated fatty acids.”
28

1 104. The Carrington Farms Extra Virgin Coconut Oil contains 12 grams of saturated
2 fat per RACC or labeled serving, and approximately 86 percent of calories come from
3 saturated fat, while the Carrington Farms Coconut Cooking Oil contains 13 grams of saturated
4 fat per RACC or labeled serving, and approximately 93 percent of calories come from
5 saturated fat. The products therefore do not meet the saturated fat requirement in section
6 101.65(d)(2)(i)(F), and as a result, their use of a “healthy” term renders the products
7 misbranded.

8 105. Further, the Carrington Farms Coconut Oil Products do not contain “at least 10
9 percent of the RDI or the DRV per RACC of one or more of vitamin A, vitamin C, calcium,
10 iron, protein or fiber,” 21 C.F.R. § 101.65(d)(2)(i)(F), and as a result, their use of a “healthy”
11 term renders the products misbranded.

12 106. Finally, the Carrington Farms Coconut Oil Products, as explained above, fail to
13 comply “with the definition and declaration requirements in this part 101 for any specific
14 nutrient content claim on the label or in labeling,” 21 C.F.R. § 101.65(d)(2)(iii), further
15 rendering them misbranded.

16 107. In sum, the Carrington Farms Coconut Oil Products bear unauthorized claims
17 that the products are healthy. The Products do not meet the clear and specific criteria the FDA
18 (and by extension, California) requires for using the term healthy (and variations) to describe
19 a food. (*See* FDA Warning Letter to Carrington Farms, **Exhibit 1.**)

20 108. Carrington’s use of the term healthy (and variations) to describe the Carrington
21 Farms Coconut Oil Products not only violates 21 C.F.R. § 101.65 and renders the Products
22 misbranded, but also misleads consumers regarding the nature of the oils, in the specific
23 manner the regulations are intended to prevent.

24 **IV. Plaintiffs’ Purchase, Reliance, and Injury**

25 109. Elizabeth Zemola has purchased Carrington Farms Extra Virgin Coconut Oil on
26 numerous occasions, including in or around 2014 when she purchased a 12-fluid-ounce
27 containers from Wal-Mart stores located at 732 Center Dr., San Marcos, California 92069
28

1 and 1330 East Grand Ave, Escondido, CA 92027. Ms. Zemola consumed the Carrington
2 Farms Extra Virgin Coconut Oil after purchasing it.

3 110. Matthew Beaumont has purchased Carrington Farms Extra Virgin Coconut Oil
4 several times. For example, he believes he purchased a 54-fluid-ounce container from
5 locations including Costco, located at 2640 Lomita Blvd., Torrance, California 90505 and
6 Sam’s Club, located at 2601 Skypark Dr., Torrance, California 90505 in or around 2014. Mr.
7 Beaumont consumed the Carrington Farms Extra Virgin Coconut Oil after purchasing it.

8 111. At the time of purchase, when deciding to purchase Carrington Farms Extra
9 Virgin Coconut Oil, plaintiff Elizabeth Zemola read and relied on, *inter alia*, the following
10 claims on the Extra Virgin Coconut Oil label:

- 11 a. “Healthy Foods for a Healthy Soul”;
- 12 b. “Coconut oil has been described by nutritionists as ‘The healthiest oil on
13 earth.’”;
- 14 c. “Carrington Farms unrefined organic coconut oil is simply pressed and
15 bottled so it retains its original nutrient, content”;
- 16 d. “It’s the perfect choice for your health and energy”;
- 17 e. “No Trans & Hydrogenated Fats”;
- 18 f. “Perfect for healthy high heat cooking”;
- 19 g. “use as a healthy and delicious replacement for butter or fats”; and
- 20 h. “All health and nutrition properties remain the same in either solid or
21 liquid state.”

22 112. At the time of purchase, when deciding to purchase Carrington Farms Extra
23 Virgin Coconut Oil, plaintiff Matthew Beaumont read and relied on, *inter alia*, the following
24 claims on the Extra Virgin Coconut Oil label:

- 25 a. “Healthy Foods for a Healthy Soul”;
- 26 b. “Carrington Farm’s cold-pressed organic extra-virgin coconut oil is the
27 most nutritious oil and the perfect choice for your health and energy!”;
- 28

- 1 c. “Coconut oil has been described by nutritionists as, ‘The healthiest oil on
- 2 earth.’”;
- 3 d. “Our unrefined organic coconut oil is simply pressed and bottled so it
- 4 retains its original nutrient content”;
- 5 e. “No Trans & Hydrogenated Fats”;
- 6 f. “Perfect for healthy high heat cooking”;
- 7 g. “use as a healthy and delicious replacement for butter or fat”; and
- 8 h. “All health and nutrition properties remain the same in either solid or
- 9 liquid state.”

10 113. Based on these representations, plaintiffs believed the Carrington Farms Extra
11 Virgin Coconut Oil was a healthy oil or fat, was a healthy alternative to butter and other fats
12 or cooking oils, and would not detriment their health blood cholesterol levels. Plaintiffs
13 understood the label’s health claims to be directed to the Product’s purported nutritional
14 health benefits, rather than, or at least in addition to relating to other potential uses, such as
15 on skin.

16 114. When purchasing Carrington Farms Extra Virgin Coconut Oil, plaintiffs were
17 seeking a product to consume, and which had the qualities described on the Carrington Farms
18 Extra Virgin Coconut Oil label, namely, on that was a healthy, nutritious oil or fat that was
19 healthier than butter, fats, and other cooking oils, and whose consumption would not increase
20 her risk of CHD, stroke, and other morbidity.

21 115. The representations on the Carrington Farms Extra Virgin Coconut Oil label,
22 however, were false and misleading, and had the capacity, tendency, and likelihood to
23 confuse or confound plaintiffs and other consumers acting reasonably (including the putative
24 Class) because, as described in detail herein, the products are not healthy but instead their
25 consumption increases the risk of CHD, stroke, and other morbidity.

1 116. By consuming Carrington Farms Extra Virgin Coconut Oil, plaintiffs and other
2 members of the class experienced detrimental effects to their blood cholesterol levels and
3 suffered impaired arterial endothelial function.

4 117. Plaintiffs are not nutritionists, food experts, or food scientists, but rather lay
5 consumers who did not have the specialized knowledge that Carrington had regarding the
6 nutrients present in its coconut oils. At the time of purchase, plaintiffs were unaware that
7 consuming coconut oil, such as Carrington's, adversely affects blood cholesterol levels and
8 increases risk of CHD, stroke, and other morbidity.

9 118. Plaintiffs acted reasonably in relying on the health and wellness claims that
10 Carrington intentionally placed on the Carrington Farms Extra Virgin Coconut Oil label with
11 the intent to induce average consumers into purchasing the Products.

12 119. Plaintiffs would not have purchased Carrington Farms Extra Virgin Coconut Oil
13 if they knew that it was misbranded pursuant to California and FDA regulations in that many
14 of its claims were prohibited due to its saturated fat content, and that its labeling claims were
15 false and misleading.

16 120. The Carrington Farms Coconut Oil Products cost more than similar products
17 without misleading labeling, and would have cost less absent the false and misleading
18 statements.

19 121. Plaintiffs paid more for the Carrington Farms Extra Virgin Coconut Oil, and
20 would only have been willing to pay less, or unwilling to purchase it at all, absent the false
21 and misleading labeling statements complained of herein.

22 122. For these reasons, the Carrington Farms Extra Virgin Coconut Oil was worth
23 less than what plaintiffs paid for it.

24 123. Instead of receiving a product that had actual healthful qualities, the Product
25 plaintiffs received was one that is not healthy, but rather its consumption causes increased
26 risk of CHD, stroke, and other morbidity.

1 124. Plaintiffs lost money as a result of Carrington’s deceptive claims and practices
2 in that they did not receive what they paid for when purchasing Carrington Farms Extra
3 Virgin Coconut Oil.

4 125. Plaintiffs detrimentally altered their position and suffered damages in an amount
5 equal to the amount they paid for the product.

6 126. Carrington’s senior officers and directors allowed the Carrington Farms coconut
7 oil products to be sold with full knowledge or reckless disregard that the challenged claims
8 are fraudulent, unlawful, and misleading.

9 **CLASS ACTION ALLEGATIONS**

10 127. While reserving the right to redefine or amend the class definition prior to
11 seeking class certification, pursuant to Federal Rule of Civil Procedure 23, plaintiffs seek to
12 represent a class of all persons in California who purchased, during the relevant time period,
13 for personal or household use, and not for resale or distribution, Carrington Farms Coconut
14 Oil Products (the “Class”).

15 128. The members in the proposed Class are so numerous that individual joinder of
16 all members is impracticable, and the disposition of the claims of all Class Members in a
17 single action will provide substantial benefits to the parties and Court.

18 129. Questions of law and fact common to plaintiffs and the Class include:

19 a. whether Carrington communicated a message regarding healthfulness of
20 Carrington Farms Coconut Oil Products through its packaging and advertising;

21 b. whether that message was material, or likely to be material, to a
22 reasonable consumer;

23 c. whether the challenged claims are false, misleading, or reasonably likely
24 to deceive a reasonable consumer because of the high total and saturated fat content of
25 Carrington Farms Coconut Oil Products;

26 d. whether Carrington’s conduct violates public policy;
27
28

- 1 e. whether Carrington's conduct violates state or federal food statutes or
- 2 regulations;
- 3 f. the proper amount of damages, including punitive damages;
- 4 g. the proper amount of restitution;
- 5 h. the proper scope of injunctive relief; and
- 6 i. the proper amount of attorneys' fees.

7 130. These common questions of law and fact predominate over questions that affect
8 only individual Class Members.

9 131. Plaintiffs' claims are typical of Class Members' claims because they are based
10 on the same underlying facts, events, and circumstances relating to Carrington's conduct.
11 Specifically, all Class Members, including plaintiffs, were subjected to the same misleading
12 and deceptive conduct when they purchased Carrington Farms Coconut Oil Products, and
13 suffered economic injury because Carrington Farms Coconut Oil Products are
14 misrepresented. Absent Carrington's business practice of deceptively and unlawfully labeling
15 the Carrington Farms Coconut Oil Products, plaintiffs and Class members would not have
16 purchased the Products.

17 132. Plaintiffs will fairly and adequately represent and protect the interests of the
18 Class, have no interests incompatible with the interests of the Class, and have retained counsel
19 competent and experienced in class action litigation, and specifically in litigation involving
20 the false and misleading advertising of foods.

21 133. Class treatment is superior to other options for resolution of the controversy
22 because the relief sought for each Class Member is small, such that, absent representative
23 litigation, it would be infeasible for Class Members to redress the wrongs done to them.

24 134. Carrington has acted on grounds applicable to the Class, thereby making
25 appropriate final injunctive and declaratory relief concerning the Class as a whole.

26 135. As a result of the foregoing, class treatment is appropriate under Fed. R. Civ. P.
27 23(a), 23(b)(2), and 23(b)(3).

1 **CAUSES OF ACTION**

2 **FIRST CAUSE OF ACTION**

3 **Violations of the Unfair Competition Law,**

4 **Cal. Bus. & Prof. Code §§ 17200 *et seq.***

5 136. Plaintiffs reallege and incorporate the allegations elsewhere in the Complaint as
6 if set forth in full herein.

7 137. The UCL prohibits any “unlawful, unfair or fraudulent business act or practice.”
8 Cal. Bus. & Prof. Code § 17200.

9 138. The acts, omissions, misrepresentations, practices, and non-disclosures of
10 Carrington as alleged herein constitute business acts and practices.

11 **Fraudulent**

12 139. A statement or practice is fraudulent under the UCL if it is likely to deceive the
13 public, applying an objective reasonable consumer test.

14 140. As set forth herein, Carrington’s claims relating to the Carrington Farms coconut
15 oil products are likely to deceive reasonable consumers and the public.

16 **Unlawful**

17 141. The acts alleged herein are “unlawful” under the UCL in that they violate at least
18 the following laws:

- 19 • The False Advertising Law, Cal. Bus. & Prof. Code §§ 17500 *et seq.*;
- 20 • The Consumers Legal Remedies Act, Cal. Civ. Code §§ 1750 *et seq.*;
- 21 • The Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 301 *et seq.*; and
- 22 • The California Sherman Food, Drug, and Cosmetic Law, Cal. Health & Safety
23 Code §§ 110100 *et seq.*

24 **Unfair**

25 142. Carrington’s conduct with respect to the labeling, advertising, and sale of the
26 Carrington Farms Coconut Oil Products was unfair because Carrington’s conduct was
27
28

1 immoral, unethical, unscrupulous, or substantially injurious to consumers, and the utility of
2 its conduct, if any, does not outweigh the gravity of the harm to its victims.

3 143. Carrington's conduct with respect to the labeling, advertising, and sale of the
4 Carrington Farms Coconut Oil Products was and is also unfair because it violates public
5 policy as declared by specific constitutional, statutory or regulatory provisions, including but
6 not necessarily limited to the False Advertising Law, portions of the Federal Food, Drug, and
7 Cosmetic Act, and portions of the California Sherman Food, Drug, and Cosmetic Law.

8 144. Carrington's conduct with respect to the labeling, advertising, and sale of the
9 Carrington Farms Coconut Oil Products was and is also unfair because the consumer injury
10 was substantial, not outweighed by benefits to consumers or competition, and not one
11 consumers themselves could reasonably have avoided.

12 145. Carrington profited from the sale of the falsely, deceptively, and unlawfully
13 advertised Carrington Farms Coconut Oil Products to unwary consumers.

14 146. Plaintiffs and Class Members are likely to continue to be damaged by
15 Carrington's deceptive trade practices, because Carrington continues to disseminate
16 misleading information. Thus, injunctive relief enjoining Carrington's deceptive practices is
17 proper.

18 147. Carrington's conduct caused and continues to cause substantial injury to
19 plaintiffs and other Class Members. Plaintiffs have suffered injury in fact as a result of
20 Carrington's unlawful conduct.

21 148. In accordance with Bus. & Prof. Code § 17203, plaintiffs seek an order enjoining
22 Carrington from continuing to conduct business through unlawful, unfair, and/or fraudulent
23 acts and practices, and to commence a corrective advertising campaign.

24 149. Plaintiffs and the Class also seek an order for the restitution of all monies from
25 the sale of the Carrington Farms Coconut Oil Products, which were unjustly acquired through
26 acts of unlawful competition.

1 **SECOND CAUSE OF ACTION**

2 **Violations of the False Advertising Law,**
3 **Cal. Bus. & Prof. Code §§ 17500 et seq.**

4 150. Plaintiffs reallege and incorporate the allegations elsewhere in the Complaint as
5 if set forth in full herein.

6 151. The FAL provides that “[i]t is unlawful for any person, firm, corporation or
7 association, or any employee thereof with intent directly or indirectly to dispose of real or
8 personal property or to perform services” to disseminate any statement “which is untrue or
9 misleading, and which is known, or which by the exercise of reasonable care should be
10 known, to be untrue or misleading.” Cal. Bus. & Prof. Code § 17500.

11 152. It is also unlawful under the FAL to disseminate statements concerning property
12 or services that are “untrue or misleading, and which is known, or which by the exercise of
13 reasonable care should be known, to be untrue or misleading.” *Id.*

14 153. As alleged herein, the advertisements, labeling, policies, acts, and practices of
15 Carrington relating to the Carrington Farms Coconut Oil Products misled consumers acting
16 reasonably as to the healthfulness of the Products.

17 154. Plaintiffs suffered injury in fact as a result of Carrington’s actions as set forth
18 herein because plaintiffs purchased Carrington Farms Extra Virgin Coconut Oil in reliance
19 on Carrington’s false and misleading marketing claims stating or suggesting that the product,
20 among other things, is healthy, healthier than butter and other fats or oils.

21 155. Carrington’s business practices as alleged herein constitute unfair, deceptive,
22 untrue, and misleading advertising pursuant to the FAL because Carrington has advertised
23 the Carrington Farms coconut oil products in a manner that is untrue and misleading, which
24 Carrington knew or reasonably should have known, and omitted material information from
25 the Products’ advertising.

26 156. Carrington profited from the sale of the falsely and deceptively advertised
27 Carrington Farms Coconut Oil Products to unwary consumers.

1 157. As a result, plaintiffs, the Class, and the general public are entitled to injunctive
2 and equitable relief, restitution, and an order for the disgorgement of the funds by which
3 Carrington was unjustly enriched.

4 158. Pursuant to Cal. Bus. & Prof. Code § 17535, plaintiffs, on behalf of themselves
5 and the Class, seek an order enjoining Carrington from continuing to engage in deceptive
6 business practices, false advertising, and any other act prohibited by law, including those set
7 forth in this Complaint.

1 **THIRD CAUSE OF ACTION**

2 **Violations of the Consumer Legal Remedies Act,**

3 **Cal. Civ. Code §§ 1750 *et seq.***

4 159. Plaintiffs reallege and incorporate the allegations elsewhere in the Complaint as
5 if set forth in full herein.

6 160. The CLRA prohibits deceptive practices in connection with the conduct of a
7 business that provides goods, property, or services primarily for personal, family, or
8 household purposes.

9 161. Carrington's false and misleading labeling and other policies, acts, and practices
10 were designed to, and did, induce the purchase and use of the Carrington Farms Coconut Oil
11 Products for personal, family, or household purposes by plaintiffs and Class Members, and
12 violated and continue to violate the following sections of the CLRA:

13 a. § 1770(a)(5): representing that goods have characteristics, uses, or
14 benefits which they do not have;

15 b. § 1770(a)(7): representing that goods are of a particular standard, quality,
16 or grade if they are of another;

17 c. § 1770(a)(9): advertising goods with intent not to sell them as advertised;
18 and

19 d. § 1770(a)(16): representing the subject of a transaction has been supplied
20 in accordance with a previous representation when it has not.

21 162. Carrington profited from the sale of the falsely, deceptively, and unlawfully
22 advertised Carrington Farms Coconut Oil Products to unwary consumers.

23 163. As a result, plaintiffs and the Class have suffered harm, and therefore seek (a)
24 actual damages in the amount of the total retail sales price of the Carrington Farms Coconut
25 Oil Products sold throughout the Class Period to all Class Members, (b) punitive damages in
26 an amount sufficient to deter and punish, (c) injunctive relief in the form of modified
27 advertising and a corrective advertising plan, (d) restitution, and (e) attorneys' fees and costs.
28

1 164. Carrington’s wrongful business practices constituted, and constitute, a
2 continuing course of conduct in violation of the CLRA.

3 165. Pursuant to California Civil Code § 1782, on September 21, 2016, plaintiffs sent
4 written notice of their claims and Carrington’s particular violations of the Act to Carrington
5 Farms by certified mail, return receipt requested.

6 166. Plaintiffs, on behalf of themselves and the Class, seek injunctive relief under
7 Civil Code § 1782(d).

8 167. In addition, because Carrington failed to implement remedial measures,
9 plaintiffs on behalf of themselves and the Class, seek actual and punitive damages, including
10 attorneys’ fees.

11 168. In compliance with Cal. Civ. Code § 1780(d), plaintiffs’ affidavit of venue is
12 filed concurrently herewith, attached to the Complaint.

13 **FOURTH CAUSE OF ACTION**

14 **Breaches of Express Warranties,**

15 **Cal. Com. Code § 2313(1)**

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

18 170. Through the Carrington Farms Coconut Oil Products’ labels, Carrington made
19 affirmations of fact or promises, or description of goods, that, *inter alia*, the product is
20 “healthy” and when consumed. These and other representations were “part of the basis of the
21 bargain,” in that plaintiffs and the Class purchased the product in reasonable reliance on those
22 statements. Cal. Com. Code § 2313(1).

23 171. Carrington breached its express warranties by selling a product that is not
24 healthy, not healthier than butter or other oils, and that negatively affects cholesterol levels,
25 increasing risk of CHD, stroke, and other morbidity.

1 172. That breach actually and proximately caused injury in the form of the lost
2 purchase price that plaintiffs and Class members paid for Carrington Farms Coconut Oil
3 Products.

4 173. As a result, plaintiffs seek, on behalf of themselves and other Class Members,
5 their actual damages arising as a result of Carrington's breaches of express warranty.

6 **FIFTH CAUSE OF ACTION**

7 **Breach of Implied Warranty of Merchantability,**

8 **Cal. Com. Code § 2314**

9 174. Plaintiffs reallege and incorporate the allegations elsewhere in the Complaint as
10 if set forth in full herein.

11 175. Carrington, through its acts set forth herein, in the sale, marketing, and
12 promotion of Carrington Farms Coconut Oil Products, made representations to plaintiffs and
13 the Class that, among other things, the products are healthy.

14 176. Carrington is a merchant with respect to the goods of this kind which were sold
15 to plaintiffs and the Class, and there was, in the sale to plaintiffs and other consumers, an
16 implied warranty that those goods were merchantable.

17 177. However, Carrington breached that implied warranty in that Carrington Farms
18 Coconut Oil Products are not healthy, not healthier than butter or other oils, and negatively
19 affect cholesterol levels, increasing risk of CHD and stroke, as set forth in detail herein.

20 178. As an actual and proximate result of Carrington's conduct, plaintiffs and the
21 Class did not receive goods as impliedly warranted by Carrington to be merchantable in that
22 they did not conform to promises and affirmations made on the container or label of the goods.

23 179. Plaintiffs and the Class have sustained damages as a proximate result of the
24 foregoing breach of implied warranty in the amount of Carrington Farms Coconut Oil
25 Products' purchase price.

1 **PRAYER FOR RELIEF**

2 180. Wherefore, plaintiffs, on behalf of themselves, all others similarly situated and
3 the general public, pray for judgment against Carrington as to each and every cause of action,
4 and the following remedies:

5 A. An Order declaring this action to be a proper class action, appointing
6 plaintiffs as class representative, and appointing undersigned counsel as class counsel;

7 B. An Order requiring Carrington to bear the cost of class notice;

8 C. An Order compelling Carrington to conduct a corrective advertising
9 campaign;

10 D. An Order compelling Carrington to destroy all misleading and deceptive
11 advertising materials and product labels, and to recall all offending products;

12 E. An Order requiring Carrington to disgorge all monies, revenues, and
13 profits obtained by means of any wrongful act or practice;

14 F. An Order requiring Carrington to pay restitution to restore all funds
15 acquired by means of any act or practice declared by this Court to be an unlawful,
16 unfair, or fraudulent business act or practice, or untrue or misleading advertising, plus
17 pre-and post-judgment interest thereon;

18 G. An Order requiring Carrington to pay compensatory damages and
19 punitive damages as permitted by law;

20 H. An award of attorneys' fees and costs; and

21 I. Any other and further relief that Court deems necessary, just, or proper.

22 **JURY DEMAND**

23 181. Plaintiffs hereby demand a trial by jury on all issues so triable.

24
25 Dated: April 14, 2017

/s/ Paul K. Joseph

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15 Fax: (619) 362-9555

16 *Counsel for Plaintiffs and the Proposed Class*

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS
ELIZABETH ZEMOLA and MATTHEW BEAUMONT, on behalf of themselves all others similarly situated, and the general public
(b) County of Residence of First Listed Plaintiff San Diego
(c) Attorneys (Firm Name, Address, and Telephone Number)
Paul K. Joseph
4125 W. Pt. Loma Blvd., No. 206 San Diego, CA 92110 / (619) 767-0356

DEFENDANTS
CARRINGTON TEA COMPANY, LLC
County of Residence of First Listed Defendant
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.
Attorneys (If Known)
'17CV760 MMAKSC

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)
1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)
Citizen of This State
Citizen of Another State
Citizen or Subject of a Foreign Country
PTF DEF
1 1
2 2
3 3
4 4
5 5
6 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Table with 5 columns: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Contains various legal categories and checkboxes.

V. ORIGIN (Place an "X" in One Box Only)
1 Original Proceeding
2 Removed from State Court
3 Remanded from Appellate Court
4 Reinstated or Reopened
5 Transferred from Another District
6 Multidistrict Litigation

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
28 U.S.C. s. 1332(d)(2) (the Class Action Fairness Act)
Brief description of cause:
False Advertising (Violation of California UCL, FAL, CLRA & Breach of Warranty)

VII. REQUESTED IN COMPLAINT:
CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$
CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY
(See instructions): JUDGE DOCKET NUMBER

DATE 04/13/2017 SIGNATURE OF ATTORNEY OF RECORD /s/ Paul K. Joseph

FOR OFFICE USE ONLY
RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I. **(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) **County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) **Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

- II. **Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
 - United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
 - United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
 - Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 - Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)

- III. **Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.

- IV. **Nature of Suit.** Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.

- V. **Origin.** Place an "X" in one of the six boxes.
 - Original Proceedings. (1) Cases which originate in the United States district courts.
 - Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.
 - Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 - Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 - Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 - Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

- VI. **Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service

- VII. **Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
 - Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
 - Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

- VIII. **Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

Exhibit 1

U.S. Food and Drug Administration
Protecting and Promoting *Your Health*

Carrington 1/13/15



Department of Health and Human Services

Public Health Service
Food and Drug Administration
College Park, MD 20740

JAN 13, 2015

WARNING LETTER

VIA OVERNIGHT DELIVERY

David Eben, CEO
Carrington Farms
297 Kinderkamack Road
Suite 101
Oradell, NJ 07649

Re: 431660

Dear Mr. Eben:

This is to advise you that in April 2014, the Food and Drug Administration (FDA) reviewed your product label for Carrington Farms Coconut Oil (54 fl oz). In addition, FDA reviewed labeling on your website at the Internet address <http://carringtonfarms.com/> in August 2014 and has determined that you take orders there for the product Carrington Farms Coconut Oil, which both the product label and the website labeling promote for conditions that cause the product to be a “drug” under section 201(g)(1)(B) of the Federal Food, Drug, and Cosmetic Act (the Act) [21 U.S.C. § 321(g)(1)(B)]. The therapeutic claims on your product label and your website labeling establish that the product is a drug because it is intended for use in the cure, mitigation, treatment, or prevention of disease. As explained further below, introducing or delivering this product for introduction into interstate commerce for such uses violates the Act.

Even if your product was not an unapproved new drug, it would be a misbranded food within the meaning of section 403(r)(1) of the Act [21 U.S.C. § 343(r)(1)] as described below.

Unapproved New Drug

Examples of some of the website claims that provide evidence that your product is intended for use as a drug

include:

- Under the webpage titled “Health Benefits”:
 - o “Caprylic acid is considered to have many positive therapeutic qualities—some of which include treating and soothing various infections such as salmonella, ringworm, candidiasis and gastroenteritis...Caprylic acid is also excellent for dealing with bacterial infections...including certain Streptococcus species and Staphylococcus aureus).”
 - o “Lauric acid exhibits anti-viral, anti-microbial, and anti-fungal properties.”
 - o “Coconut Oil also has been known to: kill bacteria, ease acid reflux ... lower incidence of hemorrhoids ... soothes ear aches . . . reduces joint and muscle inflammation.”
 - o “[C]oconut oil may help prevent osteoporosis...”
 - o “Lauric acid [found in coconut oil] has been found to protect your heart by reducing total cholesterol...”

Your product is not generally recognized as safe and effective for the above referenced uses and, therefore, the product is a “new drug” under section 201(p) of the Act [21 U.S.C. § 321(p)]. New drugs may not be legally introduced or delivered for introduction into interstate commerce without prior approval from FDA, as described in section 505(a) of the Act [21 U.S.C. § 355(a)]; see also section 301(d) of the Act [21 U.S.C. § 331(d)]. FDA approves a new drug on the basis of scientific data submitted by a drug sponsor to demonstrate that the drug is safe and effective.

Furthermore, your product Carrington Farms Coconut Oil is offered for conditions that are not amenable to self-diagnosis and treatment by individuals who are not medical practitioners; therefore, adequate directions for use cannot be written so that a layperson can use this drug safely for its intended use. Thus, this drug is misbranded within the meaning of section 502(f)(1) of the Act [21 U.S.C. § 352(f)(1)] in that its labeling fails to bear adequate directions for use. The introduction of a misbranded drug into interstate commerce is a violation of section 301(a) of the Act [21 U.S.C. § 331(a)].

Misbranded Food: Nutrient Content Claims

Even if your Carrington Farms Coconut Oil product was not an unapproved drug, it would also be a misbranded food within the meaning of section 403(r)(1)(A) of the Act [21 U.S.C. § 343(r)(1)(A)] because the product label and labeling bear nutrient content claims but do not meet the requirements to make such claims.

Under section 403(r)(1)(A) of the Act [21 U.S.C. § 343(r)(1)(A)], a claim that characterizes the level of a nutrient which is of the type required to be in the labeling of the food must be made in accordance with a regulation promulgated by the Secretary (or, by delegation, FDA) authorizing the use of such a claim.

Characterizing the level of a nutrient on food labels and labeling of a product without complying with the specific requirements pertaining to nutrient content claims for that nutrient misbrands the product under section 403(r)(1)(A) of the Act [21 U.S.C. § 343(r)(1)(A)]. Your Carrington Farms Coconut Oil product is misbranded under section 403(r)(1)(A) of the Act because the product label and labeling bear the following nutrient content claims but fail to meet the requirements to make such claims as follows:

1. The label of your Carrington Farms Coconut Oil product bears an implied nutrient content claim, because it bears statements suggesting that because of its nutrient content the product may help consumers maintain healthy dietary practices, and those statements are made in connection with claims or statements about nutrients. The label of your Carrington Farms Coconut Oil product bears the claims "Healthy Foods," "The healthiest oil on earth," "Perfect for healthy . . . cooking," and "Use as a healthy . . . replacement for butter or fat" in connection with the statement "Our unrefined . . . coconut oil is simply pressed and bottled so it retains its original nutrient content . . . No Trans & Hydrogenated Fats." However, this product does not meet the requirements for use of the nutrient content claim "healthy" that are set forth in 21 CFR 101.65(d).

In accordance with 21 CFR 101.65(d)(2)(i), you may use the term "healthy" as an implied nutrient content claim on the label or in the labeling of a food such as coconut oil provided that the food, among other things, is "low saturated fat" as defined in 21 CFR 101.62(c)(2) (saturated fat content of 1 g or less per Reference Amount Customarily Consumed (RACC) and no more than 15 percent of calories from saturated fat).

Furthermore, the product must contain at least 10 percent of the Daily Value per RACC of one or more of vitamin A, vitamin C, calcium, iron, protein, or fiber.

According to the Nutrition Facts label, this product contains 12 g of saturated fat per tablespoon (14 g) serving of food which is calculated as 83 percent of calories from saturated fat and thus far exceeds the maximum of 1 g of saturated fat per RACC and not more than 15 percent of calories from saturated fat [21 CFR 101.62(c)(2)]. Additionally, according to the Nutrition Facts label this product does not contain at least 10 percent of the Daily Value per RACC of one or more of vitamin A, vitamin C, calcium, iron, protein or fiber. Accordingly, this product does not meet the requirements for the use of the nutrient content claim "healthy" on a food label [21 CFR 101.65(d)(2)].

2. Your website states: "These oils [components of coconut oil] are low in calories."

Nutrient content claims for calorie content are defined in 21 CFR 101.60. Under 21 CFR 101.60(b)(2), the term "low in calories" may be used on the label or labeling of foods such as coconut oil provided that, among other things, the food does not provide more than 40 calories per RACC and per 50 g. However, according to the Nutrition Facts label, this product contains 130 calories per 14 g serving, which is more than the maximum of 40 calories per RACC and per 50 g allowed under 21 CFR 101.60(b)(2).

3. Your website states: "Coconut oil is rich in antioxidants."

Nutrient content claims using the term "antioxidant" must comply with the requirements listed in 21 CFR 101.54(g). These requirements state, in part, that for a product to bear such a claim, an RDI must have been established for each of the nutrients that are the subject of the claim [21 CFR 101.54(g)(1)], and these nutrients must have recognized antioxidant activity [21 CFR 101.54(g)(2)]. The level of each nutrient that is the subject of the claim must also be sufficient to qualify for the claim under 21 CFR 101.54(b), (c), or (e) [21 CFR 101.54(g)(3)]. For example, to bear the claim "rich in antioxidant vitamin C," the product must contain 20 percent or more of the RDI for vitamin C under 21 CFR 101.54(b). Such a claim must also include the names of the nutrients that are the subject of the claim as part of the claim or, alternatively, the term "antioxidant" or "antioxidants" may be linked by a symbol (e.g., an asterisk) that refers to the same symbol that appears elsewhere on the same panel of the product label, followed by the name or names of the nutrients with recognized antioxidant activity [21 CFR 101.54(g)(4)]. The antioxidant claim on your website does not indicate the names of the nutrients that are the subject of the claim or link the nutrients with the claim by use of

a symbol.

Misbranded Food: Unauthorized Health Claims

Your Carrington Farms Coconut Oil product is also misbranded within the meaning of section 403(r)(1)(B) of the Act because the labeling on your website includes the following unauthorized health claims:

1. "Coconut oil is made up of medium chain fatty acids (MCFAs). These fatty acids . . . are known to lower the risk of heart disease and arteriosclerosis."

There are no health claims authorized by regulation or the Act that provide for claims relating coconut oil or MCFAs to heart disease or arteriosclerosis.

2. "Coconut oil may lower the risk of diabetes, heart disease and improve cholesterol levels. Studies show people who take coconut oil improved their cholesterol profile along with higher HDL levels and higher HDL:LDL ratio."

Because high blood total- and low density lipoprotein (LDL)-cholesterol levels are associated with increased risk of developing coronary heart disease, the claim that your product "improve(s) cholesterol levels" and "improve[s] [the consumer's] cholesterol profile along with higher HDL levels and higher HDL:LDL ratio" implies that your product is intended for use in the treatment, mitigation, and prevention of coronary heart disease. There are no health claims authorized by regulation or the Act that provide for claims relating coconut oil to coronary heart disease. There are also no health claims authorized by regulation or the Act that provide for claims relating coconut oil to diabetes.

The above violations are not meant to be an all-inclusive list of violations that exist in connection with your products or their labeling. It is your responsibility to ensure that all of your products are in compliance with the Act and its implementing regulations. You should take prompt action to correct the violations cited in this letter and to prevent their reoccurrence. Failure to promptly correct the violations may result in legal action without further notice, such as seizure or injunction.

In addition to the violations cited above, we offer the following comments:

1. The statement for the place of business does not include the street address in accordance with 21 CFR 101.5(d). We note that the street address may be omitted if it is shown in a current city directory or telephone directory.

2. Your Carrington Farms Coconut Oil bears the claim "No Trans & Hydrogenated Fat," and we note that your ingredient statement lists coconut oil and does not include a partially hydrogenated oil as an ingredient in the ingredient list. Under section 403(r)(1)(A) of the Act, a nutrient content claim in food labeling must be made in accordance with a regulation authorizing the use of the claim in order for the food bearing such claim not to be misbranded. Although FDA has not defined the term "no trans-fat" by regulation, we announced in the *Federal Register* dated July 11, 2003 [68 FR 41507 at 41509] that we would likely consider exercising enforcement discretion for a trans-fat nutrient content claim that is demonstrably true, balanced, adequately substantiated, and not misleading.

Scientific evidence suggests that trans-fat acts in a similar manner to saturated fat with respect to raising LDL

cholesterol [68 FR 41445 at 41456 (July 11, 2003)]. Higher total and LDL cholesterol levels are associated with increased risk of developing coronary heart disease [68 FR 41445 (July 11, 2003)]. Under 21 CFR 101.13(h), if a food bears a nutrient content claim and also contains more than 13.0 grams of fat, 4.0 grams of saturated fat, 60 milligrams cholesterol, and 480 milligrams of sodium per reference amount customarily consumed (RACC), per labeled serving (or for a food with a RACC of 30 grams or less or 2 tablespoons or less, per 50 grams), then the food must bear a statement disclosing that the nutrient exceeding the specified level is present in the food as follows: "See nutrition information for _____ content" with the blank replaced with the identity of the nutrient exceeding the specified level. Your Carrington Farms Coconut Oil contains 12 g of saturated fat per RACC (1 tbsp. serving) but does not contain the disclosure statement "See nutrition information for saturated fatcontent."

We intend to consider the exercise of our enforcement discretion for the use of the "No Trans & Hydrogenated Fat" claim on Carrington Farms Coconut Oil provided the claim includes a disclosure statement, in accordance with the requirements in 21 CFR 101.13(h). We will review such claims on a case-by-case basis.

Please respond to this letter within 15 working days from receipt with the actions you plan to take in response to this letter, including an explanation of each step being taken to correct the current violations and prevent similar violations. Include any documentation necessary to show that correction has been achieved. If you cannot complete corrective action within 15 working days, state the reason for the delay and the time within which you will complete the corrections.

You should direct your written reply to Carrie Lawlor, Food and Drug Administration, Center for Food Safety and Applied Nutrition, 5100 Paint Branch Parkway, Office of Compliance (HFS-608), Division of Enforcement, College Park, Maryland 20740-3835. If you have any questions regarding this letter, you may contact Ms. Lawlor via email at [carrie.lawlor@fda.hhs.gov \(mailto:carrie.lawlor@fda.hhs.gov\)](mailto:carrie.lawlor@fda.hhs.gov).

Sincerely,

/S/
William A. Correll, Jr.
Director
Office of Compliance
Center for Food Safety
and Applied Nutrition

cc: FDA New Jersey District

[More in Warning Letters \(/ICECI/EnforcementActions/WarningLetters/default.htm\)](#)

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[2005 \(/ICECI/EnforcementActions/WarningLetters/2005/default.htm\)](#)

[Tobacco Retailer Warning Letters \(/ICECI/EnforcementActions/WarningLetters/Tobacco/default.htm\)](#)

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22 *Counsel for Plaintiffs and the Proposed Class*

23 **UNITED STATES DISTRICT COURT**
24 **SOUTHERN DISTRICT OF CALIFORNIA**

25 ELIZABETH ZEMOLA and MATTHEW
26 BEAUMONT, on behalf of themselves, all
27 others similarly situated, and the general
28 public,

Plaintiffs,

v.

CARRINGTON TEA COMPANY, LLC,
Defendant.

'17CV760 MMAKSC

**CONSUMERS LEGAL REMEDIES
ACT VENUE AFFIDAVIT**

[Cal. Civ. Code § 1780(d)]

1 I, Paul K. Joseph, declare as follows:

2 1. I am an attorney with The Law Office of Paul K. Joseph, PC, counsel for
3 plaintiffs in this action. I admitted to practice law in California and before this court, and a
4 member in good standing of the state bar of California. This declaration is made pursuant to
5 California Civil Code section 1780(d). I make this declaration based on my research of public
6 records in upon personal knowledge and, if called upon to do so, could and would testify
7 competently thereto.

8 2. Based on my research and personal knowledge, defendant Carrington Tea
9 Company, LLC does business within the County of San Diego and plaintiff Elizabeth Zemola
10 resides and purchased defendants products within the County of San Diego, as alleged in the
11 class action complaint.

12 3. The Complaint in this action is further filed in a proper place for the trial of this
13 action because the transactions that are the subject of the action occurred in this county.
14

15 I declare under penalty of perjury under the laws of the United States that the foregoing
16 is true and correct.

17 Executed this 14 day of April, 2017, at San Diego, California.

18
19 /s/ Paul K. Joseph
20 Paul K. Joseph
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ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Carrington Tea Company Facing Class Action Over Coconut Oil Claims](#)
