Superior Court of California, County of San Diego Todd M. Friedman (SBN 216752) 1 Adrian R. Bacon (SBN 280332) 04/02/2018 at 08:00:00 AM Meghan E. George (SBN 274525) Clerk of the Superior Court 2 By Marivel Martinez-Frengel, Deputy Clerk Thomas E. Wheeler (SBN 308789) LAW OFFICES OF TODD M. FRIEDMAN, P.C. 3 21550 Oxnard St. Suite 780, 4 Woodland Hills, CA 91367 Phone: 877-206-4741 5 Fax: 866-633-0228 tfriedman@toddflaw.com 6 abacon@toddflaw.com 7 mgeorge@toddflaw.com twheeler@toddflaw.com 8 Attorneys for Plaintiff, and all others similarly situated 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 FOR THE COUNTY OF SAN DIEGO UNLIMITED JURISDICTION 11 12 KELLEY BOTALLICO, individually, and Case No. 37-2018-00016233-CU-FR-CTL on behalf of all others similarly situated, 13 CLASS ACTION COMPLAINT Plaintiff, 14 Violation of the California False (1)Advertising Act (Cal. Business & 15 Professions Code §§ 17500 et seq.); and MONAT GLOBAL CORP., and DOES 1 -Violation of Unfair Competition Law 16 10, inclusive, (Cal. Business & Professions Code §§ 17200 et seq.). 17 Defendant. Jury Trial Demanded 18 19 20 21 22 23 24 25 26 27

CLASS ACTION COMPLAINT

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ELECTRONICALLY FILED

Plaintiff KELLEY BOTALLICO ("Plaintiff"), individually and on behalf of all other members of the public similarly situated, allege as follows:

NATURE OF THE ACTION

- 1. Plaintiff brings this class action Complaint against Defendant MONAT GLOBAL CORP. (hereinafter "Defendant") to stop Defendant's practice of falsely advertising its haircare products and to obtain redress for a California class of consumers ("Class Members") who changed position, within the applicable statute of limitations period, as a result of Defendant's false and misleading advertisements.
- 2. Defendant is a corporation with principal place of business in Florida and state of incorporation in Florida and is engaged in the sale and distribution of haircare products.
- 3. Defendant represents that its hair care products are made from organic materials found in nature that will not cause damage to the hair or scalp from its use, when this is in fact false. Defendant misrepresented and falsely advertised to Plaintiff and others similarly situated consumers their haircare products (hereinafter "Class Products").
- 4. Plaintiff and others similarly situated purchased or attempt to purchase Defendant's haircare products, and they did so on the basis that Defendant said that it would not cause any damage to their hair or scalp upon use.
- 5. Defendant's misrepresentations to Plaintiff and others similarly situated caused them to purchase or attempt Defendant's haircare products, which Plaintiff and others similarly situated would not have purchased or attempted to purchase absent these misrepresentations by Defendant and its employees. In so doing, Defendant has violated California consumer protection statutes, including the Unfair Competition Law, False Advertising Law, and the Consumer Legal Remedies Act.

NATURE OF THE CASE & COMMON ALLEGATIONS OF FACT

6. Consumers purchase haircare products advertised to be of a certain nature and quality, and in the case at bar, they did so under the impression that, because it was created from organic and all natural materials, it would not cause damage to the hair or scalp of consumers.

- 7. Consumers rely on the representations and advertisements of haircare product producers in order to know which products to purchase. Details as to the nature and quality of the haircare products, such as whether it would cause more or any damage to the consumer's hair or scalp, are important and material to consumers at the time they purchase said products from a particular haircare products producer, as consumers are sensitive to the nature and quality of the products they purchase, compared to what they could purchase from a competitor haircare product producer.
- 8. Defendant is engaged in the manufacture, marketing, supplying, and distributing of haircare products that cause damage, such as balding, to the consumer's hair and scalp than advertised, and the true nature and quality of the products that Defendant sells is neither disclosed to consumers nor discoverable by the same at the time of purchase.
- 9. When consumers purchase haircare products from haircare vendors, they reasonably believe that they will receive products that is of the nature and quality that was advertised and disclosed at the time they agree to purchase said haircare products.
- 10. Defendant profits from the sale of these products. Many consumers would not have purchased or attempted to purchase haircare products that would cause damage to a consumer's hair or scalp, such as balding, or they would have purchased said products from a competitor.
- 11. In Plaintiff's case, the haircare products, sold and manufactured by Defendant, caused damage to Plaintiff's hair and scalp, contrary to the results advertised to Plaintiff at the time she agreed to purchase the haircare products form Defendant.
- 12. Defendant conceals the fact that its haircare products is not going to be of the nature and quality advertised in order to deceive consumers into purchasing haircare products that is different from that which is advertised.
- 13. Defendant does not present consumers with a written copy of the correct terms of the purchase prior to purchase, in order to conceal the deception that is at issue in this case.
 - 14. Defendant makes written and oral representations to consumers which contradict

the actual nature and quality of the products that will be delivered to the consumer after the consumer purchases the products.

- 15. The aforementioned written and oral representations are objectively false, and constitute false advertising under Cal. Bus. & Prof. Code §§ 17500 et. seq. an unlawful, unfair, or deceptive business practices under Cal. Bus. & Prof. Code §§ 17200 et. seq., and further constitute a violation of Cal. Civ. Code §§ 1750 et. seq.
- 16. Defendant's violations of the law include without limitation the false advertising, marketing, representations, and sale of the falsely advertised Class Products to consumers in California.
- 17. On behalf of the class, Plaintiff seeks an injunction requiring Defendant to cease advertising and selling the Class Products in a manner that is deceptive, to disclose the true nature and quality of its products in a conspicuous manner at or prior to the point of sale, and an award of damages to the Class Members, together with costs and reasonable attorneys' fees.

JURISDICTION AND VENUE

- 18. This class action is brought pursuant to California Code of Civil Procedure § 382. All claims in this matter arise exclusively under California law. This Court has personal jurisdiction over Defendant MONAT GLOBAL CORP. because they do business within this state.
- 19. This matter is properly brought in the Superior Court of the State of California for the County of San Diego, in that Plaintiff purchased the haircare products from San Diego County, and Defendant provided the products to Plaintiff in that location.

THE PARTIES

- 20. Plaintiff KELLEY BOTALLICO is a citizen and resident of the State of California, County of San Diego.
- 21. Defendant MONAT GLOBAL CORP. is a Florida corporation and headquartered here.
 - 22. Plaintiff is informed and believes, and thereon alleges, that each and all of the

acts and omissions alleged herein were performed by, or is attributable to, Defendant and/or its employees, agents, and/or third parties acting on its behalf, each acting as the agent for the other, with legal authority to act on the other's behalf. The acts of any and all of Defendant's employees, agents, and/or third parties acting on its behalf, were in accordance with, and represent, the official policy of Defendant.

- 23. The above named Defendant, and its subsidiaries and agents, are collectively referred to as "Defendants." The true names and capacities of the Defendants sued herein as DOE DEFENDANTS 1 through 10, inclusive, are currently unknown to Plaintiff, who therefore sues such Defendants by fictitious names. Each of the Defendants designated herein as a DOE is legally responsible for the unlawful acts alleged herein. Plaintiff will seek leave of Court to amend the Complaint to reflect the true names and capacities of the DOE Defendants when such identities become known.
- 24. Plaintiff is informed and believes, and thereon alleges, that said Defendant is in some manner intentionally, negligently, or otherwise responsible for the acts, omissions, occurrences, and transactions of each and all its employees, agents, and/or third parties acting on its behalf, in proximately causing the damages herein alleged.
- 25. At all relevant times, Defendant ratified each and every act or omission complained of herein. At all relevant times, Defendant, aided and abetted the acts and omissions as alleged herein.

PLAINTIFF'S FACTS

- 26. In or around January of 2018, Plaintiff purchased haircare products from Defendant. Defendant represented that said products were all natural, organic, and would not cause harmful damage to the user's scalp or hair.
- 27. In reliance on these representations, Plaintiff purchased Defendant's haircare products and, upon delivery, began to use them on her hair and scalp.
- 28. Soon after Plaintiff began to use the products, Plaintiff experienced an itchy and irritating feeling emanating from her hair and scalp. Furthermore, Plaintiff noticed hair loss

beginning in areas of her hair.

- 29. Plaintiff visited her physician regarding the irritation in her scalp and the resulting hair loss. Plaintiff's physician determined the cause of the damage to her hair and scalp originated from the use of Defendant's haircare products. Plaintiff's physician provided medication to Plaintiff, in an attempt to repair the damage caused by Defendant's haircare products.
- 30. As a result of the usage of the haircare products, Plaintiff experienced lots of discomfort, including without limitation itchy and irritable scalp and balding.
- 31. Had Plaintiff known that Defendant's haircare products would cause damage to her hair and scalp, she would not have purchased Defendant's haircare products.
- 32. Furthermore, Plaintiff did not discover, nor could he have discovered, the true nature and quality of the haircare products until after Plaintiff had purchased and used the haircare products.
- 33. Moreover, the haircare products that Defendant produces is made for consumer use, like Plaintiff, and Defendant was aware at all relevant times that these products would be used by Plaintiff.
- 34. In fact, Defendant's haircare products damage a consumer's hair and scalp, where in Plaintiff's case, it caused scalp irritation and balding.
- 35. For the haircare products, Plaintiff paid more than valuable consideration. Plaintiff relied on the fact that the haircare products were being advertised as being of a particular nature and quality, namely that it causes scalp irritation and hair loss, at the time of his purchase. Plaintiff was never informed, in writing, orally, or in any conspicuous manner, that she would receive haircare products that would cause hair loss and scalp irritation.
- 36. When purchasing Defendant's haircare products, Defendant informed Plaintiff that she would be guaranteed haircare products that would not cause injury or damage to her scalp and hair. Plaintiff relied on Defendant's statements about the nature and quality of the haircare products in deciding to purchase said products from Defendant over other competitors.

Plaintiff felt assured by Defendant that the haircare products would be as represented by Defendant, namely that it would not cause any harm when used on Plaintiff's hair and scalp. Plaintiff would not have agreed to purchase Defendant's haircare products if she had known that Defendant would deliver haircare products of a nature and quality other than what Defendant represented.

- 37. Defendant never informed Plaintiff that they would deliver haircare products that would cause damage to Plaintiff's scalp and hair loss, nor did Plaintiff provide her consent to receive such products.
- 38. Knowledge of the true nature and quality of Defendant's haircare products would have impacted Plaintiff's decision to purchase said products from Defendant over other brands or sellers in the haircare industry. Plaintiff would have found it important to her purchase decision to know exactly what she was purchasing, and she believed that she was purchasing haircare products that would not cause harm to her hair and scalp.
- 39. Plaintiff felt ripped off and cheated by Defendant for receiving haircare products that were different in nature and quality that that which Defendant represented. Plaintiff believes that Defendant will continue its action of duping consumers into purchasing haircare products that deviates significantly from Defendant's representations, namely in the form of telling consumers that their haircare products will not cause injury to consumers when it in fact is not, unless Defendant's practices are halted by way of an injunction.
- 40. As a result of Defendant's fraudulent practices, described herein, Plaintiff has suffered emotional distress, wasted time, anxiety, and physical harm to her hair and scalp.
- 41. Plaintiff alleges on information and belief that it is Defendant's policy and practice to misrepresent the true nature and quality of its products regarding the risks and possible harmful effects when using Defendant's haircare products. Plaintiff asserts that this practice constitutes a fraudulent omission of a material fact relating to the nature and quality of its products that would be important to a reasonable consumer to know at the time they purchase Defendant's haircare products.

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| | 42. | Plaintiff alleges on information and belief that Defendant's policy and practice |
|-------|------------|--|
| is to | material | ly misrepresent the nature and quality of its haircare products, through said |
| frauc | lulent om | issions and misrepresentations, to induce consumers to reasonably rely on the said |
| misr | epresenta | tions, in order to induce their purchase of haircare products from Defendant over |
| law a | abiding co | ompetitors. |

- 43. Defendant has a duty to disclose the true nature and quality of its haircare products, including whether its products will cause harm to the consumer when used in the appropriate ways, to consumers prior to the time they agree to purchase said products from Defendant. Defendant has a duty to disclose these material features of their products because such features would be highly important to a reasonable consumer.
- 44. Such sales tactics rely on falsities and have a tendency to mislead and deceive a reasonable consumer.
- 45. Defendant expressly represented to Plaintiff, through written statements, the true nature and quality of its products.
- 46. Plaintiff alleges that such representations were part of a common scheme to mislead consumers and incentivize them to purchase Defendant's products.
- 47. In purchasing the Class Products, Plaintiff relied upon Defendant's representations.
- 48. Such representations were clearly false because the true nature and quality of the haircare products were different than represented.
- 49. Plaintiff would not have purchased the products if she knew that the above-referenced statements made by Defendant were false.
- 50. Had Defendant properly marketed, advertised, and represented the Class Products, Plaintiff would not have purchased the products.
- 51. Plaintiff agreed to give her money, attention, and time to Defendant because of the nature and quality of the haircare products that were advertised. Defendant benefited from falsely advertising the nature and quality of its products. Defendant benefited on the loss to

- Had Defendant properly marketed, advertised, and represented the Class Products, no reasonable consumer who purchased or attempted to purchase the haircare products would have believed that it would not cause any harm to a person's hair or scalp when applied.
- Defendant's acts and omissions were intentional, and resulted from Defendant's desire to mislead consumers into purchasing haircare products that cause damage to a

- Plaintiff brings this action, on behalf of herself and all others similarly situated, and thus, seeks class certification under California Code of Civil Procedure § 382.
 - The class Plaintiff seeks to represent (the "Class") is defined as follows:

All consumers, who, between the applicable statute of limitations and the present, purchased or attempted to purchase Class Products, and whose Class Products, namely Defendant's haircare products, caused damage to the person's scalp and hair loss.

- As used herein, the term "Class Members" shall mean and refer to the members
- Excluded from the Class is Defendant, its affiliates, employees, agents, and
- Plaintiff reserves the right to amend the Class, and to add additional subclasses,
- Upon information and belief, the proposed class is composed of thousands of persons. The members of the class are so numerous that joinder of all members would be
- No violations alleged in this complaint are contingent on any individualized interaction of any kind between Class members and Defendant.
- Rather, all claims in this matter arise from the identical, false, affirmative representations of the services, when in fact, such representations were false.

CLASS ACTION COMPLAINT

- 68. Plaintiff will thoroughly and adequately protect the interests of the Class, having retained qualified and competent legal counsel to represent herself and the Class.
- 69. Common questions will predominate, and there will be no unusual manageability issues.

FIRST CAUSE OF ACTION

Violation of the California False Advertising Act

(Cal. Bus. & Prof. Code §§ 17500 et seq.)

- 70. Plaintiff incorporates by reference each allegation set forth above as fully set forth herein.
- 71. Pursuant to California Business and Professions Code section 17500, et seq., it is unlawful to engage in advertising "which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading . . . [or] to so make or disseminate or cause to be so made or disseminated any such statement as part of a plan or scheme with the intent not to sell that personal property or those services, professional or otherwise, so advertised at the price stated therein, or as so advertised."
- 72. California Business and Professions Code section 17500, et seq.'s prohibition against false advertising extends to the use of false or misleading written statements.
- 73. Defendant misled consumers by making misrepresentations and untrue statements about the Class Products, namely, Defendant sold haircare products that was of a nature and quality different than advertised, and made false representations to Plaintiff and other putative class members in order to solicit these transactions.
- 74. Defendant knew that its representations and omissions were untrue and misleading, and deliberately made the aforementioned representations and omissions in order to deceive reasonable consumers like Plaintiff and other Class Members.
- 75. As a direct and proximate result of Defendant's misleading and false advertising, Plaintiff and the other Class Members have suffered injury in fact and have lost money or property, time, and attention. Plaintiff reasonably relied upon Defendant's representations

regarding the Class Products. In reasonable reliance on Defendant's false advertisements, Plaintiff and other Class Members purchased the Class Products. In turn Plaintiff and other Class Members ended up with products that were different in ways that put them in danger, and therefore Plaintiff and other Class Members have suffered injury in fact.

- 76. Plaintiff alleges that these false and misleading representations made by Defendant constitute a "scheme with the intent not to sell that personal property or those services, professional or otherwise, so advertised at the price stated therein, or as so advertised."
- 77. Defendant advertised to Plaintiff and other putative class members, through written representations and omissions made by Defendant and its employees that the Class Products would be of a particular nature and quality.
- 78. Thus, Defendant knowingly sold Class Products to Plaintiff and other putative class members.
- 79. The misleading and false advertising described herein presents a continuing threat to Plaintiff and the Class Members in that Defendant persists and continues to engage in these practices, and will not cease doing so unless and until forced to do so by this Court. Defendant's conduct will continue to cause irreparable injury to consumers unless enjoined or restrained. Plaintiff is entitled to preliminary and permanent injunctive relief ordering Defendant to cease its false advertising, as well as disgorgement and restitution to Plaintiff and all Class Members Defendant's revenues associated with their false advertising, or such portion of those revenues as the Court may find equitable.

SECOND CAUSE OF ACTION

Violation of Unfair Business Practices Act (Cal. Bus. & Prof. Code §§ 17200 et seq.)

- 80. Plaintiff incorporates by reference each allegation set forth above as fully set forth herein.
- 81. Actions for relief under the unfair competition law may be based on any business act or practice that is within the broad definition of the UCL. Such violations of the UCL occur

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as a result of unlawful, unfair or fraudulent business acts and practices. A plaintiff is required to provide evidence of a causal connection between a defendants' business practices and the alleged harm--that is, evidence that the defendants' conduct caused or was likely to cause substantial injury. It is insufficient for a plaintiff to show merely that the Defendant's conduct created a risk of harm. Furthermore, the "act or practice" aspect of the statutory definition of unfair competition covers any single act of misconduct, as well as ongoing misconduct.

UNFAIR

- 82. California Business & Professions Code § 17200 prohibits any "unfair . . . business act or practice." Defendant's acts, omissions, misrepresentations, and practices as alleged herein also constitute "unfair" business acts and practices within the meaning of the UCL in that its conduct is substantially injurious to consumers, offends public policy, and is immoral, unethical, oppressive, and unscrupulous as the gravity of the conduct outweighs any alleged benefits attributable to such conduct. There were reasonably available alternatives to further Defendant's legitimate business interests, other than the conduct described herein. Plaintiff reserves the right to allege further conduct which constitutes other unfair business acts or practices. Such conduct is ongoing and continues to this date.
- 83. In order to satisfy the "unfair" prong of the UCL, a consumer must show that the injury: (1) is substantial; (2) is not outweighed by any countervailing benefits to consumers or competition; and (3) is not one that consumers themselves could reasonably have avoided.
- 84. Here, Defendant's conduct has caused and continues to cause substantial injury to Plaintiff and members of the Class. Plaintiff and members of the Class have suffered injury in fact due to Defendant's decision to sell them falsely described Class Products. Thus, Defendant's conduct has caused substantial injury to Plaintiff and the members of the Class.
- 85. Moreover, Defendant's conduct as alleged herein solely benefits Defendant while providing no benefit of any kind to any consumer. Such deception utilized by Defendant convinced Plaintiff and members of the Class that the Class Products were a certain nature and quality in order to induce them to spend money on said Class Products. In fact, knowing that

Class Products were not of this nature and quality, Defendant unfairly profited from their sale. Thus, the injury suffered by Plaintiff and the members of the Class is not outweighed by any countervailing benefits to consumers.

- 86. Finally, the injury suffered by Plaintiff and members of the Class is not an injury that these consumers could reasonably have avoided. After Defendant falsely represented the Class Products, Plaintiff and class members suffered injury in fact due to Defendant's sale of Class Products to them. Defendant failed to take reasonable steps to inform Plaintiff and class members that the Class Products were not advertised as having the nature and quality that they in fact have. As such, Defendant took advantage of Defendant's position of perceived power in order to deceive Plaintiff and the Class members to purchase haircare products that would cause damage and injury to their hair and. Therefore, the injury suffered by Plaintiff and members of the Class is not an injury which these consumers could reasonably have avoided.
- 87. Thus, Defendant's conduct has violated the "unfair" prong of California Business & Professions Code § 17200.

FRAUDULENT

- 88. California Business & Professions Code § 17200 prohibits any "fraudulent ... business act or practice." In order to prevail under the "fraudulent" prong of the UCL, a consumer must allege that the fraudulent business practice was likely to deceive members of the public.
- 89. The test for "fraud" as contemplated by California Business and Professions Code § 17200 is whether the public is likely to be deceived. Unlike common law fraud, a § 17200 violation can be established even if no one was actually deceived, relied upon the fraudulent practice, or sustained any damage.
- 90. Here, not only were Plaintiff and the Class members likely to be deceived, but these consumers were actually deceived by Defendant. Such deception is evidenced by the fact that Plaintiff agreed to purchase Class Products under the basic assumption that the products would not cause injury or damage to the consumer's hair and scalp when in fact they were not,

rather, they significantly damaged Plaintiff's scalp and caused hair loss to the point that Plaintiff needed to seek medical attention. Plaintiff's reliance upon Defendant's deceptive statements is reasonable due to the unequal bargaining powers of Defendant and Plaintiff. For the same reason, it is likely that Defendant's fraudulent business practice would deceive other members of the public.

- 91. As explained above, Defendant deceived Plaintiff and other Class Members by representing the Class Products as being a certain nature and quality when in reality they were a significantly different, and thus falsely represented the Class Products.
- 92. Thus, Defendant's conduct has violated the "fraudulent" prong of California Business & Professions Code § 17200.

UNLAWFUL

- 93. California Business and Professions Code Section 17200, et seq. prohibits "any unlawful…business act or practice."
- 94. As explained above, Defendant deceived Plaintiff and other Class Members by representing the Class Products as being of a nature and quality different from what they actually were.
- 95. Defendant used false advertising, marketing, and misrepresentations to induce Plaintiff and Class Members to purchase the Class Products, in violation of California Business and Professions Code Section 17500, et seq.. Had Defendant not falsely advertised, marketed, or misrepresented the Class Products, Plaintiff and Class Members would not have purchased the Class Products. Defendant's conduct therefore caused and continues to cause economic harm to Plaintiff and Class Members.
- 96. This practice of making these representations by Defendant is therefore an "unlawful" business practice or act under Business and Professions Code Section 17200 et seq.
- 97. Defendant has thus engaged in unlawful, unfair, and fraudulent business acts entitling Plaintiff and Class Members to judgment and equitable relief against Defendant, as set forth in the Prayer for Relief. Additionally, pursuant to Business and Professions Code

section 17203, Plaintiff and Class Members seek an order requiring Defendant to immediately cease such acts of unlawful, unfair, and fraudulent business practices and requiring Defendant to correct its actions.

MISCELLANEOUS

98. Plaintiff and Class Members allege that they have fully complied with all contractual and other legal obligations and fully complied with all conditions precedent to bringing this action or that all such obligations or conditions are excused.

PRAYER FOR RELIEF

- 99. Plaintiff, on behalf of herself and the Class, requests the following relief:
 - (a) An order certifying the Class and appointing Plaintiff as Representative of the Class;
 - (b) An order certifying the undersigned counsel as Class Counsel;
 - (c) An order requiring MONAT GLOBAL CORP., at its own cost, to notify all Class Members of the unlawful and deceptive conduct herein;
 - (d) An order requiring MONAT GLOBAL CORP. to engage in corrective advertising regarding the conduct discussed above;
 - (e) Actual damages suffered by Plaintiff and Class Members as applicable or full restitution of all funds acquired from Plaintiff and Class Members from the sale of misbranded Class Products during the relevant class period;
 - (f) Punitive damages, as allowable, in an amount determined by the Court or jury;
 - (g) All reasonable and necessary attorneys' fees and costs provided by statute, common law or the Court's inherent power;
 - (h) Pre- and post-judgment interest; and
 - (i) All other relief, general or special, legal and equitable, to which Plaintiff and Class Members may be justly entitled as deemed by the Court.

REQUEST FOR JURY TRIAL

100. Plaintiff requests a trial by jury as to all claims so triable.

Dated: March 30, 2018

Respectfully submitted,

LAW OFFICES OF TODD M. FRIEDMAN, PC

Ву:

TODD M. FRIEDMAN, ESQ.

Attorney for Plaintiff KELLEY BOTALLICO

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