Tarek H. Zohdy (SBN 247775)
Tarek.Zohdy@capstonelawyers.com
Cody R. Padgett (SBN 275553)
Cody.Padgett@capstonelawyers.com
Laura E. Goolsby (SBN 321721)
Laura.Goolsby@capstonelawyers.com
CAPSTONE LAW APC
1875 Century Park East, Suite 1000
Los Angeles, California 90067
Telephone: (310) 556-4811
Facsimile: (310) 943-0396
Daniel A. Rozenblatt (SBN 336058)
daniel@edge.law
Seth W. Wiener (SBN 203747)
seth@edge.law
EDGE, A PROFESSIONAL LAW CORPORATION
1341 La Playa Street 20
San Francisco, CA 94122
Telephone: (415) 515-4809
Attorneys for Plaintiff LATOYA JEFFERSON

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

## LATOYA JEFFERSON, <br> Plaintiff,

v.

FASHION NOVA, LLC, a California limited liability company, and DOES 1 through 10, inclusive,

Defendant.

Case No.:


## COMPLAINT FOR:

(1) Violations of California Civil Code §§ 1750 et seq. (California Consumer Legal Remedies Act - Injunctive Relief Only);
(2) Violations of California Business \& Professions Code §§ 17200 et seq. (Unfair Competition Law - Injunctive Relief Only);
(3) Violations of California Business \& Professions Code, § 17500
(False Advertising Law - Injunctive Relief Only);
(4) Violations of California Business \& Professions Code, § 17501
(False Advertising Law - Injunctive Relief Only); and
(5) Declaratory and Injunctive Relief

DEMAND FOR JURY TRIAL

1. Plaintiff LaToya Jefferson ("Plaintiff") brings this action against Defendant Fashion Nova, LLC ("Defendant" or "Fashion Nova") and, upon personal knowledge as to her own acts and upon information and belief as to all other matters, Plaintiff hereby alleges as follows:

## INTRODUCTION

2. This case arises out Fashion Nova's false and misleading pricing practices in connection with its sale of Fashion Nova brand clothing, accessories, and other related items on its website, http://www.fashionnova.com. To sell more products and maximize profits, Fashion Nova advertises inflated strikethrough prices to deceive consumers into believing that its products are regularly sold at those prices and that they are receiving a deeply discounted bargain price. The advertised strikethrough prices are false and misleading because they do not represent the price at which Fashion Nova regularly sells its products. The advertised discounts are false and misleading because they do not represent the actual discounts obtained by consumers. This unlawful marketing practice, commonly known as false reference pricing, artificially increases demand for Fashion Nova's products and induces customers to pay more for its products based on a false impression of their value. Fashion Nova's use of false and misleading strikethrough prices and discounts based on those prices is pervasive throughout its website.
3. For example, as shown in Figure One below, when Fashion Nova advertises " $40 \%$ OFF!" a consumer is induced to purchase an item for $\$ 59.99$ based on the false belief that the item is regularly sold for \$99.99.


Fig. 1
However, the strikethrough price of $\$ 99.99$ is false and misleading if the item of clothing is rarely, if ever, actually sold at $\$ 99.99$. Simply put, Fashion Nova's "sales" are not really sales at all because the sale prices are actually the regular prices, and the strikethrough prices are fictitious.
4. California law and federal regulations specifically prohibit this type of false advertising. For example, California’s consumer protection statute prohibits "[m]aking false or misleading statements of fact concerning reasons for, existence of, or amounts of, price reductions." Civ. Code § 1770(a)(13). California’s false advertising law prohibits advertising a former price unless it was the prevailing market price during the previous three months. Bus. \& Prof. Code § 17501. As explained in the Federal Trade Commission’s (FTC) Guide Against Deceptive Pricing,
[When] the former price being advertised is not bona fide but fictitious-for example, where an artificial, inflated price was established for the purpose of enabling the subsequent offer of a large reduction-the "bargain" being advertised is a false one; the purchaser is not receiving the unusual value he expects.

16 C.F.R. § 233.1.
5. Fashion Nova's deceptive pricing practices have caused ascertainable losses to Plaintiff and other California consumers. Further, such practices give Fashion Nova an unfair competitive advantage over other fashion retailers that do not engage in false reference pricing. In bringing this lawsuit, Plaintiff seeks to enjoin Fashion Nova from continuing to engage in such unlawful, false, misleading, and deceptive business practices to prevent future injury to the general public.

## JURISDICTION AND VENUE

6. This action is brought by Plaintiff individually, as a consumer in California. The value of injunctive relief sought by Plaintiff exceeds the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial. The Court has jurisdiction over this action pursuant to California Constitution, Article VI, section 10. The statutes under which this action is brought do not specify any other basis for jurisdiction. An actual controversy also exists for purposes of issuing declaratory and injunctive relief.
7. This Court has personal jurisdiction over Fashion Nova because it is a California limited liability company headquartered in and doing business in Los Angeles County, with retail locations in this district.
8. Venue is proper in this Court because Fashion Nova is domiciled in Los Angeles County and does business there.

## THE PARTIES

9. Plaintiff LaToya Jefferson is a California citizen who resides in Anaheim, California in the county of Orange. Plaintiff has purchased items from Fashion Nova's website.
10. Defendant Fashion Nova, LLC is a limited liability company organized and in existence under the laws of the State of California, with its principal place of business in Vernon, California in the county of Los Angeles. Fashion Nova sold items to Plaintiff through its website.
11. The true names and capacities of defendants DOES 1 through 10, inclusive, whether individual, plural, corporate, partnership, associate or otherwise, are not known to Plaintiff, who therefore sues said defendants by fictitious names. Plaintiff is informed and believes and thereon alleges that each of the defendants designated herein as DOE is in some
manner responsible for the acts and occurrences set forth herein. Plaintiff will seek leave of Court to amend this Complaint and serve such fictitiously named defendants once their names and capacities become known.
12. Plaintiff is informed and believes, and thereon alleges, that at all relevant times, each of the defendants ratified each and every act or omission complained of herein. At all relevant times, each of the defendants aided and abetted the acts and omissions of each and all the other defendants in proximately causing the damages herein alleged.
13. Plaintiff is informed and believes, and thereon alleges, that each of said defendants is in some manner intentionally, negligently, or otherwise responsible for the acts, omissions, occurrences, and transactions alleged herein.
14. At all relevant times, each of the defendants was and is engaged in the business of designing, operating, and marketing their fast fashion retail website (www.fashionnova.com), which sells apparel, footwear, accessories, and related items to consumers worldwide, including in Los Angeles County, the state of California, and throughout the United States of America.

## FACTUAL ALLEGATIONS

15. Fashion Nova is a privately owned online fast fashion retailer that was founded in 2006 by Richard Saghian, who remains the sole owner of Fashion Nova. ${ }^{1}$ FashionNova.com was ranked ninth in web traffic among all fashion and apparel retailers in the United States as of February 2023 and had an estimated annual revenue of \$200.0M - \$500.0M. ${ }^{2}$
16. Fashion Nova markets and sells its products directly to customers through its website, FashionNova.com. In January 2023, Fashion Nova’s website received over 28 million visits, of which approximately $75.18 \%$ originated from the United States. ${ }^{3}$ Fashion Nova's marketing and public relations emphasize its sales of "elevated styles at affordable prices with a dedicated social media following to match," "counting over 25 million followers across all social

[^0]media platforms." ${ }^{4}$
17. Fashion Nova offers customers a broad selection of Fashion Nova-branded apparel, shoes, and accessories for women, men, and children. Fashion Nova sells its own Fashion Nova-branded products on its website, which are not regularly sold by other retailers. As such, the prevailing market prices for such products are the prices at which Fashion Nova sells them.
18. Fashion Nova's online success has resulted, in considerable part, from its deceptive pricing practices. Such practices deceive the general public as a whole and induce consumers into paying more for Fashion Nova's products than they otherwise would.

## A. Fashion Nova's Deceptive Pricing Scheme

19. Fashion Nova creates an illusion of savings on its website by advertising false and misleading strikethrough prices, false and misleading discounts based on those prices, and fake limited-time sales which are not actually limited in time.
20. Fashion Nova perpetrates this scheme by advertising a strikethrough price which it displays using strikethrough typeface (e.g., \$29.99).
21. Next to the strikethrough price, Fashion Nova advertises a sale price in larger and bolder typeface in a contrasting color. The sale price is the price at which Fashion Nova actually sells the product. Figures Two and Three below illustrate this tactic.
```
Without A Doubt Non Stretch Denim Jacket Black
\$14.99 29.99
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Lose it All Heel - Black
\$19.99 9-9

Fig. 3
22. Plaintiff and consumers reasonably interpret Fashion Nova's strikethrough price as the former price at which Fashion Nova sold the product in question-i.e., the regular price. Discovery will show, however, that the majority of products sold on Fashion Nova's website are

[^1]sold at discounted prices more often than they are sold at regular prices. Thus, the advertised regular price is not actually the regular price, and the discounts advertised to consumers do not reflect the true discounts consumers actually receive.
23. Those discounts are memorialized in an order confirmation Fashion Nova emails to its customers after receiving their order. For example, Figure 4 below illustrates an excerpt from a typical communication Fashion Nova sends its customers after receiving their orders.

## ITEMS IN THIS SHIPMENT



## Return Policy

Fig. 4

## B. Fashion Nova's Deceptive Pricing Practices

24. The majority of products offered on Fashion Nova's website are not regularly sold at the strikethrough price-i.e., more often than not, products are sold at a discounted price rather than at the strikethrough price.
25. Discovery will confirm that the majority of strikethrough prices on Fashion Nova's website are false and misleading because they do not represent the regular prices of its products-i.e., the actual price at which Fashion Nova formerly sold the product in question for a reasonably substantial period of time.
26. Fashion Nova's pricing scheme is false and misleading because Plaintiff and Page 6
reasonable consumers interpret strikethrough prices to represent the regular prices at which Fashion Nova formerly sold its product.
27. Fashion Nova's pricing scheme is further false and misleading because the advertised discounts on its website (e.g., " $40 \%$ OFF!") do not represent the actual discounts obtained by customers, as Plaintiff and consumers reasonably understand that term.
28. Plaintiff and consumers reasonably interpret the advertised discounts on Fashion Nova's website to represent a discount from the regular price of the product in question-i.e., the actual price at which Fashion Nova formerly sold the product in question for a reasonably substantial period of time.
29. Fashion Nova misleads Plaintiff and reasonable consumers by advertising discounts based off of strikethrough prices that do not actually reflect the regular prices of its products and, in so doing, induces Plaintiff and reasonable consumers to make purchases they would not have otherwise made.
30. Moreover, Fashion Nova's strikethrough prices violate California law because they do not reflect the prevailing market price for its products during the previous three months.
31. For example, from January 4, 2023 to April 18, 2023, a period of more than ninety days, out of 1,000 products in Fashion Nova's popular Matching Sets category, $98.1 \%$ were offered at a discounted price more often than they were offered at the "regular" strikethrough price, with an average discount of $42.3 \%$. In fact, many of those products were never once sold at the purported regular price during that period.
32. For example, the Eliza Sweater Skirt Set - Blue purportedly has a regular price of $\$ 49.99$, but as shown below Fashion Nova never actually sold the product at that price. Instead, Fashion Nova perpetually advertised the product as being offered at a discount from a strikethrough price, with an average of $64 \%$ off over the period shown below.

33. As of the filing of the original complaint in this action, Fashion Nova continued to advertise the Eliza Sweater Skirt Set - Blue as being sold at a significant discount from its purported regular price, as shown below.


Eliza Sweater Skirt Set - Blue
\$11.98 \$49.99
or 4 payments of $\$ 2.99$ with $\mathbf{Z}^{\circ} \mathbf{p}$ or afterpay ${ }^{\circ}$
60-90\% Off All Sale! Prices As Marked
Final Sale (i)
34. Below are charts reflecting the regular and sale prices for six other different Matching Sets advertised on Fashion Nova's website for a period of more than ninety days. During this period, Fashion Nova never once sold any of the products at the advertised strikethrough price.

Lizzie Pant Set - Black/combo


Always Extra Cozy Pant Set - Cream


Sweet Intentions Sweater Skirt Set - Mocha
$\$ 80$
$\$ 70$
$\$ 60$
$\$ 50$
$\$ 40$
$\$ 30$
$\$ 20$
\$10

Rare Moment Velvet Skirt Set - Royal



Distinct Feelings Mesh Legging Set - Black/Grey

35. As of the filing of the original complaint in this action, Fashion Nova continued to advertise the above Matching Sets at a purported discount from the purported regular price.
36. Fashion Nova's false and misleading strikethrough prices and discounts are not limited to Matching Sets. For example, on February 17, 2023, Fashion Nova advertised approximately 355 products in the Boots category on its website. From February 17, 2023 to May 22, 2023, a period of more than ninety days, $96.9 \%$ of those 355 products were offered at a discounted price more often than they were offered at the "regular" strikethrough price, with an average discount of $45.5 \%$. In fact, sixty-seven of those products-nearly $20 \%$-were never once sold at the purported regular price.
37. Below are charts reflecting the regular and sale prices for six products advertised in the Boots category on Fashion Nova's website from February 17, 2023 to May 22, 2023, a period of more than ninety days. During this period, Fashion Nova never once sold any of the products at the advertised strikethrough price.


Looking For More Over The Knee Boots- Brown


38. As of the filing of the original complaint in this action, Fashion Nova continued to advertise the above Matching Sets at a purported discount from the purported regular price.
39. Discovery will show that Fashion Nova’s pricing scheme of advertising false regular prices and false discounts is pervasive throughout its website. In addition to the Matching Sets and Boot categories above, over a period of ninety days, $88.2 \%$ of 1,000 Lingerie products, $78.2 \%$ of 999 Jeans products, and $61.7 \%$ of 141 Streetwear products were all offered at discounted prices more often than at their advertised regular prices. Indeed, over a period of at least ninety days, nearly $90 \%(3,994)$ of more than 4,500 products sold on Fashion Nova's website were offered at a discounted price more often than at the advertised strikethrough price.
40. To further artificially increase demand for its products, Fashion Nova often increases the advertised strikethrough prices despite never having sold its products at those prices. In so doing, Fashion Nova can increase its prices while advertising an even larger discount to consumers.
41. For example, on or about May 12, 2022, Plaintiff purchased a pair of Helene Stipe Pants - Rust Combo for $\$ 17.49$. At the time, Fashion Nova advertised the regular price of the pants was $\$ 24.99$ and that Plaintiff was receiving $30 \%$ off.

42. However, one year later, Fashion Nova continued to offer the same pair of pants on its website but increased the advertised strikethrough price from $\$ 24.99$ to $\$ 32.99$ and decreased the sale price from $\$ 17.49$ to $\$ 9.98$.

May 11, 2023

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Helene Stripe Pants - Rust Combo
$9.98 $32.99
or 4 payments of $2.49 with Z.P}\mathrm{ or afterpay&
60-80% Off Sale! Prices As Marked
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43. By increasing the fake strikethrough price from $\$ 24.99$ to $\$ 32.99$ and simultaneously decreasing the sale price from $\$ 17.49$ to $\$ 9.98$, Fashion Nova was able to represent to consumers they were getting an even better deal— $70 \%$ off rather than $30 \%$ off.
44. Similarly, on May 12, 2022, Plaintiff purchased a Custom Made Mini Dress Rose for $\$ 10.49$. At the time, Fashion Nova advertised the regular price of the dress was $\$ 14.98$ and that Plaintiff was receiving $30 \%$ off.

45. Likewise, Fashion Nova continued to offer the same dress on its website one year later but increased the advertised strikethrough price from $\$ 14.98$ to $\$ 19.99$ and decreased the sale price from $\$ 10.49$ to $\$ 4.98$.

May 11, 2023

## Custom Made Mini Dress - Rose

\$4.98 9999909
or 4 payments of $\$ 1.24$ with
 afterpay $\stackrel{\circ}{\circ}$ 60-80\% Off Sale! Prices As Marked
46. As with the pants, by increasing the fake strikethrough price of the dress from $\$ 14.98$ to $\$ 19.99$ and simultaneously decreasing the sale price from $\$ 10.49$ to $\$ 4.98$, Fashion

Nova was able to represent to consumers they were getting an even better deal-70\% off rather than $30 \%$ off.
47. Fashion Nova's increases to the strikethrough prices advertised on its website demonstrate the fraudulent nature of its advertised discounts. Instead of displaying the actual regular price of products offered for sale on its website, Fashion artificially inflates the strikethrough prices to make consumers believe they are getting an incredible deal.

## C. Fashion Nova's Fake Limited-Time Offers

48. In addition to advertising false regular prices and false discounts, Fashion Nova further misrepresents that the discounts are available only for a limited time. By giving potential customers the false impression that they will miss out on the advertised markdowns if they do not make a purchase soon, Fashion Nova induces customers to make purchases they would not have otherwise made and deters them from shopping at competitor websites.
49. For that reason, the FTC's Guide Against Deceptive Pricing provides:
[Retailers] should not offer an advance sale under circumstances where they do not in good faith expect to increase the price at a later date, or make a "limited" offer which, in fact, is not limited. In all of these situations, as well as in others too numerous to mention, advertisers should make certain that the bargain offer is genuine and truthful.

16 C.F.R. § 233.5.
50. Fashion Nova employs a variety of terms to impart this false sense of urgency to consumers, such as:

- WINTER BLOWOUT SALE!
- TODAY ONLY!
- END OF SEASON SALE
- Hurry!
- LAST DAY!
- Don't Miss 75\% Off All Sale!

51. Below are just a few examples of the foregoing false and misleading terms being displayed on Fashion Nova’s website.

52. Fashion Nova also uses fake countdown timers to imply the sales advertised on its website will last only a matter of hours, minutes, and seconds. In reality, the sales offered on Fashion Nova's website are perpetual, despite Fashion Nova’s representation that they will not last.

January 7, 2023

53. For example, on Saturday, February 11, 2023, Fashion Nova advertised a " $\mathbf{3 0 \%}$ OFF EVERYTHING!" sale and represented that it was the "LAST DAY!" to induce customers to make a purchase on that day.

February 11, 2023

54. But rather than the sale actually expiring on February 11, 2023, Fashion Nova offered an even better sale the very next day.
55. On Sunday, February 12, 2023, Fashion Nova advertised a new limited-time sale of "50\% OFF EVERYTHING!" Fashion Nova described the sale as a "SUPER SUNDAY EVENT," which corresponded with Super Bowl LVII, which was played that same day. Fashion Nova again advertised that the sale was for "TODAY ONLY!"

February 12, 2023

56. However, contrary to Fashion Nova's representation, the sale was not for "TODAY ONLY!" because the very next day, on February 13, 2023, Fashion Nova continued to offer " $50 \%$ OFF EVERYTHING."

February 13, 2023

57. Fashion Nova routinely misrepresents that its sales will last for "TODAY ONLY!" when in fact, the opposite is true. For example, Fashion Nova used the same scheme to deceive consumers on President’s Day. On February 20, 2023, Fashion Nova advertised a limited-time sale of " $\mathbf{4 0} \boldsymbol{\%}$ OFF EVERYTHING!" Fashion Nova described the sale as a "PRESIDENTS DAY EVENT" and again advertised that the sale was for "TODAY ONLY!"

February 20, 2023

58. However, contrary to Fashion Nova's representation, the sale was not for "TODAY ONLY!" because the very next day, on February 21, 2023, Fashion Nova continued to offer " $50 \%$ OFF EVERYTHING."

59. Fashion Nova's deception regarding the limited time nature of its sales does not only correspond to holidays and events. Fashion Nova often arbitrarily will advertise a "TODAY ONLY!" sale, only to advertise the same sale as an "EXTENDED" sale the very next day.


March 6, 2023

60. Likewise, on March 25, 2023, Fashion Nova advertised a "75\% OFF ALL SALE" and warned shoppers "Don't Miss 75\% Off Sale! No Code Needed."

March 25, 2023
Don't Miss 75\% Off All Sale! No Code Needed
61. On March 26, 2023, Fashion Nova advertised it was the "LAST DAY!" for the "75\% Off All Sale!"

March 26, 2023
LAST DAY! 75\% Off All Sale! No Code Needed
62. But again, it was not the last day, because on March 27, 2023, Fashion Nova "extended" the sale.

## March 27, 2023

## EXTENDED! 75\% Off All Sale! No Code Needed

63. In addition to using explicit misrepresentations about the limited duration of its sales, Fashion Nova also references various holidays to imply its sales correspond to those holidays and that they will expire afterward.
64. For example, on February 9, 2023, Fashion Nova advertised "30\% OFF Everything!" for a "VALENTINE'S EVENT"

February 9, 2023

65. However, as shown above, on February 12, 2023, a date before Valentine’s Day, Fashion Nova advertised an even better sale for Super Bowl Sunday. And, as shown above, after Valentine’s day, Fashion Nova advertised an even better sale for President's Day.

## D. Plaintiff's Purchases

66. On or about May 12, 2022, Plaintiff purchased five items on the Fashion Nova website. Each of the items she purchased, the Mulberry Street Maxi Dress - Red ("Maxi"), the Sam Lounge Jumpsuit - Green ("Lounge Jumpsuit"), the Everything I Want Chain Necklace Gold ("Gold Necklace"), the Custom Made Mini Dress - Rose ("Mini Dress"), and the Helene Stripe Pants - Rust Combo ("Stripe Pants"), were advertised by Fashion Nova as being offered at a discount from their purported regular prices.
67. Fashion Nova advertised the Maxi as being on sale for $\$ 17.49$, the Lounge Jumpsuit as being on sale for $\$ 13.99$, the Gold Necklace as being on sale for $\$ 6.99$, the Mini Dress as being on sale for $\$ 10.49$, and the Stripe Pants as being on sale for $\$ 17.49$. Fashion Nova represented to Plaintiff that she would save $30 \%$ off the regular prices of these items, $\$ 24.99$, \$19.99, \$9.99, \$14.98, and \$24.99, respectively.
68. Enticed by the idea of paying less than the regular price for these items, and getting the Maxi, Lounge Jumpsuit, Gold Necklace, Mini Dress, and Stripe Pants for 30\% off, Plaintiff proceeded to purchase them. In making her purchase, Plaintiff relied on Fashion Nova's material representations and omissions with respect to the pricing of the Maxi, Lounge Jumpsuit, Gold Necklace, Mini Dress, and Stripe Pants, the amount of discount she was purportedly receiving, and the purported limited-time nature of the advertised discount.
69. At the time of her purchase, Plaintiff believed the Maxi she purchased was valued at $\$ 24.99$, the Lounge Jumpsuit was valued at $\$ 19.99$, the Gold Necklace was valued at $\$ 9.99$, the Mini Dress was valued at $\$ 14.98$, and the Stripe Pants were valued at $\$ 24.99$, and that she was receiving $30 \%$ off the regular prices of these items.
70. However, discovery will show that prior to Plaintiff's purchase, Fashion Nova did not sell these items at their respective regular prices for a reasonably substantial period of time. Specifically, discovery will show that during the three months preceding Plaintiff's purchase,

Fashion Nova did not offer these items for sale at their respective regular prices for the majority of time.
71. Plaintiff's understanding of the value of the Maxi, Lounge Jumpsuit, Gold Necklace, Mini Dress, and Stripe Pants was based on her belief that Fashion Nova regularly sold them for $\$ 24.99, \$ 19.99, \$ 9.99, \$ 14.98$, and $\$ 24.99$, respectively, and that $\$ 24.99, \$ 19.99, \$ 9.99$, $\$ 14.98$, and $\$ 24.99$ represented their respective values.
72. Fashion Nova thereby induced Plaintiff to purchase the Maxi, Lounge Jumpsuit, Gold Necklace, Mini Dress, and Stripe Pants by falsely representing to her that she was saving $30 \%$ off their regular prices and by failing to disclose that the strikethrough prices advertised on Fashion Nova’s website. Plaintiff reasonably believed the strikethrough prices reflected the regular prices of the items she purchased—i.e., the actual prices at which Fashion Nova formerly offered the items for sale for a reasonably substantial period of time.
73. Plaintiff would not have purchased the Maxi, Lounge Jumpsuit, Gold Necklace, Mini Dress, or Stripe Pants, or would have paid less for them, had she known that their true regular prices were less than the advertised strikethrough prices and that the advertised discounts were fictitious.

## E. Fashion Nova's Ongoing Deceptive Pricing Practices

74. Plaintiff desires to make purchases on Fashion Nova's website in the future and would make such purchases if she could be certain that the strikethrough prices advertised on Fashion Nova’s website represented bona fide former prices, and that the advertised discounts represented the actual discounts based on bona fide former prices.
75. When shopping on Fashion Nova's website, Plaintiff does not have access to the former prices of the products offered for sale and thus cannot determine which strikethrough prices represent bona fide former prices or which discounts represent actual discounts based on bona fide former prices. Moreover, Plaintiff has no way of determining in the future whether Fashion Nova has corrected its deceptive pricing practices.

## F. Fashion Nova's Refusal to Cease Its Deceptive Pricing Practices

76. On April 28, 2023, Plaintiff's counsel sent a pre-suit demand letter to Fashion

Nova notifying Fashion Nova of its unlawful and deceptive pricing practices.
77. As of the filing date of this Complaint, Plaintiff has received no response from Fashion Nova regarding her April 28, 2023 pre-suit demand letter.
78. Without an injunction ordering Fashion Nova to cease its deceptive pricing practices, Plaintiff and the general public are unable to rely on Fashion Nova's representations regarding the prices of its products in deciding whether or not to purchase products on Fashion Nova's website in the future. Without such an injunction, there is a real and immediate threat that Plaintiff and the general public will be wronged again in a similar way when making future purchases on Fashion Nova's website.

## FIRST CAUSE OF ACTION <br> Violation of California Civil Code § 1750, et seq. (California Consumers Legal Remedies Act - Injunctive Relief Only)

79. Plaintiff incorporates by reference the allegations contained in each and every paragraph of this Complaint.
80. Fashion Nova is a "person" as defined by California Civil Code § 1761(c).
81. Plaintiff is a "consumer" within the meaning of California Civil Code § 1761(d) because she purchased apparel from Fashion Nova’s retail website for personal use.
82. Plaintiff has engaged in "transactions" with Fashion Nova as that term is defined by California Civil Code § 1761(e).
83. The Consumers Legal Remedies Act ("CLRA") prohibits "unfair or deceptive acts or practices undertaken by any person in a transaction intended to result or which results in the sale or lease of goods or services to any consumer[.]" Cal. Civ. Code § 1770(a).
84. Pursuant to California Civil Code section 1770(a)(5), "[r]epresenting that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have" in connection with the "sale . . . of goods or services to any consumer is unlawful."
85. Fashion Nova violated, and continues to violate, California Civil Code section 1770(a)(5) by representing that products offered for sale on its website have characteristics or benefits which they do not have. Specifically, Fashion Nova represents that the value of its
products is greater than it actually is by advertising inflated reference prices for products sold on its website.
86. Pursuant to California Civil Code section 1770(a)(9), "[a]dvertising goods or services with intent not to sell them as advertised" in connection with the "sale . . . of goods or services to any consumer is unlawful."
87. Fashion Nova violated, and continues to violate, California Civil Code section 1770(a)(9) by advertising products as discounted when it intends to, and does in fact, sell them at its regular prices.
88. Pursuant to California Civil Code section 1770(a)(13), "[m]aking false or misleading statements of fact concerning reasons for, existence of, or amounts of, price reductions" in connection with the "sale of goods or services to any consumer is unlawful."
89. Fashion Nova violated, and continues to violate, California Civil Code section 1770(a)(13) by making false or misleading statements of fact concerning reasons for, existence of, or amounts of, price reductions on its website. Specifically, Fashion Nova has violated Section 1770(a)(13) by engaging in the following unlawful acts and practices:
a. misrepresenting the regular price of products on its website by advertising false reference prices;
b. advertising discounts that are inflated or nonexistent because they are based on false reference prices; and
c. misrepresenting that discounts on its website are available for a limited time only, when in fact such discounts are subject to minimal, if any, time limits;
90. Pursuant to California Civil Code section 1770(a)(16), "[r]epresenting that the subject of a transaction has been supplied in accordance with a previous representation when it has not" in connection with the "sale of goods or services to any consumer is unlawful."
91. Fashion Nova violated, and continues to violate, California Civil Code section 1770(a)(16) by representing that the subject of a transaction has been supplied in accordance with a previous representation when it has not. Specifically, Fashion Nova represents on its website that it sells products "on sale" at a discount from their regular prices. After a customer places an
order, Fashion Nova confirms the order via electronic mail, reiterating that its products were "on sale" and/or sold at a discount. However, Fashion Nova does not sell, nor does it intend to sell, its products at a discount.
92. Fashion Nova's unfair and deceptive acts or practices occurred repeatedly in Fashion Nova's trade or business and were capable of deceiving a substantial portion of the purchasing public at large.
93. Plaintiff is a reasonable consumer who expects fashion retailers, like Fashion Nova, to provide accurate and truthful representations regarding the pricing of their products. Further, reasonable consumers, like Plaintiff, rely on the representations made by retailers in determining whether to purchase their products, and consider that information important to their purchase decision.
94. As a direct and proximate result of Fashion Nova's unfair and deceptive practices, Plaintiff has suffered and will continue to suffer actual damages.
95. Plaintiff is therefore entitled to, and does, seek injunctive relief pursuant to California Civil Code section 1780(a)(2) to "enjoin the methods, acts or practices" that violate section 1770. Specifically, Plaintiff seeks public injunctive relief enjoining Fashion Nova’s unfair or deceptive acts or practices and correcting all false and misleading statements and material omissions concerning pricing models, reasons for changes in pricing, and the availability of discounts, to prevent future injury to the general public. In addition, Plaintiff seeks an award of attorneys' fees and costs under California Civil Code section 1780(e), and orders granting all similar relief available.

## SECOND CAUSE OF ACTION

## Violation of California Business \& Professions Code §§ 17200, et seq. (Unfair Competition Law- Injunctive Relief Only)

96. Plaintiff incorporates by reference the allegations contained in each and every paragraph of this Complaint.
97. Fashion Nova is a "person" as defined by California Business \& Professions Code section 17201, as it is a "corporation[], firm[], partnership[], joint stock compan[y], association[], and other organization[] of persons."
98. Fashion Nova's conduct, as alleged herein, has been, and continues to be, unfair, and harmful to Plaintiff and to the general public. Plaintiff has suffered injury in fact and has lost money as a result of Fashion Nova's unfair business practices. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure section 1021.5.
99. Fashion Nova violated Section 17200 of the California Business \& Professions Code by engaging in unfair, deceptive, untrue, or misleading advertising on its website which has adversely affected Plaintiff.
100. Fashion Nova has violated, and continues to violate, the "unlawful" prong of Section 17200 by engaging in the following unlawful business acts and practices:
a. disseminating untrue and misleading advertisements over the internet by advertising false reference prices, false discounts, and fake limited-time sales, in violation of California Business \& Professions Code section 17500;
b. advertising strikethrough prices of products which do not reflect the prevailing market prices for the products in question within the three months immediately preceding publication of the advertisement without stating clearly, exactly, and conspicuously when the alleged former price did prevail, in violation of California Business \& Professions Code section 17501;
c. by representing that products offered for sale on its website have characteristics or benefits which they do not have in violation of California Civil Code section 1770(a)(5);
d. by advertising products on its website with intent not to sell them as advertised, in violation of California Civil Code section 1770(a)(9);
e. making false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions as to products sold on its website, in violation of California Civil Code section 1770(a)(13); and
f. representing that products sold on its website were supplied in accordance with its previous representations when in fact they were not, in violation of California Civil Code section 1770(a)(16).
101. Fashion Nova has violated, and continues to violate, the "fraudulent prong" of the UCL by engaging in the following fraudulent business acts and practices:
a. using misrepresentations, deception, and/or concealment of material information in connection with the regular price and market value of products sold on Fashion Nova's website, such that Plaintiff and the general public were likely to be deceived;
b. advertising reference prices, discounts, and limited time sales that are false, misleading, and/or have a capacity, likelihood, or tendency to deceive Plaintiff and the general public; and
c. failing to provide Plaintiff with information as to when, if ever, the strikethrough prices displayed on Fashion Nova's website were bona fide regular prices.
102. Fashion Nova has violated, and continues to violate, the "unfair" prong of the UCL by engaging in the following unfair business acts and practices:
a. engaging in false reference pricing in connection with the sale of products on its website such that Plaintiffs and the general public who could not have reasonably avoided such predatory schemes have been substantially injured-a practice that serves no benefit to consumers or competition;
b. engaging in false reference pricing whereby the harm to consumers, competition, and the public far outweighs any utility of the practice, which only serves to give Fashion Nova an unfair advantage over other online fashion retailers; and
c. engaging in false and misleading advertising in contravention of public policy, including such public policy as reflected in California Business \& Professions Code section 17501, and California Civil Code section 1770(a)(13).
103. Plaintiff brings this cause of action for public injunctive relief pursuant to California Business \& Professions Code section 17203. Fashion Nova’s violations of Section 17200 are ongoing because it continues to advertise strikethrough prices that do not reflect the prevailing market prices for the products in question within the three months immediately preceding publication of the advertisement without stating clearly, exactly, and conspicuously when the alleged former price did prevail. Unless restrained by this Court, Fashion Nova will
continue to violate Section 17200, as alleged above. Accordingly, Plaintiff seeks an injunction enjoining Fashion Nova from continuing to violate Section 17200; an award of attorneys' fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

## THIRD CAUSE OF ACTION

## Violation of California Business \& Professions Code § 17500 (False Advertising - Injunctive Relief Only)

104. Plaintiff incorporates by reference the allegations contained in each and every paragraph of this Complaint.
105. Fashion Nova has violated, and continues to violate, Section 17500 of the California Business and Professions Code by disseminating untrue and misleading advertisements over the internet to Plaintiff.
106. Fashion Nova disseminated untrue and misleading advertisements by advertising false reference prices, false discounts, and fake limited-time sales with respect to its apparel, shoes, accessories, and other related items offered for sale on its website.
107. Fashion Nova disseminated such untrue and misleading advertisements with the intent to induce Plaintiff and the consumer public to purchase products on its website.
108. Fashion Nova knew, or by the exercise of reasonable care should have known, that the false reference prices, false discounts, and fake limited-time sales were untrue or misleading.
109. Fashion Nova fraudulently concealed from, and intentionally failed to disclose to Plaintiff and the consumer public the truth about the false reference prices, false discounts, and fake limited-time sales. Specifically, Fashion Nova failed to inform Plaintiff that (i) the advertised reference prices did not reflect bona fide regular prices-i.e., the price at which Fashion Nova actually sold their apparel, shoes, accessories, and other related items for a reasonably substantial period of time; (ii) the advertised discounts were not based on bona fide regular prices; and (iii) the advertised limited-time sales were not so limited in time.
110. Plaintiff reasonably relied on Fashion Nova's representations and/or omissions made in connection with the advertised reference prices, discounts, and limited-time sales, and
was induced to purchase Fashion Nova's products based on the belief that she was receiving a substantial discount on products valued at more than what she actually received, and that the discount would be available only for a limited time.
111. Fashion Nova's representations and/or omissions made in connection with its reference prices, discounts, and limited-time sales were likely to deceive reasonable consumers by obfuscating the true value of Fashion Nova's apparel, shoes, accessories, and other related items.
112. Had Plaintiff known that the reference prices were false and artificially inflated, she would not have purchased products from Fashion Nova or would have paid less for them.
113. As a direct and proximate result of Fashion Nova's untrue and misleading advertising, Fashion Nova has improperly acquired money from Plaintiff.
114. Plaintiff brings this cause of action for public injunctive relief pursuant to Section 17535 of the California Business and Professions Code. Fashion Nova’s violations of Section 17500 are ongoing because it continues to advertise false reference prices, false discounts, and fake limited time sales to Plaintiff and the public at large. Unless restrained by this Court, Fashion Nova will continue to engage in untrue and misleading advertising, as alleged above, in violation of Section 17500. Accordingly, Plaintiff seeks an injunction enjoining Fashion Nova from continuing to violate Section 17500; an award of attorneys’ fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

## FOURTH CAUSE OF ACTION

## Violation of California Business \& Professions Code § 17501 (False Advertising - Injunctive Relief Only)

115. Plaintiff incorporates by reference the allegations contained in each and every paragraph of this Complaint.
116. Fashion Nova has violated, and continues to violate, Section 17501 of the California Business \& Professions Code by advertising on its website false former prices, as that term is defined in Section 1301, title 4, California Code of Regulations.
117. Fashion Nova advertises former prices on its website by displaying prices using strikethrough typeface (e.g., \$24.99), and/or displaying discounts using words and phrases such as "50\% Off EVERYTHING! Prices As Marked," and "EXTENDED! Don’t miss 50-85\% off

## EVERYTHING!"

118. The former prices advertised by Fashion Nova (i) do not reflect the prevailing market prices for the products in question within the three months immediately preceding publication of the advertisement, (ii) were not offered by Fashion Nova on a bona fide basis for a majority of the days the products were offered for sale during the three-month period immediately preceding publication of the advertisement, and/or (iii) were never offered by Fashion Nova on a bona fide basis.
119. Fashion Nova's former price advertisements do not state clearly, exactly, and conspicuously when, if ever, the former prices prevailed. In fact, Fashion Nova’s former price advertisements provide no indication whether or to what extent the former prices advertised on its website were offered on a bona fide basis. Instead, Fashion Nova deliberately misleads customers by representing that the advertised discounts are part of a limited time sale.
120. The relevant "market" for the purpose of applying Section 17501 consists of offers made on Fashion Nova's website because: (i) all of the advertisements at issue concern Fashion Nova products, manufactured by Fashion Nova, and offered for sale on Fashion Nova's website, (ii) Fashion Nova states presents the advertised discounts on its website with a strikethrough font; (iii) Fashion Nova intends its representations relating to former prices and discounts to refer to its own former website prices as its website is the only website on which such items are sold; and (iv) Plaintiff reasonably interpreted Fashion Nova’s former price advertisements to refer to Fashion Nova’s former website prices.
121. Fashion Nova violated, and continues to violate, Section 17501 with actual or constructive knowledge that its former price advertisements are untrue or misleading.
122. Fashion Nova violated, and continues to violate, Section 17501 to induce Plaintiff and the consumer public to make purchases on its website based on the false impression they are receiving a substantial discount on a product valued at more than what they actually received.
123. Plaintiff reasonably relied on Fashion Nova's representations and/or omissions made in violation of Section 17501 and was thereby induced to pay more for Fashion Nova's products and make purchases she would not have otherwise made.
124. As a direct and proximate result of Fashion Nova's violations of Section 17501, Fashion Nova has improperly acquired money from Plaintiff.
125. Plaintiff brings this cause of action for public injunctive relief pursuant to Section 17535 of the California Business \& Professions Code. Fashion Nova’s violations of Section 17501 are ongoing because it continues to advertise former prices that do not reflect the prevailing market prices for the products in question within the three months immediately preceding publication of the advertisement without stating clearly, exactly, and conspicuously when the alleged former price did prevail. Unless restrained by this Court, Fashion Nova will continue to violate Section 17501, as alleged above. Accordingly, Plaintiff seeks an injunction enjoining Fashion Nova from continuing to violate Section 17501; an award of attorneys’ fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

## FIFTH CAUSE OF ACTION (Declaratory and Injunctive Relief)

126. Plaintiff incorporates by reference the allegations contained in each and every paragraph of this Complaint.
127. An actual controversy exists between Plaintiff and Fashion Nova concerning their respective legal rights and obligations related to Fashion Nova's online fashion retail sales to consumers for purposes of California Code of Civil Procedure sections 1060 through 1062.
128. Plaintiff requests that the Court adjudicate and declare that Plaintiff has a right to view and rely upon truthful advertising; that Fashion Nova has an obligation to ensure all of their advertisements and related statements and representations are truthful, complete, and not misleading; and that Fashion Nova has an obligation not to advertise pricing that is misleading as to the reasons for, existence of, or amounts of price reductions.
129. Plaintiff further requests that the Court issue related injunctive relief that requires Fashion Nova to comply with its legal obligations and utilize only truthful and complete advertisements, statements, and representations to consumers consistent with California law.
130. Plaintiff seeks public declaratory and injunctive relief and any other necessary orders or judgments that will declare the parties' respective legal rights and obligations and that
will prevent Fashion Nova from continuing to ignore their legal obligations and consumers’ legal rights and prevent future injury to the general public. Plaintiff further seeks an award of attorneys’ fees and costs under California's Code of Civil Procedure section 1021.5.

## PRAYER FOR RELIEF

131. Plaintiff requests the Court enter judgment against Fashion Nova, as follows:
132. A declaration requiring Fashion Nova to comply with the various provisions of the CLRA and UCL alleged herein;
133. An order granting public injunctive and declaratory relief to remedy Fashion Nova's violations of California law, including but not limited to an order declaring the parties’ respective legal rights and obligations and enjoining Fashion Nova from continuing their unlawful and unfair business practices;
134. An award of attorneys' fees and costs, as permitted by law;
135. An award of attorneys' fees and costs pursuant to California Code of Civil Procedure section 1021.5; and
136. Leave to amend the Complaint to conform to the evidence produced at trial.

## DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury of any and all issues in this action so triable.

Dated: May 30, 2023  -
133. An order grang Per

Respectfully submitted,
CAPSTONE LAW APC
By: Tuura Qfoleboy
Tarek H. Zohdy
Cody R. Padgett
Laura E. Goolsby
EDGE, A Professional Law Corporation
Daniel A. Rozenblatt
Seth W. Wiener
Attorneys for Plaintiff LATOYA JEFFERSON


[^0]:    ${ }^{1}$ https://www.forbes.com/sites/laurendebter/2022/03/08/fashion-novas-founder-has-spun-a-billion-dollar-fortune-from-fast-fashion/?sh=4ed910464a06 (last accessed February 14, 2023). ${ }^{2}$ https://www.similarweb.com/website/fashionnova.com/\#overview (last accessed February 14, 2023).
    ${ }^{3} I d$.

[^1]:    ${ }^{4}$ https://www.fashionnova.com/pages/about-us (last accessed February 13, 2023).

