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13		
14	SUPERIOR COURT OF T	THE STATE OF CALIFORNIA
15	FOR THE COUNT	TY OF LOS ANGELES
16	LATOYA JEFFERSON,	Case No.: 238TCV12111
17	Plaintiff,	COMPLAINT FOR:
18	v.	(1) Violations of California Civil Code §§
19	FASHION NOVA, LLC, a California	1750 et seq. (California Consumer Legal Remedies Act – Injunctive Relief Only);
20	limited liability company, and DOES 1 through 10, inclusive,	(2) Violations of California Business & Professions Code §§ 17200 et seq.
21	Defendant.	(Unfair Competition Law – Injunctive Relief Only);
22		(3) Violations of California Business & Professions Code, § 17500
23		(False Advertising Law – Injunctive Relief Only);
24		(4) Violations of California Business & Professions Code, § 17501
25		(False Advertising Law – Injunctive Relief Only); and
26		(5) Declaratory and Injunctive Relief
27		DEMAND FOR JURY TRIAL
28		

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. Fashion Nova. Fashion Nova. Tashion 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.
- 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

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).

 $^{^3}$ Id.

2 17. Fashion Nova offers customers a broad selection of Fashion Nova-branded 3 apparel, shoes, and accessories for women, men, and children. Fashion Nova sells its own 4 Fashion Nova-branded products on its website, which are not regularly sold by other retailers. As 5 such, the prevailing market prices for such products are the prices at which Fashion Nova sells 6 them. 7 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 8 9 consumers into paying more for Fashion Nova's products than they otherwise would. Fashion Nova's Deceptive Pricing Scheme 10 19. Fashion Nova creates an illusion of savings on its website by advertising false and 11 12 misleading strikethrough prices, false and misleading discounts based on those prices, and fake 13 limited-time sales which are not actually limited in time. 20. 14 Fashion Nova perpetrates this scheme by advertising a strikethrough price which it displays using strikethrough typeface (e.g., \$29.99). 15 16 21. Next to the strikethrough price, Fashion Nova advertises a sale price in larger and 17 bolder typeface in a contrasting color. The sale price is the price at which Fashion Nova actually 18 sells the product. Figures Two and Three below illustrate this tactic. 19 Without A Doubt Non Stretch Denim Jacket -Lose it All Heel - Black 20 Black \$19.99 \$39.99 21 \$14.99 \$29.99 22 Fig. 2 Fig. 3 23 24 22. Plaintiff and consumers reasonably interpret Fashion Nova's strikethrough price 25 as the former price at which Fashion Nova sold the product in question—i.e., the regular price. 26 Discovery will show, however, that the majority of products sold on Fashion Nova's website are

media platforms."4

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⁴ https://www.fashionnova.com/pages/about-us (last accessed February 13, 2023).

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.

Everything I Want Chain Necklace Gold - OS

Custom Made Mini Dress - Rose - S

\$14.98
\$10.49

Helene Stripe Pants - Rust Combo - S

\$24.90
\$17.49

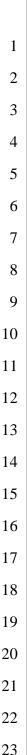
Fig. 4

B. <u>Fashion Nova's Deceptive Pricing Practices</u>

- 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

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.



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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 **Zip** or **ofterpay** 60-90% Off All Sale! Prices As Marked
Final Sale ①

Page 8











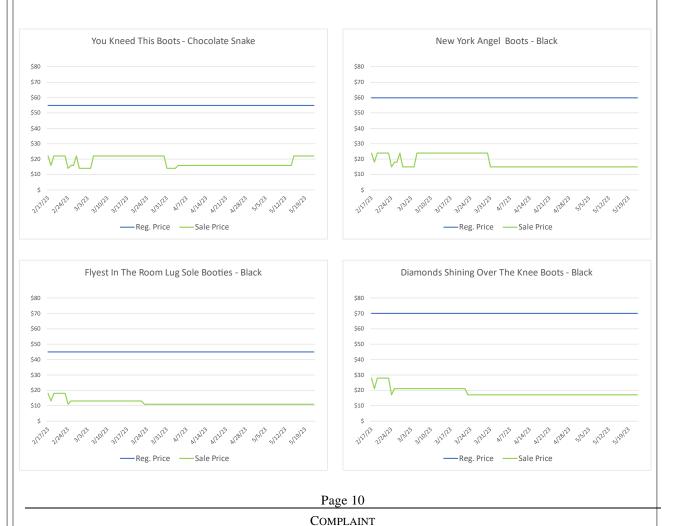


Page 9

COMPLAINT

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.







- 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



- 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



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

COMPLAINT



50-90% OFF SALE

Hurry! Extra 30% Off Your Order! No Exclusions. Use Code: ONEDAY30

LAST DAY 40% OFF EVERYTHING!

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

Don't Miss 70% Off All Sale! No Code Needed! 22h: 54m: 01s Shop now

January 8, 2023

LAST DAY! 70% Off All Sale! No Code Needed! 21h:00m:43s Shop now

January 9, 2023

LAST CALL! Don't Miss 70% Off All Sale! h: m: s Shop now

53. For example, on Saturday, February 11, 2023, Fashion Nova advertised a "30% 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."



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 "40% 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."

February 21, 2023



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 5, 2023



March 6, 2023



Page 17

COMPLAINT

1	60. Likewise, on March 25, 2023, Fashion Nova advertised a "75% OFF ALI
2	SALE" and warned shoppers "Don't Miss 75% Off Sale! No Code Needed."
3	<u>March 25, 2023</u>
4	Don't Miss 75% Off All Sale! No Code Needed
5	
6	61. On March 26, 2023, Fashion Nova advertised it was the "LAST DAY!" for the
7	"75% Off All Sale!"
8	March 26, 2023
9	LAST DAY! 75% Off All Sale! No Code Needed
10	
11	62. But again, it was not the last day, because on March 27, 2023, Fashion Nova
12	"extended" the sale.
13	March 27, 2023
14 15	EXTENDED! 75% Off All Sale! No Code Needed
16	63. In addition to using explicit misrepresentations about the limited duration of its
17	sales, Fashion Nova also references various holidays to imply its sales correspond to those
18	holidays and that they will expire afterward.
19	64. For example, on February 9, 2023, Fashion Nova advertised "30% OFF
20	Everything!" for a "VALENTINE'S EVENT"
21	<u>February 9, 2023</u>
22	THE VALENTINE'S EVENT
23	
24	
25	
26	Everything!
27	USE CODE: FREE30
28	OSE CODE. PREESO

Page 18

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. <u>Fashion Nova's Ongoing Deceptive Pricing Practices</u>

- 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

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."

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

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.

1	will prevent Fashion Nova from continuing to ignore their legal obligations and consumers' legal	
2	rights and prevent future injury to the general public. Plaintiff further seeks an award of	
3	attorneys' fees and costs under California's Code of Civil Procedure section 1021.5.	
4	PRAYER FOR RELIEF	
5	131. Plaintiff requests the Court enter judgment against Fashion Nova, as follows:	
6	132. A declaration requiring Fashion Nova to comply with the various provisions of	
7	the CLRA and UCL alleged herein;	
8	133. An order granting public injunctive and declaratory relief to remedy Fashion	
9	Nova's violations of California law, including but not limited to an order declaring the parties'	
10	respective legal rights and obligations and enjoining Fashion Nova from continuing their	
11	unlawful and unfair business practices;	
12	134. An award of attorneys' fees and costs, as permitted by law;	
13	135. An award of attorneys' fees and costs pursuant to California Code of Civil	
14	Procedure section 1021.5; and	
15	136. Leave to amend the Complaint to conform to the evidence produced at trial.	
16	DEMAND FOR JURY TRIAL	
17	Plaintiff hereby demands a trial by jury of any and all issues in this action so triable.	
18		
19	Dated: May 30, 2023 Respectfully submitted,	
20	CAPSTONE LAW APC	
21	Du Louis & Should .	
22	By: Hura Holylly Tarek H. Zohdy	
23	Cody R. Padgett Laura E. Goolsby	
24	EDGE, A Professional Law Corporation	
25	Daniel A. Rozenblatt Seth W. Wiener	
26	Attorneys for Plaintiff LATOYA JEFFERSON	
27		
28		
	Page 30	

COMPLAINT