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**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF CALIFORNIA**

MONICA RAEL, on behalf of herself  
and all others similarly situated,

Plaintiff,

vs.

THE CHILDREN’S PLACE, INC., a  
DELAWARE corporation, and DOES 1-  
50, inclusive,

Defendant.

Case No. 16CV0370-GPC-JMA

**CLASS ACTION**

**COMPLAINT**

- 1. Violation of California’s Unfair Competition Laws (“UCL”); California Business & Professions Code Sections 17200, et seq.**
- 2. Violation of California’s False Advertising Laws (“FAL”); California Business & Professions Code Sections 17500, et seq.**
- 3. Violations of California Consumer Legal Remedies Act (“CLRA”); Civ. Code § 1750, et seq.**
- 4. Violations of the Consumer Protection Laws on Behalf of Classes in States with Similar Laws**

**IDEMAND FOR JURY TRIAL**

1 Plaintiff MONICA RAEL brings this action on behalf of herself and all others  
2 similarly situated against Defendant The Children’s Place, Inc. (“Defendant”), and states:

3 **I. NATURE OF ACTION**

4 1. This is a class action regarding Defendant’s false and misleading  
5 advertisement of “market” prices, and corresponding phantom “savings” on children’s  
6 apparel, accessories, footwear and other items sold in its “Retail” and “Outlet” stores.  
7 During the Class Period (defined below), Defendant advertised false price discounts for  
8 merchandise sold throughout its retail and outlet stores.

9 2. During the Class Period, Defendant continually mislead consumers by  
10 advertising children’s apparel, accessories, footwear and other items at discounted,  
11 “savings” prices. Defendant would compare the “sale” prices to false “market” prices,  
12 which were misrepresented as the “market” retail prices from which the “savings” was  
13 discounted. The advertised discounts were nothing more than mere phantom markdowns  
14 because the represented market prices were artificially inflated and were never the  
15 original prices for children’s apparel, accessories, footwear and other items sold at  
16 Defendant’s retail and outlet stores. In addition, the represented “market” prices were not  
17 the prevailing marketing retail prices within three months next immediately preceding the  
18 publication of the advertised former prices, as required by California law.

19 3. Defendant conveys its deceptive pricing scheme to consumers through  
20 promotional materials, in-store displays, and print advertisements. For example, in  
21 Defendant’s retail stores, the pricing scheme is prominently displayed, advertising deep  
22 discounts on various items throughout the store.

23 4. The “market price” never existed and/or did not constitute the prevailing  
24 market retail prices for such products within the three months next immediately preceding  
25 the publication of the sales tag. Defendant sells its own, exclusive, branded products.  
26 There is no other “market price” for the products being sold other than the price set at  
27 Defendant’s retail and outlet stores. The difference between the “sale” and “regular”  
28 prices is a false savings percentage used to lure consumers into purchasing products they

1 believe are significantly discounted.

2 5. Through its false and misleading marketing, advertising and pricing scheme,  
3 Defendant violated, and continues to violate California law prohibiting advertising goods  
4 for sale as discounted from former prices which are false, and prohibiting misleading  
5 statements about the existence and amount of price reductions. Specifically, Defendant  
6 violated, and continues to violate, California's Business & Professions Code §§ 17200, *et*  
7 *seq* (the "UCL"), California's Business & Professions Code §§ 17500, *et seq* (the "FAL"),  
8 the California Consumers' Legal Remedies Act, California Civil Code §§ 1750, *et seq*  
9 (the "CLRA"), and the Federal Trade Commission Act ("FTCA"), which prohibits "unfair  
10 or deceptive acts or practices in or affecting commerce" (15 U.S.C. § 45(a)(1)) and false  
11 advertisements. 15 U.S.C. § 52(a).

12 6. Plaintiff brings this action on behalf of herself and other similarly situated  
13 consumers who have purchased one or more children's apparel, accessories, footwear and  
14 other items at Defendant's retail and outlet stores that were deceptively represented as  
15 discounted from false former prices in order to halt the dissemination of this false,  
16 misleading, and deceptive price scheme, correct the false and misleading perception it has  
17 created in the minds of consumers, and obtain redress for those who have purchased this  
18 product. Plaintiff seeks restitution and other equitable remedies, including an injunction  
19 under the UCL and FAL; and restitution, damages and an injunction under the CLRA.

## 20 **II. JURISDICTION AND VENUE**

21 7. This Court has original jurisdiction of this Action pursuant to the Class  
22 Action Fairness Act, 28 U.S.C §1332 (d)(2). The matter in controversy, exclusive of  
23 interest and costs, exceeds the sum or value of \$5,000,000 and at least some members of  
24 the proposed Class have a different citizenship from Defendant.

25 8. The Southern District of California has personal jurisdiction over the  
26 Defendant named in this action because Defendant is a corporation or other business  
27 entity authorized to conduct and does conduct business in the State of California.  
28 Defendant is registered with the California Secretary of State to do sufficient business

1 with sufficient minimum contacts in California, and/or otherwise intentionally avails itself  
2 of the California market through the ownership and operation of over 80 retail stores  
3 within the State of California.

4 9. Venue is proper under 28 U.S.C. § 1391(b) because Defendant transacts  
5 substantial business in this District and a substantial part of the events or omissions giving  
6 rise to Plaintiff's claims arose here.

7 **III. PARTIES**

8 **Plaintiff**

9 10. MONICA RAEL resides in San Diego, California. Plaintiff, in reliance on  
10 Defendant's false and deceptive advertising, marketing and "discount" pricing schemes,  
11 purchased a pair of cargo pants for nephew for approximately \$8.07 on or around  
12 November 24, 2015, at a Children's Place retail store, located in San Diego, California.  
13 The cargo pants were advertised as having an original price of approximately "\$14.95".  
14 That price was discounted and represented to Plaintiff as: "50% off" according to the  
15 price tag and related signage. However, this product was never offered for sale at  
16 approximately \$14.95 at Defendant's retail store, nor was it offered at that price within the  
17 90 day time period immediately preceding Plaintiff's purchase. Therefore, Ms. Rael was  
18 damaged by her purchase of the product.

19 **Defendant**

20 11. Plaintiff is informed and believes, and upon such information and belief  
21 alleges, Defendant The Children's Place, Inc., is a Delaware Corporation with its principal  
22 executive offices in Secaucus, New Jersey. Defendant operates Children's Place retail and  
23 outlet stores as well as the childrensplace.com website, and advertises, markets,  
24 distributes, and/or sells children's apparel, accessories, footwear and other items in  
25 California and throughout the United States.

26 12. Plaintiff does not know the true names or capacities of the persons or entities  
27 sued herein as DOES 1-50, inclusive, and therefore sues such Defendants by such  
28 fictitious names. Plaintiff is informed and believes, and upon such information and belief

1 alleges, that each of the DOE Defendants is in some manner legally responsible for the  
2 damages suffered by Plaintiff and the Class members as alleged herein. Plaintiff will  
3 amend this Complaint to set forth the true names and capacities of these Defendants when  
4 they have been ascertained, along with appropriate charging allegations, as may be  
5 necessary.

#### 6 **IV. FACTUAL BACKGROUND**

7 13. On or around November 24, 2015, Plaintiff went shopping at a Children's  
8 Place retail store for clothing and related apparel for her family. Upon examining a pair of  
9 children's cargo pants, she observed that they were advertised at 50% off. Plaintiff  
10 observed signage within the store and the price tag on the pants which represented that the  
11 pants were "50% off". Believing that she was receiving a significant value by purchasing  
12 the pants for \$7.47 that were originally priced at approximately \$14.95, she decided to  
13 purchase the pants and proceeded to the cash register where she did in fact purchase the  
14 pants.

15 14. Specifically, relying upon Defendant's misrepresentations and false and  
16 deceptive advertising, Plaintiff purchased the pants for \$8.07. The price tag indicated the  
17 "Original" or "Market" price of the pants was, "\$14.95," and that it was being offered at a  
18 discount, described as: "50% off." These purported "market" prices and corresponding  
19 price "discounts" and savings were false and misleading, as the prevailing retail price for  
20 the pants during the three months immediately prior to Plaintiff's purchase was not the  
21 \$14.95 "market" price advertised by Defendant.

22 15. Plaintiff would not have purchased the pants without the misrepresentations  
23 made by Defendant. As a result, Plaintiff has been personally victimized by and suffered  
24 economic injury as a direct result of Defendant's unlawful, unfair and fraudulent conduct.

25 16. Defendant knows that its comparative price advertising is false, deceptive,  
26 misleading and unlawful under California law.

27 17. Defendant fraudulently concealed from and intentionally failed to disclose to  
28 Plaintiff and other members of the proposed class the truth about its advertised price and

1 former prices.

2 18. At all relevant times, Defendant has been under a duty to Plaintiff and the  
3 proposed class to disclose the truth about its false discounts.

4 19. Plaintiff relied upon Defendant's artificially inflated "market" price and false  
5 discounts when purchasing the pants at Defendant's retail store. Plaintiff would not have  
6 made such purchases but for Defendant's representations of fabricated original "market"  
7 prices and false discounts.

8 20. Plaintiff and the Class reasonably and justifiably acted and relied on the  
9 substantial price differences that Defendant advertised, and made purchases believing that  
10 they were receiving a substantial discount on an item of greater value than it actually was.  
11 Plaintiff, like other class members, was lured in, relied on, and damaged by these pricing  
12 schemes that Defendant carried out.

13 21. Defendant intentionally concealed and failed to disclose material facts  
14 regarding the truth about false former price advertising in order to provoke Plaintiff and  
15 the proposed class to purchase Children's Place branded products in its retail and outlet  
16 store and/or on its Internet website.

17 **V. CLASS ALLEGATIONS**

18 22. Plaintiff brings this action on behalf of herself and all other similarly situated  
19 Class members pursuant to Rule 23(a), (b)(2) and (b)(3) of the Federal Rules of Civil  
20 Procedure and seeks certification of the following Class (the "Nationwide Class") against  
21 Defendant:

22 23. All persons who purchased one or more items from Defendant offered at a  
23 purported discount from an "original," "regular," or "market" price any time between  
24 [insert date] to the date of certification (the "Class Period").

25 24. Plaintiff also brings this action individually and as a Class action pursuant to  
26 Federal Rule of Civil Procedure 23 on behalf of all persons located within the state of  
27 California (the "California Class"):

28 25. All persons residing in the State of California who purchased one or more

1 items from Defendant offered at a purported discount from an "original" or "regular" price  
2 any time between [insert date] to the date of certification.

3 26. Plaintiff also brings this action on behalf of all persons located within states  
4 with similar consumer protection laws (collectively with the Nationwide and California  
5 Classes, the "Classes").

6 27. Excluded from the Class are Defendant, as well as its officers, employees,  
7 agents or affiliates, and any judge who presides over this action, as well as all past and  
8 present employees, officers and directors of Defendant. Plaintiff reserves the right to  
9 expand, limit, modify, or amend this class definition, including the addition of one or  
10 more subclasses, in connection with her motion for class certification, or at any other  
11 time, based upon, *inter alia*, changing circumstances and/or new facts obtained during  
12 discovery.

13 28. **Numerosity:** The class members are so numerous that joinder of all members  
14 is impracticable. Plaintiff is informed and believes that the proposed Class contains  
15 hundreds of thousands of individuals who have been damaged by Defendant's conduct as  
16 alleged herein. The precise number of Class members is unknown to Plaintiff.

17 29. **Existence and Predominance of Common Questions of Law and Fact:**  
18 This action involves common questions of law and fact, which predominate over any  
19 questions affecting individual Class members. These common legal and factual questions  
20 include, but are not limited to, the following:

- 21 a. Whether, during the Class Period, Defendant used false "market" or  
22 "original" price labels and falsely advertised price discounts on its  
23 Children's Place branded products it sold in its retail and outlet stores;
- 24 b. Whether, during the Class Period, the "original" or "market" prices  
25 advertised by Defendant were the prevailing market prices for the  
26 respective Children's Place branded products during the three months  
27 period preceding the dissemination and/or publication of the advertised  
28 former prices;



- c. Whether Defendant's alleged conduct constitutes violations of the laws asserted;
- d. Whether Defendant engaged in unfair, unlawful and/or fraudulent business practices under the laws asserted;
- e. Whether Defendant engaged in false or misleading advertising;
- f. Whether Plaintiff and Class members are entitled to damages and/or restitution and the proper measure of that loss; and
- g. Whether an injunction is necessary to prevent Defendant from continuing to use false, misleading or illegal price comparison.

30. **Typicality:** Plaintiff's claims are typical of the claims of the members of the Class because, *inter alia*, all Class members have been deceived (or were likely to be deceived) by Defendant's false and deceptive price advertising scheme, as alleged herein. Plaintiff is advancing the same claims and legal theories on behalf of herself and all members of the class.

31. **Adequacy:** Plaintiff will fairly and adequately protect the interests of the members of the Class. Plaintiff has retained counsel experienced in complex consumer class action litigation, and Plaintiff intends to prosecute this action vigorously. Plaintiff has no antagonistic or adverse interest to those of the Class.

32. **Superiority:** The nature of this action and the nature of laws available to Plaintiff and the Class make the use of the class action format a particularly efficient and appropriate procedure to afford relief to her and the class for the wrongs alleged. The damages or other financial detriment suffered by individual Class members is relatively modest compared to the burden and expense that would be entailed by individual litigation of their claims against Defendant. It would thus be virtually impossible for Plaintiff and Class members, on an individual basis, to obtain effective redress for the wrongs done to them. Absent the class action, Class members and the general public would not likely recover, or would not likely have the chance to recover, damages or restitution, and Defendant will be permitted to retain the proceeds of its fraudulent and



1 deceptive misdeeds.

2 33. All Class members, including Plaintiff, were exposed to one or more of  
 3 Defendant's misrepresentations or omissions of material fact claiming that former  
 4 "original" advertised prices were in existence. Due to the scope and extent of Defendant's  
 5 consistent false "discount" price advertising scheme, disseminated in a years-long  
 6 campaign to California consumers via a number of different platforms – in-store displays,  
 7 print advertisements, etc. – it can be reasonably inferred that such misrepresentations or  
 8 omissions of material fact were uniformly made to all members of the Class. In addition,  
 9 it can be reasonably presumed that all Class members, including, Plaintiff affirmatively  
 10 acted in response to the representations contained in Defendant's false advertising scheme  
 11 when purchasing Children's Place branded merchandise at Defendant's retail and outlet  
 12 stores.

13 34. Defendant keeps extensive computerized records of its customers through,  
 14 *inter alia*, customer loyalty programs, co-branded credit cards and general marketing  
 15 programs. Defendant has one or more databases through which a significant majority of  
 16 Class members may be identified and ascertained, and it maintains contact information,  
 17 including email and home addresses, through which notice of this action could be  
 18 disseminated in accordance with due process requirements.

## 19 VI. CAUSES OF ACTION

### 20 FIRST CAUSE OF ACTION 21 Violation Unfair Competition Law 22 Business and Professions Code § 17200 et seq.

23 35. Plaintiff repeats and re-alleges the allegations contained in every preceding  
 24 paragraph as if fully set forth herein.

25 36. The UCL defines unfair business competition to include any "unlawful,  
 26 unfair or fraudulent" act or practice, as well as any "unfair, deceptive, untrue or  
 27 misleading" advertising. Cal. Bus. Prof. Code § 17200.

28 37. The UCL imposes strict liability. Plaintiff need not prove that Defendant  
 intentionally or negligently engaged in unlawful, unfair, or fraudulent business practices –

1 but only that such practices occurred.

2 38. A business act or practice is “unfair” under the UCL if it offends an  
3 established public policy or is immoral, unethical, oppressive, unscrupulous or  
4 substantially injurious to consumers, and that unfairness is determined by weighing the  
5 reasons, justifications and motives of the practice against the gravity of the harm to the  
6 alleged victims.

7 39. Defendant’s actions constitute “unfair” business acts or practices because, as  
8 alleged above, Defendant engaged in misleading and deceptive price comparison  
9 advertising that represented false “regular” prices and “discount” prices that were nothing  
10 more than fabricated “regular” prices leading to phantom markdowns. Defendant’s acts  
11 and practices offended an established public policy, and engaged in immoral, unethical,  
12 oppressive, and unscrupulous activities that are substantially injurious to consumers.

13 40. The harm to Plaintiff and Class members outweighs the utility of  
14 Defendant’s practices. There were reasonably available alternatives to further  
15 Defendant’s legitimate business interests, other than the misleading and deceptive conduct  
16 described herein.

17 41. A business act or practice is “fraudulent” under the UCL if it is likely to  
18 deceive members of the consuming public.

19 42. A business act or practice is “unlawful” under the UCL if it violates any  
20 other law or regulation.

21 43. Defendant’s acts and practices alleged above have deceived Plaintiff and are  
22 highly likely to deceive members of the consuming public. Plaintiff relied on Defendant’s  
23 fraudulent and deceptive representations regarding its “market” prices, the corresponding  
24 discounts for the Children’s Place branded products which Defendant sells at its retail and  
25 outlet stores and on its website. These misrepresentations played a substantial role in  
26 Plaintiff’s decision and that of the proposed class to purchase the products at steep  
27 discounts, and Plaintiff would not have purchased the pants without Defendant’s  
28 misrepresentations.

1           44. The FTCA prohibits “unfair or deceptive acts or practices in or affecting  
2 commerce” (15 U.S.C. § 45(a)(1)) and prohibits the dissemination of any false  
3 advertisements. 15 U.S.C. § 52(a). Under the FTC false former pricing schemes, similar  
4 to the ones implemented by Defendant, are described as deceptive practices that would  
5 violate the FTCA:

6           (a) One of the most commonly used forms of bargain advertising is to offer a  
7 reduction from the advertiser’s own former price for an article. If the former  
8 price is the actual, bona fide price at which the article was offered to the  
9 public on a regular basis for a reasonably substantial period of time, it  
10 provides a legitimate basis for the advertising of a price comparison. Where  
11 the former price is genuine, the bargain being advertised is a true one. If, on  
12 the other hand, the former price being advertised is not bona fide but  
13 fictitious – for example, where an article price, inflated price was established  
14 for the purpose of enabling the subsequent offer of a large reduction – the  
15 “bargain” being advertised is a false one; the purchaser is not receiving the  
16 unusual value he expects.

17           (b) A former price is not necessarily fictitious merely because no sales at the  
18 advertised price were made. The advertiser should be especially careful,  
19 however, in such a case, that the price is one at which the product was openly  
20 and actively offered for sale, for a reasonably substantial period of time, in  
21 the recent, regular course of her business, honestly and in good faith – and, of  
22 course, not for the purpose of establishing a fictitious higher price on which a  
23 deceptive comparison might be based.

24           45. California law also expressly prohibits false former pricing schemes. Cal.  
25 Bus. & Prof. Code §17501, entitled “*Value determinations; Former price advertisement,*”  
26 States:

27           For the purpose of this article the worth or value of any thing advertised is  
28 the prevailing market price, wholesale if the offer is at wholesale, retail if the

1 offer is at retail, at the time of publication of such advertisement in the  
2 locality wherein the advertisement is published.

3 **No price shall be advertised as a former price of any advertised thing,**  
4 **unless the alleged former price was the prevailing market price as above**  
5 **defined within three months next immediately preceding the publication**  
6 **of the advertisement** or unless the date when the alleged former price did  
7 prevail is clearly, exactly and conspicuously stated in the advertisement.

8 [Emphasis added.]

9 46. As detailed in Plaintiff's Third Cause of Action below, Cal. Civ. Code §  
10 1770(a)(9), prohibits a business from "[a]dvertising goods or services with intent not to  
11 sell them as advertised," and subsection (a)(13) prohibits a business from "[m]aking false  
12 or misleading statements of fact concerning reasons for, existence of, or amounts of price  
13 reductions."

14 47. Defendant's practices, as set forth above, have mislead Plaintiff, the  
15 proposed class, and the general public in the past and will continue to misled in the future.  
16 Consequently, Defendant's practices constitute an unlawful an unfair business practice  
17 within the meaning of the UCL.

18 48. Defendant's violation of the UCL through its unlawful, unfair and fraudulent  
19 business practices are ongoing and present a continuing threat that members of the public  
20 will be deceived into purchasing products based on price comparisons of arbitrary and  
21 inflated "regular" prices to "sale" prices that created merely phantom markdowns and lead  
22 to financial damage for consumers, like Plaintiff and the proposed Class

23 49. Pursuant to the UCL, Plaintiff is entitled to preliminary and permanent  
24 injunctive relief ordering Defendant to cease this unfair competition, as well as  
25 disgorgement and restitution to Plaintiff and the Class of all of Defendant's revenues  
26 associated with its unfair competition, or such portion of those revenues as the Court may  
27 find equitable.

28

**SECOND CAUSE OF ACTION**  
**Violation of the California False Advertising Law,**  
**California Business & Professions Code § 17500, *et seq.***

1  
2  
3 50. Plaintiff repeats and re-alleges the allegations contained in every preceding  
4 paragraph as if fully set forth herein.

5 51. Cal. Bus. & Prof. Code § 17500 provides that “[i]t is unlawful for  
6 any...corporation...with intent...to dispose of...personal property...to induce the public  
7 to enter into any obligation relating thereto, to make or disseminate or cause to be made or  
8 disseminated...from this state before the public in any state, in any newspaper or other  
9 publication, or any advertising device, or by public outcry or proclamation, or in any other  
10 manner or means whatever, including over the Internet, any statement...which is untrue or  
11 misleading, and which is known, or which by the exercise of reasonable care should be  
12 known, to be untrue or misleading...” [Emphasis added].

13 52. The “intent” required by Cal. Bus. & Prof. Code § 17500 is the intent to  
14 dispose of property, and not the intent to mislead the public in the disposition of such  
15 property.

16 53. Similarly, this section provides, “no price shall be advertised as a former  
17 price of any advertised thing, unless the alleged former prices was the prevailing market  
18 price...within three months next immediately preceding the publication of the  
19 advertisement or unless the date when the alleged former price did prevail is clearly,  
20 exactly, and conspicuously stated in the advertisement.” Cal Bus. & Prof. Code § 17501.

21 54. Defendant’s routine of advertising discounted prices from false “market”  
22 prices associated with its Children’s Place branded store products which were never the  
23 true prevailing “market” prices of those products and were materially greater than the true  
24 prevailing prices was an unfair, untrue and misleading practice. This deceptive marketing  
25 practice gave consumers the false impression that the products were regularly sold on the  
26 market for a substantially higher price than they actually were. Therefore, leading to the  
27 false impression that the Children’s Place branded products were worth more than they  
28 actually were.

1 55. Defendant misled consumers by making untrue and misleading statements  
2 and failing to disclose what is required as stated in the Code, as alleged above.

3 56. As a direct and proximate result of Defendant’s misleading and false  
4 advertisements Plaintiff and Class members have suffered injury in fact and have lost  
5 money. As such, Plaintiff requests that this Court order Defendant to restore this money  
6 to Plaintiff and all Class members, and to enjoin Defendant from continuing these unfair  
7 practices in violation of the California law in the future. Otherwise, Plaintiff, Class  
8 members and the broader general public will be irreparably harmed and/or denied an  
9 effective and complete remedy.

10 **THIRD CAUSE OF ACTION**  
11 **Violation of the Consumers Legal Remedies Act (“CLRA”),**  
12 **California Civil Code § 1750, *et seq.***

13 57. Plaintiff repeats and re-alleges the allegations contained in every preceding  
14 paragraph as if fully set forth herein.

15 58. This cause of action is brought pursuant to the Consumers Legal Remedies  
16 Act (CLRA), California Civil Code § 1750, *et seq.* and similar laws in other states.  
17 Plaintiff and each member of the proposed class are “consumers” as defined by California  
18 Civil Code § 1761(d). Defendant’s sale of the Children’s Place branded products at its  
19 retail and outlet stores and online to Plaintiff and the Class were “transactions” within the  
20 meaning of California Civil Code § 1761(e). The products purchased by Plaintiff and the  
21 Class are “goods” within the meaning of California Civil Code § 1761(a).

22 59. Defendant violated and continues to violate the CLRA by engaging in the  
23 following practices proscribed by California Civil Code § 1770(a) in transactions with  
24 Plaintiff and the Class which were intended to result in, and did result in, the sale of  
25 Children’s Place branded products:

- 26 a. Advertising goods or services with intent not to sell them as  
27 advertised;
- 28 b. Making false or misleading statements of fact concerning reasons for,  
existence of, or amounts of price reductions.

1 60. Pursuant to § 1782(a) of the CLRA, on April 25, 2016, Plaintiff's counsel  
2 notified Defendant in writing by certified mail of the particular violations of § 1770 of the  
3 CLRA and demanded that it rectify the problems associated with the actions detailed  
4 above and give notice to all affected consumers of Defendant's intent to act.

5 61. Defendant failed to appropriately respond to Plaintiff's letter or agree to  
6 rectify the problems associated with the actions detailed above and give notice to all  
7 affected consumers within 30 days of the date of written notice pursuant to §1782 of the  
8 Act. Therefore, Plaintiff further seeks claims for actual, punitive and statutory damages,  
9 as appropriate against Defendant.

10 **FOURTH CAUSE OF ACTION**

11 **Violations of the Consumer Protection Laws on Behalf of**  
12 **Classes in States with Similar Laws**

13 62. Plaintiff repeats and re-alleges the allegations contained in every preceding  
14 paragraph as is fully set forth herein.

15 63. Plaintiff brings this Count individually under the laws of California and on  
16 behalf of all other persons who have purchased merchandise in states having similar laws  
17 regarding consumer fraud and deceptive trade practices.

18 64. Plaintiff and a majority of the other members of the Classes are consumers,  
19 purchasers, or other persons entitled to the protection of the consumer protection laws of  
20 the state in which they purchased merchandise from Defendant.

21 65. The consumer protection laws of the states in which Plaintiff and a majority  
22 of the other members of the Classes purchased Defendant's merchandise declare that  
23 unfair or deceptive acts or practices, in the conduct of trade or commerce, are unlawful.

24 66. Forty states and the District of Columbia have enacted statutes designed to  
25 protect consumers against unfair, deceptive, fraudulent, and unconscionable trade,  
26 business practices, and false advertising that allow consumers to bring private and/or class  
27 actions. The relevant statutes are found at:

- 28 a. Alabama Deceptive Trade Practices Act, Ala. Code § 8-19-1, et seq.;



- 1           b.     Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101, et seq.;
- 2           c.     California Consumer Legal Remedies Act, Cal. Civ. Code § 1750, et seq.,
- 3 and California's Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 et seq.;
- 4           d.     Colorado Consumer Protection Act, Colo. Rev. Stat. § 6-1-101, et seq.;
- 5           e.     Connecticut Unfair Trade Practices Act, Conn. Gen. Stat. § 42-110a, et seq.;
- 6           f.     Delaware Deceptive Trade Practices Act, Del. Code tit. 6 § 2511, et seq.;
- 7           g.     Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. Ann. § 501.201,
- 8 et seq.;
- 9           h.     Georgia Fair Business Practices Act, Ga. Code Ann. § 10-1-390, et seq.;
- 10          i.     Hawaii Unfair and Deceptive Practices Act, Hawaii Revised Statutes § 480-
- 11 1, et seq., and Hawaii Uniform Deceptive Trade Practices Act, Haw. Rev. Stat. § 481A-1,
- 12 et seq.;
- 13          j.     Illinois Consumer Fraud and Deceptive Business Practices Act, 815 Ill.
- 14 Comp. Stat. Ann. 505/1, et seq.;
- 15          k.     Kansas Consumer Protection Act, Kan. Stat. Ann § 50 626, et seq.;
- 16          l.     Kentucky Consumer Protection Act, Ky. Rev. Stat. Ann. § 367.110, et seq.,
- 17 and the Kentucky Unfair Trade Practices Act, Ky. Rev. Stat. Ann. § 365.020, et seq.;
- 18          m.     Louisiana Unfair Trade Practices and Consumer Protection Law, La. Rev.
- 19 Stat. Ann. § 51:1401, et seq.;
- 20          n.     Maine Unfair Trade Practices Act, Me. Rev. Stat. tit. 5 § 205A, et seq., and
- 21 Maine Uniform Deceptive Trade Practices Act, Me. Rev. Stat. Ann. Tit. 10, § 1211, et
- 22 seq.;
- 23          o.     Massachusetts Unfair and Deceptive Practices Act, Mass. Gen. Laws ch.
- 24 93A;
- 25          p.     Michigan Consumer Protection Act, Mich. Comp. Laws § 445.901, et seq.;
- 26          q.     Minnesota Prevention of Consumer Fraud Act, Minn. Stat. Ann. § 325F.68 et
- 27 seq., and Minnesota Uniform Deceptive Trade Practices Act, Minn. Stat. § 325D.43, et
- 28 seq.;

- 1 r. Mississippi Consumer Protection Act, Miss. Code Ann. §§ 75-24-1, et seq.;
- 2 s. Missouri Merchandising Practices Act, Mo. Rev. Stat. § 407.010, et seq.;
- 3 t. Nebraska Consumer Protection Act, Neb. Rev. Stat. § 59-1601, et seq., and
- 4 the Nebraska Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. § 87-301, et seq.;
- 5 u. Nevada Trade Regulation and Practices Act, Nev. Rev. Stat. § 598.0903, et
- 6 seq.;
- 7 v. New Hampshire Consumer Protection Act, N.H. Rev. Stat. § 358-A:1, et
- 8 seq.;
- 9 w. New Jersey Consumer Fraud Act, N.J. Stat. Ann. § 56:8 1, et seq.;
- 10 x. New Mexico Unfair Practices Act, N.M. Stat. Ann. § 57 12 1, et seq.;
- 11 y. New York Deceptive Acts and Practices Act, N.Y. Gen. Bus. Law § 349, et
- 12 seq.;
- 13 z. Ohio Consumer Sales Practices Act, Ohio Rev. Code Ann. § 1345.02 and
- 14 1345.03; Ohio Admin. Code § 109:4-3-02, 109:4-3-03, and 109:4-3-10;
- 15 aa. Oklahoma Consumer Protection Act, Okla. Stat. tit. 15 § 751, et seq.;
- 16 bb. Oregon Unfair Trade Practices Act, Ore. Rev. Stat. § 646.608(e) & (g);
- 17 cc. South Carolina Unfair Trade Practices Act, S.C. Code Ann. § 39-5-10, et
- 18 seq.;
- 19 dd. South Dakota's Deceptive Trade Practices and Consumer Protection Law,
- 20 S.D. Codified Laws §§ 37 24 1, et seq.;
- 21 ee. Tennessee Consumer Protection Act, Tenn. Code Ann. § 47-18-101, et seq.;
- 22 ff. Washington Consumer Fraud Act, Wash. Rev. Code § 19.86.010, et seq.; and
- 23 gg. Wisconsin Deceptive Trade Practices Act, Wis. Stat. § 100.18, et seq.
- 24 67. Defendant's merchandise constitutes products to which these consumer
- 25 protection laws apply.
- 26 68. In the conduct of trade or commerce regarding the pricing, advertising,
- 27 marketing, and sale of its merchandise, Defendant engaged in one or more unfair or
- 28 deceptive acts or practices, including but not limited to, uniformly representing to Plaintiff

1 and each member of the Classes by means of the pricing and advertising of its  
2 merchandise that it was, among other things, being offered at a discount, as described  
3 herein.

4 69. Defendant's representations and omissions were false, untrue, misleading,  
5 deceptive, and/or likely to deceive.

6 70. Defendant knew, or should have known, that its representations and  
7 omissions were false, untrue misleading, deceptive, and/or likely to deceive.

8 71. Defendant used or employed such deceptive and unlawful acts or practices  
9 with the intent that Plaintiff and members of the Classes rely thereon.

10 72. Plaintiff and the other members of the Classes did so rely.

11 73. Plaintiff and the other members of the Classes purchased merchandise sold  
12 by Defendant which misrepresented the magnitude of the price discounts offered for the  
13 merchandise.

14 74. Plaintiff and the other members of the Classes would not have purchased  
15 such merchandise but for Defendant's deceptive and unlawful acts.

16 75. As a result of Defendant's conduct, Plaintiff and the other members of the  
17 Classes sustained damages in amounts to be proven at trial.

18 76. Defendant's conduct showed complete indifference to, or conscious disregard  
19 for, the rights of others such that an award of punitive and/or statutory damages is  
20 appropriate under the consumer protection laws of those states that permit such damages  
21 to be sought and recovered.

22  
23 **VII. PRAYER FOR RELIEF**

24 77. Wherefore, Plaintiff, on behalf of herself and on behalf of the other members  
25 of the Class, requests that this Court award relief against Defendant as follows:

- 26 a. An order certifying the class and designating MONICA RAEL as the  
27 Class Representative and her counsel as Class Counsel;  
28 b. Awarding Plaintiff and the proposed Class members damages;

- 1           c.     Awarding restitution and disgorgement of all profits and unjust  
2           enrichment that Defendant obtained from Plaintiff and the Class  
3           members as a result of its unlawful, unfair and fraudulent business  
4           practices described herein;
- 5           d.     Awarding declaratory and injunctive relief as permitted by law or  
6           equity, including: enjoining Defendant from continuing the unlawful  
7           practices as set forth herein, and directing Defendant to identify, with  
8           Court supervisions, victims of its misconduct and pay them all money  
9           they are required to pay;
- 10          e.     Awarding actual, punitive and statutory damages as permitted under  
11          the California Consumer Legal Remedies Act;
- 12          f.     Order Defendant to engage in a corrective advertising campaign;
- 13          g.     Awarding attorneys' fees and costs; and
- 14          h.     For such other and further relief as the Court may deem necessary or  
15          appropriate.

16 **VIII. DEMAND FOR JURY TRIAL**

17         78.     Plaintiff hereby demands a jury trial for all of the claims so triable.  
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1 Dated: April 25, 2016

**CARLSON LYNCH SWEET  
KILPELA & CARPENTER, LLP**

2  
3 */s/ Todd D. Carpenter*

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*Attorney for Plaintiff*

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

MONICA RAEL on behalf of herself  
and all others similarly situated,

Plaintiff,

v.

THE CHILDREN’S PLACE, INC., a  
DELAWARE corporation, and DOES  
1-50, inclusive,

Defendant.

Case No.:

**DECLARATION OF TODD D.  
CARPENTER RE: JURISDICTION**

I, Todd D. Carpenter, declare as follows:

1. I am an attorney duly licensed to practice before all of the courts of the State of California. I am a Partner and part-owner of Carlson Lynch Sweet Kilpela & Carpenter, LLP, and the counsel of record for Plaintiff in the above-entitled action.

2. The Children’s Place, Inc., has done and is doing business in the Southern District of California. Such business includes the marketing, distributing, and sale of children’s apparel, accessories, footwear and other items.

3. Furthermore, Plaintiff Monica Rael purchased a pair of pants from Defendant in the Southern District of California.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this Monday, April 25, 2016 in San Diego, California.

1 Dated: April 25, 2016

**CARLSON LYNCH SWEET  
KILPELA & CARPENTER, LLP**

2  
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Attorney for Plaintiff