1 Cruz, by Douglas Allen and Francisca Allen, Assistant District Attorneys; SUMMER STEPHAN, District Attorney for the County of San Diego, by Stephen Spinella and Colleen 2 Huschke, Deputy District Attorneys; MICHAEL A. HESTRIN, District Attorney for the County 3 of Riverside, by Timothy Brown, Deputy District Attorney; and JEFF W. REISIG, District 4 Attorney for the County of Yolo, by Larry Barlly, acting on information and belief, bring this 5 action and allege the following: 6 7 THE PEOPLE'S AUTHORITY 8 1. The People's authority to bring this action is derived from Business and 9 Professions Code section 17200 et seq. and section 17500 et seq. 10 DEFENDANT 11 2. AMAZON.COM, INC. ("Amazon" or "Defendant") is a Delaware corporation with its principal place of business in Seattle, Washington. Amazon does business throughout 12 13 the world and within the State of California. 14 JURISDICTION AND VENUE 3. At all times mentioned herein, Amazon transacted business within the counties of 15 Alameda, Santa Clara, Santa Cruz, San Diego, Riverside, and Yolo (hereinafter referred to as 16 17 "the Counties") and elsewhere in the State of California. The violations of law alleged herein have been carried out within the Counties and throughout the State of California, and the 18 Superior Court of the State of California, County of San Diego, is an appropriate venue for the 19 20 adjudication of the within action. 21 **GENERAL ALLEGATIONS** 22 4. Defendant engaged in the acts and practices alleged in this Complaint since at least on or about August 30, 2014. The relevant statutes of limitation have been tolled by 23 24 agreement of the parties effective August 30, 2018. 25 5. Defendant advertises products for sale on its website to consumers in the State of California and the Counties. Many of these advertisements use reference pricing; that is, the 26 price for which a product is advertised by Defendant for purchase is compared to a higher 27 former price at which the product was sold by Defendant previously, often termed a "Was" 28

price, or is compared to a higher price, often termed a "List" price, that suggests to a consumer the price at which the product is regularly sold by another seller, supplier or the product's manufacturer.

- 6. A material number of Defendant's advertised reference prices were either misleading or had the tendency and capacity to mislead in violation of Business & Professions Code section 17501 and/or section 17500, as follows:
  - a. In the case of some advertised reference prices that referred to a former price at which a product was available for sale by Defendant, there were insufficient temporal constraints and/or number of sales to support the reference price as a former price, and there was insufficient disclosure to the consumer of the methodology used to derive the former price.
  - b. In the case of some advertised reference prices that suggested the price at which the product is or was regularly sold by another seller, supplier or the product's manufacturer, Defendant insufficiently disclosed that the reference price was not necessarily the prevailing market price or regular retail price for which the product could be purchased.

## FIRST CAUSE OF ACTION

## (False Advertising Law - Bus. & Prof. Code, § 17500)

- 7. Plaintiff restates and incorporates herein by reference the allegations of the preceding paragraphs as thought fully set forth at length.
- 8. The above-alleged practices by Defendant relative to its advertising of certain reference prices were known, or by the exercise of reasonable care should have been known, to be misleading or to have the tendency and capacity to mislead and, therefore, violated Business and Professions Code section 17500 et seq.

## SECOND CAUSE OF ACTION

## (Unfair Competition - Bus. & Prof. Code, § 17200)

9. Plaintiff restates and incorporates herein by reference the allegations of the preceding paragraphs as thought fully set forth at length.

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1	6. Any and all other relief that the (	Court deems just and proper.
2	Dated: 03-16-2021	Respectfully submitted,
4	,	SUMMER STEPHAN
5		District Attorney, County of San Diego
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7		STEPHEN SPINHLLA
8		Deputy District Attorney
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1	Appendix A	
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Complaint