3 4 5 6	Email: mjm@rocklawcal.com Susan S. Brown (SBN 287986) Email: sbrown@rocklawcal.com RAM, OLSON, CEREGHINO & KOPCZYNS 555 Montgomery Street, Suite 820 San Francisco, CA 94111 Telephone: 415-433-4949 Facsimile: 415-433-74311  Beth E. Terrell, CSB 178181 Email: bterrell@tmdwlaw.com Mary B. Reiten, CSB 203142 Email: mreiten@tmdwlaw.com TERRELL MARSHALL DAUDT & WILLIE PLLC 936 North 34th Street, Suite 300 Seattle, Washington 98103-8869	KI LLP					
	San Francisco, CA 94111 Telephone: 415-433-4949 Facsimile: 415-433-74311  Beth E. Terrell, CSB 178181 Email: bterrell@tmdwlaw.com Mary B. Reiten, CSB 203142 Email: mreiten@tmdwlaw.com TERRELL MARSHALL DAUDT & WILLIE PLLC 936 North 34th Street, Suite 300 Seattle, Washington 98103-8869						
O	Beth E. Terrell, CSB 178181 Email: <a href="mailto:bterrell@tmdwlaw.com">bterrell@tmdwlaw.com</a> Mary B. Reiten, CSB 203142 Email: <a href="mailto:mreiten@tmdwlaw.com">mreiten@tmdwlaw.com</a> TERRELL MARSHALL DAUDT & WILLIE PLLC 936 North 34th Street, Suite 300 Seattle, Washington 98103-8869						
7 8 9 10 11 12 13	Facsimile: (206) 350-3528  Attorneys for Plaintiffs	Beth E. Terrell, CSB 178181 Email: bterrell@tmdwlaw.com Mary B. Reiten, CSB 203142 Email: mreiten@tmdwlaw.com TERRELL MARSHALL DAUDT & WILLIE PLLC 936 North 34th Street, Suite 300 Seattle, Washington 98103-8869 Telephone: (206) 816-6603 Facsimile: (206) 350-3528					
15	THE UNITED STATES DISTRICT COURT						
16	FOR THE NORTHERN DISTRICT OF CALIFORNIA						
17 18 19 20	TUCKER DURNFORD, individually and on behalf of all others similarly situated,  Plaintiffs,  v.	No.  CLASS ACTION COMPLAINT  JURY TRIAL DEMANDED					
21	MUSCLEPHARM CORP.,						
22	Respondent.						
23							
24	Plaintiff Tucker Durnford ("Plaintiff") b	orings this Class Action Complaint against					
25	MusclePharm Corp ("MP") individually and on behalf of all others similarly situated, and						
26	complains and alleges upon personal knowledg	e as to himself and his own acts and experiences					
27	and, as to all other matters, upon information an	nd belief, including investigation conducted by his					
28	attorneys.						
	Case No CLASS ACTION COMPLAIN	т 1					

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#### I. NATURE OF THE ACTION

- 1. This is a civil class action brought individually by Plaintiff and on behalf of all persons in the below-defined proposed Classes ("Class Members") who purchased the dietary supplement MusclePharm Arnold Schwarzenegger Series Iron Mass ("Product") from Defendant MP.
- 2. The Product label makes a series of false claims regarding the ingredients in the Product, most particularly about the nature of the protein content. Ultimately, the labeling claims are at best deceptive and at worst false, leaving consumers like Plaintiff to pay far more money for far less than Defendant represented.
- 3. The protein industry is a growing and extremely competitive business environment: "during the forecast period, [the market for] protein products is expected to grow by 62% to reach US\$7.8 billion in 2018."
- 4. However, the price of wholesale protein keeps increasing and is usually purchased for roughly \$15-\$18/kilo, making the profit margins on protein powder products very low.
- 5. MP designed, formulated, manufactured, warranted, advertised and sold the Product throughout the United States, including in the State of California.
- 6. To reduce protein manufacturing costs, MP adds cheaper free form amino acids and non-protein ingredients to increase the nitrogen content of the Product's protein powder. Common tests use nitrogen as a "tag" for overall protein content, though this is not a direct measure of actual protein content. But it does make the product appear to have more protein than it, in fact, contains.
- 7. Adding nitrogen-rich components to raise the level of measured protein is commonly referred to as "protein-spiking," "nitrogen-spiking" or "amino-spiking." It was evidenced recently in the 2007 pet food recalls and the 2008 Chinese milk powder scandal, in which melamine, a nitrogen-rich chemical, was added to raw materials to fake high protein contents.

<sup>&</sup>lt;sup>1</sup> See <a href="http://www.euromonitor.com/sports-nutrition-in-the-us/report">http://www.euromonitor.com/sports-nutrition-in-the-us/report</a> (last visited October 30, 2014).

<sup>&</sup>lt;sup>2</sup> www.ahpa.org/Default.aspx?tabid=441 (last visited October 30, 2014).

<sup>&</sup>lt;sup>3</sup> www.gnclivewell.com/realprotein (last visited October 30, 2014).

Servings Per Containe		% DV			
Calories	485	76 LJV			
Calories From Fat	190				
Total Fat	21 g	419			
Saturated Fat	1 g	69			
Trans Fat	1 g	07			
Cholesterol	2 mg	19			
Sodium	240 mg	109			
Potassium	550 mg	27%			
Total Carbohydrate	34 g	259			
Dietary Fiber	1 a	49			
Sugars	4 g				
Protein	40 g	72%			
Iron Mass Propriatery					
Elite Complex Carbohy Sweet Potato Powder	ite Complex Carbohydrates Matrix Sweet Potato Powder, Barley Starch.				
	uscle Plasma Protein Matrix Hydrolyzed Beef Protein, Lactoferrin.				
High Perfomance Healthy Fats Matrix Sunflower Oil Powder, Whipped Cream Powder, MCT Powder (Medium-Chain Triglycerides from Coconut).					
Perfomance Growth & Creatine Monohydrate BCAA Nitrates (Leucir (3.1.2 Patent Pending	, L-Glycine, ie, Iso-Leucine, Valine)				
Pro-Digest Blend Protease, Lactase, Amylase, Lipase, Inulin, Fructooligosaccharides (FOS).					
"Percent Daily Value (%DV) Based on a 2,000 Calorie Diet "Daily Value (DV) Not Established					

- 19. In fact, Defendant's claimed total protein count of 40 grams of protein per serving is not just hydrolyzed beef protein and lactoferrin protein. It also includes protein-spiking agents: the non-amino acid, non-protein compound creatine monohydrate and the free-form amino acids, l-glycine, leucine, iso-leucine and valine.
- 20. Though the protein-spiking agents are included in the overall protein count, they are not protein. In both the Product label and the Supplement Facts panel, Defendant separates the actual protein (hydrolyzed beef protein and lactoferrin protein) from the protein-spiking agents (creatine monohydrate and free-form amino acids), by placing the protein-spiking components under the "Performance Growth & Muscle Volumizer" sub-category.

21. Defendant also makes this distinction on the Product label by including the misleading statement, "It utilizes a 5-stage Mass Delivery System, comprised of advanced protein technology, elite complex carbs, healthy fats, cutting-edge performance ingredients and a balanced digestive blend". Defendant again separates the categories containing the actual proteins from the protein-spiking agents under their "5-stage Mass Delivery System":



- 22. Once these protein-spiking agents are removed from the formula of analysis, and the "bound" amino acid count is determined, the true content of hydrolyzed beef protein and lactoferrin protein in the Product can be determined.
- 23. After scientific testing of the Product, the actual total content per serving of protein is actually around 19.4 grams (as calculated from the total bonded amino acids) as opposed to 40 grams of protein claims by Defendant for the Product. *See* Exhibit A.
- 24. When a consumer asked Defendant MP whether the company "nitrogen spikes" its products via Twitter, MP clearly and publicly misrepresented its practices:

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- 25. A reasonable consumer, looking at the false and misleading claims on the Product label, and reading the "Supplement Facts," would be misled into thinking that the 40 grams of protein per serving claimed by Defendant for the Product are derived exclusively from hydrolyzed beef protein and lactoferrin protein.
- 26. Nowhere on the label does it state, or even imply, that the protein content contains any, let alone substantial amounts of protein-spiking agents such as free-form amino acids and non-protein compounds. In fact, by stating on the label that the product contains a total of 40g in protein, Defendant specifically represents a content of actual protein, as opposed to protein-spiking agents.
- 27. Plaintiff and Class Members were misled by Defendant's representations regarding the true nature of the protein content and value.
- 28. The difference between the Product promised and the Product sold is significant. The amount of actual protein provided, and the measure of protein per serving, has real impacts on the benefits provided to consumers by the Product, and the actual value of the Product itself.

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Certification of Plaintiff's claims for class-wide treatment is appropriate because

Plaintiff can prove the elements of the claims on a class-wide basis using the same evidence as would be used to prove those elements in individual actions alleging the same claims.

- 36. **Numerosity Federal Rule of Civil Procedure 23(a)(1).** The members of the Classes are so numerous that their individual joinder herein is impracticable. Plaintiff is informed and believes that Class members number in the hundreds of thousands. The precise number of Class members and their addresses are presently unknown to Plaintiff, but may be ascertained from Defendant's books and records. Class members may be notified of the pendency of this action by mail, email, Internet postings, and/or publication.
- 37. Commonality and Predominance Federal Rule of Civil Procedure 23(a)(2) and 23(b)(3). Common questions of law and fact exist as to all Class members and predominate over questions affecting only individual Class members. Such common questions of law or fact include:
  - a. the true nature of the protein content in the Product;
  - b. whether the marketing, advertising, packaging, labeling, and other promotional materials for the Product is deceptive;
  - c. Whether Defendant's actions violate California's Unfair Competition Law, Business and Professions Code §17200, *et seq.* (the "UCL");
  - d. Whether Defendant's actions violate California's False Advertising Law, Business and Professions Code §17500, et seq. (the "FAL");
  - e. Whether Defendant's actions violate California's Consumers Legal Remedies Act, Civil Code §1750, *et seq.* (the "CLRA"); and
  - f. whether Defendant violated an express warranty.
- 38. Defendant engaged in a common course of conduct giving rise to the legal rights sought to be enforced by Plaintiff, on behalf of himself and the other Class members. Similar or identical statutory and common law violations, business practices, and injuries are involved. Individual questions, if any, pale by comparison, in both quality and quantity, to the numerous common questions that dominate this action.
  - 39. **Typicality Federal Rule of Civil Procedure 23(a)(3).** Plaintiff's claims are

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typical of the claims of the other members of the Classes because, among other things, all Class members were comparably injured through Defendant's uniform misconduct described above. Further, there is no defense available to Defendant that is unique to Plaintiff.

- 40. Adequacy of Representation – Federal Rule of Civil Procedure 23(a)(4). Plaintiff is an adequate Class representatives because their interests do not conflict with the interests of the other Class members he seeks to represent, he has retained counsel competent and experienced in complex class action litigation, and he will prosecute this action vigorously. Plaintiff and his counsel will fairly and adequately protect and advance the interests of the Class.
- 41. **Insufficiency of Separate Actions – Federal Rule of Civil Procedure 23(b)(1).** Given the small size of individual damages in this case, absent a representative class action, members of the Classes would have no remedy. Even if separate actions could be brought by individual consumers, the resulting multiplicity of lawsuits would cause undue hardship and expense for both the Court and the litigants. A multiplicity of lawsuits would also create a risk of inconsistent rulings and adjudications that might be dispositive of the interests of similarly situated purchasers, substantially impeding their ability to protect their interests, while establishing incompatible standards of conduct for Defendant. The proposed Classes thus satisfy the requirements of Fed. R. Civ. P. 23(b)(1).
- 42. Declaratory and Injunctive Relief – Federal Rule of Civil Procedure 23(b)(2). Defendant has acted or refused to act on grounds generally applicable to Plaintiff and the other members of the Classes, thereby making appropriate final injunctive relief and declaratory relief, as described below, with respect to the members of the Classes as a whole.
- 43. Superiority – Federal Rule of Civil Procedure 23(b)(3). A class action is superior to any other available means for the fair and efficient adjudication of this controversy, and no unusual difficulties are likely to be encountered in the management of this class action. The damages or other financial detriment suffered by Plaintiff and the other members of the Classes are relatively small compared to the burden and expense that would be required to individually litigate their claims against Defendant, so it would be impracticable for Class members to individually seek redress for Defendant's wrongful conduct. Even if Class members

could afford individual litigation, the court system could not. Individualized litigation creates a potential for inconsistent or contradictory judgments, and increases the delay and expense to all parties and the court system. By contrast, the class action device presents far fewer management difficulties, and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court.

#### VI. CLAIMS ALLEGED

#### **COUNT I**

Violation of the Unfair Competition Act Cal. Bus. & Prof. Code § 17200, et seq. (On behalf of the California Subclass)

Plaintiff incorporates paragraphs 1-43 as if fully set forth herein.

- 44. Plaintiff and the California Subclass have standing to pursue a cause of action for false advertising under Bus & Prof. Code §17200, et seq. because Plaintiff and members of the California Subclass have suffered an injury-in-fact and lost money as a result of Defendant's actions as set forth herein.
- 45. Defendant's actions as described herein constitute unfair competition within the meaning of Bus. & Prof. Code §17200, in that Defendant has engaged in unlawful, unfair, or fraudulent business practices by violating California's Sherman Food Drug & Cosmetic Act and California's Consumer Legal Remedies Act.
- 46. Defendant's actions as described herein constitute unfair competition within the meaning of Bus. & Prof. Code §17200, on the additional grounds that Defendant has failed to properly label the Product in accordance with 21 C.F.R. 101, et seq.
- 47. Defendant's actions also constitute unfair competition within the meaning of Bus. & Prof. Code §17200, in that Defendant has made unfair, deceptive, untrue or misleading statements in advertising mediums, including the Internet, in violation of Bus. & Prof. Code §17500.
- 48. Defendant's actions have caused economic injury to Plaintiff and California Subclass members. Plaintiff and Class members would not have purchased the Product had they known the true nature of the protein content.

ingredients of the Product in violation of Cal. Civ. Code §1770(a)(5).

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Defendant advertised, marketed, and otherwise disseminated misleading

1	information to the public through advertising mediums including the Internet statements			
2	regarding the Product.			
3	71.	Defendant continues to disseminate such statements.		
4	72.	Defendant's statements are misleading.		
5	73.	Defendant knows that these statements are misleading, or could have discovered		
6	their misleading nature with the exercise of reasonable care.			
7	74.	Defendant's misleading statements were part of a scheme or plan to sell the		
8	Product to th	e public the true nature of the protein content as calculated and published in their		
9	Supplements Facts.			
10	75.	Plaintiff and the members of the California Subclass relied on Defendant's		
11	marketing, labeling, and other product literature.			
12	76.	Defendant's actions violate Cal. Bus. & Prof. Code § 17500, et seq.		
13	77.	As a direct and proximate result of Defendant's actions, as set forth herein,		
14	Defendant has received ill-gotten gains and/or profits, including but not limited to money from			
15	Plaintiff and the members of the California Subclass who paid for the Product. Therefore,			
16	Defendant has been unjustly enriched.			
17	78.	Plaintiff and the members of the California Subclass seek injunctive relief,		
18	restitution, a	restitution, and disgorgement of Defendant's ill-gotten gains as provided for by Cal. Bus. & Prof.		
19	Code §17535.			
20	79.	Plaintiff and the members of the California Subclass seek injunctive relief to		
21	compel Defendant from continuing to engage in these wrongful practices in the future. No other			
22	adequate remedy at law exists. If an injunction is not ordered, Plaintiff and Class members will			
23	suffer irreparable harm and/or injury.			
24		COUNT IV Breach of Express Warranty		
25		(On Behalf of the National Class)		
26	80.	Plaintiff incorporates paragraphs 1-80 as if fully set forth herein.		
27	81.	Plaintiff and each member of the National Class formed a contract with Defendant		

at the time they purchased the Product. The terms of the contract include the promises and

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the other members of the Classes;

Ordering Defendant to pay punitive damages, as allowable by law, to Plaintiff and

Ordering Defendant to pay statutory damages, as provided by the applicable state

1	consumer pr	otection statutes invoked above, to Plaintiff and the other members of the Classes;		
2	E.	Ordering Defendant to pay attorneys' fees and litigation costs to Plaintiff and the		
3	other members of the Classes;			
4	F.	Ordering Defendant to pay both pre- and post-judgment interest on any amounts		
5	awarded;			
6	G.	Leave to amend this Complaint to conform to the evidence presented at trial; and		
7	Н.	Ordering such other and further relief as may be just and proper.		
8		Respectfully submitted,		
9				
10		By: /s/ Michael F. Ram Michael F. Ram (SBN 104805)		
11		Email: mram@rocklawcal.com Matt J. Malone (SBN 221545)		
12		Email: mjm@rocklawcal.com		
13		Susan S. Brown (SBN 287986) Email: sbrown@rocklawcal.com  BAM OLSON CERECULNO		
14		RAM, OLSON, CEREGHINO & KOPCZYNSKI LLP		
15		555 Montgomery Street, Suite 820 San Francisco, CA 94111		
16		Telephone: 415-433-4949 Facsimile: 415-433-74311		
17		Beth E. Terrell, CSB 178181 Email: bterrell@tmdwlaw.com		
18		Mary B. Reiten, CSB 203142 Email: mreiten@tmdwlaw.com		
19		TERRELL MARSHALL DAUDT  & WILLIE PLLC		
20		936 North 34th Street, Suite 300 Seattle, Washington 98103-8869		
21		Telephone: (206) 816-6603 Facsimile: (206) 350-3528		
22		Attorneys for Plaintiffs		
23		Attorneys for Framitings		
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