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9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11

13 HENK MEYERS, Individually and on
Behalf of All Others Similarly Situated,
14
Plaintiff,
15
vs.
16
ALPHABET, INC., GOOGLE, LLC,
17 GOOGLE PAYMENT CORP., and
GOOGLE ARIZONA LLC,
18
Defendants.
19

Case No.: 2:21-CV-01767

CLASS ACTION COMPLAINT

- 1) Violation of California’s Unfair Competition Law
- 2) Breach of Contract

DEMAND FOR JURY TRIAL

1 I. INTRODUCTION

2 1. Plaintiff Henk Meyers (“Plaintiff”) brings this lawsuit on behalf of himself
3 and all others similarly situated against Alphabet, Inc., Google, LLC, Google Payment
4 Corp. (“GPC”), and Google Arizona LLC (“GAZ”) (collectively, “Google” or
5 “Defendants”). Plaintiff brings this action because Google refuses to redeem Google Play
6 gift cards in accordance with California law. Plaintiff seeks restitution, declaratory, and
7 injunctive relief on behalf of himself and all others similarly situated. All allegations
8 herein are based upon information and belief except those allegations pertaining to
9 Plaintiff or counsel. Allegations pertaining to Plaintiff or counsel are based upon, *inter*
10 *alia*, Plaintiff or counsel’s personal knowledge, as well as Plaintiff or counsel’s own
11 investigation. Furthermore, each allegation alleged herein either has evidentiary support
12 or is likely to have evidentiary support, after a reasonable opportunity for additional
13 investigation or discovery.

14 2. Google Play is Google’s software application (a/k/a “app”) store, which
15 allows users to download applications, electronic books, music, and the like to their
16 mobile and computer devices. Google markets Google Play gift cards, which are
17 redeemable towards one’s Google Play balance. Google markets these gift cards as “easy
18 to redeem[,]” “never [e]xpire[,]” and can be used to “easily manage” spending on Google
19 Play content.

20 3. However, for many users, Google’s assurances that its gift cards are easy to
21 use rings hollow. This is because contrary to the Company’s marketing, Google has
22 erected barriers which can make card redemption difficult or even impossible.

23 4. Specifically, in certain instances, when a cardholder attempts to redeem their
24 card, instead of easily being able to utilize the card’s value to make a purchase, they are
25 instead directed to fill out a form requesting detailed information about when and where
26 the gift card was purchased, and required to supply receipts documenting that purchase.
27 By requiring some Google Play card holders to complete a form and provide receipts,
28 Defendants make redemption of such cards impossible. This is especially true when the

1 gift card was used as it is intended to be, as a gift. In such instances the recipient would
2 have no way of knowing the details of the card's purchase. Moreover, even when gift
3 card holders are able to overcome the obstacles presented by the form and supply all of the
4 requested information, Google sometimes still refuses to redeem or provide refunds for
5 gift cards.

6 5. It appears that Google's refusal to honor certain Google Play gift cards
7 occurs because of an algorithm that Google uses to detect suspicious gift card activity and
8 redemptions which snares *bona fide* Google Play gift card purchasers and holders in its
9 wide net,¹ effectively invalidating otherwise valid gift cards. Plaintiff's experience is
10 instructive: Plaintiff attempted to redeem lawfully purchased gift cards but instead of
11 immediately being able to use the card's value, he was instead met with a questionnaire
12 and demands for documentary evidence concerning his purchase. Then, even after
13 complying with Google's requests, Plaintiff was refused redemption of the gift cards,
14 leaving him with nothing except worthless plastic cards. Google's arbitrary barriers to
15 redemption likely dissuaded many gift card holders from redeeming their cards, either
16 because they lacked the information requested or found it too burdensome, and many of
17 those that did comply with Google's demands, like Plaintiff, were still refused redemption
18 of such cards, as evidenced by similar complaints lodged by other consumers. As a result
19 of its practices, Google was able to pocket the funds spent on Google Play gift cards that
20 should have been redeemable by these card holders.

21 6. Google's conduct runs afoul of California's law governing the redemption
22 and expiration of gift cards. Under California's Gift Card Law, a gift card issuer like
23 Google must ensure that its gift cards are "redeemable in cash for its value, or subject to
24 replacement with a new gift [card] at no cost to the purchaser or holder." Cal. Civ. Code §
25 1749.5(b). Additionally, the statute makes it unlawful to sell a gift card with an expiration

26
27 ¹ As used herein, "purchaser" refers to consumers who purchased Google Play gift cards
28 themselves. "Holders" refers generally to those who were the recipients of these gift cards
and subsequently possessed these gift cards.

1 date and that gift cards “are valid until redeemed or replaced.” Cal. Civ. Code § 1749.5(c).
2 By barring redemption of these otherwise valid gift cards, Google has violated
3 California’s Gift Card Law. In turn, this violation is actionable as a standalone cause of
4 action under the unlawful and unfair prongs of California’s Unfair Competition Law, Bus.
5 & Prof. Code § 17200 (the “UCL”).

6 7. Additionally, Google’s terms and conditions governing these gift cards
7 incorporate California’s Gift Card Law requiring redemption of these cards.
8 Consequently, Defendants’ violation of California’s Gift Card Law also serves as a
9 material breach of contract.

10 8. On behalf of himself and all others similarly situated, Plaintiff thus seeks
11 restitution of the value of his Google Play gift cards within the statute of limitations period
12 and a public injunction to enjoin Defendants from harming the general public by requiring
13 Google to refund or redeem Google Play gift cards for valid and *bona fide* gift card
14 holders and purchasers.

15 **II. PARTIES**

16 9. Plaintiff Henk Meyers is a resident of California. Plaintiff purchased the
17 following Google Play gift cards: (1) a \$50 gift card on October 26, 2020; and (2) a \$10
18 gift card on November 10, 2020.

19 10. Defendant Alphabet, Inc. is incorporated in Delaware and maintains its
20 principal place of business in Mountain View, California. Alphabet, Inc. is the parent
21 company of Google, LLC and several Google subsidiaries, and trades on NASDAQ under
22 the ticker symbol “GOOGL.”

23 11. Defendant Google, LLC is incorporated in Delaware and maintains its
24 principal place of business in Mountain View, California. Google, LLC is a subsidiary of
25 Alphabet, Inc., and, *inter alia*, markets and sells digital media such as music, magazines,
26 books, movies and television programs in its online store, Google Play.

27 12. Defendant GPC is incorporated in Delaware and maintains its principal place
28 of business in Mountain View, California. GPC is a wholly owned subsidiary of Google

1 and maintains consumers' redeemed Google Play gift cards through GPC's Google Play
2 balance. GPC maintains the Google Play balances of users, including the balance
3 attributable to redeemed Google Play gift cards.

4 13. Defendant GAZ is incorporated in Arizona and maintains its principal place
5 of business in Delaware. GAZ issues the Google Play gift cards.

6 14. There exists, and at all times herein mentioned existed, a unity of interest and
7 ownership between the named Defendants such that any corporate individuality and
8 separateness between the named defendants has ceased, and that the named defendants are
9 *alter egos* in that they effectively operate as a single enterprise, or are mere
10 instrumentalities of one another.

11 15. At all material times herein, each defendant was the agent, servant, co-
12 conspirator, and/or employer of each of the remaining defendants; acted within the
13 purpose, scope, and course of said agency, service, conspiracy, and/or employment and
14 with the express and/or implied knowledge, permission, and consent of the remaining
15 defendants; and ratified and approved the acts of the other defendants. However, each of
16 these allegations are deemed alternative theories whenever not doing so would result in a
17 contradiction with the other allegations.

18 16. Whenever reference is made in this Complaint to any act, deed, or conduct of
19 a defendant, the allegation means that the defendant engaged in the act, deed, or conduct
20 by or through one or more of its officers, directors, agents, employees, or representatives
21 who was actively engaged in the management, direction, control, or transaction of
22 defendant's ordinary business and affairs.

23 17. As to the conduct alleged herein, each act was authorized, ratified, or directed
24 by Defendants' officers, directors, or managing agents.

25 **III. JURISDICTION AND VENUE**

26 18. This Court has original jurisdiction pursuant to 28 U.S.C. §1332(d)(2). The
27 matter in controversy, exclusive of interest and costs, exceeds the sum or value of
28

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