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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

WILLIAM RANDOLPH, individually and on behalf of a class of similarly situated persons,

Plaintiffs,

v.

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MONDELEZ INTERNATIONAL, INC., Defendant.

Case No. 21-cv-10858

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

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Plaintiff brings suit on behalf of himself and all persons similarly situated who purchased one or more packages of "Stoned Wheat Thins" (the "Product")¹ in any of its three varieties. The Product is manufactured by Defendant and sold under the brand name "Red Oval Farms." Defendant's branding and labeling of the Product conveys a message to consumers that is deceptive and misleading in that it conveys that the main ingredient of the Product of stoneground whole wheat flour. This is untrue, as the main ingredient is, in fact, inferior, unbleached enriched flour (a.k.a. "white flour"). Plaintiffs and all class members were harmed by paying more to purchase the Product than they would have been willing to pay had it not been misrepresented by Defendant.

PARTIES

1. Plaintiff William Randolph is an individual who resides in Manhattan, New York. Plaintiff bought Stoned Wheat Thins, Mini Stoned Wheat Thins, and Stoned Wheat Thins Low Sodium from various retail stores on the Upper West Side on a bi-monthly basis from the beginning of the Class Period to 2019, believing that the main ingredient of the Product was stoneground whole wheat flour. Had Plaintiff known the truth that the main ingredient was not stone ground wheat flour (but rather, unbleached enriched flour, a.k.a. "white flour") he would not have bought the Product.

2. Defendant Mondelez International, Inc, is incorporated under the laws of the State of Virginia, with a principal place of business located at 905 West Fulton Market, Suite 200, Chicago, Illinois 60607.

¹ The Product is a snack cracker that is distributed and sold throughout the United States in three varieties – "Stoned Wheat Thins," "Mini Stoned Wheat Thins," and "Stoned Wheat Thins Low Sodium." The three varieties are collectively referred to as "The Product".

JURISDICTION AND VENUE

3. The Court has jurisdiction over this action pursuant to 28 U.S.C. §1332(d)(2)(A), the Class Action Fairness Act ("CAFA"), as the matter in controversy exceeds the sum of \$5,000,000 (five million dollars) exclusive of interest and costs, and at least one member of the putative class is a citizen of a state different from Defendant. None of the exceptions of 28 U.S.C. §1332(d) are applicable.

4. This court has personal jurisdiction over Defendant because it conducts and transacts business within New York, and contracts to supply and supplies products within New York, including the Products.

5. Venue is proper because Plaintiff and many class members reside in this District, Defendants do business in this District and in New York, and a substantial part of events and omissions giving rise to the claims occurred in this District.

STATEMENT OF FACTS

A. Stoneground flour has superior health benefits compared to industrially-milled flour.

6. Stone grinding is a traditional method of producing flour that has been shown to have a higher nutritional value than flour produced by modern industrial methods (typically, steel roller-mills that process grain rapidly at high temperatures). Stone grinding "employs a pair of ridged stones to crush and grind grains slowly, without creating heat that can destroy nutrients. The ground flour is sifted to catch larger particles of bran and germ, which are then ground again and mixed with the rest of the flour to produce a more nutritious flour."²

 $^{^{2}\} https://www.lehvoss-nutrition.com/news/industry-news.html?resource=/assets/food-guide/flour/~default.$

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7. Indeed, "[o]nly whole grain stone-ground flour is sure to contain the grain components in their original proportions and to include the germ. The way the stones grind distributes the germ oil evenly and without exposing it to excess heat, so rancidity does not develop as quickly as it would were it ground by steel roller-mills."³

8. As this authority further explains:

There are several advantages to stone-ground wheat flour. The endosperm, bran, and germ remain in their natural, original proportions. Because the stones grind slowly, the wheat germ is not exposed to excessive temperatures. Heat causes the fat from the germ portion to oxidize and become rancid and much of the vitamins to be destroyed (Aubert, 1989). Since only a small amount of grain is ground at once, the fat from the germ is well distributed which also minimizes spoilage (Mount, 1975). Nutritive losses due to oxygen exposure are also limited by the fact that stone-ground flour is usually coarser (Thomas, 1976). As expressed in The Bread Book (Leonard, 1990), stone-ground flour is preferred by many bakers and natural food advocates because of its texture, its sweet and nutty flavour, and the beliefs that it is nutritionally superior and has a better baking quality than steel-roller-milled flour. Moritz and Jones (1950) and Schultz et al. (1942) showed that stone-milled flour was relatively high in thiamin, compared to roller-milled flour, especially when from hard wheat.

Id.

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9. And another authority contrasts stone-grinding and industrial milling as follows:

Industrial mills produce white flour and then process it (add germ and bran back in again) to produce whole grain flour on demand. In this process there is no way to guarantee that whole grain flour is actually whole grain. Because stone mills produce whole grain flour, the ground endosperm (the white bit) has the benefit of being ground alongside the oily germ during the whole process. The ground endosperm thus absorbs some of the oils and nutrients of the germ. Because industrial mills begin removing the germ and the bran at the beginning of the process, the ground endosperm has less opportunity to mingle with the oily germ and, thus, absorbs little of the nutrients contained in it.⁴

10. Another commentator observes: "In stone ground, whole-grain products, phenolic

compounds are found in high quantities because the bran is fully incorporated into the flour from

³ http://www.eap.mcgill.ca/publications/EAP35.htm.

⁴ https://www.virtuousbread.com/bread-and-baking/if-you-must-eat-white-bread-at-least-buy-good-flour/.

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the beginning of the process. In commercially produced grains, the phenolic compounds varied with the grain and the amount of bran within each product."⁵

B. <u>Consumers accurately perceive stoneground wheat flour as healthier than</u> <u>conventionally milled wheat flour and are willing to pay more for it.</u>

11. In recent years the market for stoneground wheat flour products has expanded rapidly as a result of the growing public demand for foods perceived as healthier, more nutritious, and more natural, in particular foods made with whole grains. As one commentator states:

[The] stoneground wheat market has become popular because of the buyer interest for the healthful entire grain flour since supplements and nutrients are normally lost in the roller processing. The development of the stoneground wheat market is credited to the ascent in wellbeing cognizance among customers and furthermore because of the interest for items which are created by regular cycles.⁶

12. It is well-established that consumers are willing to, and do, pay more to purchase foods believed to be healthy.⁷ With respect to stoneground wheat flour in particular, it has been observed that "[f]or millions of consumers, it's worth paying a premium to buy baked goods made from this elemental flour, ground on stone as it has been for thousands of years."⁸

⁵ Ceclia T. Crine, Michael H. Tunick, & Rosemary E. Trout, *The chemical and attitudinal differences between commercial and artisanal products*, NPJ SCIENCE OF FOOD (2019), *available at https://www.nature.com/articles/s41538-019-0053-9*.

⁶ https://www.transparencymarketresearch.com/stonground-wheat-market.html.

⁷ See, e.g., Neilsen's 2015 Global Health & Wellness Survey ("88% of those polled are willing to pay more for healthier foods").

⁸ http://usatoday30.usatoday.com/news/health/2006-03-13-stone-ground-flour_x.htm

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