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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

POM WONDERFUL LLC, a  
Delaware limited liability  
company,

Plaintiff,

v.

OCEAN SPRAY CRANBERRIES,  
INC., a Delaware  
corporation,

Defendant.

) Case No. CV 09-00565 DDP (RZx)

) **ORDER DENYING MOTION TO DISMISS**

) [Motion filed on April 16, 2009]

**I. BACKGROUND**

Plaintiff Pom Wonderful produces and sells pomegranate juice and juice blends. Defendant Ocean Spray Cranberries also sells various bottled juices, including a pomegranate and cranberry juice blend it began selling in 2007 (the "Beverage"). (Compl. ¶ 18.)

Plaintiff alleges that while Defendant primarily markets the pomegranate and cranberry juices in its Beverage on its product label, the product is almost entirely comprised of apple and grape juice. (Id. ¶ 19-20.) Of the five juices that comprise the product, according to its label, cranberry juice ranks third and

1 pomegranate juice ranks fifth. (Id. ¶ 22.) Therefore, Plaintiff  
2 alleges that Defendant made false and misleading representations  
3 regarding the primary ingredients of its product. Plaintiff also  
4 alleges that Defendant markets its product as being high in  
5 antioxidants, as is pomegranate juice, when in fact the Beverage  
6 does not contain high levels of antioxidants. (Id. ¶ 23.)  
7 According to Plaintiff, Defendant also made similar  
8 misrepresentations regarding its Beverage at its website  
9 "www.oceanspray.com." (Id. ¶ 21.)

10 As a result of Defendant's misrepresentations, Plaintiff  
11 states that Defendant's costs to produce the Beverage are lower and  
12 Defendant can charge less for its product than competitors such as  
13 Plaintiff. Meanwhile, consumers are "tricked" into thinking they  
14 are getting a product that is similar to Plaintiff's (whose product  
15 is primarily pomegranate juice) for a lower price. (Id. ¶ 24.)  
16 Plaintiff thus alleges injury to its business and deprivation of  
17 goodwill in the juice market, to Defendant's benefit. (Id. ¶ 24-  
18 25.) Specifically, Plaintiff alleges the following federal and  
19 state claims:

- 20
- 21 1) false advertising under the Lanham Act, 15 U.S.C. §
  - 22 1125(a);
  - 23 2) false advertising under California Business & Professions
  - 24 Code § 17500; and
  - 25 3) unfair competition under California Business & Professions
  - 26 Code § 17200, et seq.

27 (Compl. 8-11.)

28 Defendant now moves to dismiss Plaintiff's complaint.

## 29 **II. LEGAL STANDARD**

30 Under Rule 12(b)(6), a complaint is dismissed when a  
31 plaintiff's allegations fail to state a claim upon which relief can

1 be granted. Fed. R. Civ. P. 12(b)(6). When considering a 12(b)(6)  
2 motion, all allegations of material fact are accepted as true and  
3 should be construed in the light most favorable to the plaintiff.  
4 Resnick v. Hayes, 213 F.3d 443, 447 (9th Cir. 2000). A court  
5 properly dismisses a complaint under Rule 12(b)(6) based upon the  
6 "lack of a cognizable legal theory" or "the absence of sufficient  
7 facts alleged under the cognizable legal theory." Baliesteri v.  
8 Pacifica Police Dept., 901 F.2d 696, 699 (9th Cir. 1990). The  
9 plaintiff's obligation requires more than "labels and conclusions"  
10 or a "formulaic recitation of the elements of a cause of action."  
11 Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555 (2007)(internal  
12 quotation omitted). However, the complaint must state "only enough  
13 facts to state a claim to relief that is plausible on its face."  
14 Id. at 1974. A well-pleaded complaint may proceed even if it  
15 appears "that a recovery is very remote and unlikely." Id. at 1964  
16 (quoting Scheuer v. Rhodes, 416 U.S. 232, 236 (1974)).

### 17 **III. DISCUSSION**

#### 18 A. Evidentiary Issues

19 Both parties submitted additional evidence to this Court for  
20 its consideration. Generally, a district court "may not consider  
21 any material beyond the pleadings" on a motion to dismiss (e.g.,  
22 facts presented in briefs, affidavits, or discovery materials).  
23 Hal Roach Studios, Inc. v. Richard Feiner & Co., 896 F.2d 1542,  
24 1555 n.10 (9th Cir. 1989). Therefore, the Court declines to  
25 consider the parties' additional evidence and denies Defendant's  
26 request for judicial notice of a Federal and Drug Administration  
27 ("FDA") warning letter sent to it regarding its internet marketing.

#### 28 B. Lanham Act - False Advertising Claim

1 Under the Lanham Act, any person that uses a "false  
2 description or representation" that is "in connection with any  
3 goods" is liable to another private individual "who believes he is  
4 or is likely to be damaged by the use of any such false description  
5 or representation." 15 U.S.C § 1125(a); see generally Jarrow  
6 Formulas, Inc. v. Nutrition Now, Inc., 304 F.3d 829, 835 (9th Cir.  
7 2002)(citing Southland Sod Farms v. Stover Seed Co., 108 F.3d 1134,  
8 1139 (9th Cir. 1997)). Defendant argues that Plaintiff's claim  
9 under the Lanham Act for false advertising is precluded or barred  
10 by the Federal Food, Drug, and Cosmetic Act ("FFDCA"), 21 U.S.C. §  
11 301 et seq., and the regulations promulgated by the FDA.

12 The Lanham Act and the FFDCA have overlapping jurisdiction in  
13 areas such as marketing and product labeling, though the purposes  
14 of the two statutes are different. Mut. Pharm. Co. v. Ivax  
15 Pharms., Inc., 459 F. Supp. 2d 925, 932-34 (C.D. Cal. 2006). The  
16 Lanham Act is "primarily intended to protect commercial interests"  
17 from unfair competition, while the goal of the FFDCA is to protect  
18 the public from unsafe or mislabeled products. See id. at 933-34  
19 (citing Sandoz Pharm. Corp. v. Richardson-Vicks, Inc., 902 F.2d  
20 222, 230 (3rd Cir. 1990)). Although the Lanham Act may be enforced  
21 by private litigants, the FFDCA can only be enforced by the FDA or  
22 the Department of Justice. Fiedler v. Clark, 714 F.2d 77, 79 (9th  
23 Cir. 1983)(citing 21 U.S.C. § 337). Because of this distinction  
24 between the two laws and their remedial mechanisms, a line of cases  
25 has arisen finding that Lanham Act claims are barred where private  
26 litigants ask the district court to "'determine preemptively how  
27 [the FDA] will interpret and enforce its own regulations.'" Summit  
28 Tech. v. High-Line Medical Instruments Co., 922 F. Supp. 299, 305-

1 06 (C.D. Cal. 1996)(quoting Sandoz Pharm. Corp., 902 F.2d at 231);  
2 Mut. Pharm. Co., 459 F. Supp. 2d at 934 (“[C]ourts have refused to  
3 allow a Lanham Act claim to proceed where, in order to determine  
4 the falsity or misleading nature of the representation at issue,  
5 the court would be required to interpret and then apply [F]FDCA  
6 statutory or regulatory provisions.”)(citing Sandoz Pharm. Corp.,  
7 902 F.2d at 231). On the other hand, “the simple fact that a  
8 matter touches upon an area dealt with by the FDA is not a bar to  
9 proceeding with a claim under the Lanham Act.” Mutual Pharm. Co.,  
10 459 F. Supp. 2d at 935. For example, courts allow false  
11 advertising claims to proceed where the plaintiff alleges the  
12 defendant has affirmatively misrepresented compliance with FDA  
13 regulations, or where the court only needs to “verify whether  
14 defendants’ [specific] label [or conduct] conforms to what the FDA  
15 has already determined is required.” Id. at 938. Put differently,  
16 the key issue in the line of cases dealing with FFDCa or FDA  
17 regulation preclusion of Lanham Act claims is whether the false  
18 advertising involves a fact that can be “easily verified,” without  
19 requiring the truth of the fact to be determined by the FDA. Mut.  
20 Pharm. Co., 459 F. Supp. 2d at 925 (permitting a Lanham Act false  
21 advertising claim where the FDA had determined the labeling  
22 requirements for the specific drug at issue); Sandoz Pharm. Corp.,  
23 902 F.2d at 230 (barring a Lanham Act false advertising claim,  
24 because it was dependent on whether one of the product’s  
25 ingredients was “active” or “inactive,” which the FDA had not yet  
26 determined); Grove Fresh Distributors, Inc. v. Flavor Fresh Foods,  
27 Inc., 720 F. Supp. 714, 715-16 (N.D. Ill. 1989)(permitting a Lanham  
28 Act false advertising claim as to whether an orange juice was “100%

1 orange juice from concentrate," even though the FDA defined this  
2 term); Summit Tech., 922 F. Supp. at 306 (barring a Lanham Act  
3 false advertising claim where the FDA was still investigating a  
4 competitor's product and had not determined yet whether to approve  
5 it); Mylan Labs., Inc. v. Matkari, 7 F.3d 1130, 1139 (4th Cir.  
6 1993)(barring a Lanham Act claim because no actual "representation"  
7 had been made, as plaintiff's claim was based on the argument that  
8 merely by placing its drug on the market, the defendant had implied  
9 FDA approval).

10 In a sister case to this one where this Plaintiff has made  
11 similar allegations of false advertising, Pom Wonderful LLC v. The  
12 Coca Cola Company, the court stated in its order granting in part  
13 the defendant's motion to dismiss:

14 if Pom's Lanham Act claim were to focus on areas covered by  
15 the FFDCA and the FDA-implementing regulations, the Court  
16 would be required to interpret and apply FDA regulations as to  
17 the labeling of [defendant's beverage], which the FDA has not  
18 considered or approved.

19 Pom Wonderful LLC v. The Coca Cola Company, CV 08-06237 SJO at \*6  
20 (C.D. Cal. February 10, 2009). However, the court also found that  
21 it was "largely unpersuaded" by the defendant's arguments for FDA  
22 preclusion of Lanham Act claims, because Pom's Lanham Act claim  
23 "extend beyond the 'packaging' and 'name' of [defendant's beverage]  
24 to its 'advertising' and 'marketing,' including [defendant's]  
25 website." Id. at \*7. The court concluded:

26 Because the Court, in contexts beyond [defendant's beverage's]  
27 formal name and labeling areas for which there are relevant  
28 FDA regulations, will not be required to interpret FDA  
regulations, Pom's Lanham Act claim can proceed to the extent  
it seeks to redress [defendant's] marketing and advertising in  
such areas.

1 Id. (emphasis added). This Court agrees with the above reasoning  
2 to the degree that Plaintiff may not seek to enforce the FFDCA  
3 through the Lanham Act. However, this Court does not find that the  
4 essential claim advanced by Plaintiff - that Defendant's label  
5 misrepresents the primary ingredients of the Beverage - relies on a  
6 determination by the FDA or an interpretation of its regulations.

7 The "readily verifiable" allegation or fact of Defendant's  
8 marketing representations does not directly or indirectly usurp the  
9 FDA's role, because determining the primary ingredients of the  
10 Beverage and whether Defendant's representations are misleading is  
11 not contingent on a decision of fact by the FDA or the enforcement  
12 of its regulations. See Mut. Pharm. Co., 459 F. Supp. 2d at 939.  
13 To the contrary, the regulations notably do not define what  
14 constitutes a label that is "false or misleading." See 21 U.S.C. §  
15 343(a) ("A food shall be deemed to be misbranded . . . [i]f [] its  
16 labeling is false or misleading in any particular"). As Defendant  
17 concedes, it is possible for a product to be both non-compliant  
18 with FDA labeling regulations (and thus fall under its purview) and  
19 to give rise to a claim for false advertising. The most obvious  
20 example of this, as noted by Plaintiff and the above cases, is when  
21 a party misrepresents FDA approval when there is none, when FDA  
22 approval is required. However, non-compliance with the FDA and a  
23 violation of the Lanham Act may also occur where the defendant  
24 technically complies with the FDA, but subverts compliance through  
25 deception in its advertising. See Mut. Pharm. Co., 459 F. Supp. 2d  
26 at 939 (premitting a Lanham Act claim where the court only needed  
27 to "verify whether defendants' label conforms to what the FDA has  
28 already determined is required to be listed for [defendant's drug],

1 something which the Court can do without any need to interpret and  
2 then apply FDA regulations")(internal brackets and quotation  
3 omitted).

4 As both sides acknowledge, there are a number of other  
5 requirements for the labels of multiple-juice beverages. The FFDC  
6 requires that foods must be called by their "common or usual name"  
7 on product labels. 21 U.S.C. § 343(i). The FDA's regulations  
8 further require that in a "multiple-juice beverage," where the  
9 named juice is not the predominant juice, the common or usual name  
10 for the product must "[i]ndicate that the named juice is present as  
11 a flavor or flavoring." 21 C.F.R. § 102.33(d)(1). Regarding the  
12 picture of fruit on the label, the FDA requires that if the juice's  
13 "organoleptic properties" are not recognizable or that its  
14 "nutrient profile" is diminished below the normal nutrient range,  
15 then "the source fruits or vegetables from which the modified juice  
16 was derived may not be depicted on the label by vignette or other  
17 pictorial representation." § 102.33(f). However, Plaintiff's  
18 complaint does not reference or attempt to enforce these  
19 requirements. Instead, Plaintiff's complaint makes the following  
20 allegations: (1) that Defendant's label falsely named its Beverage  
21 "Cranberry & Pomegranate" and includes a prominent, misleading  
22 display of cranberries and pomegranates on its label; and (2) that  
23 Defendant falsely markets and advertises the Beverage on its  
24 website as "cranberry and pomegranate juice." (Compl. ¶¶ 20-22;  
25 see also Van Gundy Decl. Exs. A-D.)

26 Of course, as noted by the court in Pom Wonderful LLC v. The  
27 Coca Cola Company, it is theoretically possible to create a  
28 scenario where a court decision regarding Defendant's product label

1 may conflict directly with FDA regulations; but on its face  
2 Plaintiff's complaint does not contest or attempt to enforce the  
3 FFDCFA or FDA regulation requirements. Accordingly, Plaintiff has  
4 stated a permissible claim under the Lanham Act for false  
5 advertising. See Williams v. Gerber Prods. Co., 552 F.3d 934, 940  
6 (9th Cir. 2008) ("We do not think that the FDA requires an  
7 ingredient list so that manufacturers can mislead consumers and  
8 then rely on the ingredient list to correct those  
9 misinterpretations and provide a shield for liability for the  
10 deception. Instead, reasonable consumers expect that the  
11 ingredient list contains more detailed information about the  
12 product that confirms other representations on the packaging.").  
13 To the degree that Plaintiff's claims may cause actual conflict  
14 with federal regulations, the Court declines to limit the scope of  
15 Plaintiff's allegations at this stage, without a better developed  
16 factual record and construing Plaintiff's complaint in the light  
17 most favorable to it.

18 Therefore, the Court finds that Plaintiff's Lanham Act claim  
19 is not precluded by the FFDCFA or FDA.

20 C. State Law Claims

21 1. Preemption - Background<sup>1</sup>

22 Pursuant to the Supremacy Clause, "Congress has the power to  
23 preempt state law." Crosby v. National Foreign Trade Council, 530  
24 U.S. 363, 372 (2000) (internal citations omitted). In determining  
25 whether a state law is preempted, the "ultimate touchstone" is

26 \_\_\_\_\_

27 <sup>1</sup> For the sake of clarity and efficiency, the Court will quote  
28 and repeat the background legal analysis and standards regarding  
preemption as found in Judge Otero's opinion in Pom Wonderful LLC  
v. The Coca Cola Company, CV 08-06237 SJO at \*8-9.

1 congressional intent. Medtronic, Inc. v. Lohr, 518 U.S. 470, 485  
2 (1996); see English v. Gen. Elec. Co., 496 U.S. 72, 78-79 (1990)  
3 ("Pre[em]ption is fundamentally a question of congressional  
4 intent."). "As a result, any understanding of the scope of a  
5 pre[em]ption statute must rest primarily on a fair understanding of  
6 congressional purpose." Medtronic, Inc., 518 U.S. at 485-86  
7 (internal citations and quotations omitted).

8 Supreme Court precedent establishes that state law is  
9 preempted in three circumstances, two of which are relevant here.<sup>2</sup>  
10 English, 496 U.S. at 78. First, Congress may expressly preempt  
11 state law through legislation. Id. (internal citations omitted).  
12 In the absence of express preemption language, federal law may  
13 implicitly preempt state law through "field preemption." See  
14 Crosby, 530 U.S. at 372; Freightliner Corp., et al. v. Myrick, et  
15 al., 514 U.S. 208, 287 (1995). State law is preempted through  
16 field preemption if federal regulations demonstrate Congress'  
17 intent to occupy an area exclusively. This may be inferred if the  
18 "scheme of federal regulation [is] so pervasive as to make  
19 reasonable the inference that Congress left no room for the States  
20 to supplement it," or in a field "in which the federal interest is  
21 so dominant that the federal system will be assumed to preclude  
22 enforcement of state laws on the same subject." Id. at 79  
23 (internal citations omitted). The Supreme Court has emphasized

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24  
25 <sup>2</sup> A third category of preemption (not advanced by Defendant)  
26 is conflict preemption; where state law is preempted "to the extent  
27 that it actually conflicts with federal law," making compliance  
28 with both federal and state law impossible, or where it "stands as  
an obstacle to the accomplishment and execution of the full  
purposes and objectives of Congress." English, 496 U.S. at 79  
(internal citations omitted); see Crosby, 530 U.S. at 373 (internal  
citations omitted).

1 that if Congress has legislated in "a field which the States have  
2 traditionally occupied," courts "must start with the assumption  
3 that the historic police powers of the States were not to be  
4 superseded unless that was the clear and manifest purpose of  
5 Congress." Medtronic, 518 U.S. at 484; see English, 496 U.S. at 79  
6 (internal citations omitted).

7 If Congress includes an express preemption provision in a  
8 statute, the inclusion of this provision "implies—i.e., supports a  
9 reasonable inference—that Congress did not intend to pre[]empt  
10 other matters" beyond the provision's reach. Freightliner Corp.,  
11 514 U.S. at 288. An express preemption provision, however, does  
12 not "entirely foreclose[] any possibility of implied pre[]emption."  
13 Id.; see Geier, et al. v. Am. Honda Motor Co., Inc., 529 U.S. 861,  
14 869 (2000).

## 15 2. Express Preemption

16 Defendant first argues that Plaintiff's state law claims are  
17 expressly preempted under the FFDCA's express preemption provision.  
18 See 21 U.S.C. § 343-1. Because the FFDCA contains an express  
19 preemption provision, the Court must first focus on the "plain  
20 wording of the clause" to identify the "domain expressly preempted"  
21 by the language of the statute. See Sprietsma v. Marine, 537 U.S.  
22 51, 62-63 (2002); In re Farm Raised Salmon Cases, 42 Cal. 4th 1077,  
23 1085 (Cal. 2008)(internal citations omitted). The FFDCA express  
24 preemption provision provides that:

25  
26 no State or political subdivision of a State may directly or  
27 indirectly establish under any authority or continue in effect  
28 as to any food in interstate commerce . . . any requirement  
for the labeling of food of the type required by [various  
sections of the FFDCA] that [are] not identical to the  
requirement of such section . . . .

1 21 U.S.C. § 343-1(a)(2)-(3). The phrase "not identical to" means  
2 that "the State requirement directly or indirectly imposes  
3 obligations or contains provisions concerning the composition or  
4 labeling of food" that are "not imposed by or contained in the  
5 applicable provision [or regulation]" or "[d]iffer from those  
6 specifically imposed by or contained in the applicable provision  
7 [or regulation]." 21 C.F.R. § 100.1(c)(4). Therefore, this  
8 statutory framework expressly preempts state law that imposes  
9 obligations that are "not identical to" those FFDCAs sections  
10 enumerated in Section 343-1, which for the most part are found in §  
11 343. See 21 U.S.C. § 343-1(a). Plaintiff may not bring a claim  
12 based on a violation of an identical state law; and it is preempted  
13 from extending its claims in a manner that would impose  
14 requirements that are different from federal standards under the  
15 FFDCAs and FDA. See Farm Raised Salmon Cases, 42 Cal. 4th at 1094  
16 ("Congress intended to allow states to establish their own  
17 requirements so long as they are identical to those contained in  
18 section 343[], which California has done in the form of the Sherman  
19 Law.").

20 Defendant argues that Plaintiff's state law claims are  
21 preempted by § 343, which establishes standards for "misbranded  
22 food" including, for example, when food is offered for sale under  
23 another name (§ 343(b)), when food is an imitation of another food  
24 (§ 343(c)), and the required prominence of a food's information  
25 label (§ 343(f)). Plaintiff's state claims are for false  
26 advertising under California Business & Professions Code § 17500  
27 and unfair competition under California Business & Professions Code  
28 § 17200, et seq. Neither of these statutes is identical to the

1 FFDCa or its regulations, although § 17200 may be used to enforce  
2 violations of California law that are identical to the FFDCa. For  
3 example, California's "Sherman Act" contains identical provisions  
4 to the FFDCa. Farm Raised Salmon Cases, 42 Cal. 4th 1077, 1086-87  
5 (Cal. 2008)("[T]he Sherman Law incorporates '[a]ll food labeling  
6 regulations and any amendments to those regulations adopted  
7 pursuant to the [FFDCa]' as 'the food labeling regulations of this  
8 state')(quoting Cal. Health & Safety Code § 110100(a)).

9       However, the Court finds that any limitation is not expressly  
10 preempted in regards to claims based on false advertising or claims  
11 of unfair competition which are unrelated to the FDA regulations.  
12 Again, there is no preemption language under § 343-1 which  
13 addresses a false or misleading label or, for that matter, the  
14 breadth of issues indicated by an unfair competition law. As long  
15 as Plaintiff's state claims do not impose different requirements  
16 than the FFDCa or FDA regulations, these claims are not preempted.

17       Construing Plaintiff's complaint in the light most favorable  
18 to it, the Court finds that its state law claims are not expressly  
19 preempted.

### 20           3. Field Preemption

21       "The touchstone of [field] preemption is congressional  
22 intent." Martin v. Midwest Express Holdings, Inc., 555 F.3d 806,  
23 808 (9th Cir. 2009). Where there is no explicit preemptive  
24 language, field preemption occurs "where the scheme of federal  
25 regulation is so pervasive as to make reasonable the inference that  
26 Congress left no room for the States to supplement it." Burkart v.  
27 Coleman (In re Tippett), 542 F.3d 684, 689 (9th Cir. 2008).

28 Defendant thus argues that the FFDCa and FDA regulations intended

1 to occupy the field of beverage labeling. The Court again finds  
2 that the reasoning of Pom Wonderful LLC v. The Coca Cola Company is  
3 persuasive.

4 As noted in that opinion, consumer protection laws fall within  
5 the states' historic police powers to protect the health and  
6 welfare of their citizens. Farm Raised Salmon Cases, 42 Cal. 4th  
7 at 1088 (citing Fla. Lime & Avocado Growers, Inc., et al. v. Paul,  
8 et al., 373 U.S. 132, 144 (1963)). These laws include protecting  
9 state citizens "against fraud and deception in the sale of food  
10 products at retail markets within their borders." Fla. Lime &  
11 Avocado Growers, Inc., 373 U.S. at 144; Farm Raised Salmon Cases,  
12 42 Cal. 4th at 1088. Given that California's food marketing laws  
13 fall within a field that states have traditionally occupied, a  
14 presumption exists that Congress did not intend to preempt  
15 California law. See Kroske v. U.S. Bank Corp., 432 F.3d 976, 981  
16 (9th Cir. 2005). This presumption can only be overcome if that was  
17 the "'clear and manifest purpose of Congress.'" Id. (quoting  
18 DeBuono v. NYSA-ILA Med. & Clinical Servs. Fund, 520 U.S. 806, 813  
19 n.8 (1997)).

20 With regard to the application of the FFDCA here,  
21 congressional intent is ascertainable through the Nutrition Labeling  
22 and Education Act ("NLEA") of 1990, which amended the FFDCA and  
23 added its express preemption provision. In that amendment,  
24 Congress stated that the "[NLEA] shall not be construed to preempt  
25 any provision of State law, unless such provision is expressly  
26 preempted under section 403A of the [FFDCA]." Farm Raised Salmon  
27 Cases, 42 Cal. 4th at 1091 (quoting NLEA, Pub L. No. 101-535, §  
28 6(c)(1)(Nov. 8, 1990) 104 Stat. 2364). Congress therefore "made

1 clear that the preemptive scope of [the FFDCA's express preemption  
2 provision] was to sweep no further than the plain language of the  
3 statute itself." Id. Although there are indeed a number of food-  
4 labeling requirements promulgated by the FDA, as described in  
5 detail above, the Court thus finds that Congress did not intend  
6 federal law to exclusively occupy the fields of food labeling and  
7 advertising.

8 Therefore, the Court finds that Plaintiff's state law claims  
9 are not barred by field preemption.

10 D. Primary Jurisdiction Doctrine

11 The primary jurisdiction doctrine allows courts to stay  
12 proceedings or to dismiss a complaint without prejudice pending the  
13 resolution of an issue within the special competence of an  
14 administrative agency." Clark v. Time Warner Cable, 523 F.3d 1110,  
15 1114 (9th Cir. 2008). "[T]he doctrine is a 'prudential' one, under  
16 which a court determines that an otherwise cognizable claim  
17 implicates technical and policy questions that should be addressed  
18 in the first instance by the agency with regulatory authority over  
19 the relevant industry, rather than by the judicial branch." Id.  
20 The factors to consider include: "(1) a need to resolve an issue  
21 that (2) has been placed by Congress within the jurisdiction of an  
22 administrative body having regulatory authority (3) pursuant to a  
23 statute that subjects an industry or activity to a comprehensive  
24 regulatory authority that (4) requires expertise or uniformity in  
25 administration." Id. at 1115.

26 Defendant argues that there are complex labeling issues raised  
27 here that fall "squarely" within the FDA's jurisdiction, and thus  
28 that this Court should refer Plaintiff's claims to the agency.

1 However, while the FDA has regulatory authority in the area of food  
2 product labeling, this particular case does not require expertise  
3 or implicate uniformity in administration. For one, Plaintiff's  
4 claims are not based on technical area over which the FDA has more  
5 expertise than the courts. See Lockwood v. Conagra Foods, Inc.,  
6 597 F. Supp. 2d 1028, 1034-35 (2009 WL 250459) (N.D. Cal. 2009).  
7 Plaintiff's claims are also based on state law, which would not  
8 necessarily be resolved in the event of an FDA ruling. Id.  
9 Finally, neither party provides any evidence that the FDA has  
10 actually taken any interest in investigating the claims or issues  
11 presented here.

12 As such, the Court finds that it is not appropriate to apply  
13 the primary jurisdiction doctrine here.

14 E. Pleading Requirements under Fed. R. Civ. P. 9(b)

15 Defendant argues that Plaintiff has not satisfied the  
16 heightened pleading requirements of Rule 9. The Ninth Circuit has  
17 not determined that Rule 9(b) applies to Lanham Act claims,  
18 although some district courts have applied this standard. See,  
19 e.g., Collegenet, Inc. v. Xap Corp., 2004 U.S. Dist. LEXIS 21059,  
20 \*15-16 (D. Or. Oct. 12, 2004). However, this Court agrees that  
21 Plaintiff's false advertising claims are "grounded in fraud." Vess  
22 v. Ciba-Geigy Corp. USA, 317 F.3d 1097, 1103-04 (9th Cir. 2003).  
23 All of Plaintiff's allegations deal with the same underlying issue,  
24 which is Defendant's intent to mislead consumers by  
25 mischaracterizing the primary ingredients of the Beverage. (See  
26 Compl. ¶¶ 20-22.) For example, Plaintiff alleges that Defendant  
27 "has confused and misled consumers" with its packaging. (Id. ¶  
28 20.) Plaintiff also calls Defendant's advertising "false and

1 misleading." (Id. ¶ 23.) Accordingly, because Plaintiff's federal  
2 and state law claims are all based on fraudulent  
3 misrepresentations, Plaintiff's allegations of fraud must be pled  
4 with particularity. Fed. R. Civ. P. 9(b); see also Vess v. Ciba-  
5 Geigy Corp. USA, 317 F.3d 1097, 1103 (9th Cir. 2003). To satisfy  
6 Rule 9(b), Plaintiff must therefore "state the time, place, and  
7 specific content of the false representations as well as the  
8 identities of the parties to the misrepresentations." Schreiber  
9 Distrib. Co. v. Serv-Well Furniture Co., 806 F.2d 1393, 1401 (9th  
10 Cir. 1986).

11 Plaintiff alleges that in April 2007, Defendant introduced its  
12 Beverage for the first time under the title "Cranberry and  
13 Pomegranate," which misrepresented the product's ingredients  
14 because it contains little or no pomegranate juice. (Compl. ¶ 18,  
15 20.) Plaintiff alleges this title was used on the label of  
16 Defendant's product, the Beverage, with the result of deceiving  
17 consumers. (Compl. ¶ 20.) Plaintiff also alleges that the  
18 Beverage was marketed as "cranberry and pomegranate" juice on its  
19 website - [www.oceanspray.com](http://www.oceanspray.com). (Id. ¶ 21.) These allegations are  
20 sufficient to establish the "time, place, and specific content"  
21 requirements of Rule 9(b).

22 The Court finds that Plaintiff has satisfied its burden of  
23 pleading under Rule 9(b).

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1 **IV. CONCLUSION**

2 For the foregoing reasons, the Court DENIES the motion to  
3 dismiss.

4 IT IS SO ORDERED.

5 Dated: July 16, 2009  
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7 DEAN D. PREGERSON  
8 United States District Judge  
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