

EDNY Sticks a Fork in Angus Steak Sandwich Class Action Complaint

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A federal court in the Eastern District of New York recently dismissed a putative class action filed against Dunkin' Brands alleging deceptive advertising with respect to its Angus Steak & Egg Breakfast Sandwich and Angus Steak & Egg Wake-Up Wrap. Judge Carolyn Amon dismissed the claims by out-of-state plaintiffs on jurisdictional grounds, and found the challenged product names were not misleading as a matter of law. The case clarified the standard that class-action plaintiffs must meet for the court to find specific personal jurisdiction, and demonstrated <u>yet another court's</u> willingness to rule as a matter of law on whether advertising is misleading to a reasonable consumer.

The four named plaintiffs in this case were residents of New York, California, Massachusetts, and Florida, and sued on behalf of a purported nationwide class. They claimed that they had each purchased the products after viewing advertisements that featured actors repeating the word "steak," and on-screen text displaying the words "Angus" and "steak." The complaint alleged: 1) that the product names and advertisements represented that the products contained an intact, single piece of meat, when in fact the meat was ground; and 2) that the term "Angus Steak" indicated a pure beef patty, when the products in question contained preservatives and other ingredients. The plaintiffs claimed that as a result of the allegedly deceptive product names and advertisements, they were induced to pay a "premium" for the Angus products over other comparable sandwiches or wraps.

Before reaching the merits, Judge Amon ruled that the court lacked jurisdiction over the non-New York plaintiffs' claims. Refusing to find general personal jurisdiction over Dunkin' Brands in a state in which it was neither incorporated nor had its principal place of business, the court analyzed whether the plaintiffs' claims were sufficient to merit a finding of specific personal jurisdiction. The court held that, under the Supreme Court's 2017 *Bristol Myers Squibb* decision, each named plaintiff in a class action must show instate contacts specific to their claim that give rise to jurisdiction over an out-of-state defendant. The court found that the out-of-state plaintiffs had not done so, and that their claims should therefore be dismissed.

The court also dismissed the New York plaintiff's claim on the grounds that the product names and advertising in question were not misleading as a matter of law. Judge Amon noted that the advertisements clearly showed the ground beef patties, and therefore fully disclosed to a reasonable consumer that the products did not contain intact, single pieces of meat. She also rejected plaintiffs' argument that the use of the term "Angus Steak" indicated that the beef patty contained no additives, preservatives, or other ingredients; rather, a reasonable consumer would understand the term to mean only that the product contained some Angus beef.

Will plaintiffs appeal, and will there be beef in the Second Circuit? Watch this space for further developments.

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