Case 3:16-cv-03533-WHA Document 102 Filed 07/27/17 Page 1 of 2 1 2 3 4 5 6 7 IN THE UNITED STATES DISTRICT COURT 8 FOR THE NORTHERN DISTRICT OF CALIFORNIA 9 10 11 GREGORY INGALLS and TONY HONG, No. C 16-03533 WHA individually and on behalf of all others 12 similarly situated, 13 Plaintiffs, 14 v. **ORDER DENYING CLASS** 15 SPOTIFY USA, INC., a Delaware CERTIFICATION AND corporation, and DOES 1–10, inclusive, VACATING EVIDENTIARY 16 HEARING Defendants. 17 18 Following a July 13 hearing on plaintiff Gregory Ingalls' motion to certify a class, the 19 undersigned judge ordered defendant Spotify USA, Inc. to provide the number of people who 20 signed up for Spotify's free or reduced-price trial and were later charged for the paid service 21 even though they never used it (Dkt. No. 91). Spotify complied and provided a declaration 22

indicating that approximately 116,650 California users were charged at least one time for
Spotify's paid service even though they had not used it (Dkt. No. 93 ¶ 9).

Spotify's response also revealed, however, that Ingalls did not fall within this group. Rather, he used Spotify Premium on 52 separate days and streamed over 1,000 songs during the three months he paid for it (*id.*  $\P$  4). This was contrary to Ingalls' prior representations to the Court that he did not use Spotify Premium after his free trial ended but was charged for it nonetheless (Dkt. No. 84 at 9). Ingalls had an opportunity to reply, but in his reply did not cleanly disclaim that he used the paid service, instead equivocating that he streamed songs

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during the paid period either "on Spotify's free service or with the [mistaken] understanding that [he] was streaming them on Spotify's free service" (Dkt. No. 98 ¶ 8). Evidence submitted by Spotify shows that this explanation is implausible given the differences between Spotify Premium and Spotify's free service, which would be evident to a regular user like Ingalls (see Dkt. No. 101).

In the event that we had a problem-free plaintiff, the undersigned judge would be inclined to certify a class of California residents who subscribed to a free trial, thereafter did not use the service, but were nevertheless charged for it. This is the clearest-cut group that was likely misled to their detriment due to alleged violations of the Automatic Renewal Law.

10 The proposed class representative, however, is not problem-free. Contrary to representations made to the Court (Dkt. No. 84 at 9), it is now evident that Ingalls not only used 12 Spotify Premium during the free trial, but also continued to use it thereafter. It is highly likely 13 that he is not a member of the class the Court would be inclined to certify, and he is unable to 14 contend cleanly that he is.

Ingalls' motion for class certification is **DENIED**. The evidentiary hearing set for August 1 is hereby VACATED.

**IT IS SO ORDERED.** 

23 Dated: July 27, 2017.

**UNITED STATES DISTRICT JUDGE** 

**United States District Court** For the Northern District of California

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