Ortiz v. Menu Foods, Inc. et al

Case 1:07-cv-00323-DAE-LEK

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UNITED STATES DISTRICT COURT WESTERN DISTRICT OF ARKANSAS FAYETTEVILLE DIVISION WESTERN DISTRICT COURT FILED ARKANSAS MAR 2 3 2007

Case No. <u>07.5055</u> DEPUTY CLERK

Plaintiffs

RICHARD SCOTT AND BARBARA

All others Persons Similarly Situated,

v.

WIDEN, individually and

MENTI EQODS

MENU FOODS; MENU FOODS
INCOME FUND; MENU FOODS
GEN PAR LIMITED; MENU FOODS
LIMITED PARTNERSHIP; MENU
FOODS OPERATING PARTNERSHIP;
MENU FOODS MIDWEST CORP;
MENU FOODS SOUTH DAKOTA;
MENU FOODS, INC.; MENU FOODS
HOLDINGS, INC.; WAL-MART
STORES, INC

Defendants

CLASS ACTION COMPLAINT

Plaintiffs Scott and Barbara Widen through their undersigned counsel, on behalf of themselves and all others similarly situated, upon both personal knowledge and information and belief, alleges as follows:

1. This class action is brought against Defendants for negligently contaminating the pet food supply making the food unfit for animal consumption and harmful and for purposefully failing to warn consumers of the contaminated pet food. As a result of Defendant's actions, Plaintiff and other similarly situated pet owners have been damaged.

PARTIES

2. Plaintiffs Richard and Barbara Widen are a married couple and residents

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of Benton County, Arkansas. Plaintiffs lost two cats due to the contaminated food produced, distributed, marketed, and sold by the Defendants.

3. Defendant, Menu Foods Income Fund (Menu Foods) is an unincorporated company with its principal place of business in Ontario, Canada. It is doing business in the State of Arkansas and has availed themselves of the protections of the State of Arkansas. Jurisdiction is appropriate pursuant to the Arkansas Long Arm Statute, Ark. Code Ann. 16-4-101 and service may be effected through the Hague convention on service abroad of judicial and extrajudicial documents and civil or commercial matters at 8 Falconer Drive, Streetsville, ON, Canada L5N 1B1.

Menu Foods Midwest Corp. is a Delaware corporation and may be served through its registered agent for service, The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington DE. Defendant, Menu Foods Holding, Inc., is a Delaware corporation and may be served through it registered agent for service, The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington Delaware. Menu Foods operates two manufacturing plants in the United States and distributes their pet food products throughout the entire United States including Arkansas.

Defendant, Menu Foods, Inc. is a New Jersey corporation and may be served through its registered agent for service, Corporation Trust Company, 820 Bear Tavern Road, West Trenton, New Jersey. Upon information and belief, Defendants Menu Food Midwest Corp., Menu Foods South Dakota Inc., Menu Foods, Inc., and Menu Foods Holdings, Inc., are wholly owned subsidiaries of Menu Foods Income Fund, a business registered in and headquartered in Ontario, Canada. The above listed Defendants are hereinafter referred to collectively as "Defendants" or "Menu Foods"

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4. Defendant Wal-Mart Stores, Inc, (Wal-Mart) is a Delaware corporation headquartered in Bentonville, Arkansas that sells Menu Food products throughout their retail stores in Arkansas and throughout the United States. Wal-Mart is the single largest distributor of Menu Foods products. Plaintiffs purchased the contaminated pet food at the Wal-Mart store in Bentonville, AR. Menu Foods produced some brands of pet food exclusively for Wal-Mart under a private label agreement.

JURISDICTION AND VENUE

- 5. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1332(d)(2). The matter in controversy exceeds \$5,000,000, is a class action and there are members of the proposed Class that are citizens of States different than at least one of the Defendants.
- 6. Venue is proper in this district under 28 U.S.C. § 1391 (b) and (d). Defendant Wal-Mart is headquartered in the District. Defendant Menu Foods Income Fund is a foreign corporation headquartered outside the United States and distributes, through retailers such as Wal-Mart, the pet food products in issue in the District. Additionally, Plaintiffs purchased the tainted pet food in the District.

FACTS

7. Defendant, Menu Foods told the U. S. Food and Drug Administration, that they had become aware of the contamination on February 20, 2007. Menu Foods believed that the contamination came from their supplier of Wheat Gluten. Defendant, Menu Foods conducted test to determine if the contamination was harmful to pets on February 27, 2007. The results of the test resulted in death to one out of every six pets who consumed the contaminated pet food.

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- Defendants Menu Foods and Wal-Mart did nothing to prevent the distribution of 8. the contaminated pet food until weeks after the discovery occurred. This action, or lack thereof, permitted and caused additional harm to thousands of pet owners in Arkansas and throughout the country.
- Plaintiffs owned two cats that were very healthy middle aged cats. The two cats 9. were named "Fred" and "Grinch." Plaintiffs fed the two cats "Special Kitty" cat food which was made by Menu Foods exclusively for Wal-Mart under a private label agreement.
- Beginning around February, 2007, Plaintiffs noticed that both cats were acting 10. differently and had begun to lose weight. In a tragic irony, Plaintiff forced the cats to eat more of the contaminated pet food, unaware that the pet food was contaminated and the cause of the poor health.
- On March 18, 2007, Plaintiff was finally made aware through the media that a 11. recall had been issued for the pet food by the Defendant, Menu Foods and that the pet food could cause kidney failure and other symptoms that were being experienced by the Plaintiffs' cats. On March 19, 2007, Plaintiffs took their cats to their veterinarian for examination. That same day, the veterinarian ran some tests and informed the Plaintiffs that both cats were suffering from kidney failure due to the consumption of the contaminated pet food. The veterinarian suggested that the only chance of survival for the cats was a very expensive procedure in which the likelihood of success was very small.

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- The veterinarian diagnosed the kidney failure to be the result of the cats 12. consumption of contaminated pet food. The veterinarian recommended that the Plaintiffs call a Menu Foods hotline number which she provided to the Plaintiffs. The hotline had been set up on or around March 17, 2007, nearly three weeks after Menu Foods had become aware of the problem. The veterinarian suggested that Menu Foods should pay for the expensive procedure.
- The Plaintiffs called the hotline number around a hundred times to determine if Menu Foods would pay for the procedure and never reached an operator or answering machine. Finally, out of desperation the Plaintiffs called another number for Menu Foods and left a message for somebody from Menu Foods to call them. The message was never returned.
- Around 3:30 p.m. on the afternoon of March 19, 2007, Plaintiffs made the 14. decision that their cats could not suffer any further and euthanized the cats.

CLASS ACTION ALLEGATIONS

- Plaintiffs brings all claims as class claims pursuant to Rule 23 of the Federal 15. Rules of Civil Procedure. The requirements of Rule 23 are met with respect to the Class defined below.
- Plaintiffs bring their claims on their own behalf, and on behalf of the following 16. Class:
 - All persons in the United States who purchased contaminated pet food from Wal-Mart that was produced by Menu Foods.
- The Class is so numerous that joinder of the individual members of the proposed 17. Class is impracticable. The Class, upon information and belief, includes millions of members.
- Questions of law or fact common to the Class exist as to Plaintiff and all Class 18. Members, and these common questions predominate over any questions affecting only individual members of the Class. Among the common questions of law or fact are the following:

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- Whether Defendants were negligent in allowing pet food products in the United States to be contaminated with a dangerous ingredient that was not safe for consumption.
- Whether Defendants owed a duty to pet owners by ensuring that b. the pet food was not contaminated with dangerous ingredients;
 - Whether Defendants' conduct amounted to breach of such a duty; c.
- Whether Defendants' conduct was a proximate cause of Plaintiff's d. and the Class Members' damages;
- Whether Defendants are responsible for the contamination of the e. pet food;
 - Whether Defendants were negligent per se; f.
 - Whether Defendants are strictly liable; g.
 - Whether Defendants breached their warranty of merchantability. h,
- Whether Defendants produced, marketed, distributed, and sold a i. defective product
- Whether Defendants failed to adequately warn consumers of contaminated pet food.
 - Whether Defendants purposefully failed to adequately warn k. consumers of contaminated food supply for economic benefit.
- Whether Plaintiff and the Class Members are entitled to damages, 1. and, if so, the proper amount of such damages; and
- Whether Defendants purposefully failed to adequately warn consumers of contaminated food supply for economic benefit.

COUNT I

Negligence Negligence

- Plaintiff incorporates by reference all of the allegations contained above. 19.
- Defendants owed a duty to Plaintiff to ensure that the pet food was not 20. contaminated with dangerous and harmful ingredients.

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- Defendants breached that duty by allowing the contamination of the pet 21. food supply with a dangerous and harmful ingredient during the approximate time of time January 2007 to March, 2007.
 - Defendants' actions proximately caused damage to Plaintiff and the Class. 22.
- Plaintiff and the Class have suffered damages by a loss of property, cost of 23. medical bills, and cost of purchasing new, uncontaminated pet food.

COUNT II

Negligence Per Se

- Plaintiff incorporates by reference all of the allegations contained above. 24.
- Defendants' acts and/or omissions as described herein constitute 25. negligence per se.
- Defendants had a duty to ensure that their pet food was produced, 26. transported, marketed, distributed, and sold in a manner consistent with governmental regulations.
 - Defendants breached this duty in violation of regulatory standards. 27.
- Such breaches directly and proximately caused damages to the Plaintiff 28. and the Class.
- Plaintiff and the Class have suffered damages due to Defendants failure to 29. conform to the United States Food and Drug Administration regulations.

COUNT III

Strict Liability- Defective in Design or Manufacture

Plaintiff incorporates by reference all of the allegations contained above. 30.

- Defendants placed into the stream of commerce an unreasonably 31. dangerous product that is not fit for consumption and in violation of the Defendants Warranty of Merchantability owed to Plaintiff.
- As a result of Defendants' actions, Plaintiff and the Class Members have 32. suffered significant damages.
- Exercise of reasonable care by the Plaintiffs and the Class members could 33. not have eliminated the dangerous product or prevented the related injuries.
- Plaintiff and the Class Members have been damaged enormously, and they seek injunctive relief from further contamination, compensatory damages, punitive damages for reckless and willful conduct, attorney fees and costs, and all other proper and just relief.

COUNT IV

Strict Product Liability - Failure to Warn

- Plaintiff incorporates by reference all of the allegations contained above. 35.
- Defendants placed into the stream of commerce an unreasonably 36. dangerous product that is not fit for consumption.
- Defendant failed to warn Plaintiff or Class Members of the dangers on the 37. Defendants' labels or through other means of advertising until after enormous damage had been suffered by the Plaintiffs and the Class Members.
- Even after Defendant became aware of the dangerous contamination of its 38. pet food, they still refused to warn the consumers and allowed countless other consumers to purchase the contaminated pet food and suffer great harm.

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- As a result of Defendants' actions, Plaintiff and the Class Members have 39. suffered significant damages.
- Exercise of reasonable care by the Plaintiffs and the Class members could 40. not have eliminated the dangerous product or prevented the related injuries.
- Plaintiff and the Class Members have been damaged enormously, and 41. they seek injunctive relief from further contamination, compensatory damages, punitive damages for reckless and willful conduct, attorney fees and costs, and all other proper and just relief.

JURY TRIAL DEMANDED

42. Plaintiff demands a jury of twelve.

PRAYER

WHEREFORE, Plaintiff, on behalf of himself and all others similarly situated, request that he and the other Class Members have judgment entered in their favor and against Defendants, as follows:

- An order certifying that this action, involving Plaintiff's and the Α. Class Members' separate and distinct claims, be maintained as a nationwide class action under Rule 23 of the Federal Rules of Civil Procedure and appointing Plaintiff and their undersigned counsel to represent the Class;
- An award, for Plaintiff's and each Class Members' separate and B. distinct claims, of compensatory damages and pre- and post-judgment interest thereon;
- An award for Plaintiff's and the Class Members of punitive C. damages for reckless and wanton conduct;

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Injunctive relief to prevent further contamination of the American D. pet food supply; and

> All other appropriate and just relief. E.

DATED: March 23, 2007

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