UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 2:23-cv-10541 MWC (SSCx) Date: May 19, 2025

Title Kendrick Davis v. Clients on Demand, LLC *et al.*

Present: The Honorable: Michelle Williams Court, United States District Judge

T. Jackson	No Reporter
Deputy Clerk	Court Reporter / Recorder
Attorneys Present for Plaintiffs: N/A	Attorneys Present for Defendants: N/A

Proceedings: (IN CHAMBERS) Order GRANTING IN SUBSTANTIAL PART Plaintiff's motion for class certification (Dkts. # 42, 49)

Before the Court is a motion for class certification filed by Plaintiff Kendrick Davis ("Plaintiff"). Dkt. # 49 ("*Mot.*"). Defendants Clients on Demand, LLC ("Clients on Demand") and Russell Ruffino ("Ruffino") (collectively, "Defendants") opposed, Dkt. # 63 ("*Opp.*"), and Plaintiff replied, Dkt. # 64 ("*Reply*"). The Court finds the matter appropriate for decision without oral argument. *See* Fed. R. Civ. P. 78; L.R. 7-15. Having considered the moving and opposing papers, the Court **GRANTS IN SUBSTANTIAL PART** Plaintiff's motion for class certification.

I. Background

Plaintiff brings this class action on behalf of himself, and all others similarly situated, against Defendants based on eight causes of action:

(1) Fraudulent inducement;
(2) Violation of the Seller Assisted Marketing Plan ("SAMP") Act;
(3) Violation of California's Consumers Legal Remedies Act ("CLRA");
(4) Violation of California's False Advertising Law;
(5) Violation of the unfair and fraudulent prongs of California's Unfair Competition Law;
(6) Violation of the unlawful prong of California's Unfair Competition Law;
(7) Breach of express warranty; and
(8) Breach of contract.

Dkt. # 36 ("*FAC*"). Plaintiff is a citizen of Georgia who offers mentoring and coaching services to troubled youth. *Id.* ¶ 12. Defendant Clients on Demand is a California limited liability company that helps experts and coaches grow their client base. *See id.* ¶¶ 13, 16–18. Defendant Ruffino is the founder and CEO of Clients on Demand. *Id.* ¶ 14. Plaintiff alleges that "[Plaintiff] paid Clients on Demand $9,000 for what he was told would be a turnkey coaching business that included a complete website for [him], all of the technical backend work necessary to drive clients to [Plaintiff], as well as marketing materials customized for [Plaintiff]." *Id.* ¶ 12.

Plaintiff's causes of action are predicated on Defendant's alleged deceptive and fraudulent advertising scheme. *Id.* ¶¶ 1–2. Plaintiff's complaint provides examples of numerous alleged misrepresentations, centered around the allegation that Defendants falsely claim, in exchange for thousands of dollars, that they will do all the tech, sales, and marketing legwork necessary to build an "all done for you," "100% turnkey" online coaching business for consumers like Plaintiff, which will bring in new clients like clockwork at $5,000 to $10,000 prices. *See, e.g.*, *id.* ¶ 2. In reality, the complaint alleges Defendants "pocket[] thousands of dollars from their consumer-victims," and then "stop pretending they'll do anything to actually build out their consumer-victims' businesses." *Id.* ¶ 3. Ultimately, Plaintiff asserts that "Defendant's false and deceptive advertising injures unsuspecting consumers . . . who pay Defendants thousands for a '100% turnkey' coaching business and a full refund guarantee, and instead, get webinar recordings, and long to-do lists, but no refund." *Id.* ¶ 5. Plaintiff's complaint further alleges that Defendants never provide prospective students with a SAMP information sheet, earnings claim statement, or earnings claims disclosures as required by Civil Code § 1812.206 and 16 C.F.R. § 437.4(a)(4) and (b)(1) and (3). *Id.* ¶¶ 78–101, 141–76; *Mot.* 4:14–18 ("There is also common evidence of Clients on Demand's omissions: there is absolutely no evidence whatsoever that Clients on Demand ever provided prospective students with a [SAMP] information sheet, earnings claim statement, or earnings claims disclosures . . . ." (emphasis in original)).

Plaintiff first saw social media advertisements featuring Defendants' coaching program in May 2023. Dkt. # 42-1 ("*Davis Decl.*"), ¶ 4. In the video advertisement, Ruffino touted the lifestyle benefits that Plaintiff could obtain by hiring Clients on Demand to build a coaching platform for Plaintiff. *Id.* ¶ 4. Plaintiff alleges that Ruffino mentioned the program came with a full-refund guarantee. *Id.* The Clients on Demand advertisements directed Plaintiff to book a phone call with a Clients on Demand sales

representative. *Id.* ¶ 5. Plaintiff booked the call, and a sales representative called Plaintiff and pitched him an eight-week program that would build an online coaching business for Plaintiff. *Id.* ¶¶ 5–6 ("During the sales call, I was led to believe that Clients on Demand would do all the heavy lifting of building an online coaching platform for me. The sales representative also told me that my income goals were 'absolutely doable' and that working at $100,000.00 a month was something Clients on Demand did 'time and time again.'"); Dkt. # 42-8 ("*Plaintiff's Call*"), 52:15–53:10 (recording of the sales call, during which the representative states: "Finally, it's our world class support. This is honestly where most coaching programs drop the ball. They hand you a bunch of information, they leave you on your own to figure it out . . . . If they do give you support, it's minimal. We are the complete opposite of that. We build this entire thing right alongside with you."). Relying on Defendants' alleged misrepresentations, Plaintiff spent $9,000 on the Clients on Demand program, yet he was never delivered a single client, Clients on Demand did not do the heavy lifting of building an online platform for him, and Plaintiff never received a refund. *Davis Decl.* ¶¶ 10–13 ("Though Clients on Demand's advertising presented the full-refund guarantee as available to anyone who tried the eight-week program, the company actually imposed myriad [sic] cumbersome restrictions and limitations on consumers who sought to obtain the refund.").

In a declaration, Ruffino describes the Client on Demand advertising funnel, stating that it resembles the process it teaches its consumers to use on their prospective clients. Dkt. # 63-1 ("*Ruffino Decl.*"), ¶ 19. Defendants' prospective clients learn about the Clients on Demand program from social media advertisements. *Id.* The advertisements guide them to provide their name, email, and phone number, and then the potential clients are redirected to a page where they watch Defendants' video pitch. *Id.* After watching Defendants' video, prospective consumers are prompted to apply for a sales call. *Id.*

Plaintiff filed this lawsuit on December 15, 2023, *see* Dkt. # 1, and filed an amended complaint on October 16, 2024, *see FAC*. On February 14, 2025, Plaintiff filed this motion to certify the following proposed class:

> All natural persons in the United States who, within the applicable statute of limitations period until the date notice is disseminated, purchased an eight-week program from Clients on Demand and who have not received a full refund on their purchase price.

Mot. 2:8–11. The proposed class excludes "government entities, Defendants, any entity in which Defendants have a controlling interest, and Defendants' officers, directors, affiliates, legal representatives, employees, successors, subsidiaries, and assigns . . . . any judge, justice, or judicial officer presiding over this matter and the members of their immediate families and judicial staff." *Id.* 2:9–11, n.1. Plaintiff further requests certification of a Voidable SAMP Contract Subclass, consisting of: "All members of the Class who purchased an eight-week program from Clients on Demand within one year before the filing of this Class Action Complaint until the date notice is disseminated." *Id.* 2:12–15.

II. Legal Standard

Federal Rule of Civil Procedure ("Rule") 23 "provides a procedural mechanism for 'a federal court to adjudicate claims of multiple parties at once, instead of in separate suits.'" *Olean Wholesale Grocery Coop., Inc. v. Bumble Bee Foods LLC*, 31 F.4th 651, 664 (9th Cir. 2022) (en banc) (quoting *Shady Grove Orthopedic Assocs., P.A. v. Allstate Ins. Co.*, 559 U.S. 393, 408 (2010)).

To obtain class certification under Rule 23, plaintiffs must make two showings. "First, the plaintiffs must establish 'there are questions of law or fact common to the class,' as well as demonstrate numerosity, typicality and adequacy of representation." *Id.* (quoting Fed. R. Civ. P. 23(a)). "Second, the plaintiffs must show that the class fits into one of three categories [under Fed. R. Civ. P. 23(b)]." *Id.*

Before certifying a class, a district court must be "satisfied, after a rigorous analysis, that the prerequisites" for class certification have been met. *Id.* (citing *Gen. Tel. Co. of Sw. v. Falcon*, 457 U.S. 147, 161 (1982), and *Comcast Corp. v. Behrend*, 569 U.S. 27, 35 (2013)). "Plaintiffs wishing to proceed through a class action must actually prove—not simply plead—that their proposed class satisfied each requirement of Rule 23, including (if applicable) the predominance requirement of Rule 23(b)(3),' and must carry their burden of proof 'before class certification.'" *Id.* (quoting *Halliburton Co. v. Erica P. John Fund, Inc.*, 573 U.S. 258, 275–76 (2014)) (cleaned up). "[P]laintiffs must prove the facts necessary to carry the burden of establishing that the prerequisites of Rule 23 are satisfied by a preponderance of the evidence." *Id.* at 665. In meeting that burden, plaintiffs may use "any admissible evidence." *Id.*

While the class certification analysis may "entail some overlap with the merits of the plaintiff's underlying claim," those "merits questions may be considered only to the extent that they are relevant to determining whether the Rule 23 prerequisites for class certification are satisfied." *Id.* at 667 (quoting *Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338, 351 (2011), and *Amgen Inc. v. Conn. Ret. Plans & Tr. Funds*, 568 U.S. 455, 466 (2013)) (cleaned up). "Rule 23 grants courts no license to engage in free-ranging merits inquiries at the certification stage." *Id.* (quoting *Amgen*, 568 U.S. at 466).

III. Discussion

A. Evidence

Defendants assert evidentiary objections along with their opposition. *See Opp.* 19:18–27; Dkt. # 55. To the extent the Court relies on objected-to evidence, it relies only on admissible evidence and, therefore, the objections are overruled. *See Godinez v. Alta-Dena Certified Dairy LLC*, No. CV 15-01652 RSWL (SSx), 2016 WL 6915509, at *3 (C.D. Cal. Jan. 29, 2016). Notably, Defendants merely provide one-word objections for each exhibit, leaving Plaintiff and the Court to speculate as to the underlying arguments. *See Sandoval v. County of San Diego*, 985 F.3d 657, 666 (9th Cir. 2021) ("Because the defendants did not explain these objections, we are largely reduced to guessing at the arguments underlying them.").

B. Standing

Defendants argue that Plaintiff lacks standing to the extent his claims rely on any advertising other than the specific Facebook advertisement that he watched before purchasing the eight-week program. *See Opp.* 20:11–21 ("[Plaintiff] never viewed or relied upon any other advertising and therefore, did not suffer any injury-in-fact based on other advertising."). Defendant further asserts that Plaintiff "lacks standing to bring a claim under [the CLRA] . . . because the plaintiff must be a 'consumer' to have standing to bring such a claim." *Id.* 20:22–21:9. Defendant points to Plaintiff's declarations for the proposition that Plaintiff "clearly reveals that he enrolled in the program for business," and thus cannot be a "consumer" under CLRA, which would require Plaintiff to have purchased Defendants' program for personal, family, or household purposes. *Id.* (citing Cal. Civ. Code § 1761(d)).

The "irreducible constitutional minimum" of Article III standing has three elements: (1) "the plaintiff must have suffered an injury in fact—an invasion of a legally

protected interest" that is "concrete and particularized" and "actual or imminent;" (2) "there must be a causal connection between the injury and the conduct complained of;" and (3) "it must be likely, as opposed to merely speculative, that the injury will be redressed by a favorable decision." *Lujan v. Defs. of Wildlife*, 504 U.S. 555, 560–61 (1992) (internal quotation marks omitted). The plaintiff, as the party invoking federal jurisdiction, has the burden of establishing these elements. *See id.* at 561. Article III standing bears on the court's subject matter jurisdiction and is therefore subject to challenge under Rule 12(b)(1). *See Maya v. Centex Corp.*, 658 F.3d 1060, 1067 (9th Cir. 2011).

As to Plaintiff only having viewed one Facebook advertisement, Plaintiff nonetheless has standing due to the alleged injury in fact of relying on misrepresentations in that advertisement and spending $9,000 on Defendants' eight-week program. If Defendants are attempting to make an argument that Plaintiff cannot represent the class because he has subtle differences from other class members (e.g., he watched a Facebook, not Instagram, advertisement), the Court addresses that argument below, particularly when addressing predominance in Section III(D)(i). *See Bruno v. Quten Research Inst., LLC*, 280 F.R.D. 524, 530–31 (C.D. Cal. 2011) ("District courts in California routinely hold that the issue of whether a class representative 'may be allowed to present claims on behalf of others who have similar, but not identical, interests depends not on standing, but on an assessment of typicality and adequacy of representation.' Treatises and other circuits reach the same conclusion.").

In responding to Defendants' argument that Plaintiff is not a "consumer" under the CLRA because he purchased the program for business, not personal purposes, Plaintiff notes that Defendants' marketing emphasizes "the supposed *lifestyle* benefits" of their program and Plaintiff purchased the program with his "personal credit card," not corporate funds (like a credit card connected to Plaintiff's LLC), for lifestyle and personal purposes. *Reply* 2:2–3:23; *see Davis Decl.* ("In [the advertisement] videos, Mr. Ruffino spoke compellingly about the money and lifestyle benefits I could obtain by hiring Clients on Demand . . . ."); Dkt. # 64-2, 61:1–63:8 (when asked in deposition about Plaintiff's "business purpose," Plaintiff responded: "I -- provide a service . . . . to provide a mentoring, counseling, coaching, understanding to help a parent that has a troubled teen . . . . That's my heart's desire . . . . Does it have to be . . . . a business reason? I'm sorry. I apologize. Does it have to be a business reason or a reason behind the passion by which I desire to serve? . . . . [M]y overall thought process was to help people . . . . I don't think the business part that you're asking me about, I don't know it was the forefront of my

thought."). At this juncture, the Court is satisfied that Plaintiff has provided evidence allowing a reasonable factfinder to conclude that Plaintiff is a "consumer" under the CLRA. *See In re Ford Tailgate Litig.*, No. 11-cv-02953-RS, 2015 WL 7571772, at *10 (N.D. Cal. Nov. 25, 2015) ("Morelli uses his car in connection with his job as a property manager . . . . These facts suggest that Morelli intended to use the vehicle for commercial purposes at least partially. However, Morelli testified the car is his family car . . . . Thus, there is sufficient evidence from which 'a fair-minded jury' could conclude that Morelli purchased the car 'primarily for personal, family, or household purposes,' and he therefore has standing.").

Accordingly, the Court finds that Plaintiff has demonstrated standing.

C. Rule 23(a)

i. Numerosity

Rule 23(a) requires that the class be "so numerous that joinder of all members is impracticable." Fed. R. Civ. P. 23(a)(1). Numerosity does not have a fixed numerical threshold and instead requires an examination of the specific facts of each case. *Rannis v. Recchia*, 380 F. App'x 646, 651 (9th Cir. 2010) (citing *Gen. Tel. Co. of the Nw. v. Equal Emp. Opportunity Comm'n*, 446 U.S. 318, 330 (1980)). Courts generally find numerosity met when a class contains at least forty members. *Id.* (citation omitted).

Plaintiff argues that "Client on Demand's business records suggest that during the proposed Class period, hundreds of consumers purchased the Client's on Demand program. Mr. Davis is listed as purchasing a program titled 'Clients on Demand' and there are more than 40 other purchases listed in May 2023 alone. The record is also contains [sic] instances where Mr. Ruffino or Clients on Demand boast about the number of students who have enrolled." *Mot.* 6:12–23. Defendant responds that "only 104 people ever entered into User Agreements that included the Conditional Guarantee, and Plaintiff's Motion provides no competent basis upon which the Court can discern how many of those 104 people have actually suffered any injury, since the vast majority were satisfied with the results of the program." *Opp.* 21:17–22. However, it is not clear why Defendants indicate the Court should analyzed class members' satisfaction with the program when evaluating numerosity.

The Court finds that the class meets the numerosity element as the proposed class exceeds forty members. *See Rannis*, 380 Fed. App'x at 651 ("In general, courts find the numerosity requirement satisfied when a class includes at least 40 members.").

ii. Commonality

Rule 23 contains two related commonality provisions. Fed R. Civ. P. 23. Rule 23(a)(2) requires that there be "questions of law or fact common to the class." Rule 23(b)(3), in turn, requires that such common questions predominate over individual ones.

The Ninth Circuit has explained that Rule 23(a)(2) does not preclude class certification if fewer than all questions of law or fact are common to the class. *See Hanlon v. Chrysler Corp.* 150 F. 3d 1011, 1019 (9th Cir. 1998) ("The commonality preconditions of Rule 23(a)(2) are less rigorous than the companion requirements of Rule 23(b)(3). Indeed, Rule 23(a)(2) has been construed permissively. All questions of fact and law need not be common to satisfy the rule. The existence of shared legal issues with divergent factual predicates is sufficient, as is a common core of salient facts coupled with disparate legal remedies within the class."). "Rule 23(b)(3), in contrast, requires not just that some common questions exist, but that those common questions *predominate*." *Kennedy v. Jackson National Life Ins.*, No. C 07-0371 CW, 2010 WL 2524360, at *4 (N.D. Cal. Jun. 23, 2010) (emphasis in original).

Here, Plaintiff identifies numerous overarching common questions to the proposed class, including:

- Whether Clients on Demand and Ruffino made material misrepresentations about the eight-week program;
- Whether a reasonably prudent consumer would find Defendants' alleged misrepresentations to be misleading;
- Whether the Clients on Demand program falls under the legal definition of SAMP;
- Whether the Clients on Demand program is a "business opportunity" under 16 C.F.R. 437.1(c); and
- Whether purchasers of Defendants' program are "consumers" under the CLRA.

Mot. 7:15–27. The common issues of Defendants' conduct are enough to meet "the relatively 'minimal' showing required to establish commonality." *Ries v. Ariz. Beverages USA LLC*, 287 F.R.D. 523, 537 (N.D. Cal. 2012) (citing *Hanlon*, 150 F.3d at 1020). Indeed, when establishing commonality, "[t]he existence of shared legal issues with divergent factual predicates is sufficient." *Philips v. Ford Motor Co.*, No. 14-CV-02989-LHK, 2016 WL 7428810, at *7 (N.D. Cal. Dec. 22, 2016) (quoting *Hanlon*, 150 F.3d at 1019), *aff'd*, 726 F. App'x 608 (9th Cir. 2018). Furthermore, the Court's below discussion of predominance provides additional reasons to find that Plaintiff has established commonality.

iii. Typicality

Rule 23(a)(3) requires that the claims or defenses of the named Plaintiff be "typical of the claims or defenses of the class." Fed. R. Civ. P. 23(a)(3). "[R]epresentative claims are 'typical' if they are reasonably co-extensive with those of absent class members; they need not be substantially identical." *Hanlon*, 150 F.3d at 1020. "The test of typicality 'is whether other members have the same or similar injury, whether the action is based on conduct which is not unique to the named plaintiffs, and whether other class members have been injured by the same course of conduct.'" *Evon v. Law Offices of Sidney Mickell*, 688 F.3d 1015, 1030 (9th Cir. 2012).

Here, Plaintiff "saw social media advertisements featuring [] Ruffino promoting Clients on Demand's eight-week program." *Davis Decl.* ¶ 4 ("In those videos, Mr. Ruffino spoke compelling about the money and lifestyle benefits I could obtain by hiring Clients on Demand to build a turnkey coaching platform for me. In at least one of the videos I saw, Mr. Ruffino also touted the fact that the program came with a full-refund guarantee."). Based upon the representations in the advertisements, Davis booked a "breakthrough call" with a Clients on Demand sales representative. *Id.* ¶ 5. During the phone conversation, the sales representative made additional pitches, including that Clients on Demand would "essentially hand-deliver[] [Plaintiff with] clients willing to pay," "do all the heavy lifting of building an online coaching platform," and that "working at $100,000.00 a month was something Clients on Demand did 'time and time again.'" *Id.* ¶¶ 5–6. Ultimately, Plaintiff paid Clients on Demand $9,000, relying on Defendants' advertising about its services and the money Plaintiff would make if he bought the eight-week program. *Id.* ¶ 7. Defendants never provided Plaintiff with any SAMP information sheet or any other financial documents about its consumers' outcomes. *Id.* ¶¶ 8–9. Clients on Demand did not do the "heavy lifting" of building

Plaintiff an online coaching platform; to the contrary, Plaintiff states that "once I had spent $9,000.00, I was handed a to-do list of things I had to do and services I had to buy *for myself*." *Id.* ¶ 12. Clients on Demand did not "deliver" Plaintiff "a single client at any point," and when Plaintiff requested a refund, Clients on Demand denied it. *Id.* ¶¶ 11–13.

In response, Defendants argue that "[Plaintiff]'s claims are subject to a number of unique defenses that make certification improper." *Opp.* 23:6–7. First, Defendants argue that Plaintiff's "position is that Clients on Demand should be held liable because it did not 'hand-deliver' paying clients to him," but that is "inconsistent with the actual facts." *Id.* 23:7–12 (arguing that the facts show Plaintiff "understood and enrolled in Client on Demand's eight-week program to learn sales and marketing strategies and build out a Sales Funnel that would enable him to attract those paying clients"). However, Defendants fail to provide any evidence backing the statement that regardless of the representations in the advertisements, Plaintiff understood and enrolled in the eight-week program. *Id.* (omitting citations). If Defendants' evidence is simply that Plaintiff "enrolled" in the program, then that would be true for all class members and is not an argument appropriate for the typicality analysis. Ultimately, it appears Defendants mistake what might be a merit-based summary judgment or trial argument, as an argument regarding typicality at the class certification stage.

Second, Defendants argue that "Mr. Davis is uniquely vulnerable to attack based on his abandonment of the program and his failure to do the work necessary to allow Clients on Demand to build his Sales Funnel and see whether it would generate 'paying clients.'" *Id.* 23:12–15. Yet, Defendants fail to explain why Davis's interests do not align with class members because he may have more quickly determined he had been misled.

Similarly, Defendants argue that Plaintiff's failure to respond to an email from Clients on Demand that sought to discuss Plaintiff's refund request further "subjects to him [sic] to unique defenses, as does the fact that he had two weeks to review the User Agreement before signing it." *Opp.* 23:15–18.[1] Yet, Defendants fail to specify any

[1] Defendants assert that Plaintiff "is not seeking to rescind the User Agreement" as a reason he is not typical of the class. *Opp.* 23:22–25. This assertion does not align with Plaintiff's complaint, which does in fact state that "the User Agreement is voidable." *FAC* ¶ 98.

"unique" defense that they can pursue against Plaintiff because Plaintiff stopped engaging with the company after he believed the company had deceived him and because he took more time than other class members to review his User Agreement. The Court will not speculate for Defendants.

The Court finds that Plaintiff has presented an evidence-supported theory that Defendants exposed all class members, including himself, to the same alleged misrepresentations and that Defendants failed to provide Plaintiff and the class members with documentation under California law (e.g., SAMP). Accordingly, Plaintiff establishes typicality because Plaintiffs' claims stem from the same allegedly unlawful conduct, policies, and practices. *See Hopkins v. Stryker Sales Corp.*, No. 5:11-CV-02786-LHK, 2012 WL 1715091, at *7 (N.D. Cal. May 14, 2012) (finding that "differences between [named plaintiffs'] damages and the damages of other putative class members do not defeat typicality because 'each of the Plaintiffs' claims stem from the same allegedly unlawful policies and practices.'"); *Schneider v. Chipotle Mexican Grill, Inc.*, 328 F.R.D. 520, 537–38 (N.D. Cal. 2018) (citing *Hopkins* for same).

iv. Adequacy

Rule 23(a)(4) requires that the class representatives "will fairly and adequately protect the interests of the class." Representation is adequate when the named plaintiffs and their counsel do not "have any conflicts of interest with other class members" and the named plaintiffs and their counsel will "prosecute the action vigorously on behalf of the class." *Evon*, 688 F.3d at 1031.

Defendant repeats arguments from their typicality section. For example, Defendant forwards the merit-based argument that, "Mr. Davis's groundless position that his claim is based on Clients on Demand's failure to 'hand-deliver' him paying clients—as opposed to providing him with the services and training offered by the program—places him in direct conflict with the claims of other class members who differ with that characterization of the transaction." *Opp.* 24:14–21. Defendant provides no legal authority or factual evidence for the argument, and the Court again finds that whether Plaintiff has taken a "groundless position" is a merit-based argument not proper at this stage.

Defendant next argues that Plaintiff's criminal background "renders him unsuitable to represent the class." *Id.* 24:25–25:6. Plaintiff responds that it has been

"fifteen years since [Plaintiff]'s convictions and there is no nexus whatsoever between his history and this case or his duties as class representative." *Reply* 7:11–23. The Court agrees with Plaintiff. Defendant has not established that Plaintiff's prior criminal history, from over a decade ago, is related to the claims at issue in this lawsuit. *See Chupa v. Armstrong Flooring, Inc.*, No. 2:19-CV-09840-CAS (MRWx), 2020 WL 1032420, at *3 (C.D. Cal. Mar. 2, 2020) ("[I]n general, Courts *only* disqualify a proposed lead plaintiff because of his prior criminal history if his prior convictions are *related* to the claims they seek to prosecute on behalf of the proposed class." (citations omitted) (emphasis in original)).

Defendants argue that Plaintiff's "deposition conduct indicates that he is unable or unwilling to vigorously prosecute the case on behalf of the class." *Opp.* 25:7–14. Defendant cites to Plaintiff stating he did not want to "relive . . . the deception and the pain and the hurt" when asked about terms in Defendant's User Agreement and Conditional Guarantee. *Id.*; Dkt. # 54-19, 159:11–25. The Court does not find that this one example of Plaintiff not directly answering a deposition question is enough to defeat adequacy.

The Court finds that Plaintiff and Plaintiff's counsel (a consumer law firm with extensive experience in class actions, *see Mot.* 10:5–19) are adequate representatives.

D. Rule 23(b)(3)

For a class to be certified under Rule 23(b)(3), a plaintiff must, along with satisfying the requirements of Rule 23(a), satisfy two requirements commonly known as "predominance" and "superiority." Fed R. Civ. P. 23(b)(3).

i. Predominance

The central Rule 23(b)(3) inquiry is whether "the proposed classes are sufficiently cohesive to warrant adjudication by representation." *Amchem Products, Inc. v. Windsor,* 521 U.S. 591, 594 (1997). If common questions "present a significant aspect of the case and they can be resolved for all members of the class in a single adjudication," then "there is clear justification for handling the dispute on a representative rather than on an individual basis," and the predominance test is satisfied. *Hanlon,* 150 F.3d at 1022. "'[I]f the main issues in a case require the separate adjudication of each class member's individual claim or defense, [however,] a Rule 23(b)(3) action would be inappropriate.'"

Zinser v. Accufix Research Institute, Inc., 253 F.3d 1180, 1190 (9th Cir. 2001) (quoting 7A Charles Alan Wright, Arthur R. Miller & Mary Kay Kane, FEDERAL PRACTICE AND PROCEDURE: CIVIL 2D § 1778, at 535–39 (1986)).

Defendant argues that individual issues prevent Plaintiff from establishing predominance. First, Defendant argues "significant individual issues exist as to which advertisements the class members viewed and relied upon, since the content of these advertisements changed over time to reflect the different terms and conditions of the program."[2] *Opp.* 25:24–27. Yet, Defendant fails to provide any authority or otherwise point the Court to any advertisement that is substantively different than the others or that does not contain the alleged material misrepresentations. *See id.*; *Makaeff*, 2014 WL 688164, at *7, 12 (certifying a class of individuals who purchased defendant's "3-day live 'Fulfillment' workshop and/or a 'Elite' program [] within the applicable statute of limitations and have not received a full refund" and noting that "[d]efendants assert that

[2] The Court notes that Defendant argues class members were exposed to *different* advertisements, not that class members were never exposed at all to Defendants' social media campaign. Nevertheless, even if Defendant had forwarded the latter argument, this case aligns with *Makaeff v. Trump Univ., LLC*, No. 3:10-CV-0940-GPC-WVG, 2014 WL 688164, at *14 (S.D. Cal. Feb. 21, 2014). In *Makaeff*, the district court granted class certification of claims that Trump University made material misrepresentations to entice consumers into purchasing successively more expensive "real estate investing seminars." *Id.* at *2. In examining predominance, the district court determined that although the advertising at issue "w[as] not part of a massive advertising campaign," it was "uniform, highly orchestrated, concentrated, and focused on its intended audience." *Id*. at *13. It also noted that the nature of the product and "the effect of this campaign" made it "highly likely" that anyone who paid for and attended the "real estate investment seminars" likely did so based on Trump University's targeted campaign. *Id.* Similarly, in this case, Plaintiff demonstrates that Defendant's media campaign was highly standardized and acted as a sales "funnel" with class members clicking on a social media advertisement, which then channeled them to a sales call and eventual purchase of the program. *See* Dkt. # 44-2 (depiction of sales funnel); Dkt. # 63-1, ¶ 19 (acknowledging, in a declaration from Russino, that "[p]rospective program participants learn about [Defendant]'s program from Facebook ads"). Indeed, there is no indication in the record that a proposed class member might have learned about Defendants' eight-week program in a way that did not involve one of Defendant's advertisements, or did not involve exposure to the alleged misrepresentations.

[defendants'] advertisements and promotional materials changed frequently, making it unlikely that all of the putative class members were exposed to the same representations. A review of the record reveals substantial evidence of common misrepresentations made to all putative class members."). It is not enough for Defendants to generally assert that the advertisements changed slightly over time. Defendants would need to plausibly assert that some advertisements contained the alleged material misrepresentations while others did not.

Second, Defendant argues that "to the extent such fraud-based claims are based upon telephone discussions, each claim would need to be evaluated based on the specific representations made in the individual calls with each class member." *Opp.* 25:27–26:2. Not so. The Ninth Circuit has clarified that class treatment may be permitted in fraud cases where "a standardized sales pitch is employed." *In re First Alliance Mortg. Co.*, 471 F.3d 977, 991 (9th Cir. 2006). The Ninth Circuit favorably quoted a district court that had "focused on the evidence of a 'centrally orchestrated strategy' in finding that the 'center of gravity of the fraud transcends the specific details of oral communications.'" *Id.* (quoting *In re Am. Continental Corp./Lincoln Savings & Loan Secs. Litig.*, 140 F.R.D. 425, 430–31 (D. Ariz. 1992)). The record shows that Defendants had two versions of their sales script, both of which were similar and at times included the same alleged misrepresentations. *See e.g.*, Dkt. # 49-3, COD0719, COD0728, COD0740–41. Moreover, the language in both scripts mirrors the phone conversation that Plaintiff had with Defendants' sales representative. *See Plaintiff's Call* 36:07–26. Defendants' sales scripts (and Plaintiff's phone conversation) focus on asking questions about the individual's goals, so the sales representative can later assure the individual that those goals will be met. Notably, Defendant fails to specify any material differences between the sales scripts. And upon review, the Court finds none.

Third, Defendant avers that "[i]ndividual issues also exist based upon the changes to the program and the different terms and conditions that applied (most importantly, the limited time period in which the Conditional Guarantee was offered)." *Opp.* 26:2–6. However, Defendants tweaking their program every few months cannot defeat class certification. For example, Defendants state that Clients on Demand 4.0 required consumers to "draft their own copy for revisions by the Copyright Coach Defendants," whereas Clients on Demand 5.0 did not have that same requirement. *Id.* 8:12–16. Another update provided consumers with an "updated Member Area," which featured "new videos and training modules." *Id.* 8:21–26. Defendants fail to establish why these

updates are relevant, or material, to the alleged misrepresentations or claims in this lawsuit.

As to Defendants' argument about an offered Conditional Guarantee, Defendants refer to the Conditional Guarantee program, which they implemented from January 25, 2023 through June 19, 2023 (during the time Plaintiff watched Defendants' advertisement and signed up for the program). *Id.* 9:1–8. According to Defendants, the Conditional Guarantee program offered "participants who completed the program" eligibility "for a refund and $5,000 if their Sales Funnel did not generate at least five scheduled calls with potential clients." *Id.* During this time, Defendants state they provided thirteen consumers with partial or full refunds. *Id.* Defendants fail to elaborate as to why this might alter the predominant questions regarding Defendants' alleged misrepresentations and breaches. The Court finds it does not. The fact that some class members may have signed terms that did not include Plaintiff's identical refund provision is a contractual detail that does not defeat class certification in this action. Moreover, whether a class member has received a refund is a question of damages and that too does not defeat class certification. *See Blackie v. Barrack*, 524 F.2d 891, 905 (9th Cir. 1975) ("The amount of damages is invariably an individual question and does not defeat class action treatment.").

Last, Defendants argue that there are differences in the experiences of the individuals who decide to enroll in the program: "the vast majority of [Defendant's] program participants meaningfully engage in the program and were satisfied with the results" and therefore, "uninjured class members would constitute an *overwhelming majority* of the Proposed Class." *Id.* 26:2–19 (emphasis in original). Defendants cite that out of over 100 enrolled individuals, "[o]nly 13 people received partial or full refunds of their fee" and that Defendant has "maintained very low refunds and chargeback rates, and extremely high client satisfaction (4.7 out of 5 stars on TrustPilot)." *Id.* 6:3–7, 9:4–8. But Defendants do not clarify the relevance of these merit-based arguments. Moreover, it is plausible that Defendants could receive satisfactory ratings, and distribute few refunds, but still present material misrepresentations to consumers and violate consumer protections by not providing financial documentation. Accordingly, the Court is not persuaded by Defendants' arguments regarding predominance.

Defendants, however, did not raise the crucial issue of the definition of "consumer" under the CLRA (other than to argue that Plaintiff, individually, is not a "consumer"). *See generally Opp.* Under California Civil Code § 1761(d), "'[c]onsumer'

means an individual who seeks or acquires, by purchase or lease, any goods or services for personal, family, or household purposes." Cal. Civ. Code § 1761(d). To determine who is a consumer and who is not, an individualized inquiry would almost certainly be needed for each proposed class member. As discussed in Section III(B) above, the inquiry for Plaintiff himself is not certain, as there is both evidence that he purchased Defendants' program for business reasons as well as evidence he purchased the program for personal reasons. Moreover, Defendants' company is titled "Clients on Demand," which is an apt name given that the Defendants' service is advertised as helping coaches and experts attain *clients* for their business. It is therefore likely that many of the proposed class members purchased Defendants' product to attain clients for their coaching businesses, not for personal uses, and therefore, many proposed class members would not constitute "consumers" under the CLRA. Regardless of the answer for each class member, this consumer-status question is an individual one. For the CLRA cause of action, the Court finds that the consumer-status of each proposed class member would predominate. The Court determines that this individual inquiry will cause ascertainability and manageability issues with "every single class member" having "to testify to prove his or her consumer status." *See Rowden v. Pac. Parking Systems, Inc.*, 282 F.R.D. 581, 586 (C.D. Cal. 2012) (denying class certification in the context of the Fair and Accurate Credit Transactions Act ["FACTA"] because: "[R]elief for a violation of FACTA is only available to individual consumers, and not business customers . . . . Undoubtably, every single class member will have to testify to prove his or her consumer status . . . . A class action is certainly not an efficient method for resolving this controversy."). Moreover, there is no evidence of any shortcut in making this determination for each proposed class member—for Plaintiff himself, both parties point to various portions of his deposition transcript and declaration to contend whether he is a "consumer." And even after review of Plaintiff's deposition and declaration, the evidence does not lead to a clear answer as to whether Plaintiff is a CLRA consumer (analyzed above in the Court's standing discussion).

Accordingly, as to Plaintiff's CLRA cause of action, the Court finds that individualized issues predominate over common questions. As to Plaintiff's remaining causes of action, Plaintiff has established that predominance is met based on Plaintiff's theory that Defendants subjected purchasers of their eight-week program to a single underlying scheme of misleading advertising and thus common issues predominate.

ii. Superiority

Under the superiority requirement of Rule 23(b)(3), a plaintiff must show that "a class action is superior to other available methods for fairly and efficiently adjudicating the controversy." Fed. R. Civ. P. 23(b)(3). As part of the analysis, courts are directed to weigh several non-exclusive factors outlined in Rule 23(b)(3): class members' interests in individual actions, the extent and nature of any litigation concerning the controversy, the desirability of concentrating the litigation of the claims in the particular forum, and manageability difficulties. *See id.*; *Wolin v. Jaguar Land Rover N. Am., LLC*, 617 F.3d 1168, 1175 (9th Cir. 2010).

Defendant does not identify any additional arguments under superiority but merely reiterates that "[f]or the reasons discussed" earlier in its brief, "the highly individualized questions or [sic] fact and law that apply to the proposed class, as well as the unique circumstances and defenses to [Plaintiff]'s claims, renders a class action to be an unsuitable vehicle." *Opp.* 27:4–10.

The Court finds that adjudicating class members' claims in a single action would be superior to maintaining a multiplicity of individual actions involving similar legal and factual issues—except for Plaintiff's CLRA claim, as analyzed above. Moreover, individual damages are likely too small to make litigation cost effective for each proposed class member. Accordingly, the Court concludes Plaintiffs have proven superiority.

IV. Conclusion

For the foregoing reasons, the Court **GRANTS IN SUBSTANTIAL PART** Plaintiff's motion for class certification. The Court certifies the following class and sub-class for all causes of action, except Plaintiff's CLRA claim:

> **Class:** All natural persons in the United States who, within the applicable statute of limitations period until the date notice is disseminated, purchased an eight-week program from Clients on Demand and who have not received a full refund of their purchase price.
>
> **Voidable SAMP Contract Subclass:** All members of the Class who purchased an eight-week program from Clients on Demand within one year

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 2:23-cv-10541 MWC (SSCx) Date: May 19, 2025

Title Kendrick Davis v. Clients on Demand, LLC *et al.*

before the filing of this Class Action Complaint until the date notice is disseminated.

Excluded from the class are governmental entities, Defendants, any entity in which Defendants have a controlling interest, and Defendants' officers, directors, affiliates, legal representatives, employees, successors, subsidiaries, and assigns. Also excluded from the class is any judge, justice, or judicial officer presiding over this matter and the members of their immediate families and judicial staff.

Plaintiff Kendrick Davis is appointed as class representative and Lorraine Weekes, Kevin Kneupper, and Cyclone Covey of Kneupper & Covey, PC, are hereby appointed as class counsel to represent the interests of the class and the subclass.

IT IS SO ORDERED.

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Initials of Preparer	TJ