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9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **WESTERN DIVISION**

13 MIKE THE PRINTER, INC., a California
corporation, individually and on behalf of all
14 others similarly situated,

15 Plaintiff,

16 v.

17 RICOH, USA, INC., a Pennsylvania
corporation; and DOES 1-100, inclusive.

18 Defendants.

Case No.

**NATIONWIDE CLASS ACTION
COMPLAINT FOR VIOLATIONS OF:**

- 1. BREACH OF CONTRACT
- 2. UNFAIR COMPETITION (Cal. Bus. & Prof. Code §§ 17200 *et seq.*)
- 3. COMMON LAW FRAUD
- 4. UNJUST ENRICHMENT
- 5. CONVERSION

DEMAND FOR JURY TRIAL

21 Plaintiff MIKE THE PRINTER, INC. brings this action individually and on behalf of all
22 others similarly situated (“Plaintiff”) alleges the following upon information and belief based upon
23 personal knowledge:

24 **INTRODUCTION**

25 1. This action arises out of an illegal scheme by RICOH USA, INC. (“Ricoh”) to
26 overcharge its customers in violation of its form agreement. In essence, Ricoh sells printing
27 equipment to its customers in exchange for fees based on a per-page charge. Ricoh imposes a
28 contractual ceiling of 15% on the annual increases to the per-page charge after an initial period,

1 but has adopted an internal, secret, and undisclosed policy of actually imposing 25% annual
2 increases on its customers. This internal companywide policy is not only a blatant violation of the
3 contract Ricoh has with its customers, but also evinces a fraudulent intent not to perform the
4 contractual ceiling it agreed to from the inception of the contract.

5 2. Because Ricoh uses a form agreement with its customers and has admitted to
6 Plaintiff that it has adopted this internal policy inconsistent with the express language of its
7 contracts, Plaintiff brings a class action on behalf of himself and all others similarly situated for
8 breach of contract and unfair business practices. For the reasons set forth below, this action is an
9 exemplar class action. Ricoh is a multinational company with thousands of customers. The
10 interpretation of the contractual ceiling in the form agreement and the application of Ricoh's
11 internal companywide policy will be questions of law or fact common to the class. Plaintiff's
12 claims are typical of claims that could be brought by other customers of Ricoh to which the form
13 contractual ceiling and company policy have applied.

14 **JURISDICTION AND VENUE**

15 3. Jurisdiction is proper under pursuant to 28 U.S.C. § 1332 because Plaintiff, a
16 California corporation, seeks relief on behalf of a Class, which will result in at least one class
17 member belonging to a different state than that of Defendants. Defendant Ricoh is headquartered
18 in Pennsylvania. Further, Plaintiff seeks at least \$15,000 in damages which, when aggregated
19 among a proposed class in the thousands, exceeds the \$5,000,000 threshold for federal court
20 jurisdiction

21 4. Venue with this Court, in the Central District of California, is proper under 28
22 U.S.C. § 1332 because Plaintiff is a resident of this District and a substantial portion of the acts or
23 omissions giving rise to the claims herein took place in this District.

24 **THE PARTIES**

25 5. Plaintiff runs a local print shop that offers services printing a variety of products for
26 its customers including posters, postcards, flyers, brochures, labels, event tickets, banners, and
27 labels. Plaintiff also offers services printing out items on standard 8.5 x 11 paper. Plaintiff uses
28 industrial machines, including photocopiers and printers, to print large volumes of paper.

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1 equal to 25% more than the rates charged in 2022, again in clear violation of the Agreement. In
2 2024, Ricoh began charging Plaintiff at rates equal to 25% more than the rates charged in 2023,
3 again in clear violation of the Agreement. In total, Ricoh overbilled and overcharged Plaintiff by
4 over \$15,000.

5 12. Ricoh told Plaintiff that the solution to the overcharges was not to reduce the
6 overcharge, but for Plaintiff to purchase a new machine, under a new contract, at a higher price,
7 enriching Ricoh further.

8 **CLASS ACTION ALLEGATIONS**

9 13. The Class. Plaintiff brings this action on behalf of itself and all others similarly
10 situated, as a member of the proposed class (hereafter the “Class”) defined as all persons within
11 the United States who, during the Relevant Time Period, entered into a maintenance services
12 contract with Ricoh whereby Ricoh agreed to charge a per-page rate for its services, agreed to
13 limit its annual increases by a fixed percentage, and imposed annual increases higher than the
14 fixed percentage.

15 14. Subclass: Plaintiff brings this action on behalf of itself and all others similarly
16 situated who are members of the Class and reside and/or transact business within the State of
17 California (“California Subclass”).

18 15. The Relevant Time Period is defined as the maximum amount of time permitted by
19 applicable law, including the extension of the statute of limitations by application of the doctrines
20 of continuing violations or continuing wrongs.

21 16. Defendants, their employees, and their agents, are excluded from the Class.

22 17. Plaintiff does not know the exact number of the members in the Class, but believes
23 the Class members number in the thousands, if not more. Thus, this matter should be certified as a
24 Class Action to assist in the expeditious litigation of the matter.

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1 18. Numerosity. The Class is so numerous that the individual joinder of all members is
2 impractical. While the exact number and identities of the Class members are unknown to Plaintiff
3 at this time and can only be ascertained through appropriate discovery, Plaintiff is informed and
4 believes and thereon alleges that the Class includes thousands of members. The number and
5 identities of such persons are ascertainable and identifiable based upon the records created and/or
6 maintained by Ricoh.

7 19. Commonality and Predominance. There are multiple common questions of law and
8 fact, the answers to which are apt to drive resolution of this case, and those common questions of
9 law and fact predominate over any questions affecting only individual members. The common
10 questions of law and fact include but are not limited to:

11 a. Whether Ricoh contracted with its customers to provide copying services at a per-
12 page rate.

13 b. Whether the terms of the agreement(s) Ricoh entered into with its customers
14 restricted the amount by which Ricoh could annually increase the per-page rates it charged.

15 c. Whether Ricoh unilaterally increased the amounts it charged its customers per page
16 in excess of the amount allowed by the parties' contractual agreement.

17 d. Whether members of the Class have incurred out of pocket losses as a direct result
18 of Ricoh's unlawful practices.

19 e. Whether Ricoh's practice of charging per-page rates in excess of what it has
20 contractually agreed to charge is unlawful, unfair, fraudulent, or a deceptive business practice
21 under California's Unfair Competition Laws.

22 20. Superiority. A class action is superior to other available methods for fairly and
23 efficiently adjudicating this controversy. Joinder of individual claims by all class members is
24 impracticable. Even if every member of each Subclass could afford to sue, the court system would
25 be unnecessarily burdened by the influx of individual suits. The prosecution of individual claims
26 presents the potential for unfairness as a result of inconsistent or contradictory judgments. No
27 litigation concerning this controversy has already begun by any class or Subclass member. By
28 contrast, the class action will efficiently adjudicate this controversy by resolving common

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1 questions of law and fact, supporting economies of scale, and consolidating the claims under the
2 supervision of a single court. Plaintiff and its counsel are aware of no difficulties in managing a
3 class action. Proper notice to the class is reasonably feasible. Members of the Class are readily
4 identifiable and can be notified based on available information, including Ricoh’s business
5 records.

6 21. Typicality. Plaintiff’s claims are typical of the those belonging to the members of
7 the Class. Plaintiff’s claims are typical of the Class because Plaintiff is a business that provides
8 printing services using Ricoh printing machines and has contracted to pay Ricoh for maintenance
9 services of those machines based on a per-page rate.

10 22. Adequacy of Representation. Plaintiffs has no interest that is adverse to, or which
11 conflicts with, the interests of the Class, and it is able to, and will, adequately and fairly represent
12 the interests of the Class members. Moreover, Plaintiff has retained highly qualified, experienced,
13 and competent counsel to prosecute the claims of the Class members, and intends to prosecute the
14 claims vigorously. The interests of the members of the class action will be fairly and adequately
15 protected by Plaintiff and its counsel.

16 23. Rule 23(b)(2) Class. Ricoh has acted or refused to act on grounds that apply
17 generally to the Class, so that final injunctive or declaratory relief is appropriate with respect to
18 the Class as a whole.

19 24. Plaintiff reserves the right to amend the definitions of the Class and/or add
20 subclass(es) and to amend the class action allegations stated herein.

21 **CLAIMS FOR RELIEF**

22 **FIRST CAUSE OF ACTION**

23 **(Breach of Contract)**

24 **(On Behalf of Entire Class)**

25 25. Plaintiff incorporates by reference and realleges all paragraphs previously alleged,
26 as if fully set forth herein.

27 26. Plaintiff and other members of the Class entered into a written form agreement (the
28 “Agreements”) with Ricoh whereby, *inter alia*, Ricoh agreed to provide maintenance services for

1 a Ricoh machine, in exchange for quarterly payments at a per-page rate. The Agreements are
2 identical or substantially similar to each other in all material respects.

3 27. The Agreements stated that after an initial term, Ricoh could raise its per-page rates
4 up to a contractual ceiling (in the case of Plaintiff, it was 15%, annually), from the preceding
5 year's rates.

6 28. After the initial term, Ricoh had a policy and practice of unilaterally raising rates
7 by a percentage in excess of the contractual ceiling, overcharging and overbilling its customers,
8 including Plaintiff.

9 29. Ricoh breached the Agreements by unilaterally raising the per page rates for both
10 black and white and color copies in excess of the annual contractual ceiling expressly set forth in
11 the Agreements.

12 30. Ricoh's breach has caused Plaintiff and members of the Class compensatory
13 damages by having paid higher prices for equipment services than they were contractually
14 obligated to pay.

15 31. Ricoh breached its implied duty of good faith and fair dealing imposed on all its
16 Agreements by intentionally overcharging and overbilling its customers in excess of the annual
17 contractual ceiling on rate increases. Ricoh has thereby prevented Plaintiff and members of the
18 Class from receiving the benefit of their contractual bargains.

19 **SECOND CAUSE OF ACTION**

20 **(Unfair Competition; Cal. Bus. & Prof. Code §§ 17200 *et seq.*)**

21 **(On Behalf of California Subclass)**

22 32. Plaintiff incorporates by reference and realleges all paragraphs previously alleged,
23 as if fully set forth herein.

24 33. This claim is brought on behalf of the California Subclass.

25 34. California Business & Professions Code § 17200 *et seq.*, also known as the
26 California Unfair Competition Law ("UCL"), prohibits acts of "unfair competition," including any
27 unlawful, unfair, fraudulent, or deceptive business act or practice as well as "unfair, deceptive,
28 untrue or misleading advertising."

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1 35. Ricoh’s acts, conduct, and practices as alleged above are unfair. Ricoh’s policy and
2 practice of unilaterally increasing its annual per-page rates beyond the amounts agreed to by
3 contract; refusing to abide by the terms of the contracts entered into; and strong arming customers
4 into purchasing new machines is directly detrimental to Plaintiff and others similarly situated, and
5 it something that cannot not be avoided by Plaintiff.

6 36. In addition to being unlawful and unfair, Ricoh’s acts, conduct, and business
7 practices as alleged above are fraudulent and/or deceptive. Upon information and belief, Ricoh
8 knowingly enters into contractual agreements with customers knowing that it will increase the
9 annual per-page rates beyond what is permitted under the contract. Ricoh lures customers into
10 long term agreements through these false promises to cap the annual increase in per-page fees, and
11 then, once a customer has become reliant on Ricoh’s services and terminating the relationship
12 would be disruptive, Ricoh refuses to honor the terms of the agreement, and attempts to strong
13 arm customers to paying for newer and more expensive machines.

14 37. As a direct and proximate result of Ricoh’s unlawful, unfair and fraudulent
15 business practices, Plaintiff and the members of the California Subclass have been injured in fact.

16 38. Ricoh’s unlawful, unfair and fraudulent business practices as alleged above present
17 a continuing threat to Plaintiff, the California Subclass, and members of the public because Ricoh
18 persists and continues to engage in such practices and will not cease doing so unless enjoined or
19 restrained by this Court.

20 39. Under California Business & Profession Code § 17203, Plaintiff, on behalf of itself,
21 California Subclass members, and members of the general public, seeks an order of this Court:

22 a. Enjoining Ricoh from continuing to engage, use, or employ any unlawful, unfair
23 and/or deceptive business act or practice and any act prohibited by California Business Code
24 § 17200 *et seq.*; and

25 b. Restoring all monies that may have been acquired by Ricoh as a result of such
26 unlawful, unfair or deceptive acts or practices.

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THIRD CAUSE OF ACTION

(Common Law Fraud)

(On Behalf of Entire Class)

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4 40. Plaintiff incorporates by reference and realleges all paragraphs previously alleged,
5 as if fully set forth herein.

6 41. Ricoh's Agreements provided that it would not increase per-page rates for
7 equipment services in excess of an annual contract ceiling set forth in the Agreements.

8 42. Ricoh did not intend to perform its promise in the Agreements with Plaintiff and
9 other members of the Class of contractually limiting annual increases after the initial term at the
10 time Ricoh made it. Ricoh had a policy and practice of overcharging Plaintiff and other members
11 of the class in excess of the contractual annual limit on rate increases.

12 43. Ricoh delivered invoices to Plaintiff and other class members representing that
13 Plaintiff and other Class members had owed Ricoh under the Agreements in accordance with the
14 terms of the Agreement and that the amounts listed on the invoice accurately reflected the amounts
15 owed to Ricoh under the Agreements.

16 44. Ricoh knew that its representation of the amounts owed on the invoices was false
17 when Ricoh made it or made the representations recklessly and without regard for its truth. The
18 false amounts were false representations of what was owed to Ricoh.

19 45. Ricoh intended that Plaintiff and other class members relied on the representation
20 in order for Plaintiff and other Class members to make the payment in accordance with Ricoh's
21 false invoices.

22 46. By the fact of making payment to Ricoh for the false amounts on the false invoices,
23 Plaintiff and other Class members reasonably relied on Ricoh's false invoices.

24 47. Plaintiff and other members of the Class were harmed by Ricoh's false invoices.

25 48. Plaintiff and other members of the Class's reliance on Ricoh's false invoices was a
26 substantial factor in causing harm to Plaintiff and other members of the Class.

27 49. Ricoh has acted with fraud and malice deserving of punitive damages as a result of
28 the aforementioned conduct.

FOURTH CAUSE OF ACTION

(Unjust Enrichment)

(On Behalf of Entire Class)

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4 50. Plaintiff incorporates by reference and realleges all paragraphs previously alleged,
5 as if fully set forth herein.

6 51. Ricoh received a benefit from Plaintiff and other members of the Class at the
7 expense of Plaintiff and other members of the Class by billing, invoicing, collecting, receiving,
8 and accepting payments to which it was not contractually entitled, to wit, payments in excess of
9 the annual limit on per-page rate increases established by the Agreements.

10 52. It would be unfair and unjust for Ricoh to keep the benefit under the circumstances
11 alleged in this complaint. Equity requires disgorgement to prevent Ricoh from benefiting from the
12 retention of the Plaintiff's and Class members' property.

13 53. Plaintiff and Class members seek an order directing Ricoh to return the benefit
14 Ricoh unjustly procured, received, and retained from the unlawful conduct alleged herein.

FIFTH CAUSE OF ACTION

(Conversion)

(On Behalf of Entire Class)

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18 54. Plaintiff incorporates by reference and realleges all paragraphs previously alleged,
19 as if fully set forth herein.

20 55. Plaintiff and other Class members owned and possessed the money they overpaid
21 to Ricoh.

22 56. Ricoh substantially interfered with the funds of Plaintiff and other Class members
23 by knowingly or intentionally taking possession of the funds without a lawful basis for doing so
24 and procuring such funds by unlawful means.

25 57. Plaintiff and other Class members did not consent to Ricoh's receipt of such
26 overpaid funds.

27 58. Plaintiff and other Class members were harmed by overpaying for services to
28 which Ricoh was not contractually entitled.

1 59. Ricoh’s conduct was a substantial factor in causing harm to the Plaintiff and other
2 Class members.

3 60. Plaintiff and Class members seek an order directing Ricoh to return the overpaid
4 funds.

5 **PRAYER FOR RELIEF**

6 Plaintiff, on its own behalf and on behalf of the Class, respectfully prays for judgment
7 against RICOH as follows:

8 1. For an Order certifying this action as a class action under Rule 23 of the Federal
9 Rules of Civil Procedure;

10 2. Designate and appoint Plaintiff as Class Representative;

11 3. Appoint Plaintiff’s counsel of record as Class Counsel;

12 4. Enter judgment against Ricoh and in favor of Plaintiff and the Class for all causes
13 of action;

14 5. Enter injunctive relief requiring Defendants to cease their unlawful, unfair, and/or
15 deceptive business practices;

16 6. Order Ricoh to disgorge all amounts that it has improperly received and retained
17 through the misconduct alleged herein;

18 7. Award Plaintiff and the Class all compensatory damages for Ricoh’s unlawful
19 conduct available under all causes of action;

20 8. Award Plaintiff and the Class punitive damages for Ricoh’s unlawful conduct;

21 9. Award pre-judgment and post-judgment interest to the extent required by law;

22 10. Award Plaintiff reasonable attorneys’ fees and costs to the extent permitted by law’

23 11. Grant appropriate declaratory relief; and

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1 12. Grant such further relief as the Court deems appropriate.

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3 DATED: September 23, 2024

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By: _____

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Jesse Creed

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Attorneys for Plaintiffs

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JURY TRIAL DEMANDED

Plaintiffs demand a trial by jury as to all issues so triable in this matter.

DATED: September 23, 2024

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By: _____

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