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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF ORANGE

PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

v.

HARPREET BRAR; OSCAR SOHI, CALIFORNIA  
WATCHDOG, BRAR & GAMULIN, LLP; and  
DOES 1 through 50, inclusive,

Defendants.

Case No.:

COMPLAINT FOR INJUNCTION,  
RESTITUTION, OTHER  
EQUITABLE RELIEF, AND CIVIL  
PENALTIES

Plaintiff, the People of the State of California, by and through Bill Lockyer, Attorney  
General of the State of California, allege on information and belief:

**DEFENDANTS**

1. **CALIFORNIA WATCHDOG** is a business entity whose activities at all relevant  
times has been directed and controlled by defendants Harpreet Brar and Oscar Sohi.

2. Defendant **HARPREET BRAR** resides in Orange County and has conducted  
business in Orange County and elsewhere in California. He is sued individually, and as a partner in  
the law firm of BRAR & GAMULIN, LLP.

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1           3.       Defendant **OSCAR SOHI** conducts business in Orange County and  
2 elsewhere in California.

3           4.       Defendant **BRAR & GAMULIN, LLP** is a partnership that does business in  
4 Orange County and elsewhere in California.

5           5.       Plaintiff is not aware of the true names and capacities of the defendants sued herein  
6 as DOES 1 through 50, inclusive, and therefore sues these defendants by such fictitious names.  
7 Each of said fictitiously named defendant is responsible in some manner for the violations of law  
8 herein alleged. Plaintiff will amend this complaint to add the true names of the fictitiously named  
9 defendants once they are discovered. Whenever reference is made in this complaint to  
10 “defendants” or “California Watchdog” such reference shall include Does 1 through 50, Harpreet  
11 Brar, Oscar Sohi and Brar & Gamulin, LLP.

12          6.       The violations of law alleged herein have been and are being carried out within  
13 Orange County and elsewhere in the state.

14          7.       When reference in this complaint is made to any act or transaction of a defendant  
15 corporation, company, association, business entity, or partnership, such allegation shall be deemed  
16 to mean that said defendant and its owners, officers, directors, agents, employees, or  
17 representatives did or authorized such acts while engaged in the management, direction, or  
18 control of the affairs of defendants and while acting within the scope and course of their duties.

19          8.       Whenever in this complaint reference is made to any act of any individual  
20 defendant, such allegation shall be deemed to mean that said defendant is and was acting (a) as a  
21 principal, (b) under express or implied agency, and/or (c) with actual or ostensible authority to  
22 perform the acts so alleged on behalf of every other defendant herein.

23          9.       Whenever in this complaint reference is made to any act of defendants, such  
24 allegation shall be deemed to mean the act of each defendant acting individually and jointly with  
25 the other defendants named in that cause of action.

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## DEFENDANTS' BUSINESS PRACTICES

10. Defendants represent that they are in the business of enforcing consumer protection laws through litigation. Defendants are actually in the business of extracting money, primarily from small businesses, under the guise of purporting to enforce consumer protection laws by engaging in the scheme described in paragraphs 11 through 23 below.

11. On or about July 27, 2001, defendants filed a California Fictitious Name Statement setting forth that defendant Oscar Sohi would do business under the name California Watchdog.

12. Defendants, frequently listing as the plaintiff the fictitious name of California Watchdog, file actions on behalf of the general public under the purported authority of Business and Professions Code sections 17200 et seq. Often defendants will name one business as the named defendant and include hundreds of DOES as other defendants in the same action. Defendants aver that the DOES are sued under fictitious names because their true names are unknown at the time of filing. However, within a few days of filing their complaints defendants are somehow able to identify many of the small businesses they have named as DOES and contact them regarding settlement, as described below.

13. Defendants sue numerous unrelated businesses in a single complaint, without regard to the rules of joinder.

14. Defendants do minimal to no investigation as to the conduct of individual small businesses but rather assume that these businesses engage in a common course of conduct. Most recently defendants have alleged a civil conspiracy among hundreds of small businesses, again without any investigation.

15. Among the businesses sued in defendants' complaints are businesses which do no business in the county in which the suit is filed. This is in contravention of the rules of venue.

16. Defendants have filed approximately 14 lawsuits. In at least three of these actions defendants have named as a defendant one nail salon and 500 nail salons identified only as Doe defendants (i.e., a total of three named defendant nail salons and 1500 DOES). Defendants have also sued small markets and retail stores.

17. In their lawsuits against nail salons, defendants assert the businesses have violated

1 the regulations of the Board of Barbering and Cosmetology because they use the same bottle of  
2 nail polish for two or more patrons. However, such conduct does not violate the regulations of  
3 the Board of Barbering and Cosmetology.

4 **Defendants' Settlement Scam**

5 18. Shortly after filing their complaints, in order to obtain a quick settlement,  
6 defendants directly contact a small business, regardless of whether there has been a formal filing  
7 identifying that business as a Doe. Defendants threaten that failure to settle immediately will  
8 result in substantial costs to the business, but that the business will be dismissed for a substantially  
9 lesser amount if it compromises quickly. One such letter states:

10 We believe there is no reason we cannot come to a compromise in this matter. If  
11 you fail to compromise this lawsuit at this early phase you may incur additional  
12 costs such as your own attorney's fees as well as being held liable for all future  
13 costs and attorney's fees assessed by us. This sum could easily escalate to over  
\$10,000 . . . by the time we have completed discovery and a bench trial. At that  
time your out-of-pocket expense will be much higher then if you compromise this  
action as proposed.

14 We are proposing to compromise this action and settle this lawsuit and release  
15 your business from all claims arising from or connected in any way with the  
16 occurrences alleged in the Complaint. This settlement would be in consideration  
of your payment of \$1,000 to cover the costs and attorney fees incurred by us to  
date . . . .

17 19. The letter further warns that the amount for settlement will escalate by a specified  
18 amount if the offer is not accepted within about two weeks:

19 However, this offer is contingent upon you acting before [approximately two  
20 weeks from date of the letter]. Since we intend to commence discovery [one day  
21 later] our costs will begin to escalate further. At that juncture we will only  
entertain settlement offers of \$2,500.00. As the case progresses our settlement  
demand will increase in line with the time and effort spent on litigating this action.

22 20. Thus, if defendants were able to secure immediate settlements from just the three  
23 suits involving nail salons which involved three named businesses and 1500 DOE defendant  
24 businesses, defendants would collect approximately \$1,500,000.00 in "costs and attorneys' fees."  
25 If half of the businesses settled after defendants' self-imposed deadline, defendants total take  
26 would be approximately \$2,625,000.00 in "cost and attorney's fees."  
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1                                    **Secret Settlements With No Public Benefit**

2            21.      Even though defendants claim that they filed their actions in the public interest,  
3 they seek to settle their cases by utilizing a secret, confidential agreement. According to the  
4 settlement agreement prepared by defendants, defendants are to be paid a specified amount which  
5 is not designated as payment for any specified purpose other than in exchange for the dismissal of  
6 the action and a covenant to comply with certain regulations. The written settlement agreement  
7 further provides, contrary to defendants' settlement letter, that each party is to bear its own  
8 attorney's fees, costs and expenses.

9            22.      The agreement also contains a confidentiality clause that states that neither party  
10 is permitted to disclose the provisions of the settlement. No publicly filed injunction flows from  
11 the provisions of the agreement.

12           23.      The type of settlement set forth in paragraphs 21 and 22 not only prevents the  
13 public from knowing the terms of the agreement by which the interests of the public are  
14 purportedly being served, but also precludes the public from discovering the settlement amount.

15                                    **FIRST CAUSE OF ACTION**

16                                    **VIOLATIONS OF CALIFORNIA BUSINESS**  
17                                    **AND PROFESSIONS CODE SECTION 17200**  
   **(UNFAIR BUSINESS PRACTICES)**

18           24.      Paragraphs 1 through 23 of this complaint are incorporated herein as though set  
19 forth in full.

20           25.      Defendants and each of them, have engaged in the following, among other, acts of  
21 unfair competition as defined in Business and Professions Code section 17200:

22                    A.      Establishing and maintaining the plan of filing litigation and attempting to  
23 secure settlements of such litigation in the manner more particularly described in  
24 paragraphs 10 through 23 above, which are incorporated herein as though set forth in full.

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1           B.       Defendants have abused the process of law in that they have used the  
2       judicial process with an ulterior purpose aimed at an objective which is not legitimate.  
3       Defendants have abused the process of law in the following ways:

4           1)       Defendants have instituted volume litigation under Business and  
5       Professions Code sections 17200, et seq., in which they assert the action is brought  
6       on behalf of the general public. Defendants' real purpose, however, is to obtain  
7       for themselves money to which they are not entitled.

8           2)       Defendants have filed mass lawsuits prior to making adequate  
9       investigation to ascertain the facts necessary to establish their case. Their  
10      improper purpose is to conduct volume litigation with minimal overhead so as to  
11      maximize their profits from settlements.

12          3)       Defendants have improperly joined separate and distinct businesses  
13      as defendants in violation of Code of Civil Procedure section 379 inasmuch as  
14      there is no factual nexus among the businesses except, in some instances, they are  
15      licensed by the same administrative agency. Defendants have joined such separate  
16      and distinct businesses for improper purposes: to avoid paying multiple filing fees  
17      and to impose onerous notice requirements on the businesses.

18          4)       Defendants have misused the DOE process. Defendants fail to  
19      identify businesses in the complaint, but contact specific businesses named as  
20      DOES shortly after filing the complaint to tell the owners they are defendants in  
21      actions filed by defendants herein, and make a settlement offer to these businesses.  
22      Defendants' action in contacting such businesses shows that they were aware of  
23      the identities of the DOES at the time of filing of their complaint. Defendants have  
24      committed this abuse of process for the improper purpose of making it more  
25      difficult for businesses to form defendant classes and organizations, and to retain  
26      common counsel, since not naming the defendants in the complaint, those  
27      businesses are not able to contact each other.

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1                   5) Defendants have filed actions against businesses which are not  
2 present and which do not conduct business in the county where the suit is filed.  
3 Defendants have committed this abuse of process for the improper purpose of  
4 making it more difficult for businesses to defend themselves by requiring them to  
5 travel to distant venues to do so.

6                   C. Defendants have filed actions in the name of California Watchdog, which is  
7 a fictitious name and not a “person” within the meaning of Business and Professions Code  
8 section 17204.

9                   D. Defendants have engaged in the practice of filing lawsuits and having as  
10 part of their settlement strategy, an attempt to obtain money from businesses under threat  
11 of causing these businesses unlawful injury in the form of financial harm by entwining them  
12 in protracted non meritorious lawsuits that were filed without adequate investigation,  
13 which would result in the businesses being compelled to expend substantial amounts of  
14 money to defend these actions.

15                  E. Defendants have engaged in the practice of filing suits which assert that  
16 they are serving the interest of the general public, but then defendants attempt to  
17 conclude, and have succeeded in concluding, these cases through confidential settlements.  
18 Defendants conclude their cases in a way which only benefits them and conceals from the  
19 very public in whose interest defendants claim to have filed the suits in the first place, the  
20 way in which defendants have compromised the public interest.

21                  F. Defendants have repeatedly violated Code of Civil Procedure section 379  
22 inasmuch as they have joined businesses as defendants in a single action when there is no  
23 connection among the businesses or the conduct of their businesses.

24                  G. Defendants have violated Code of Civil Procedure section 395 by filing  
25 actions against businesses in counties where the businesses are not located and where they  
26 do not engage in business.

27                  H. Defendants have violated Business and Professions Code section 17200 by  
28 attempting to obtain, as part of their settlement scheme, civil penalties which may only be

1 awarded in actions brought by the public officials and agencies set forth in Business and  
2 Professions Code section 17206.

3 WHEREFORE, plaintiff prays for judgment as follows:

4 1. Pursuant to Business and Professions Code section 17203, that  
5 defendants and each of them, personally or through their successors, agents, representatives,  
6 employees, and any and all other persons who act under, by, through, or on behalf of defendants  
7 be permanently restrained and enjoined from:

8 A. Failing to dismiss all suits brought under the authority of Business and  
9 Professions Code section 17200, et seq.

10 B. Filing any case, or bringing any action, under the authority of Business and  
11 Professions Code section 17200 without engaging in adequate investigation within the  
12 meaning of Civil Code section 128.7.

13 C. Naming as defendants, or subsequently identifying any DOE defendant, in  
14 any action two or more parties unless all defendants meet the factual nexus test required  
15 under Code of Civil Procedure section 379.

16 D. Filing any lawsuit against any person, entity or business in any county  
17 which is neither the location of, nor the place where the person, entity or business has  
18 conducted business.

19 E. Misusing the DOE process by suing unnamed defendants whose identities  
20 are known to defendants herein at the time suit is filed.

21 2. Pursuant to Business and Professions Code section 17203, defendants, jointly and  
22 severally, shall pay restitution to all parties from which defendants obtained money in settlement  
23 of its representative private attorney general actions brought or threatened to be brought under  
24 Business and Professions Code section 17200 in the name of California Watchdog and/or Oscar  
25 Sohi.

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1           3.       Pursuant to Business and Professions Code section 17206, that defendants and  
2 each of them be assessed a civil penalty of \$2,500.00 for each violation of Business and  
3 Professions Code section 17200 as proven at trial, but in an amount of not less than  
4 \$1,000,000.00.

5           4.       That plaintiff have such other and further relief as the nature of the case may  
6 require and the court deems proper.

7           5.       That plaintiff recover its costs.

8 DATED: July 8, 2003

9                               BILL LOCKYER, Attorney General  
10                              of the State of California  
11                              HERSCHEL T. ELKINS  
12                              Senior Assistant Attorney General  
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15                              HOWARD WAYNE  
16                              Deputy Attorney General

17                              By \_\_\_\_\_  
18   HOWARD WAYNE  
19   Deputy Attorney General

20                              Attorneys for Plaintiff  
21                              People of the State of California  
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