UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA

Sihler v. The Fulfillment Lab, Inc.

Sihler · No. 3:20-cv-01528-LL-DDL · Decided June 18, 2025

SUMMARY

The United States District Court for the Southern District of California preliminarily approved a proposed class action settlement concerning alleged deceptive marketing, billing, and fulfillment practices involving weight-loss products. The order approved notice procedures, appointed Epiq Class Action and Claims Solutions as settlement administrator, established exclusion and objection deadlines, and required corrections to the proposed class notices before notice could commence.

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	Linda Lopez
JURISDICTION	United States District Court for the Southern District of California
DECIDED	June 18, 2025
DOCKET	3:20-cv-01528-LL-DDL
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved for preliminary approval of three related class-action settlement agreements. The court considered the motion on the papers without oral argument and granted preliminary approval, subject to corrections to the proposed class notices and further consideration at a final approval hearing.
STANDARD OF REVIEW	At the preliminary approval stage, the court determines whether the proposed class settlement falls within the range of possible approval and whether it appears to be the product of serious, informed, noncollusive negotiations, contains no obvious deficiencies, does not improperly favor class representatives or segments of the class, and is sufficiently fair, reasonable, and adequate to warrant notice.
PRECEDENTIAL VALUE	unpublished

PARTIES	Janet Sihler, Charlene Bavencoff v. The Fulfillment Lab, Inc., Richard Nelson, Beyond Global, Inc., Brightree Holdings Corp., BMOR Global LLC, David Flynn, Rickie Joe James

TOPICS

class actions · consumer protection · civil procedure · injunctions · attorney fees

PRACTICE AREAS

class actions · consumer protection · commercial litigation · civil procedure · remedies

QUESTIONS PRESENTED

1. Whether the proposed class settlements were sufficiently fair, reasonable, adequate, and free of obvious deficiencies to warrant preliminary approval and dissemination of notice under Federal Rule of Civil Procedure 23(e).
2. Whether the proposed notice plan satisfied due process and the notice requirements of Federal Rule of Civil Procedure 23(c) and (e).
3. Whether the court should stay proceedings against the settling defendants, preliminarily enjoin class members from pursuing released claims, appoint a settlement administrator, and establish procedures for exclusion, objections, and final approval.

HOLDINGS

1. The proposed settlements were preliminarily approved as fair, reasonable, and adequate because they resulted from arm's-length, noncollusive negotiations, involved extensive discovery and investigation, fell within the range of possible approval, and presented no obvious deficiencies.
2. The proposed class notices and dissemination methodology satisfied due process and Federal Rule of Civil Procedure 23(c) and (e), subject to the specific corrections and clarifications ordered by the court.
3. Proceedings against the settling defendants were stayed, and class members who did not timely exclude themselves were preliminarily enjoined from pursuing released claims in other proceedings, subject to the stated exception for the related Florida action.

KEY QUOTATIONS

> *"It is the complete package taken as a whole, rather than the individual component parts, that must be examined for overall fairness."* (Opinion section III)

> *"The Court finds that after viewing the settlements as a whole and acknowledging the financial condition of Defendants, coupled with the risk of taking this complex case to trial with uncertain results, the settlements fall within the range of possible approval with no obvious defects."* (Opinion section III)

FACTUAL BACKGROUND

Plaintiffs alleged that defendants used fake celebrity and magazine endorsements, misleading price and limited-availability representations, and false-front websites to sell weight-loss products branded as Ultra Fast Keto Boost, InstaKeto, and Instant Keto. They alleged that customers were charged more than agreed, faced difficulty obtaining refunds or returning products, and that defendants operated a coordinated marketing, fulfillment, and chargeback-related scheme. The proposed settlements included cooperation by certain defendants in a related Florida action and a $200,000 payment plus injunctive relief from The Fulfillment Lab defendants.

PROCEDURAL HISTORY

Plaintiffs filed the class action on August 6, 2020, alleging fraudulent marketing and billing practices involving weight-loss products and asserting California consumer-protection claims and civil RICO claims. The court certified a nationwide RICO class and a California state-law subclass on June 23, 2023. After discovery and settlement conferences, the parties submitted three settlement agreements providing cooperation, monetary relief, injunctive relief, and dismissal of claims with prejudice. The court preliminarily approved the agreements, directed corrections to the class notices, stayed proceedings against the settling defendants, and scheduled a final approval hearing.

DISPOSITION

other

CASES CITED

- In re Tableware Antitrust Litig., 484 F. Supp. 2d 1078, 1079 (N.D. Cal. 2007)
- In re Bluetooth Headset Prods. Liab. Litig., 654 F.3d 935, 948 (9th Cir. 2011)
- In re Mego Fin. Corp. Sec. Litig., 213 F.3d 454, 459 (9th Cir. 2000), as amended (June 19, 2000)
- Nigh v. Humphreys Pharmacal, Inc., No. 12CV2714-MMA-DHB, 2013 WL 5995382, at *11-*12 (S.D. Cal. Oct. 23, 2013)
- Officers for Just. v. Civ. Serv. Comm'n of City & Cnty. of San Francisco, 688 F.2d 615, 628 (9th Cir. 1982)
- Sihler et al. v. Global E-Trading, LLC (d/b/a Chargebacks911), et al., No. 8:23cv1450 (M.D. Fla. Aug. 13, 2024)