	Case 5:15-cv-04922-RMW Docume	ent 1 Filed 10/26/15 Page 1 of 30				
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12	Attorneys for Plaintiff and the Putative Class					
13	IN THE UNITED STATES DISTRICT COURT					
14	FOR THE NORTHERN DISTRICT OF CALIFORNIA					
15	SAN JOSE DIVISION					
16	TONY DICKEY, individually and on behalf of all others similarly situated,	Case No.				
17	Plaintiff,	COMPLAINT FOR:				
18	v.	<ol> <li>Violations of Cal. Civ. Code §§ 1750 et seq.;</li> <li>Violations of Cal. Bus. &amp; Prof. Code</li> </ol>				
19	ADVANCED MICRO DEVICES, INC., a	<ul> <li>§§ 17200, <i>et seq.</i>;</li> <li>Violations of Cal. Bus. &amp; Prof. Code</li> </ul>				
20	Delaware corporation,	<ul> <li>3. Violations of Cal. Bus. &amp; 1101. Code §§ 17500, <i>et seq.</i>;</li> <li>4. Fraudulent Inducement;</li> </ul>				
21	Defendant.	<ol> <li>Fraduction inducement,</li> <li>Breach of Express Warranties;</li> <li>Negligent Misrepresentation; and</li> </ol>				
22		7. Unjust Enrichment.				
23		DEMAND FOR JURY TRIAL				
24		CLASS ACTION				
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27						
28						

Plaintiff Tony Dickey ("Plaintiff" or "Dickey") brings this class action complaint
 ("Complaint") against Defendant Advanced Micro Devices, Inc., ("AMD" or "Defendant") based
 on its deceptive marketing of certain of its central processing units ("CPUs"). Plaintiff, for his
 Complaint, alleges as follows upon personal knowledge as to himself and his own acts and
 experiences, and, as to all other matters, upon information and belief, including investigation
 conducted by his attorneys.

7

#### NATURE OF THE ACTION

8 1. AMD is one of two major companies that design and produce CPUs<sup>1</sup> for personal
9 computers. Competing against rival Intel Corporation, AMD battles for consumer sales by
10 emphasizing key CPU specifications in its marketing and advertisements. For many years, CPUs
11 were compared against each other based on their "clock" speeds (in units of Megahertz ("MHz")
12 and Gigahertz ("GHz")).

13 2. More recently, though, both manufacturers (AMD and Intel) have moved away from MHz and GHz towards a new metric called a "core." A core is an independent processing unit, 14 15 which, like early CPUs, performs one calculation at a time. To increase performance, manufacturers 16 began making CPUs with two or more cores on one physical chip, creating "multicore" CPUs. Each 17 core in a multicore CPU is able to operate (e.g., perform calculations and execute instructions) independently from other cores. An eight-core CPU, then, can perform eight calculations 18 19 simultaneously and independently. Therefore, if one core is bogged down with a complex or 20 defective process, the other cores can handle other calculations or processes so that the computer 21 can continue performing at rapid speed.

22

AMD's recent marketing reflects its shifting focus to selling multicore CPUs.

AMD's advertising has highlighted the number of cores in its CPUs and consistently conveyed to
consumers that multiple cores in a single CPU allow consumers to perform several simultaneous
tasks.

A CPU is an integrated circuit which "generally consists of hundreds of millions or billions of transistors that process data and control other devices in the system, acting as the 'brain' of the computer." AMD, *10-K Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934*, 4 ("AMD 10-K"), true and accurate excerpts of which are attached hereto as Exhibit A.

3.

With the launch of its "Bulldozer" line of CPUs, AMD announced and promoted the
 introduction of the "world's first 8 core CPU."<sup>2</sup> AMD stated that, with eight cores, its Bulldozer
 processors were the pinnacle of performance and that consumers could multitask greater than
 before. Central to AMD's marketing was that the Bulldozer CPU had "8-cores."

In claiming that its Bulldozer CPU had "8-cores," AMD tricked consumers into 5 5. buying its Bulldozer processors by overstating the number of cores contained in the Bulldozer 6 7 chips. In fact, the Bulldozer chips functionally have only four cores—not eight, as advertised. 8 Notably, AMD built the Bulldozer processors by stripping away components from two cores and 9 combining what was left to make a single "module." But by removing certain components of two 10 cores to make one module, they no longer work independently. As a result, AMD's Bulldozers 11 suffer from material performance degradation and cannot perform eight instructions simultaneously and independently as claimed. 12

6. Average consumers in the market for computer CPUs lack the requisite technical
expertise to understand the design of Defendant's processors, and trust Defendant to convey
accurate specifications regarding its CPUs. Because AMD did not convey accurate specifications,
tens of thousands of consumers have been misled into buying Bulldozer CPUs that do not conform
to what AMD advertised, and cannot perform the way a true eight core CPU would (*i.e.*, perform
eight calculations simultaneously).

7. Accordingly, this putative class action lawsuit seeks (i) to prevent Defendant from
continuing to misrepresent the specifications of its Bulldozer-based CPUs, and (ii) actual damages
for those deceived into purchasing the products under false pretenses.

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23

' |

Plaintiff Tony Dickey is a natural person and citizen of the State of Alabama.

PARTIES

9. Defendant Advanced Micro Devices, Inc., is a Delaware corporation with its
principal place of business located at One AMD Place, P.O. Box 3453, Sunnyvale, CA 94088.
AMD does business throughout the United States and the State of California, including in this

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CLASS ACTION COMPLAINT

See infra note 8.

8.

1 || District.

### JURISDICTION AND VENUE

2	JURISDICTION AND VENUE		
3	10. The Court has jurisdiction over this action pursuant to 28 U.S.C. § 1332(d)(2),		
4	because (i) at least one member of the Class is a citizen of a different state than the Defendant, (ii)		
5	the amount in controversy exceeds \$5,000,000, exclusive of interests and costs, and (iii) none of the		
6	exceptions under that subsection apply to this action.		
7	11. This Court has personal jurisdiction over Defendant because Defendant conducts		
8	business in California, is headquartered in California, and because the events giving rise to this		
9	lawsuit occurred, in substantial part, in California.		
10	12. Venue is proper in the United States District Court for the Northern District of		
11	California pursuant to 28 U.S.C. § 1391(b) because Defendant maintains its headquarters and		
12	conducts significant business in this District.		
13	INTRADISTRICT ASSIGNMENT		
14	13. Pursuant to Civil Local Rule 3-2(e), this case shall be assigned to the San Jose		
15	Division.		
16	CHOICE OF LAW		
17	14. California law governs the substantive legal issues in the instant matter. AMD's		
18	"Terms of Use / Copyright" state that "[a]ny claim relating to the Materials shall be governed by the		
19	internal substantive laws of the State of California, United States of America." <sup>3</sup> Moreover, the		
20	instruction manual that accompanies every AMD Bulldozer processor incorporates AMD's "Terms		
21	of Use." <sup>4</sup>		
22	15. AMD's conduct at issue herein also occurred in California. AMD is headquartered in		
23	California, and the advertisements at issue here were, on information and belief, drafted in and		
24	$\frac{1}{3}$ A true and accurate copy of AMD's "Terms of Use / Copyright" is attached hereto as		
25	Exhibit B. <sup>4</sup> A true and accurate copy of AMD's form "AMD Processor" document is attached hereto as		
26	Exhibit C (stating that "[f] or more information please visit www.amd.com," and that consumers		
27	should reference what is "set forth in AMD's Standard Term and Conditions of Sales ").		
28			

disseminated from California.<sup>5</sup>

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### FACTUAL BACKGROUND

#### I. An Introduction to AMD and CPU Core Technology

4 16. AMD was founded in 1969 in Sunnyvale, California and has grown into a global 5 semiconductor manufacturer with facilities around the world. Today, it is the second-largest supplier of the CPUs found in personal computers and laptops ("PCs"), behind only Intel 6 7 Corporation ("Intel").

17. Since its inception, AMD has battled with Intel over market share of the consumer 8 9 PC CPU market. Early on, personal computer CPUs were limited to performing only a single 10 calculation (*i.e.*, processing one instruction) at a time. As such, AMD and Intel focused their 11 advertisements on how fast their CPUs could perform a single calculation, in units of "clock" speed. A CPU's high Megahertz (MHz) and then Gigahertz (GHz) speeds were indicative of high 12 13 performance.

18. 14 As advertised clock speeds began to plateau, CPU manufacturers began to increase (and then advertise) the number of "cores" in their CPUs. AMD and Intel increased the core-count 15 16 of their CPUs by essentially joining two or more CPUs into one physical processor (called a "die"). 17 A core, as it is understood in the industry, is a processing unit that is capable of performing calculations independent from other cores. A two-core CPU, then, can multitask-that is, perform 18 19 two calculations simultaneously and independently (just as two separate CPUs) at a certain clock 20 speed. For instance, a CPU advertised as being an "8-core 3.4 GHz CPU" is representing that it has 21 eight independent cores, each performing calculations at 3.4 gigahertz.

22

19. Through its marketing, AMD consistently disseminated the common meaning (and, with Intel) helped create the consumer expectation that a core is an independent processing unit. For 23 24 example, AMD uses the common definition of a core in its investor filings:

25

"... semiconductor companies are designing and developing multi-core [CPUs], where

26 Search | LinkedIn, www.linkedin.com/vsearch/p?keywords=marketing&postalCode= 94101&openAdvancedForm=true&locationType=I&countryCode=us&distance=100&f CC=1497 27 (last visited Oct. 26, 2015) (showing 92 public profiles of AMD marketing employees within 100 miles of San Francisco, California). 28

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1 2	multiple processor cores are placed on a single die or in a single processor. Multi-core [CPUs] offer enhanced overall system performance and efficiency because computing tasks can be spread across two or more processing cores, each of which can execute a task [ <i>i.e.</i> , a calculation] <i>at full speed</i> . <sup>10</sup>			
3	20. AMD used the same definition in 2007 when stated that its then new "Dual-Core			
4	processor puts the power of dual-core technology on the desktop. Dual-core processors contain two			
5	processing cores, residing on one chip, that perform calculations on two streams of data " <sup>7</sup> and			
6	that "[w]ith dual-core technology there are two complete processor cores in one physical package			
7				
8	21. And, in 2010, AMD reinforced the consumer expectation that cores are processors			
9	independent from each other, stating that its CPUs are offered "[w]ith the power of four processor			
10	cores on a single chip, [and] deliver[] industry-leading multitasking performance."9 Even today,			
11	AMD defines a core as being "two or more processors on a single chip." <sup>10</sup>			
12	22. Similarly, Intel—AMD's main competitor, and effectively the only other brand of			
13	CPUs cross-shopped by consumers-defines a core as such as being "a hardware term that			
14	describes the number of independent central processing units in a single computing component (die			
15	or chip)." <sup>11</sup>			
16	23. However, since launching its "Bulldozer" CPUs, AMD has deceived consumers by			
17	$\frac{6}{7}$ AMD 10-K, 4, supra (emphasis added).			
18	<i>Amazon.com: AMD Athlon 64 X2 Dual-Core 5600+ 2.8 GHz Processor, Socket AM2: Electronics</i> , http://www.amazon.com/gp/product/B000MNA082?ie=UTF8&ref_=de_a_			
19	smtd&showDetailTechData=1#technical-data (last visited Oct. 26, 2015) (emphasis added). (describing dual-core AMD CPU released in 2007).			
20	<sup>8</sup> AMD Athlon 64 X2 5200 Brisbane Dual-Core 2.7GHz Socket AM2 65W ADO5200DOBOX			
21	<i>Processor - Newegg.com</i> , www.newegg.com/Product/Product.aspx?Item=N82E16819103210 (last visited Oct. 26, 2015) (emphasis added) (describing dual-core AMD CPU released in 2007).			
22	<sup>9</sup> AMD Phenom II X4 970 Black Edition Deneb Quad-Core 3.5GHz Socket AM3 125W Desktop Processor HDZ970FBGMBOX - Newegg.com, www.newegg.com/Product/			
23	Product.aspx?Item=N82E16819103894 (last visited Oct. 26, 2015) (describing four-core AMD CPU released in 2010).			
24	<sup>10</sup> See e.g., AMD Processors for Business, www.amd.com/en-us/innovations/software-			
25	technologies/processors-for-business (last visited Oct. 26, 2015); <i>Multi-Core Processing with AMD</i> , http://www.amd.com/en-us/innovations/software-technologies/processors-for-business/multicore			
26	(last visited Oct. 26, 2015). <sup>11</sup> ARK   Intel® Core <sup>TM</sup> i5-6600 Processor (6M Cache, up to 3.90 GHz), ark.intel.com/			
27	products/88188/Intel-Core-i5-6600-Processor-6M-Cache-up-to-3_90-GHz (last visited Oct. 26, 2015).			
28				
I				

advertising Bulldozers as having eight cores—two more than the competition—when they really
 only have four complete cores.

3

II.

## AMD Falsely Advertises Its Bulldozer Chips As Having Eight "Cores."

4 24. With its Bulldozer product line, AMD aimed to further convince consumers that a
5 high core-count in a CPU is equal to high performance, emphasizing that it offers more cores than
6 the competition. A close inspection of the Bulldozer's CPU architecture and technical literature,
7 however, reveals that AMD has uniformly overstated the number of cores in its processors.

8

A. AMD advertises its Bulldozer CPUs as having eight "cores."

9 25. Since launching the Bulldozer CPUs, AMD's marketing online and on packaging has
10 centered on their number of purported cores in each Bulldozer CPU. For example, on its website
11 www.amd.com, AMD advertises the following for its Bulldozer chips:

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1	3

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Take your PC's megatasking abilities to extreme levels with the first native 8-core desktop processor built with dynamic, tuneable performance to handle multiple intensive apps without breaking a sweat.



AMD FX 8-Core Black Edition FX-9590 (ecx-Mic-US-861229)

- Core Black Edition<sup>2</sup> Processor Model: FX-9590
- Cores: 8
   Frequency: 4700
- Socket: AM3+

(Figure 1) (emphasis added.)<sup>12</sup>

(**Figure 2**) (emphasis added.)<sup>13</sup>

AMD makes similar representations at online retailers' webpages for the Bulldozer 26. 19 processors. For example, AMD caused the NewEgg.com and Amazon.com product page 20 descriptions to prominently include the number of cores in the title for the Bulldozer processors: 21 AMD FX-9590 Vishera 8-Core 22 4.7GHz Socket AM3+ 220W 23 FD9590FHHKWOF Desktop **Processor - Black Edition** 24 (Figure 3, AMD's Newegg.com page) (emphasis added.)<sup>14</sup> 25 AMD FX Processors, http://www.amd.com/en-us/products/processors/ desktop/fx (last 26 visited Oct. 26, 2015). 27 13 AMD FX 8-Core Black Edition FX-9590 Processors |, http://shop.amd.com/enus/components/processors/ecxMicUS861229 (last visited Oct. 26, 2015). 28 7 **CLASS ACTION COMPLAINT** 

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1	Amd FD9590FHHKWOF Fx-9590		
2	Oem Fx-series 8-core Black Edition		
3	(Figure 4, AMD's Amazon.com page) (emphasis added.) <sup>15</sup>		
4	27. Beyond webpage titles, AMD provides the same online retailers descriptive		
5	marketing copy for its Bulldozer processors. For instance, AMD repeatedly emphasizes that the		
6	Bulldozer processors have eight cores:		
7 8	Features		
° 9	Overclock and keep cool with up to eight cores and 5 GHz of the most advanced technology you can buy.1The AMD FX-series processor unleashes up to 5 GHz of		
10	performance and contains up to eight powerful cores, so you can game, overclock and get the max out of your experience.		
11	Control up to eight cores and 5 GHz of relentless power  AMD FX 8-Core Processors      The industry's first and only native 8-core desktop processor for unmatched multitasking and pure core performance with "Bulldozer" architecture.		
12			
13			
14	Product Brief		
15	AMDI       This is FXing Serious.         EX       We call it the care AND EX & One December 2 is the call it to be and it to		
16	We call it the new AMD FX 8-Core Processor Black Edition and it's unlocked for your overclocking pleasure.Experience unmatched multitasking and pure core performance with the industry's first 32nm 8-core desktop processor. Get the speed you crave with AMD Turbo CORE Technology to push your core frequencies to the limit when you need it most.		
17	Maximum Performance     Core Name     Vishera		
18	The industry's only 8-core desktop processor     # of Cores		
19	Innovative Architecture		
20	The industry's first and only native 8-core desktop processor for unmatched multitasking and pure core performance with "Bulldozer" architecture		
21	( <b>Figure 5</b> , showing AMD's representations on Newegg.com) (emphasis added.) <sup>16</sup>		
22 23	28. AMD similarly ensured that its marketing at brick-and-mortar stores emphasized the		
23	AMD FX-9590 Vishera 8-Core 4.7GHz Socket AM3+ 220W FD9590FHHKWOF Desktop		
25	<i>Processor - Black Edition - Newegg.com</i> , www.newegg.com/Product/Product.aspx?Item= N82E16819113347 (last visited Oct. 26, 2015).		
26	<sup>15</sup> Amazon.com: AMD Athlon 64 X2 Dual-Core 5600+ 2.8 GHz Processor, Socket AM2: Electronics, infra.		
27	<sup>16</sup> AMD FX-9590 Vishera 8-Core 4.7GHz Socket AM3+ 220W FD9590FHHKWOF Desktop Processor - Black Edition - Newegg.com, supra.		
28	Trocessor Ducen Duction Trone55.00m, Supru.		
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Bulldozers' core-count. For example, AMD prominently displays that the FX-9590 Bulldozer CPU
 has "8 cores" on the product's packaging, including on two different product seals that must be
 broken before consumers can access the processor (*i.e.*, consumers must view the representation
 before using the product). *See* Figures 6–8.

5 Plus: Control up to 8 cores and 5 GHz of relentless power 6 Dominate your games with unlocked, maximum performance Combine it with an AMD Radeon<sup>™</sup> R9 series graphics card for 7 the ultimate gaming experience 8 (Figure 6, showing the FX-9590 Bulldozer's retail packaging) (emphasis added.)<sup>17</sup> 9 5.0 GHz Max Turbo, 4.7 GHz Base Socket AM3+, Includes Liquid Cooler Part # FD9590FHHKWOX 10 30416 0 11 AMDI 12 For more information on AMD Processor-In-A-Box (PIB) please visit: www.amd.com/PIB 13 One AMD Place X 959 P.O. Box 3453 Sunnyvale, California 94088-3453 14 AMD FX 8-Core 16 MB Total Cache, Black Edition 15 (Figure 7, showing product seal and incorporation of www.amd.com) (emphasis added.) 16 17 5.0 GHz Max Turbo, 4.7 GHz Base For more information on AMD Processor In a Box (PIB) Socket AM3+, Includes Liquid Cooler Part #: FD9590FHHKWOX please visit: www.amd.com/PIB 18 an sa sa sa 30416 dilliid **One AMD Place** 19 P.O. Box 3453 Sunnyvale, California 94088-3453 AMD 20 21 (9590 22 AMD FX 8-Core 16 MB Total Cache, Black Edition 23 (Figure 8, showing secondary product seal and incorporation of www.amd.com) (emphasis added.)<sup>1</sup> 24 29. Taken together, AMD's marketing and advertisements for the Bulldozer 25 Figures 6 and 7 are excerpts taken from AMD's FX9590 Bulldozer processor's packaging, a 26

true and accurate reproduction of which is attached hereto as Exhibit D.
 Figure 8 is an excerpt taken from AMD's FX9590 Bulldozer processor's secondary packaging, a true and accurate reproduction of which is attached hereto as Exhibit E.

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processors—including those appearing on every processor's packaging—make clear that the
 Bulldozer CPUs have "8-cores." However, as explained below, AMD has overstated the number of
 cores within its Bulldozer processors.

4

### B. AMD's Bulldozer CPUs Do Not Have Eight Cores.

30. Despite Defendant's claims, AMD's Bulldozer CPUs do not have eight cores as
advertised. Instead, AMD designed its Bulldozers around four component-sharing "modules" rather
than eight independent cores. A technical inspection of the Bulldozer processors and a review of
trade publications demonstrate that Bulldozers are missing key components compared to true eight
core CPUs. As a result, they cannot perform in the same way and at the same speed.

10 31. The foundation of every AMD Bulldozer processor is AMD's "module" technology that contains two processing units.<sup>19</sup> In its marketing, AMD represents that each module contains 11 two cores, but that is not the case because a Bulldozer module begins as a single core, to which 12 13 AMD adds some—but not all—of the components from another core. As described above, a core is 14 a processing unit (what once was a single CPU) that is independent from other processing units on 15 the same physical chip or die. AMD's decision to provide each module with only *some* (but not all) 16 of the components of two cores means a module contains only one complete core, not two as 17 advertised. While two cores can simultaneously process two instructions independently from each other, AMD's Bulldozer modules cannot. 18

19 32. A visual comparison of a module to a core reveals that a module does not contain
20 two cores. <u>Figure 9</u> shows a pre-Bulldozer AMD CPU design. There, a sing core has a dedicated
21 (not shared) floating-point unit ("FPU")<sup>20</sup> along with L1 and L2 cache. Similarly, <u>Figure 10</u> shows

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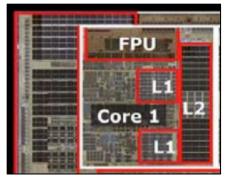
28

<sup>19</sup> AMD subsequently released "Piledriver" and "Steamroller" processors that contain and were built using Bulldozer module technology.

23 A floating point unit is a sub processor purpose-built to perform calculations related to
 24 "floating points," or non-integer number (*i.e.*, numbers with decimal places). L2 cache is a bank of computer memory that serves as a repository for a processing unit.

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a current Intel design where a single core has a dedicated (not shared) FPU and L1 and L2 cache.<sup>21</sup>
With these designs, each core can process an instruction independently from other cores because it
has its own dedicated cache and FPU, among other components. These processing units, then fit
into the standard definition of a core. And, an 8-core CPU built with these designs will have eight
copies of the cores shown above on one physical processor or die, and contain eight FPUs and eight
sets of L1 and L2 cache.



(<u>Figure 9</u>, showing AMD's Phenom II core with a separate and dedicated (non-shared) floating-point unit and L2 cache, among other components.)



(Figure 10, showing Intel's Westmere core with a separate floating-point unit and L2 cache, among other components)

<sup>21</sup> In addition to its multi-core processors, Intel offers a "Hyper-Threading" feature on its
<sup>21</sup> CPUs. Hyper-Threading is a technology used by Intel to create virtual cores. Specifically, engineers
found that by adding additional components to a CPU, it may be possible to cause one core to
process two instructions rather than one. By including Hyper-Threading, Intel increased
performance of a single core. However, Hyper-Threading does not offer the same performance as
two "physical" (*i.e.*, actual) cores.

Importantly, Intel does not market its CPUs with Hyper-Threading as having more cores
than a chip without Hyper-Threading. That is, Intel does not count Hyper-Threading's virtual cores
as additional "physical cores." For example, Intel advertises its Hyper-Thread enabled Core i5 chips
as having "2 cores" but being capable of executing "4 threads," what it defines as "a software term
for the basic ordered sequence of instructions that can be passed through or processed by a single
CPU core." *See ARK* | *Intel*® *Core*<sup>TM</sup>*i5-5250U Processor (3M Cache, up to 2.70 GHz)*,
http://ark.intel.com/products/84984/Intel-Core-i5-5250U-Processor-3M-Cache-up-to-2 70-GHz

http://ark.intel.com/products/84984/Intel-Core-i5-5250U-Processor-3M-Cache-up-to-2\_70-G (last visited Oct. 26, 2015).

Case 5:15-cv-04922-RMW Document 1 Filed 10/26/15 Page 12 of 30 1 VSS Gating Footer Instruction Fetch 2 Branch ---64K L1 Instructio Cache 3 Unit 4 2MBL2 Cache Cache 16K L1 16K L1 5 DCache DCad 6 **Floating-Point Unit** 7 8 (Figure 11, showing a Bulldozer module with two module processing units marked as "Core 0" and "Core 1" and sharing a single floating point unit and L2 cache) 9 (emphasis added, showing shared components.)<sup>22</sup> 10 33. But as Figure 11 reveals, AMD designed its module processing units to share 11 common components. As such, AMD's advertised "cores" are not independent from each other and 12 are not really cores. For instance, AMD's Bulldozer module processing units share a single FPU. If 13 one module processing unit performs a floating point calculation, the other must wait until that 14 resource is free for its own floating point calculation, creating a bottleneck. The same is true for the 15 L2 cache, and other shared sub-components. A Bulldozer CPU advertised as having "eight cores," 16 then, has eight module processing units but only four FPUs, four sets of L2 cache, and four sets of 17 other important core components. As such, the "eight core" AMD Bulldozer CPU does not have 18 eight cores under the industry standard definition. 19 34. Technical trade publications (*i.e.*, publications not read by average consumers) have 20 also taken note of the differences between AMD's Bulldozer module processing units and actual 21 cores. One industry publication stated that "the Bulldozer module doesn't incorporate two complete 22 cores" as advertised.<sup>23</sup> The publication "estimated that a Bulldozer module could [at most] average 23 80% of [the performance of] two complete cores."<sup>24</sup> 24 22 Intel & AMD, Architectural Discussion, How Far Ahead Is Intel? - CPUs, Motherboards, and Memory - Linus Tech Tips, http://linustechtips.com/main/topic/48571-intel-amd-architectural-25 discussion-how-far-ahead-is-intel/ (last visited Oct. 26, 2015). 26 Per-Core Performance - AMD Bulldozer Review: FX-8150 Gets Tested, www.tomshardware .com/reviews/fx-8150-zambezi-bulldozer-990fx,3043-3.html (last visited Sept. 22, 2015). 27 24 Id. 28

35. The publication went on to state that, according to Microsoft (the developer of the
 Windows operating system), "modules have performance characteristics more similar to
 [Hyper-Threading] than physical cores, so [it] is looking to detect and treat them the same as
 Hyper-Threading in the future."<sup>25</sup> That is to say, Microsoft recognized that a module did not have
 two cores, but only two module processing units (which are not the same) and compared a module
 to an Intel core with "hyper-threading" technology, as described in footnote 24.

36. In fact, when not marketing to consumers, AMD acknowledges that a module is not
equal to two cores. In 2013, AMD released a technical video of one of its engineers describing the
Bulldozer design.<sup>26</sup> In the video, the engineer states that AMD's modules have "additional sharing"
when compared to existing cores and that *modules*, rather than module processing units, have
"everything necessary to schedule a code on these processors."<sup>27</sup> That is, an "8 core" Bulldozer
CPU with four modules really only has four actual cores.

13

С.

Misrepresenting a CPU's Core-count is Material.

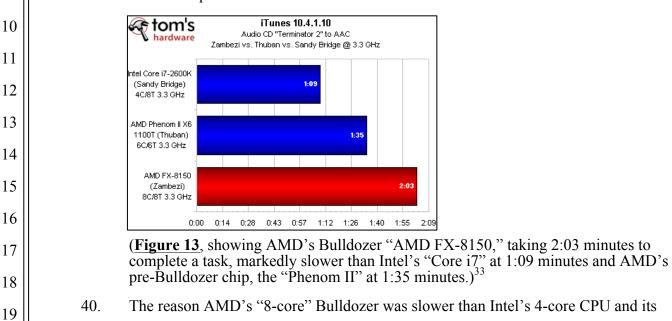
As the AMD engineer put it: Bulldozer module processing units share more
resources than a core. In practice, AMD's choice to design the Bulldozer module processor units to
share components creates a performance bottleneck compared to CPUs with actual cores.

38. When it was released in 2011, AMD advertised its 3.3 GHz FX-8150 Bulldozer
processor<sup>28</sup> as being the "first-ever eight-core desktop processor" for consumers.<sup>29</sup> Intel's
competing chip at the time was its four core Intel Core i7-2600K running at 3.3 GHz.<sup>30</sup> As these
specifications suggest, the competing chips operate at the same clock speeds, but AMD seemingly
bests Intel on core-count. As such, consumers in the market for CPUs would identify the AMD chip

22 25 Id. (emphasis in original). 26 AMD, "Bulldozer" Processor Topology, May 28, 2013, www.youtube.com/watch? 23 v=4EAuVsXWQ0s (last visited Oct. 26, 2015). 27 Id. 24 28 The Bulldozer Review: AMD FX-8150 Tested - Print View, supra. 29 25 AMD, Unlock Your Record Setting AMD FX Series Processor Today, (10/12/2011) http://www.amd.com/en-us/press-releases/Pages/unlock-your-record-setting-2011oct12.aspx (last 26 visited Oct. 26, 2015). The Sandy Bridge Review: Intel Core i7-2600K, i5-2500K and Core i3-2100 Tested, 27 http://www.anandtech.com/show/4083/the-sandy-bridge-review-intel-core-i7-2600k-i5-2500k-corei3-2100-tested (last visited Oct. 26, 2015). 28

as the better offering because it offers double the number of cores at the same speeds—therefore it
 would be expected that AMD's CPU would be twice as fast as Intel's. But as described above, the
 Bulldozer does not contain eight cores, only four modules, and its performance is less than it would
 be for a true eight-core CPU.

39. For instance, Figure 13 is a chart from a representative technical review of a
Bulldozer processor compared against a Intel's processors (lower is better). There, the "8-core" FX8150 Bulldozer processor is 96% slower than the 4-core (with Hyper-Threading) Intel Core i72600K.<sup>31</sup> In fact, the reviewer discovered that the new "8-core" Bulldozer chip was often *slower*than AMD's older 6-core processor.<sup>32</sup>



own 6-core CPU is that it does not have "8-cores," but only eight module processing units with

21 shared components. Average consumers in the market for a CPU lack the requisite technical

22 expertise to understand the underlying design of the Bulldozer processors. Instead, average

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<sup>33</sup> Per-Core Performance - AMD Bulldozer Review: FX-8150 Gets Tested,

25 http://www.tomshardware.com/reviews/fx-8150-zambezi-bulldozer-990fx,3043-6.html (last visited Oct. 26, 2015); *see also The Bulldozer Review: AMD FX-8150 Tested - Print View*,

http://www.anandtech.com/print/4955/the-bulldozer-review-amd-fx8150-tested (last visited Oct. 26, 2015) (stating that in some instances, "Bulldozer simply does not perform," and even in other cases,
 "the improvement over the previous generation [AMD six-core CPU] simply isn't enough to justify

an upgrade.")

1 consumers trust AMD to convey accurate specifications in its marketing.

41. And although AMD knew that average consumers were unable to discern the
falsehood of its representations at the time of sale, AMD misled consumers who desired a processor
with eight cores by advertising inflated core-counts of its Bulldozer CPUs. As a result, tens of
thousands of consumers have been deceived by AMD's marketing and purchased Bulldozer
processors believing AMD's representations about its core-count to be true.

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III. <u>Plaintiff Dickey's Experience With His FX-9590 Processor.</u>

8 42. On March 10, 2015, Plaintiff navigated to AMD.com. On AMD's website, Plaintiff
9 saw representations identical to those in Figures 1 and 2. Specifically, Plaintiff saw representations
10 that the FX-9590 Bulldozer chip was "the first native 8-core desktop processor" and had "811 core[s]."

43. Plaintiff then navigated to www.Newegg.com where he saw AMD's representations
claiming that the Bulldozer processor had "8 cores." The representations he saw were created by
AMD and provided by it to Newegg.com. Specifically, Plaintiff saw representations on
Newegg.com that the FX-9590 Bulldozer was the "first native 8-core desktop processor" and "the
industry's first and only native 8-core desktop processor for unmatched multitasking and pure core
performance with 'Bulldozer' architecture," identical to the representations in Figures 3 and 5.

44. After viewing the representations, and on March 10, 2015, Plaintiff purchased two
FX-9590 Bulldozer processors on Newegg.com for \$299.99. Plaintiff then read the representations
that AMD created for the processors' packaging when he received the FX-9590 processors in the
mail but prior to opening and using the product. Specifically, Plaintiff read AMD's representations
that the FX-9590 Bulldozer was an "8-core" processor, as shown in Figures 6–8.

45. Plaintiff then began using the AMD FX-9590 Bulldozer processors. However, as
described above, the FX-9590 Bulldozer processors Plaintiff purchased did not have eight cores
each. Instead, they each only contained four Bulldozer "modules," which at best could constitute
four cores. As a result, Plaintiff's AMD FX-9590 Bulldozer processors did not perform as well as a
CPU with the same clock speed but with eight true cores.

46. Plaintiff reasonably relied upon AMD's express representations about the FX-9590's
 core-count in choosing to purchase that particular processor—namely, that the FX-9590 had two
 more cores than Intel's competing processors. Those representations were material to his purchase:
 without them, Plaintiff would either have not purchased the FX-9590 chips or he would have paid
 less for them.

6 47. Accordingly, Plaintiff has suffered damages as the result of AMD's
7 misrepresentations in the form of money paid to purchase the FX-9590 Bulldozer processors.

8 48. Plaintiff is likely to consider purchasing AMD's processors in the future and requires 9 an injunction requiring AMD to truthfully advertise its processor specifications going forward. 10 Defendant AMD is one of only two major companies that provide processors for consumer personal computers.<sup>34</sup> As such, Plaintiff will be exposed to AMD's deceptive marketing in the future and is 11 effectively left with no other option but to purchase products from AMD or Intel. Plaintiff would 12 13 consider purchasing AMD's Bulldozer chips in the future if they were accurately advertised and 14 priced commensurately with their true value. Moreover, an injunction requiring AMD to stop 15 falsely marketing its CPUs will have an effect on the market for CPUs, leading to fewer misleading 16 advertisements.

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# CLASS ALLEGATIONS

49. **Class Definition:** Plaintiff brings this action pursuant to Federal Rule of Civil 18 Procedure 23(b)(2) and Rule 23(b)(3) on behalf of himself and a Class of similarly situated 19 20 individuals defined as follows: All individuals in the United States that purchased any of the following AMD 21 Bulldozer processors: FX-8120, FX-8150, FX-8320, FX-8350, FX-8370, FX-9370, 22 and FX-9590.35 23 34 Kay, Roger, Intel v. AMD: The Juggernaut Vs. The Squid, Forbes.com (Nov. 25, 2014), http://www.forbes.com/sites/rogerkay/2014/11/25/intel-and-amd-the-juggernaut-vs-the-squid/ (last 24 visited Oct. 26, 2015). 35 True and accurate copies of the online advertising and on-box representations for the FX-25 8120, FX-8150, FX-8320, FX-8350, FX-8370, FX-9370, and FX-9590 Bulldozer processors 26 ("Bulldozer Processors") are attached hereto as Exhibit F, emphasis showing substantially similar representations and specifications. As the representations in Exhibit F show, AMD built all of the 27 Bulldozer Processors around the same "Bulldozer Microarchitecture," meaning the processors only differ with regards to price, clock speed (GHz), and other non-material or not-at-issue features. See 28 16 **CLASS ACTION COMPLAINT** 

The following people are excluded from the Class: (1) any Judge or Magistrate presiding over this
action and members of their families; (2) Defendant, Defendant's subsidiaries, parents, successors,
predecessors, and any entity in which the Defendant or its parents have a controlling interest and its
current or former employees, officers and directors; (3) persons who properly execute and file a
timely request for exclusion from the Class; (4) persons whose claims in this matter have been
finally adjudicated on the merits or otherwise released; (5) Plaintiff's counsel and Defendant's
counsel; and (6) the legal representatives, successors, and assigns of any such excluded persons.

8 50. Numerosity: The exact number of members of the Class is unknown and is not
9 available to Plaintiff at this time, but individual joinder in this case is impracticable. The Class
10 likely consists of tens of thousands of individuals. Class members can be easily identified through
11 Defendant's or its agents' records.

12 51. Commonality and Predominance: There are many questions of law and fact
13 common to the claims of Plaintiff and the other members of the Class, and those questions
14 predominate over any questions that may affect individual members of the Class. Common
15 questions for the Class include but are not limited to the following:

16a)Whether Defendant intentionally misrepresented the core-count of its17Bulldozer Processors;

b) Whether Defendant's conduct described herein was willful;

- c) Whether Defendant's conduct described herein constitutes a violation of
- also AMD FX-Series microprocessor family, http://www.cpu-world.com/CPUs/Bulldozer/TYPE FX-Series.html (last visited Oct. 26, 2015).

In addition, and as shown in Figure F, the Bulldozer Processors were marketed in the same way. Marketing for each contains the core-count within the product name, product description, product details, and on the box. Moreover, AMD overstated the core-count for each processor in the same way: AMD counted each module as two cores even though a Bulldozer module processing unit is not equal to a core. And, in one of its Form 10-Ks, AMD states the following about its FX processors: "Our CPUs for desktop PC platforms also consist of the following: AMD FX processors hased on the 'Bulldozer' and 'Biledriver' x86 multi core architecture...." Advanced Micro Devices

based on the 'Bulldozer' and 'Piledriver' x86 multi-core architecture ... ." Advanced Micro Devices - SEC Filing,

 http://ir.amd.com/mobile.view?c=74093&v=202&d=3&id=aHR0cDovL2FwaS50ZW5rd2l6YXJkL mNvbS9maWxpbmcueG1sP2lwYWdlPTg3NDQwODgmRFNFUT0xJlNFUT04JlNRREVTQz1TR
 UNUSU9OX1BBR0UmZXhwPSZzdWJzaWQ9NTc%3D (last visited Oct. 26, 2015).

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California's Consumers Legal Remedies Act (Cal. Civ. Code. §§ 1750, et seq.);

d)	Whether Defendant's conduct described herein constitutes a violation of the
	Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200, et seq.);

- e) Whether Defendant's conduct described herein constitutes a violation of the False Advertising Law (Cal. Bus. & Prof. Code §§ 17500, *et seq.*);
- f) Whether Defendant's conduct described herein constitutes fraud in the inducement;
- g) Whether Defendant's conduct described herein constitutes a breach of express warranty;
  - h) Whether Defendant's conduct described herein constitutes negligent misrepresentation; and,
  - i) Whether Defendant's conduct has caused them to be unjustly enriched.

14 52. Typicality: Plaintiff's claims are typical of the claims of the other members of the
15 Class. Plaintiff and the Class sustained damages as a result of Defendant's uniform wrongful
16 conduct during transactions with Plaintiff and the Class.

17 53. Adequate Representation: Plaintiff has and will continue to fairly and adequately
18 represent and protect the interests of the Class, and he has retained counsel competent and
19 experienced in complex litigation and class actions. Plaintiff has no interests antagonistic to those of
20 the Class, and Defendant has no defenses unique to Plaintiff. Plaintiff and his counsel are
21 committed to vigorously prosecuting this action on behalf of the members of the Class, and they
22 have the resources to do so. Neither Plaintiff nor his counsel has any interest adverse to those of the
23 other members of the Class.

54. Policies Generally Applicable to the Class: This class action is appropriate for
certification because Defendant has acted or refused to act on grounds generally applicable to the
Class, thereby requiring the Court's imposition of uniform relief to ensure compatible standards of
conduct toward the members of the Class and making final injunctive relief appropriate with respect

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to the Class as a whole. Defendant's policies challenged herein apply and affect the members of the
 Class uniformly and Plaintiff's challenge of these policies hinges on Defendant's conduct with
 respect to the Class as a whole, not on facts or law applicable only to Plaintiff.

4 55. **Superiority**: This class action is also appropriate for certification because class 5 proceedings are superior to all other available methods for the fair and efficient adjudication of this controversy and joinder of all members of the Class is impracticable. The damages suffered by the 6 individual members of the Class will likely be small relative to the burden and expense of 7 8 individual prosecution of the complex litigation necessitated by Defendant's wrongful conduct. 9 Thus, it would be virtually impossible for the individual members of the Class to obtain effective 10 relief from Defendant's misconduct. Even if members of the Class could sustain such individual 11 litigation, it would not be preferable to a class action because individual litigation would increase the delay and expense to all parties due to the complex legal and factual controversies presented in 12 13 this Complaint. By contrast, a class action presents far fewer management difficulties and provides 14 the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court. Economies of time, effort, and expense will be fostered and uniformity of decisions will be 15 16 ensured. 17 56 Plaintiff reserves the right to revise the foregoing "Class Allegations" and "Class Definition" based on facts learned through additional investigation and in discovery. 18 19 FIRST CAUSE OF ACTION **Violation of the Consumers Legal Remedies Act** 20Cal. Civ. Code §§ 1750, et seq. (On Behalf of Plaintiff and the Class) 21

57. Plaintiff incorporates by reference the foregoing allegations as if fully set forth
 herein.

58. The Consumers Legal Remedies Act ("CLRA") applies to Defendant's actions and
conduct as described herein because it extends to transactions that are intended to result, or which
have resulted, in the sale of goods or services to consumers.

- 59. Defendant is a "person" as defined by Cal. Civ. Code § 1761(c).
  - 60. Plaintiff and each member of the Class are "consumers" as defined by Cal. Civ.
- **CLASS ACTION COMPLAINT**

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1 Code § 1761(a).

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2 61. Defendant's Bulldozer Processors are "goods" within the meaning of Cal. Civ. Code
3 § 1761(a).

4 62. As described herein, Defendant has engaged in deceptive practices, unlawful
5 methods of competition, and/or unfair acts as defined by Cal. Civ. Code §§ 1750 *et seq.*, to the
6 detriment of Plaintiff and the Class.

7 63. Defendant, acting with knowledge, intentionally and unlawfully brought harm upon
8 Plaintiff and the Class by representing that the Bulldozer Processors had "8-cores" when in fact
9 Defendant's representations were false because the Bulldozer Processors have only four complete
10 cores.

11 64. Specifically, Defendant violated Cal. Civ. Code § 1750 in at least the following
12 respects:

- a. In violation of § 1770(5), by representing that the Bulldozer Processors had
  characteristics, ingredients, uses, benefits, or quantities which they did not
  have;
  - b. In violation of § 1770(7), by representing that the Bulldozer Processors were of a particular standard, quality, or grade of which they are not; and
- 18 c. In violation of § 1770(9), by advertising the Bulldozer Processors with the
  19 intent not to sell its goods as advertised.

20 65. Defendant's unfair or deceptive acts or practices were capable of deceiving a
21 substantial portion of the purchasing public.

66. Defendant knew that it was unable or unwilling to manufacture, distribute, and sell
processors with the advertised specifications at the time that it made representations claiming that
the Bulldozer Processors had twice the number of cores that they actually had. Specifically,
Defendant possessed technical materials and documentation and would have known that the
Bulldozer modules were not equivalent to two cores as advertised.

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67. Once Defendant made specific public representations regarding the specifications of
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the Bulldozer Processors, Defendant was under a duty to Plaintiff and the Class to disclose its 2 inability or unwillingness to manufacture, distribute, and sell processors as advertised because:

- 3 Defendant was in a superior position to know the true state of facts about the a. specifications of the Bulldozer Processors; 4
  - b. Plaintiff and the Class could not reasonably have been expected to learn or discover that Defendant did not design the Bulldozer Processors with the advertised specifications;
  - c. Defendant knew that Plaintiff and the Class members could not reasonably have been expected to learn or discover that the Bulldozer Processors did not contain the core-count advertised; and
    - d. Defendant knew, and in fact intended, that Plaintiff and the Class members would rely on Defendant's representations regarding the processors' corecount in choosing whether or not to purchase the Bulldozer Processors.
- 68. 14 In failing to disclose its inability or unwillingness to design, manufacture, and sell processors with the advertised specifications, Defendant has knowingly and intentionally concealed 15 16 material facts and breached its duty not to do so.

17 69 The facts concealed or not disclosed by Defendant to Plaintiff and the Class, including that the Bulldozer Processors did not have any many cores as advertised, are material in 18 that a reasonable consumer would have considered them to be important in deciding whether or not 19 20 to purchase the Bulldozer Processors.

- 21 70. Plaintiff and the Class reasonably expect their processors to have the specifications 22 equal to what Defendant advertised based upon Defendant's representations found online, the 23 processors' packaging, and in the processors' names. Plaintiff's and Class members' expectations 24 were reasonable under the circumstances.
- 71. 25 The core-count of the Bulldozer Processors are and were material selling points of 26 Defendant's processors, and primary reasons to purchase the products.
- 27 72. Plaintiff and members of the Class relied on the representations made by Defendant 28

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1 about the core-count of the Bulldozer Processors when purchasing the products.

2 73. Defendant's false representations about the core-count of the Bulldozer Processors
3 were acts likely to mislead Plaintiff and the members of the Class acting reasonably under the
4 circumstances.

74. Through the misrepresentations and omissions detailed herein, Defendant wrongfully
induced Plaintiff and the other members of the Class to purchase the Bulldozer Processors when
they otherwise would not have purchased the processors or would have only agreed to purchase
them at a lower price.

9 75. As a direct and proximate result of Defendant's violation of Cal. Civ. Code §§ 1750,
10 *et seq.*, Plaintiff and each Class member have suffered harm in the form of paying monies to
11 Defendant without receiving the entire benefit of his or her bargain.

76. Plaintiff and the members of the Class are likely to purchase processors with AMD
technology in the future and require an injunction requiring AMD to truthfully advertise its
processors' specifications. Specifically, because AMD and its competitor Intel manufacture and
distribute effectively all consumer CPUs, Plaintiff and members of the Class will be exposed to
AMD's deceptive marketing in the future and are effectively left with no other option but to
purchase products from AMD or Intel.

18 77. Under Cal. Civ. Code § 1780(a) and (b), Plaintiff, individually and on behalf of the
19 Class, seeks an injunction requiring Defendant to cease and desist the illegal conduct alleged in this
20 Complaint, and all other appropriate remedies for its violations of the CLRA. For the sake of clarity,
21 Plaintiff explicitly disclaims any claim for damages under the CLRA at this time.

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#### SECOND CAUSE OF ACTION Violations of California's Unfair Competition Law Cal. Bus. & Prof. Code §§ 17200, *et seq.* (On Behalf of Plaintiff and the Class)

78. Plaintiff incorporates by reference the foregoing allegations as if fully set forth
herein.
79. California's Unfair Competition Law ("UCL"), Cal Bus. & Prof. Code §§ 17200, *et*

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1 markets for goods and services.

80. The UCL prohibits any unlawful, unfair, or fraudulent business act or practice,
including the employment of any deception, fraud, false pretense, false promise, misrepresentation,
or the concealment, suppression, or omission of any material fact. A business practice need only
meet one of the three criteria to be considered unfair competition.

81. The specifications of a consumer product is a material term of any transaction
because it directly affects a consumer's choice of, or conduct regarding, whether to purchase a
product. Any deception or fraud related to the specifications of a product is materially misleading.

82. As described herein, Defendant has engaged in deceptive business practices, as
defined by the UCL, by misrepresenting the core-count of its Bulldozer Processors.

11 83. Defendant's representations were, in fact, false. Defendant's processors do not
12 actually contain the advertised core-count. In particular, Defendant's Bulldozer Processors contain
13 four "modules" (*i.e.*, four complete cores) which are materially distinct from "8-cores" that are
14 advertised.

15 84. Defendant has violated the fraudulent prong of the UCL by knowingly making false
16 representations to consumers—including Plaintiff and the Class—regarding the number of cores in
17 its Bulldozer Processors. These representations were made in an effort to convince consumers to
18 purchase the Bulldozer Processors.

19 85. Reasonable consumers are likely to be, and Plaintiff and the Class were, deceived by
20 Defendant's misrepresentations about the specifications of the Bulldozer Processors.

21 86. Defendant also violated the UCL's unfair prong by causing substantial injury to 22 consumers through its fraudulent conduct described above. The injuries caused by Defendant's 23 unfair conduct are not outweighed by any countervailing benefits to consumers or competition, and 24 the injury is one that consumers themselves could not reasonably have avoided. Given the 25 information asymmetry between Defendant and consumers regarding the true specifications of the Bulldozer Processors, Defendant knew or had reason to know that Plaintiff and the Class could not 26 27 have reasonably known or discovered the falsity of representations about the actual specifications of 28

1	the Bulldozer Processors.			
2	87. Defendant's fraudulent and unfair conduct occurred during the marketing,			
3	distribution, and sale of consumer-grade CPUs, and therefore occurred in the course of Defendant's			
4	business practices.			
5	88. Defendant's fraudulent and unfair conduct directly and proximately caused Plaintiff			
6	and the Class actual monetary damages in the form of the price paid for their Bulldozer			
7	Processors—typically between \$150 and \$300—or, at least, the difference between what they paid			
8	for the processors and their actual value.			
9	89. But for Defendant's conduct as described herein, Plaintiff and the Class would not			
10	have purchased the Bulldozer Processors, or would have paid substantially less for them.			
11	90. Pursuant to Cal. Bus. & Prof. Code § 17203, Plaintiff seeks an order (1) requiring			
12	Defendant to cease the unfair practices described herein; (2) requiring Defendant to restore to			
13	Plaintiff and each Class member any money acquired by means of unfair competition (restitution);			
14	and, (3) awarding reasonable costs and attorneys' fees pursuant to Cal. Code Civ. Proc. § 1021.5.			
15	THIRD CAUSE OF ACTION			
16 17	Violation of False Advertising Law Cal. Bus. & Prof. Code §§ 17500 <i>et seq.</i> (On Behalf of Plaintiff and the Class)			
18	91. Plaintiff incorporates the foregoing allegations as if fully set forth herein.			
19	92. California's False and Misleading Advertising Law ("FAL") prohibits corporations			
20	from intentionally disseminating advertisements for products or services that are "unfair, deceptive,			
21	untrue, or misleading." Cal. Bus. & Prof. Code §17500.			
22	93. As depicted in <u>Figures 1–8</u> and detailed throughout this Complaint, Defendant has			
	disseminated unfair, deceptive, untrue, and misleading advertisements that overstate the core-count			
	disseminated unfair, deceptive, untrue, and misleading advertisements that overstate the core-count			
23	disseminated unfair, deceptive, untrue, and misleading advertisements that overstate the core-count of its Bulldozer Processors. As detailed in <u>Section II</u> above, these advertisements are false and			
23 24				
23 24 25	of its Bulldozer Processors. As detailed in Section II above, these advertisements are false and			
23 24	of its Bulldozer Processors. As detailed in <u>Section II</u> above, these advertisements are false and misleading and were designed to convince consumers to purchase the processors. In short,			

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95. Defendant knew or should have known when creating and disseminating these 1 2 advertisements that they contained materially false and misleading information. As the developers, 3 engineers, testers, and distributors of the Bulldozer Processors, Defendant is intimately familiar with the processors' specifications. Thus, it is reasonable to infer that Defendant is (and was) aware 4 5 of the fact that the Bulldozer Processors did not have any many cores as advertised. 96 Defendant's conduct directly and proximately caused Plaintiff and the Class actual 6 monetary damages in the form of the price paid for the Bulldozer Processors—typically between 7 8 \$150 and \$300—or, at least, the difference between what they paid for the processors and their 9 actual value. 97 10 Plaintiff seeks an order (1) requiring Defendant to cease the false advertising 11 practices described herein; (2) requiring Defendant to restore to Class members any money acquired 12 by means of false advertising (restitution); and, (3) awarding reasonable costs and attorneys' fees 13 pursuant to Cal. Code Civ. Proc. § 1021.5. 14 FOURTH CAUSE OF ACTION Fraud in the Inducement 15 (On Behalf of Plaintiff and the Class) 16 98. Plaintiff incorporates by reference the foregoing allegations as if fully stated herein. 17 99 As described with particularity herein, Defendant has designed, overseen, and 18 disseminated false and misleading advertisements for its Bulldozer Processors. This conduct 19 includes, but is not limited to, Defendant promoting and advertising that the Bulldozer Processors 20 have "8-cores" when Defendant knew or should have known that the processors only have four 21 complete cores. 22 By committing the acts alleged in this Complaint, Defendant has designed and 100. 23 disseminated untrue and misleading statements through fraudulent advertising in order to sell or 24 induce members of the public to purchase its Bulldozer Processors. 25 101. The number of cores within a CPU is a material term of any transaction for a 26 processor because it directly affects a consumer's choice of, or conduct regarding, whether to 27 purchase a particular CPU. Any deception of fraud related to the core-count for a processor is 28

1 materially misleading.

2 102. Misrepresentations regarding a processor's core-count specifications are likely to 3 mislead a reasonable consumer who is acting reasonably under the circumstances.

4 103. Defendant knew or should have known of the falsity of the representations it made 5 regarding the core-count of its Bulldozer Processors.

6 104 Defendant intended that the deceptive and fraudulent misrepresentations it made 7 would induce consumers to rely upon them and act by purchasing its Bulldozer Processors.

8 105. Defendant received money as a result of Plaintiff and members of the Class monies 9 purchasing a product that did not meet the advertised specifications. Accordingly, Plaintiff and the 10 members of the Class have suffered injury in fact and lost money in justifiable reliance on 11 Defendant's misrepresentations of material fact.

12 106. In deceiving Plaintiff and the Class by misrepresenting the actual core-count 13 specifications of the Bulldozer Processors, and inducing Plaintiff and the Class to proffer payment 14 based on those misrepresentations, Defendant has engaged in and has, and/or continues to have, 15 direct knowledge of fraudulent practices designed to mislead and deceive consumers.

16 107. Plaintiff and the Class have suffered harm as a proximate result of Defendant's 17 violations of law and wrongful conduct.

108 Plaintiff, on behalf of himself and the Class, seeks damages from Defendant's 18 unlawful conduct. 19

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#### FIFTH CAUSE OF ACTION **Breach of Express Warranties** (On Behalf of Plaintiff and the Class)

109. Plaintiff incorporates by reference the foregoing allegations as if fully set forth 23 herein.

24 110. Pursuant to California Commercial Code § 2313, Defendant's sale of its Bulldozer 25 Processors included express warranties created by Defendant's affirmations of fact, made through 26 the marketing materials and advertisements displayed on retailers' websites, on the processors' 27 packaging, and in the processors' product description.

111. Defendant's express warranties included affirmations of fact and promises that the 1 2 Bulldozer Processors would conform to the core-count specifications represented on retailers' 3 websites, on the processors' packaging, and in the processors' product description.

4 112. Specifically, Defendant's statements included affirmations of fact and promises that the Bulldozer Processors have "8-cores." As such, Defendant expressly warranted that the 5 Bulldozer Processors would conform to such specifications. 6

Defendant, under the California Commercial Code, was obligated to deliver the 7 113. 8 Bulldozer Processors as advertised, promised, and/or described.

9 114. Defendant breached its express warranties because the processors did not conform to 10 the core-count specifications advertised on retailers' websites, on the processors' packaging, in the 11 processors' product description.

12 115. Defendant's failure to provide Plaintiff and the Class members with processors that 13 conform to advertised core-count specifications constitutes a breach of the express warranty to 14 include such core-count specifications with the Bulldozer Processors.

15 Plaintiff and the members of the Class relied on Defendant's affirmations, promises, 116. 16 and descriptions when they purchased the Bulldozer Processors. But for Defendant's affirmations 17 and promises, Plaintiff and the Class would not have purchased the Bulldozer Processors, or would have only agreed to purchase them at a lower price. As such, Defendant's breach of express 18 19 warranties injured Plaintiff and the Class because they purchased a product of diminished value— 20 processors that do not have the core-count specifications as described by Defendant's affirmations 21 and promises.

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117. Because the processors that Plaintiff and the Class members received did not have 23 the core-count specifications as expressly warranted and represented by Defendant, Plaintiff and the 24 members of the Class have been damaged insofar as they did not receive the benefit of their 25 bargain.

26 118. By serving this Complaint, Plaintiff and the Class hereby give Defendant notice that 27 it has breached the express warranties described above. Plaintiff and the members of the Class

request maximum damages as provided by the California Commercial Code.

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#### Negligent Misrepresentation (On Behalf of Plaintiff and the Class)

Plaintiff incorporates by reference the foregoing allegations.

SIXTH CAUSE OF ACTION

5 120. Through its marketing materials, Defendant represented to Plaintiff and the members
6 of the Class that the Bulldozer Processors have "8-cores."

7 121. Plaintiff and the members of the Class were exposed to representations made by
8 Defendant regarding the Bulldozer Processors having eight cores. Those representations were
9 repeated on and through various websites, including amd.com, Newegg.com, and Amazon.com, and
10 on the Bulldozer's packaging.

11 122. Those representations were false, and at the time such false statements were made,
12 Defendant knew or should have known of their falsity or, at the very least, Defendant acted with
13 negligence and carelessness in ascertaining the truth of the statements. Defendant knew or should
14 have known that they were unwilling or unable to include the qualities and specifications
15 represented in its marketing materials (online and on-box). Defendant did not have any reasonable
16 ground for believing its statements to be true.

17 123. Defendant intended that Plaintiff and the members of the Class rely on its
18 misrepresentations and omissions by purchasing Bulldozer Processors.

19 124. Defendant understood, and intended, that their current and future customers would20 see the representations discussed herein.

21 125. Defendant had a duty to not make the above-described misrepresentations, and to
22 take steps to correct any misrepresentations before Plaintiff and the members of the Class purchased
23 the Bulldozer Processors.

24 126. However, Defendant did not take any steps to correct, clarify its false representations
25 about the qualities and specifications of the Bulldozer Processors.

26 127. Plaintiff and Class Members justifiably relied on Defendant's misrepresentations by
27 purchasing Bulldozer Processors, and were unaware of the falsity of Defendant's statements at the

1 time they were made.

129.

130.

2 As a direct and proximate result of Defendant's misrepresentations, Plaintiff and the 128. 3 members of the Class suffered damages in the form of monies paid to purchase Defendant's product 4 when they otherwise would not have purchased the processors or would only have agreed to 5 purchase them at a lower price.

> **SEVENTH CAUSE OF ACTION Unjust Enrichment**

(On Behalf of Plaintiff and the Class)

Plaintiff incorporates by reference the foregoing allegations as if fully set forth

Plaintiff and the Class have conferred a benefit upon Defendant in the form of the

# 6 7 8 9 herein. 10 11 money Defendant received from them for the purchase of the Bulldozer Processors, which did not 12 have the core-count specifications as Defendant promised. 13 14 15

131. Defendant appreciates and/or has knowledge of the benefits conferred upon it by Plaintiff and the Class. Under principles of equity and good conscience, Defendant should not be permitted 132.

16 to retain the money obtained from Plaintiff and the members of the Class, which Defendant has 17 unjustly obtained as a result of its deceptive and misleading advertising.

18 133. Accordingly, Plaintiff and the Class seek full disgorgement and restitution of any 19 money Defendant has retained as a result of the unlawful and/or wrongful conduct alleged herein.

# 20

# **PRAYER FOR RELIEF**

21 WHEREFORE, Plaintiff Tony Dickey on behalf of himself and the Class respectfully 22 requests that the Court enter an order:

23 A. Certifying this case as a class action on behalf of the Class defined above, appointing 24 Tony Dickey as representative of the Class, and appointing his counsel as class counsel;

25 B Declaring that Defendant's actions, as set out above, violate the CLRA (Cal. Civ. 26 Code §§ 1750, et seq.); UCL (Cal. Bus. & Prof. Code §§ 17200 et seq.); the FAL (Cal. Bus. & Prof. 27 Code §§ 17500, et seq.), and constitute fraud in the inducement, breach of express warranties,

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1	nagligant mi	scoprosontation and ur	niust anrichment:	
1	C.	t misrepresentation, and unjust enrichment;		
2		Awarding damages, including statutory and punitive damages where applicable, to		
3		the Class in an amount to be determined at trial;		
4	D.	Awarding Plaintiff a	and the Class their reasonable litigation expenses and attorneys'	
5	fees;			
6	E.	Awarding Plaintiff a	and the Class pre- and post-judgment interest, to the extent	
7	allowable;			
8	F.	Awarding such othe	r injunctive and declaratory relief as is necessary to protect the	
9	interests of Plaintiff and the Class; and			
10	G.	Awarding such othe	r and further relief as the Court deems reasonable and just.	
11	DEMAND FOR JURY TRIAL			
12	Plaintiff demands a trial by jury for all issues so triable.			
13			Respectfully submitted,	
14	Dated: Octo	ber 26, 2015	TONY DICKEY, individually and on behalf of all	
15			others similarly situated,	
16			By: <u>/s/ Samuel M. Lasser</u> One of Plaintiff's Attorneys	
17			Samuel M. Lasser (SBN – 252754)	
18			slasser@edelson.com EDELSON PC	
19			1934 Divisadero Street San Francisco, California 94115	
20	Tel: 415.994.9930			
21				
22	Rafey S. Balabanian* rbalabanian@edelson.com			
23			anguyen@edelson.com	
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25			EDELSON PC 350 North LaSalle Street, Suite 1300 Chicago, Illinois 60654	
26			Chicago, Illinois 60654 Tel: 312.589.6370	
27			Fax: 312.589.6378	
28			* <i>Pro hac vice</i> admission to be sought <i>Attorneys for Plaintiff and the Putative Class</i>	
	CLASS ACTION		30	