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Food & Consumer Packaged Goods Litigation

Court Rejects Class Settlement Bid in MSG Case

Peterson v. CJ America, Inc., No. 3:14-cv-2570 (S.D. Cal.): Plaintiff in *Peterson* alleges that several of Defendant's pre-packaged food products were mislabeled as having "NO MSG ADDED" and as "100% all natural ingredients," when the products contain several ingredients containing MSG. On Plaintiff's motion, the Court denied preliminary approval of a class settlement whereby Defendant agreed to contribute \$1.5 million to a Settlement Fund from which the following items would be paid: attorneys' fees and expenses not to exceed \$375,000, an incentive award to Plaintiff of \$5,000, settlement administration expenses, and cash awards to class members. First, the Court found that Plaintiff had not demonstrated that the class action met the predominance requirement under Federal Rule of Civil Procedure 23(b)(3). In particular, Plaintiff failed to demonstrate that California law should apply to a nationwide class of consumers. Second, the Court found that there was not a "driving nexus" between the *cy pres* beneficiaries of leftover settlement funds (Mayo Clinic, Action for Healthy Kids and the National Farm to School Network) and the consumers' claims—a requirement in the Ninth Circuit. [Order.](#)

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