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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

MICHAEL LAVIGNE, *et al.*,
Plaintiffs,
vs.
HERBALIFE LTD., *et al.*,
Defendants.

CASE NO. 2:18-cv-07480-JAK (MRWx)
[Related Case 2:13-cv-02488-BRO-RZ]

**DECLARATION OF RACHEL
WEINTRAUB, CONSUMER
FEDERATION OF AMERICA**

Assigned to Hon. John A. Kronstadt,
Courtroom 10B

1 I, Rachel Weintraub, hereby declare as follows:

2 1. I make this declaration in connection with Plaintiffs' Motion for
3 Preliminary Approval of Class Action Settlement. I have been the Legislative
4 Director and General Counsel of the Consumer Federation of America ("CFA")
5 since 2013. Other than as specifically indicated below, I have personal knowledge
6 of the facts set forth herein, which are known by me to be true and correct, and if
7 called as a witness, I could and would testify competently thereto.

8 2. I make this declaration solely to assist the Court in determining that
9 CFA is an appropriate recipient of *cy pres* funds in connection with the settlement of
10 this action. I have not reviewed the allegations in the Complaint and I have no
11 opinion or position concerning the merits of the parties' respective positions. I have
12 not been advised of the terms of the proposed settlement of this action, and I am not
13 expressing any opinion concerning the fairness or adequacy of the settlement.

14 3. CFA is a 501(c)(3) nonprofit organization that was founded in 1968 to
15 advance the interest of consumers through research, education, and advocacy. Its
16 more than 250 nonprofit member groups include the Consumers Union (publisher of
17 *Consumer Reports*), many national consumer organizations, more than 100 state and
18 local consumer groups, several dozen state and local protection agencies, federal
19 Cooperative Extension System offices, and more than 100 consumer cooperative
20 groups. These organizations together elect CFA's 33-member board of directors.

21 4. CFA's annual budget of approximately \$3.5 million is derived from
22 member contributions, foundation grants, conference fees, and *cy pres* awards,
23 among other sources. This budget supports a staff of approximately 25 people,
24 which includes our CEO, Susan Weinstock, our Director of Consumer Protection,
25 Erin Witte, our Director of Investor Protection, Mikah Hauptman, our Financial
26 Services Outreach Manager, Rachel Gittleman, and our Administrative and
27 Advocacy Associate, Jazzmyn Peterson.

28 5. Much of CFA's work is related to public policy. One study showed

1 that, in the past several decades, CFA and Consumers Union have been invited to
2 give congressional testimony far more frequently than any other consumer groups.
3 CFA has also been a leader in consumer and financial education, utilizing coalitions,
4 networks, social media, and the press to disseminate messages through both hard
5 copy and online materials.

6 6. CFA's consumer protection work focuses on documenting consumer
7 complaints, identifying unfair and deceptive practices and fees, and focusing on
8 telemarketing and other tactics that negatively impact consumers.

9 7. Below is a brief description of some of our work in each of these
10 categories:

11 a. Consumer Complaints: Annually, CFA issues a report that provides
12 a snapshot of the most common complaints that state and local
13 consumer protection agencies received in the previous year. The
14 report also focuses on the worst, fastest-growing, and new types of
15 complaints reported to them; their biggest achievements and
16 challenges; and what new laws are needed to better protect
17 consumers. Generally, over thirty agencies respond from over
18 twenty states.

19 b. Deceptive Practices and Fees. CFA promotes public awareness
20 about fraud and works with government, industry, and consumer
21 organizations to encourage the development and use of effective
22 anti-fraud strategies. CFA's initiatives to combat deceptive
23 practices and fees include:

24 i. Mobile Payments. In March 2016, CFA published a
25 comprehensive educational website giving consumers
26 information about how to protect their privacy and security
27 when making mobile payments.

28 ii. Communication Services. In January of 2017, CFA issued a

1 report documenting the abuse of market power by four
2 companies that dominate communications services (mobile
3 phones, broadband, cable and landline service). CFA
4 estimated that this “tight oligopoly on steroids” facilitates the
5 overcharging of consumers by about 25% (almost \$60 billion)
6 per year for needed services.

7 iii. Deceptive Auto Sales. Earlier this year, CFA petitioned the
8 FTC to prohibit deceptive “yo-yo” auto sales practices, where
9 dealers pressure consumers by calling them days, weeks or
10 months after they sign a credit contract to tell them that they
11 need to pay additional costs or a higher interest rate to keep
12 the car, or the deal needs to be completely undone and the
13 consumer must return the car.

14 c. Telemarketing and Abusive Phone Scams.

15 i. In May of 2017, CFA and other groups publicly called on the
16 FCC to protect consumers from voicemail messages that are
17 equally as invasive, expensive, and annoying as calls and
18 texts to cell phones. The technology at issue—ringless
19 voicemail (RVM)—works to deliver deliberately targeted,
20 pre-recorded telemarketing and debt collection voice
21 messages en masse to the voicemail boxes of cellular
22 subscribers.

23 ii. In 2020, CFA identified a unique scam involving keeping
24 consumers on the phone to get them to participate in a
25 particular fraudulent activity, giving consumers a series of
26 instructions to follow as a way of “grooming” them to do
27 what the caller ultimately wants them to do – agree to the
28 deal, provide their personal information, or send money. This

1 is a problem that CFA is committed to identifying and
2 educating consumers about

3 8. CFA would use a *cy pres* award from this class action settlement to
4 enhance the aforementioned programs detailed in the preceding paragraphs, and if
5 sufficient funds were awarded, to expand our policy and consumer education about
6 hidden and deceptive fees.

7 I declare under penalty of perjury under the laws of the United States of
8 America that the foregoing is true and correct.

9 Executed May 24, 2022, in Washington, DC.

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Rachel Weintraub