

1 SUPERIOR COURT OF THE STATE OF CALIFORNIA
2 IN AND FOR THE COUNTY OF SAN MATEO

3 ALABAMA DOE, INDIANA DOE, and
4 MISSOURI DOE, individually and on behalf of
5 all others similarly situated;

6 Plaintiffs,

7 v.

8 GILEAD SCIENCES, INC.,

9 Defendant.

Case No.: 20-CIV-03699

Assigned For All Purposes to Hon. Danny Y. Chou

ORDER OVERRULING IN PART AND
SUSTAINING IN PART DEFENDANT'S
DEMURRER AND DENYING
DEFENDANT'S MOTION TO STRIKE

ENDORSED FILED
SAN MATEO COUNTY

JAN 04 2021

Clerk of the Superior Court
By J. TORRES
DEPUTY CLERK

11 On December 11, 2020 at 9:00 a.m., Defendant Gilead Sciences, Inc.'s (Gilead) Demurrer and
12 Motion to Strike came before this Court for hearing. Kenneth L. Chernof argued on behalf of Gilead.
13 David A. Nagdeman and John Albanese argued on behalf of Plaintiffs. Having considered all papers
14 filed in support of and opposition to the Demurrer and Motion, oral arguments of counsel, all testimony
15 and evidence presented at the hearing, and all other pleadings and papers on file herein, the Court:

- 16 (1) overrules Gilead's demurrer to the first, third, fifth, sixth and eighth causes of action;
17 (2) sustains with leave to amend Gilead's demurrer to the second and ninth causes of action;
18 (3) sustains without leave to amend Gilead's demurrer to the fourth and seventh causes of action;
19 and
20 (4) denies Gilead's motion to strike.

21 **1. GILEAD'S DEMURRER**

22 **a. First Cause of Action – Violation of Confidentiality Of Medical Information Act (CMIA)**

23 Gilead's demurrer to the first cause of action for violation of the CMIA is overruled for the
24 reasons stated below.

25 i. "Release" of medical information

26 Plaintiffs have pled sufficient facts to allege a "release" of medical information.
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1 Under Civil Code section 56.36, subdivision (b), “an individual may bring an action against a
2 person or entity who has negligently released confidential information or records concerning him or her
3 in violation of” the CMIA. To allege a release of confidential medical information, “[w]hat is required is
4 pleading . . . that the confidential nature of the plaintiff’s medical information was breached as a result of
5 the health care provider’s negligence.” (*Regents of the University of Cal. v. Superior Court* (2013) 220
6 Cal.App.4th 549, 570 (*Regents*.) “No breach of confidentiality takes place until an unauthorized person
7 views the medical information. It is the medical information, not the physical record (whether in
8 electronic, paper, or other form), that is the focus of the” CMIA. (*Sutter Health v. Superior Court* (2014)
9 227 Cal.App.4th 1546, 1557 (*Sutter*.) Thus, the CMIA “does not provide for liability for increasing the
10 risk of a confidentiality breach.” (*Id.*, at p. 1557.)

11 Here, Plaintiffs have pled facts sufficient to establish that an unauthorized person viewed their
12 medical information. Plaintiffs allege that Gilead sent letters in envelopes through regular mail delivered
13 by the U.S. Postal Service and that the envelopes disclosed in plain view their confidential HIV-related
14 medical information. (Compl., ¶ 7.) Plaintiffs further allege that Gilead’s letters to Plaintiffs were sent to
15 a workplace mailroom where mail is sorted by persons (*id.*, ¶ 44) and to a 22-unit apartment building
16 (*id.*, ¶ 47). Plaintiffs then allege that “Gilead’s actions . . . revealed confidential HIV-related information
17 of patients who were prescribed Gilead medications, including to their family, friends, roommates,
18 landlords, neighbors, mail carriers, and complete strangers.” (*id.*, ¶ 10.) Although Plaintiffs allege that
19 Gilead “revealed” rather than that these persons “actually viewed” the confidential information (*ibid.*),
20 that allegation appears to be sufficient to satisfy Plaintiffs’ burden at the pleading stage (see *Stasi v.*
21 *Inmediata Health Group* (S.D.Cal. Nov. 19, 2020) 2020 WL 6799437, *15 (*Stasi*) [finding allegation
22 that “information ‘was viewed by unauthorized persons’ ” sufficient to state CMIA claim].)

23 In any event, the Court must “assume the truth of the facts alleged in the complaint and the
24 reasonable inferences that may be drawn from those facts.” (*Miklosy v. Regents of Univ. of California*
25 (2008) 44 Cal.4th 876, 883 (*Miklosy*), emphasis added.) Given the allegation that Plaintiffs’ confidential
26 medical information was displayed in plain view on envelopes sent through regular mail and given that
27 unauthorized persons such as postal workers and mailroom employees had to look at the envelopes in
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1 order to deliver the letters to the correct addressees, it is reasonable to infer that an unauthorized person
2 actually viewed any medical information openly displayed on the envelopes.

3 In this respect, the Court finds *Stasi, supra*, 2020 WL 6799437, instructive. Unlike *Regents* and
4 *Sutter* where the data was at least password protected, the defendant in *Stasi* posted the plaintiffs'
5 medical information through "a webpage setting that permitted search engines to index webpages [the
6 defendant] uses for business operations." (*Id.*, at p. *1.) Because the plaintiffs' confidential information
7 was "accessible on the internet, the federal court found the allegations sufficient to infer that it was
8 "actually viewed." (*Id.*, at p. *15.) Here, the medical information on the envelopes was not only publicly
9 accessible, unauthorized persons like postal workers had to look at the information on those envelopes in
10 order to deliver the letters to Plaintiffs. At the pleading stage, this is sufficient to establish that the
11 envelopes were actually viewed.¹

12 At the hearing, Gilead argued that *Sutter* and *Regents* precluded the Court from reasonably
13 inferring from the facts alleged in the complaint that an unauthorized person like a postal worker
14 actually viewed any medical information on the envelopes. In essence, Gilead appears to contend that,
15 absent evidence that a specific person actually viewed the medical information, a plaintiff cannot state a
16 claim for nominal damages under the CMIA under *Sutter* and *Regents*. But neither *Sutter* nor *Regents*
17 supports this contention.

18 First, neither *Sutter* nor *Regents* even suggests, much less holds, that the CMIA precludes courts
19 from applying the well-established rule requiring that all reasonable inferences be drawn from the facts
20 alleged in the complaint when ruling on a demurrer.

21 Second, both *Sutter* and *Regents* are distinguishable because the medical information was not in
22 plain view. Rather, it was stored on computers that were encrypted or password protected. Although an
23 unauthorized person could have accessed the plaintiffs' medical information on those computers, both
24 *Sutter* and *Regents* concluded that this could not be reasonably inferred solely from the fact that the
25 computers had been stolen. As *Sutter, supra*, 227 Cal.App.4th at page 1558, explained, the thief may

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27 ¹ At the hearing, Plaintiffs contended that the public disclosure of confidential medical information
28 constituted a violation of the CMIA even without any evidence that an unauthorized person actually
viewed that information. In overruling Gilead's demurrer to Plaintiffs' CMIA claim, the Court expresses
no opinion as to the viability of this contention.

1 have stolen the computer for the computer itself – and not for the medical information on it. Thus, “the
2 thief” could just as likely have “destroyed the electronic records to reformat and wipe clean the hard
3 drive and sell the computer without ever viewing the information or even knowing it was on the hard
4 drive.” (*Ibid.*) By contrast, Plaintiffs’ confidential medical information was allegedly in plain view on
5 envelopes sent through regular mail. And an unauthorized person like a postal service worker
6 necessarily looked at the information on those envelopes in order to deliver Gilead’s letters to Plaintiffs.
7 From these facts, it is more than reasonable to infer that an unauthorized person actually viewed
8 Plaintiffs’ medical information on the envelopes.

9 Finally, the legislative history of the CMIA refutes Gilead’s reading of *Sutter* and *Regents*. In
10 arguing for the CMIA and its creation of a private right of action, the author of Senate Bill No. 19 cited
11 the following incident: “On February 18, 1998, the Washington Post reported a story from a Boston
12 psychiatrist, in which a patient suffering from a sexual disorder received unsolicited advertisements for
13 products related to his ailment.” (Sen. Rules Com., Off. of Sen. Floor Analyses, Analysis of Sen. Bill
14 No. 19 (1999-2000 Reg. Sess.), as amended Sept. 7, 1999, p. 12.) Because the Legislature intended for
15 the CMIA to address this type of incident, a plaintiff must be able to state a cause of action under section
16 56.36 without alleging that a specific unauthorized person actually viewed the confidential information.
17 Rather, the plaintiff, in alleging a CMIA claim, must be able to rely on reasonable inferences that can be
18 drawn from the facts alleged in the complaint – i.e., the receipt of unsolicited advertisements for
19 products relating to a plaintiff’s particular medical condition or the mailing of a plaintiff’s confidential
20 medical information in plain view on an envelope.

21 ii. “Disclosure” of medical information

22 Plaintiffs have pled sufficient facts to allege a “disclosure” of medical information.

23 “[D]isclosure, under section 56.10, subdivision (a) implies an affirmative communicative act” –
24 i.e., “when the health care provider affirmatively shares medical information with another person or
25 entity.” (*Sutter, supra*, 227 Cal.App.4th at pp. 1555-1556.)

26 Plaintiffs allege that Gilead mailed “a one-page letter titled ‘The Latest from Gilead Sciences’
27 (“HIV Prevention Team Letter’)” to enrollees in its Advancing Access Program, which “provides patient
28 support and a co-pay coupon card to eligible persons who are prescribed its medications, including those

1 taking medications to prevent HIV.” (Compl., ¶¶ 3, 7.) “On the outside of the envelope, in large, red
2 font, was the return address: ‘HIV Prevention Team, 1649 Adrian Road, Burlingame, CA 94010.’ ” (*Id.*,
3 ¶ 7.) “The envelope also had a banner in large, red font reading: ‘The latest from Gilead Sciences.’ ”
4 (*Ibid.*) Assuming these facts to be true and drawing all reasonable inferences from them (*Miklosy, supra*,
5 44 Cal.4th at p. 883), the Court finds that Plaintiffs have sufficiently pled an affirmative communicative
6 act by Gilead.

7 In reaching this conclusion, the Court rejects the argument made by Gilead in a footnote that the
8 return address does not constitute medical information protected by the CMIA. As a threshold matter,
9 substantive arguments should be raised in the brief – and not in footnotes. In any event, information that
10 identifies a patient and connects that patient to a “‘medical history, mental or physical condition, or
11 treatment’” is protected by the CMIA. (See *Eisenhower Medical Center v. Superior Court* (2014) 226
12 Cal.App.4th 430, 435.) Here, the envelope allegedly identified Plaintiffs through their name and address
13 and connected them to a particular medical condition – i.e., HIV status – or medical treatment – i.e.,
14 Gilead’s drugs for treating or preventing HIV. At least at the pleading stage, this is sufficient to establish
15 that the information on the envelope is protected by the CMIA. *Eisenhower* does not suggest otherwise.
16 Indeed, *Eisenhower* explicitly declined to resolve this issue. (See *id.*, at p. 436, fn. 4 [“It was remarked
17 during oral argument that in some cases the very fact that a person is or was a patient of certain health
18 care providers, such as an AIDS clinic, is more revelatory of the nature of that person’s medical
19 condition, history, or treatment. We are not present with, and express no opinion concerning, such a
20 situation”].)

21 iii. Standing

22 Plaintiffs have standing to bring a CMIA claim against a California corporation that committed
23 the alleged violations of the CMIA – i.e., the mailing of the letters – in California. Furthermore, nothing
24 in the language of Civil Code section 56.36 limits a private cause of action under the CMIA to
25 California residents. Indeed, section 56.36, by its terms, provides a private right of action to any
26 “individual.” And nothing in the legislative history of section 56.36 appears to suggest an intent to
27 preclude non-California residents from asserting a CMIA claim against a defendant that committed the
28 wrongful acts in California. Although Gilead argues that it is not aware of any “case where a non-

1 resident has been permitted to seek damages under the CMIA,” Gillead does not cite to any case
2 dismissing a non-resident for lack of standing under the CMIA either. (MPA ISO Dem., filed Oct. 20,
3 2020, p. 16:1-3.)

4 Gillead’s reliance on *Sullivan v. Oracle Corp.* (2011) 51 Cal.4th 1191, is unavailing. In *Sullivan*,
5 the Supreme Court held that “Business and Professions Code section 17200 does not apply to overtime
6 work performed outside California for a California-based employer by out-of-state plaintiffs in the
7 circumstances of this case based solely on the employer’s failure to comply with the overtime provisions
8 of the FLSA.” (*Sullivan*, at p. 1209.) By contrast, Plaintiffs allege that Gillead mailed the letter from
9 California. (See Compl., ¶ 7.)

10 Furthermore, *Diamond Multimedia Systems, Inc. v. Superior Court* (1999) 19 Cal.4th 1036,
11 supports Plaintiffs’ standing to assert a CMIA claim. In *Diamond Multimedia Systems*, “[t]he dispute
12 between defendants/petitioners and the real parties in interest (plaintiffs) center[ed] on the introductory
13 clause of section 25400: ‘It is unlawful for any person, directly or indirectly, *in this state*:’ to do any of
14 the proscribed acts constituting market manipulation.” (*Diamond*, at p. 1044, emphasis in original.)
15 Despite the statute expressly stating “in this state,” the California Supreme Court found that “[s]ection
16 25400 says and implies nothing about the person or persons who may enforce section 25400 or obtain
17 relief for violation of section 25400. That subject is covered in section 25500 et seq. Insofar as this
18 action is concerned, section 25500 applies, creating civil liability for the violation of section 25400 and
19 making relief available to “any person.” (*Diamond*, at p. 1052, emphasis added.) Based on this language,
20 the state high court concluded that “[t]he remedy is not limited to transactions made in California.” (*Id.*
21 at p. 1064.) The CMIA contains no limiting language similar to the “in the state” language found in
22 Business & Professions Code section 25400. Moreover, the language of Civil Code section 56.36 is
23 comparable to the language of Business and Professions Code section 25500. Thus, nothing precludes
24 non-California residents like Plaintiffs from raising a CMIA claim.

25 **b. Second Cause of Action - Violation Of California Unfair Competition Law (UCL)**

26 Plaintiffs have not sufficiently pled standing under the UCL.

27 To have standing to sue under the UCL, a “plaintiff must be someone ‘who . . . has lost money or
28 property as a result of such unfair competition.’ ” (Stern, *Bus. & Prof. § 17200 Practice* (Rutter, Mar.

1 2020 Update) ¶ 7:71.) Most cases have held that loss of private information does not constitute a loss of
2 money or property for purposes of the UCL. (*Id.*, at ¶ 7:72.5.) For example, in *Archer v. United Rentals*
3 (2011) 195 Cal.App.4th 807, 813, “[a]s a condition to accepting the card as payment, defendants
4 requested personal identification information [(PII)], including his residential address, city, and ZIP
5 code, and recorded the information on the sales invoice and in defendants’ computer database.” Based
6 on the defendant’s collection and recordation of PII, the plaintiffs sued the defendant under the UCL.
7 The trial court granted summary adjudication of the UCL class claim because the plaintiffs “did not lose
8 money or property” even though the defendant “benefited from their recording of” the plaintiffs’ PII.
9 (*Id.* at p. 815.) The Court of Appeal affirmed, explaining that the “plaintiffs essentially claim the unfair
10 business practice is the unlawful collection and recordation of their personal identification information,
11 an invasion of their right of privacy, which, they maintain, constitutes an ‘injury in fact.’ Yet plaintiffs
12 have failed to demonstrate how such privacy violation translates into a loss of money or property. Thus,
13 the absence of ‘lost money or property’ is fatal to plaintiffs’ UCL class claim for injunctive relief.
14 (*Archer, supra*, 195 Cal.App.4th at 816.)

15 The same is true here. Plaintiffs identify no money or property that they lost aside from their
16 confidential medication information. This is not enough to establish standing under the UCL.

17 The federal cases cited by Plaintiffs are not binding on this Court. (See Opp. to Dem., filed Nov.
18 22, 2020, p. 7:21 – 8:8.) In any event, those federal cases are distinguishable because the plaintiffs in
19 each of those cases paid money to the defendant for products or services and allegedly did not receive
20 what they paid for when the defendant breached the confidentiality of their private information. (See
21 Reply ISO Dem., filed Nov. 30, 2020, at p. 12:15-16.) By contrast, Plaintiffs paid nothing to Gilead for
22 its services and did not therefore lose any money or property when Gilead allegedly disclosed their
23 confidential medication information. Accordingly, Gilead’s demurrer to the second cause of action for
24 violation of the UCL is sustained with leave to amend.

25 Assuming that Plaintiffs did have standing to sue under the UCL, Plaintiffs have pled sufficient
26 facts to allege both unlawful and unfair acts. Furthermore, to the extent Gilead argues that restitution is
27 not well pled, Gilead should have filed a motion to strike.

1 **c. Fifth Cause of Action – Breach of Contract**

2 Plaintiffs have pled sufficient facts to allege a breach of contract. (CACI no. 303.) Plaintiffs’
3 consideration was their “disclosure to Gilead of their personal health information for Gilead to use for
4 internal business purposes and to send marketing material.” (Compl., ¶ 89.) In exchange, Gilead
5 “provide[d] patient support and a co-pay coupon card to eligible persons who are prescribed its
6 medications, including those taking medications to prevent HIV.” (*Id.*, ¶ 3.) Furthermore, under the
7 express terms of the contract, Gilead agreed to “keep Plaintiffs’ and Class Members’ personal health
8 information confidential.” (*Id.*, ¶ 90.)

9 Under California law, actual damages are not required for a breach of contract claim. “When a
10 breach of duty has caused no appreciable detriment to the party affected, he may yet recover nominal
11 damages.” (Civ. Code § 3360; see also CACI no. 360; 1 Witkin, Summary (11th ed., Jun. 2020 Update)
12 Contracts § 903.) Thus, it has long been held by California courts that a demurrer may not lie against a
13 breach of contract claim that supports nominal damages. (See *Hogue-Kellogg Co. v. Baker* (1920) 47
14 Cal.App. 247, 251; *Harron, Rickard & McCone v. Wilson, Lyon & Co.* (1906) 4 Cal.App. 488, 499;
15 *Moody v. Peirano* (1906) 4 Cal.App. 411, 415.) Gilead’s reliance on federal law is distinguishable and
16 unavailing. (See MPA Dem., supra, at p. 22:17-20, 23:2-26; Reply Dem., supra, at p. 18:4-7.)

17 For the first time in reply, Gilead argues that Plaintiffs have not pled whether the agreement was
18 written oral or implied by contract (Code Civ. Proc. § 430.10, subd. (g); Reply Dem., supra, at p. 17:20-
19 22.) This is improper and disregarded by the Court. Accordingly, Gilead’s demurrer to the fifth cause of
20 action for breach of contract is overruled.

21 **d. Third, Fourth, Sixth, and Seventh Causes of Action**

22 i. Choice of Law

23 Gilead summarily argues that the Court should apply the law of the respective states for the third,
24 fourth, sixth and seventh causes of action. (MPA Dem., supra, at p. 19:6 – 22:9, 24:1- 25:16.) Gilead
25 bears the burden of demonstrating that the laws of other states should apply. (*Hurtado v. Superior Court*
26 (1974) 11 Cal.3d 574, 581; see also *Clothesrigger, Inc. v. GTE Corp.* (1987) 191 Cal.App.3d 605, 614
27 [quoting *Hurtado*].) Gilead failed to meet this burden. (See *Do It Urself Moving & Storage, Inc. v.*
28 *Brown, Leifer, Slatkin & Berns* (1992) 7 Cal.App.4th 27, 35 (*Do It Urself*), superseded by statute on

1 other grounds in *Union Bank v. Superior Court* (1995) 31 Cal.App.4th 573, 583 [“A point which is
2 merely suggested by a party’s counsel, with no supporting argument or authority, is deemed to be
3 without foundation and requires no discussion”].) The Court therefore applies California law.

4 ii. Third Cause of Action - Negligence

5 Plaintiffs have pled sufficient facts to allege negligent infliction of emotional distress. (CACI no.
6 1620; see ¶¶ 45 – 48.) Accordingly, Gilead’s demurrer to the third cause of action for negligence is
7 overruled.

8 iii. Fourth Cause of Action – Negligence Per Se

9 Negligence per se is not a separate cause of action. (*Das v. Bank of America, N.A.* (2010) 186
10 Cal.App.4th 727, 737–738; see also *Ramos v. Brenntag Specialties, Inc.* (2016) 63 Cal.4th 500, 506, fn.
11 3 [plaintiffs did not seek review of the Court of Appeal finding “that the demurrers were properly
12 sustained as to the negligence per se claim”].) Accordingly, Gilead’s demurrer to the fourth cause of
13 action for negligence per se is sustained without leave to amend.

14 iv. Sixth Cause of Action – Invasion of Privacy

15 Plaintiffs have pled sufficient facts to allege an invasion of privacy tort. Plaintiffs alleged that
16 Gilead published their confidential HIV-related information by placing that information in plain view on
17 envelopes sent through the mail. In doing so, Gilead revealed that confidential information to Plaintiffs’
18 “family, friends, roommates, landlords, neighbors, mail carriers, and complete strangers.” (Compl, ¶ 10.)
19 At the pleading stage, this is sufficient to establish more than a “disclosure to a few people in limited
20 circumstances.” (*Ignat v. Yum! Brands, Inc.*, 214 Cal. App. 4th 808, 820.) Accordingly, Gilead’s
21 demurrer to the sixth cause of action for invasion of privacy is overruled.

22 v. Seventh Cause of Action – Unjust Enrichment

23 Unjust enrichment is not a separate cause of action. (See *Levine v. Blue Shield of California*
24 (2010) 189 Cal.App.4th 1117, 1138; *Jogani v. Superior Court* (2008) 165 Cal.App.4th 901, 911.)
25 Accordingly, Gilead's demurrer to the seventh cause of action for unjust enrichment is sustained without
26 leave to amend.

1 vi. Eighth Cause of Action – Mo. Rev. Stat. § 191.656

2 Plaintiffs have pled sufficient facts to allege a violation of Revised Statutes of Missouri section
3 191.656. That section provides that “[a]ll information known to, and records containing any information
4 held or maintained by, any person, or by any agency, department, or political subdivision of the state
5 concerning an individual's HIV infection status or the results of any individual's HIV testing shall be
6 strictly confidential and shall not be disclosed except to [various public employees, officers and
7 attorneys, victims, test recipients.” (Mo. Ann. Stat. § 191.656, subd. (1), emphasis added.)

8 Under the plain language of that section, it does not appear to be limited to protecting an
9 individual HIV-positive status. And the envelope does suggest that the recipient has an HIV infection
10 status – whether it is positive or negative. This would appear to be sufficient at the pleading stage.

11 Gilead does not cite to any Missouri case that has held “concerning an individual's HIV infection
12 status” to mean only those who are HIV-positive. In *Long v. Cross Reporting Service* (Mo.Ct.App.
13 2003) 103 S.W.3d 249 (*Long*), the Missouri Court of Appeal identified this same argument being raised
14 by Gilead, but declined to rule on it:

15 As the trial court states in its judgment, at no time have the appellants alleged that the deceased,
16 Garold Long, was in fact HIV positive. Instead, in their brief before this Court, appellants argue
17 that “[i]n using the phrase ‘an individual's HIV infection status,’ the Missouri General
18 Assembly’s plain language indicates that an individual is protected from disclosure of the fact he
19 or she is positive or negative.” Although we hold reservations as to whether this broad
20 interpretation of the statute is accurate (that those not infected with HIV somehow have a
21 protectable right under the relevant statute), we need not address that issue. (*Id.*, at p. 253.)

22 Absent clearer Missouri authority, the Court cannot conclude that Plaintiffs have failed to state a
23 cause of action under section 191.656 at this time. Accordingly, Gilead’s demurrer to the eighth cause of
24 action for violation of that section is overruled.

25 e. Ninth Cause of Action - Missouri Merchandising Practices Act

26 Plaintiffs have not pled sufficient facts to allege a violation of the Missouri Merchandising
27 Practices Act (MMPA), which requires “an ascertainable loss of money or property.”

28 Under the MMPA, “[a]ny person *who purchases or leases merchandise* primarily for personal,
family or household purposes and thereby suffers *an ascertainable loss of money or property, real or*
personal, as a result of the use or employment by another person of a method, act or practice declared

1 unlawful by section 407.020, may bring a private civil action in either the circuit court of the county in
2 which the seller or lessor resides or in which the transaction complained of took place, to recover actual
3 damages. (Mo. Ann. Stat. § 407.025(1), emphasis added.)

4 The MMPA defines merchandise as objects, wares, goods, commodities, intangibles, real estate
5 or services.” (*In re Sony Gaming Networks and Customer Data Security Breach Litigation* (S.D. Cal.
6 2014) 996 F.Supp.2d 942, 999, internal quotations and citation omitted.) “While the ascertainable loss
7 requirement may be satisfied where it is “uncertain or difficult to qualify damages,” the requirement is
8 not satisfied where plaintiff claims “speculative, non-pecuniary harm or where he alleges no out-of-
9 pocket costs.” (*Pleasant v. Noble Finance Corp.* (W.D. Mo. 2014) 54 F.Supp.3d 1071, 1079; see also
10 *Amburgy v. Express Scripts, Inc.* (E.D. Mo. 2009) 671 F.Supp.2d 1046, 1057–1058 [“plaintiff’s MMPA
11 claim fails to plead that plaintiff paid anything of value for the purchase or lease of merchandise, and
12 further fails to plead an ascertainable loss of money or property by reason of any unlawful practice”].)
13 Here, Plaintiffs do not allege that they paid for any merchandise and their argument that “providing
14 Gilead access to and use of their valuable, confidential, and legally protected personal data” is akin to
15 payment is unsupported by citation to legal authority. (Opp. Dem., supra, at p. 16:26-27; see also *Do It*
16 *Urself, supra*, 7 Cal.App.4th at p. 35.) Accordingly, Gilead’s demurrer to the ninth cause of action for
17 violation of the MMPA is sustained with leave to amend.

18 2. MOTION TO STRIKE

19 Gilead has not demonstrated that there is no reasonable probability that Plaintiffs can establish a
20 community of interest among the class members. Accordingly, Gilead’s motion to strike the class
21 allegations from the Complaint is denied.
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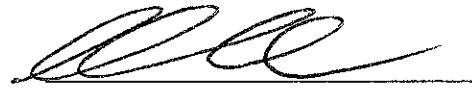
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ORDER

Based on the foregoing, IT IS HEREBY ORDERED that:

- (1) Gilead's demurrers to the first, third, fifth, sixth, and eighth causes of action are OVERRULED;
- (2) Gilead's demurrers to the second and ninth causes of action are SUSTAINED WITH LEAVE TO AMEND;
- (3) Gilead's demurrers to the fourth and seven causes of action are SUSTAINED WITHOUT LEAVE TO AMEND; and
- (4) Gilead's motion to strike is DENIED.
- (5) The stay is LIFTED as to the first, third, fifth, sixth, and eighth causes of action.

Dated: Jan. 4, 2021



Danny Y. Chou
Judge of the Superior Court



SUPERIOR COURT OF SAN MATEO COUNTY
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ENDORSED FILED
SAN MATEO COUNTY

JAN 04 2021

Clerk of the Superior Court
By J. TORRES
DEPUTY CLERK

AFFIDAVIT OF E-MAIL SERVICE

Date: 01/04/2021

In the Matter of: ALABAMA DOE, INDIANA DOE, and MISSOURI DOE, individually and on behalf of all others similarly situated v. GILEAD SCIENCES, INC.


Case No.: 20-CIV-03699

I declare under penalty of perjury that on the following date I sent by electronic mail, a true copy of the attached document(s): **ORDER OVERRULING IN PART AND SUSTAINING IN PART DEFENDANT'S DEMURRER AND DENYING DEFENDANT'S MOTION TO STRIKE** addressed to the listed email address(es):

Executed on: 01/04/2021

Neal I. Taniguchi, Court Executive Officer/Clerk

By: _____


Jane Torres, Deputy Court Clerk

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