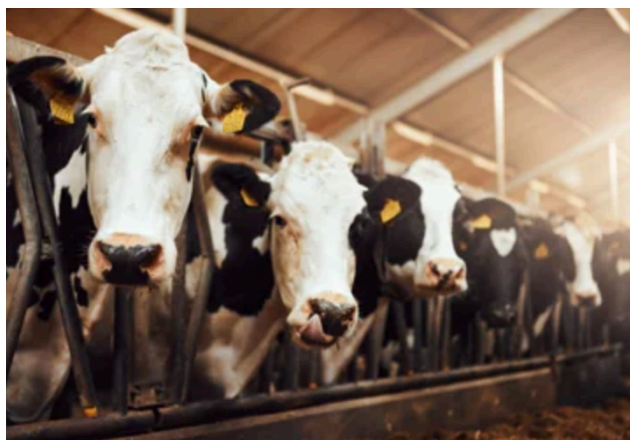




DICELLO LEVITT

Resolved Case



Fairlife Milk Products Marketing and Sales Practices Litigation

**Animal Abuse and Deceptive
Marketing Exposed, Resulting in
\$21M Recovery for Consumers**

In 2022, DiCello Levitt and its co-counsel secured a \$21 million settlement in a consumer case against Coca-Cola, Fairlife, and other defendants associated with the Fairlife milk brand for their deceptive labeling and marketing of certain dairy products produced using milk from cows that were allegedly treated inhumanely. The class action allegations arose after an undercover investigation by Animal Recovery Mission revealed severe abuse of dairy cows at farms supplying Fairlife milk products. Consumers subsequently filed suit against the companies for charging a premium for their products by falsely promoting the humane treatment of cows. The settlement—one of the highest animal welfare labeling practices settlements ever—also creates an accountability program to ensure that the defendants treat their dairy cows humanely moving forward.

DiCello Levitt and co-counsel drew on our own multiyear investigation in conjunction with the nonprofit Animal Outlook into Fairlife's supply chain and public advertising—as well as the Animal Recovery Mission's findings—to support allegations that Fairlife's products were not derived from cows that were treated “fairly” or with “extraordinary care and comfort,” as the company and its suppliers claimed. Rather, a pattern of abusive behaviors emerged, including separating calves from their mothers soon after birth; throwing calves in and out of their huts; kicking, punching, pushing, and otherwise beating calves and cows; and denying medical service to sick cows, among other practices.

Following extensive, and often spirited, mediation and related negotiations, DiCello Levitt and its co-counsel reached a \$21 million agreement with the defendants. In addition to the monetary component of the settlement, we secured other significant relief on behalf of consumers that creates a meaningful monitoring and compliance program. Milk producers who sell to Fairlife must undergo annual farm audits for a period of three years to ensure animal welfare and must provide new employee training and annual refresher training focused on

proper and safe animal handling. They are also required to institute policies barring the hiring of individuals with criminal records for animal abuse or animal cruelty into positions that involve regular contact with animals. The farms must also begin routine veterinarian visits, and no animal can go unfed for more than 24 hours unless there is an emergency or under a veterinarian's direct order.

Advertising claims relating to animal welfare are profitable because consumers care about the treatment of the animals that their food comes from. Numerous studies have shown that consumers are more likely to buy a product, and are willing to pay more for it, if it is sourced from humanely treated animals. The outcome of this "humane washing" case will likely encourage greater scrutiny of animal welfare claims and dissuade other food product manufacturers from engaging in or turning a blind eye to animal abuse at their farms and other supplier facilities.

Amy Keller was appointed co-lead counsel in this case and led the DiCello Levitt team that also included Adam Prom.