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9	SUPERIOR COURT OF THE STATE OF CALIFORNIA
10	COUNTY OF LOS ANGELES — CENTRAL DISTRICT
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12	MARIA DE LA CRUZ and GEORGE Case No.
13	FONG, on behalf of themselves and all others similarly situated, COMPLAINT FOR DAMAGES
14 15	Plaintiffs, (1) Solicitation of Employee by Misrepresentation (Cal. Lab. Code § 970)
	v.
16	THE WALT DISNEY COMPANY, a (2) Intentional Misrepresentation
17	Delaware Corporation, (3) Concealment
18	Defendant. (4) Negligent Misrepresentation
19 20	DEMAND FOR JURY TRIAL
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INTRODUCTION

1. This class action is brought on behalf of Plaintiffs Maria De La Cruz and George Fong ("Plaintiffs," "Ms. De La Cruz," or "Mr. Fong") and all other similarly situated persons who Defendant The Walt Disney Company ("Disney") fraudulently induced to move from the company's California offices to its proposed Lake Nona, Florida development ("Lake Nona").

THE PARTIES

Plaintiff

- 2. Plaintiff Maria De La Cruz, now residing in Belle Isle, Florida, resided in Altadena, California, at times relevant to this complaint. She currently works for Disney as a Vice President of Product Design.
- 3. Plaintiff George Fong is a resident of South Pasadena, California. Mr. Fong currently works for Disney as a Creative Director of Product Design.
- 4. Plaintiffs bring this lawsuit as a class action under Cal. Code Civ. Proc. § 382 on behalf of all affected employees who were employed by Disney and who were fraudulently induced to move from the company's California offices to its proposed Lake Nona, Florida development.

Defendant

5. Defendant The Walt Disney Corporation is a Delaware corporation with its principal executive offices located in Burbank, California. Disney is an international entertainment company that owns and operates theme parks and resorts, media networks, and movie studios, and sells various consumer products.

JURISDICTION & VENUE

- 6. This is an action for damages, and other appropriate relief arising under California statute and common law.
- 7. The amount in controversy exceeds the jurisdictional minimum for this court. The unlawful acts and practices alleged herein occurred in, or concern, the County of Los Angeles in the State of California. Defendants, and each of them, are qualified to do business in the State of California and conduct substantial business in the State of California including the County of Los

Angeles, or alternatively are citizens of the state of California. Therefore, jurisdiction is appropriate in this court.

8. Venue is proper in this Court under Code Civ. Proc. § 395.5 because Los Angeles County is Defendant's principal place of business.

COMMON ALLEGATIONS OF FACT

- 9. The Walt Disney Company is an entertainment company with offices located in various locations in California and Florida.
- 10. Up until May 2022, Ms. De La Cruz worked at Disney's Glendale, California office. Following that date, Ms. De La Cruz worked at Disney's Celebration office in Kissimmee, Florida. Up until January 2023, Mr. Fong worked at Disney's Glendale, California office. Following that date, Mr. Fong worked at Disney's Celebration office in Kissimmee, Florida, until March 2024, at which time he transferred back to Disney's Glendale, California office.
- 11. On or around July 15, 2021, then-Chairperson of Walt Disney Parks and Resorts Josh D'Amaro emailed employees, including Plaintiffs and other similarly situated individuals, about "a brand-new regional campus which will be built in the vibrant Lake Nona community of Orlando, Florida" ("Lake Nona" or "the Lake Nona project"). The email stated that "most Southern California-based DPEP [Disney Parks, Experiences and Products] professional roles that are not fully dedicated to the Disneyland Resort or, in some cases, the international parks business, will be asked to relocate to this new Florida campus." This meant that most employees working in these departments would be located in Florida. The email stated that the Lake Nona project would allow Disney to consolidate the DPEP teams so that they could be more collaborative and impactful from both a creative and operational standpoint and that the move would allow for greater collaboration and creativity within these teams. The communication also stated that corporate roles that primarily support DPEP, along with certain enterprise functions, would also move to the campus.

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- 12. Plaintiffs and other similarly situated individuals were employed in Disney's DPEP division. Prior to this date, Disney did not communicate the existence of the Lake Nona project to Plaintiffs or other similarly situated individuals.
- 13. On or around July 16, 2021, Disney launched a webpage about the Lake Nona project and distributed a timeline to Plaintiffs and other similarly situated individuals. The timeline stated that employees would be notified no later than November 1, 2021 "if their role is affected by the relocation to the new campus" and that employees would have "up to 90 days from the day they are informed to consider and make the decision that's best for them." Transferring employees would be expected to complete their moves to Central Florida by the end of 2022 in preparation for the project's completion in 2023.
- 14. During July and August of 2021, Disney, through various communications to DPEP employees, framed the Lake Nona Project and proposed relocation in a positive manner via email communications, web materials, and video conference presentations. Disney emphasized the contemporary nature of the planned facilities, including its collaborative workspaces, large group gathering spaces, extensive amenities, and efficient transportation options. Disney also emphasized the affordability of the Orlando housing market, the availability of strong performing schools and the availability of lifestyle amenities in and around Lake Nona.
- 15. On or around August 24, 2021, Mary Shoval, Disney's Senior Vice President of Global Product, announced via videoconference specific positions that would transfer to Lake Nona, including Ms. De La Cruz's and Mr. Fong's positions. Disney sent impacted employees a follow-up email the same day giving them an opportunity to accept or decline relocation. Various communications between Disney and Plaintiffs, and other similarly situated individuals, made it clear that employees who declined relocation would lose their jobs. In total, Disney informed approximately 2,000 employees that their roles would transfer from the company's California offices to Lake Nona.
- 16. On or around August 25, 2021, employees under Ms. De La Cruz's supervision began to inquire whether Disney would offer severance pay if they declined to relocate to

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Florida. Disney stated that severance would vary based on each individual and directed Ms. De La Cruz to refer employees to the company's Severance Pay Plan.

- Plaintiffs, and many other similarly situated individuals, had lived in Southern California for many years. Many had raised families and established close ties with their local communities. In Mr. Fong's case, and in the case of many other similarly situated individuals, their families had lived in Southern California for generations. These employees were given the choice to sell their Southern California homes and leave their communities primarily because Disney represented that their job security at Disney was dependent upon their relocation to Florida, but also because Disney represented that their work groups would now be centralized in Florida, and by constructing the Lake Nona campus, Disney was providing them with a modernized, comfortable, and centralized workplace where they could effectively perform their job duties. In sum, employees were incentivized to move through a combination of reward and punishment. An employee could choose to move to a better life in Florida, or alternatively, choose not to move and be terminated by Disney.
- Between August and November of 2021, a large percentage of affected employees 18. across all subdivisions of DPEP (Disney Parks, Experiences and Products) declined to relocate to Lake Nona. Disney instructed individuals who declined to relocate to stand by until further notice and continue their day-to-day work. During this time, many individuals nonetheless submitted resignations, because they recognized that the job market for similar positions was poor due to the COVID-19 pandemic and that it would become even worse during the holiday season, when they believed they would be terminated.
- 19. In early November, 2021, Plaintiffs, and other similarly situated individuals, made a pre-move trip to Orlando in preparation to decide whether or not to relocate. On or around November 22, 2021, Ms. De La Cruz, Mr. Fong, and other similarly situated individuals, informed Disney that they would relocate to Lake Nona. For employees informed August 24, 2021 that their roles would transfer to Lake Nona, November 22 was the deadline to make a decision.

- 20. In May of 2022, Ms. De La Cruz sold her home in Altadena, California. Mr. Fong also sold his home, which was a particularly painful decision because it was the family home he had grown up in and inherited. During the first half of 2022, other similarly situated individuals also sold their California homes, understanding that Disney expected them to relocate to Florida by the end of the year.
- 21. In early June of 2022, Ms. De La Cruz and Mr. Fong closed escrow on separate home purchases in Orlando, Florida. Other similarly situated individuals also closed escrow on Orlando home purchases during 2022. Following Disney's announcement of the Lake Nona project, prices for homes in the vicinity of the Orlando metropolitan area rose significantly.
- 22. On or around June 14, 2022, Jenifer DeSofi, Disney's then-Head of Global Product Creation, announced to Plaintiffs, and other similarly situated individuals, that Disney would delay completion of the Lake Nona project until 2026. Ms. DeSofi informed impacted employees they would now have until 2026 to relocate to Florida. However, senior leadership, including Tasia Filippatos, Disney's President of Consumer Products, suggested to her senior executives, including Ms. De La Cruz, to urge employees to relocate by the end of 2024. Some individuals who were in escrow for Florida home purchases elected to forfeit their security deposits and remain in California until required to relocate.
- 23. In December of 2022, Mr. Fong closed escrow on the sale of his childhood home in Los Angeles, California. On or around January 6, 2023, Mr. Fong moved to Florida, residing in a hotel while he awaited the completion of renovations on his Orlando home.
- 24. On or around January 18, 2023, Disney conducted an Executive Town Hall for its DPEP division at Coronado Springs Convention Center in Bay Lake, Florida. At the Town Hall, Disney's CEO Bob Iger confirmed that the Lake Nona project would be completed according to plan.
- 25. On or around January 27, 2023, Disney conducted an in-person Executive Coffee Chat, during which Tasia Filippatos, President of Consumer Products, confirmed that the Lake Nona project would be completed according to plan.

- 26. However, on May 18, 2023, Ms. Filippatos and Natalia Strauch of Disney's Human Resources department communicated to Plaintiffs, and other similarly situated individuals, via videoconference that Disney had canceled the Lake Nona Project.
- 27. Prior to May 18, 2023, there was no groundbreaking on the property designated for the Lake Nona project and no visible indication that Disney had ever truly intended to develop it.
- 28. On or around May 18, 2023, Disney communicated to Plaintiffs and other similarly situated individuals that they had until the end of 2023 to decide whether or not to remain in Florida. Those choosing not to remain in Florida would have until the end of 2024 to physically relocate to California to work in Disney's California offices.
- 29. As a result of the May 18 announcement, Plaintiffs, and others similarly situated, were unsure how the failure to construct the Lake Nona campus would impact their jobs. However, Plaintiffs and other similarly situated individuals gradually began to have concerns that their job security at Disney would be threatened if they did not return to California to work in Disney's California offices. A large majority of Plaintiffs' team members were still in California, and Disney appeared to lack the facilities in Florida to properly accommodate the majority of DPEP team members. Also, it was reported in the media that Disney's new CEO, Bob Iger, preferred Disney's teams not to be split.
- 30. Following Disney's announcement that it had canceled the Lake Nona project, housing prices in the vicinity of Lake Nona dropped significantly. The Wall Street Journal reported May 29, 2023 that "When Disney announced its Lake Nona investment plans—which included the employee relocation—almost two years ago, it sparked a wave of new residential and multifamily development. Now, its pullout could contribute to a glut of homes in the community." Meanwhile, home prices in the Los Angeles, California area had increased significantly between the summer of 2022 and the summer of 2023. Mortgage rates had also increased significantly, making it impossible for Plaintiffs and other similarly situated individuals to obtain housing comparable to the homes they had sold in connection with the transfer of their roles to Lake Nona.

- 31. On May 19, 2023, Tami Garcia of Disney Human Resources emailed Plaintiffs and other similarly situated individuals stating that "we truly regret the disruption you've all faced due to this initiative."
- 32. In a June 8, 2023 email to Ms. Strauch and Lianne Youmans of Disney Human Resources, Ms. De La Cruz conveyed her and her team members' concerns about their employment following the Lake Nona cancellation, stating that "Our team is currently split between 1390 Celebration and Main Gate. Originally these were supposed to be temporary spaces, but now with no plan for a creative campus there will no longer be a reason to stay in these separate spaces. The main concern is that the current locations are not set up as a creative environment." In the same email, Ms. De La Cruz also questioned, "After all of this, will there be any security in our positions? My fear would be that we decide to stay in Florida, only to be laid off in the next year or so. I don't want to be punished for being put into a situation my company put me in."
- 33. Communications by Disney's senior leadership in the wake of the Lake Nona cancellation were scant or nonexistent. However, Plaintiffs, and similarly situated individuals, were now required to make a decision as to whether to return to California by the end of 2023.
- 34. Mr. Fong ultimately decided to move back to California. On or around October 2, 2023, Mr. Fong met with Roxana Orozco of Disney's Global Mobility department to discuss the damages he had suffered and would suffer and his proposed terms for transferring back to Disney's Glendale, California office. Mr. Fong was extremely disappointed by Disney's offer because it did not compensate him fairly for the damages he had suffered and would suffer. However, Mr. Fong recognized that his job security and ability to perform his role were dependent upon his return to California and agreed to transfer. For similar reasons, Ms. De La Cruz also agreed to transfer.
- 35. On or around November 10, 2023, Mr. Fong listed his Orlando home for sale. Approximately one month later, Mr. Fong pulled his home off the market, having received no offers. Mr. Fong relisted his Orlando home on or around January 25, 2024 and accepted an offer January 31, 2024. The sale fell through seven days prior to the close of escrow, but a new buyer

- Whether Disney unlawfully solicited employees to relocate as a result of misrepresentations in violation of California Labor Code Section 970;
- Whether Disney intentionally misrepresented facts relating to the Lake Nona Project, thereby inducing employees to move from California to Florida;
- Whether Disney concealed facts relating to the Lake Nona Project, thereby inducing employees to move from California to Florida;
- Whether Disney negligently misrepresented facts relating to the Lake Nona Project, thereby inducing employees to move from California to Florida.
- 42. Plaintiffs' claims are typical of Class members' claims. Plaintiffs, like other Class members, were induced to move from California to Florida as a result of Disney's false representations.
- 43. The named Plaintiffs will fairly and adequately protect the interests of the members of the Class and have retained counsel that is competent and experienced in class action litigation. The named Plaintiffs have no interests that conflict with, or are otherwise antagonistic to, the interests of, other Class members.
- 44. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Further, as the damages that some individual Class members have suffered may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in management of this action as a class action.

FIRST CAUSE OF ACTION Solicitation of Employee by Misrepresentation (Cal. Lab. Code § 970)

(Against Defendant on behalf of Plaintiffs and the Class)

- 45. Plaintiffs reallege and incorporate by reference the allegations set forth in each preceding paragraph of this complaint.
- 46. Disney made false representations regarding the kind, character, or existence of work, or the length of time such work will last. These representations were made to persuade or induce Plaintiffs and similarly situated employees to change residence.
- 47. Specifically, Disney communicated to Plaintiffs and similarly situated employees that Disney would build a brand-new state-of-the-art campus in Orlando, Florida. Disney further represented that most Southern California-based DPEP jobs would be relocated to Florida. Disney also represented that the consolidation of DPEP teams would provide for greater collaboration and creativity within the teams. Disney represented that management, and other associated corporate roles, would also be relocated. Disney also represented that Plaintiffs, and other similarly situated employees, would be terminated from employment at Disney if they did not agree to relocate to Florida. However, these statements were untrue. Instead, Disney had not determined with certainty that it would build a new campus at Lake Nona.
- 48. At the time these representations were made, Defendant knew these statements to be untrue, and purposely omitted material information only known to Defendant that was likely to deceive employees considering a change in residence for employment purposes.
- 49. Defendant intended that Plaintiffs would rely on these representations in considering a change of residence for employment purposes.
- 50. Plaintiffs, and similarly situated employees, reasonably relied on these representations and changed residence for the purpose of working for Disney.
- 51. As a result of relying on the statements relating to the Lake Nona project, and Disney's failure to share the concealed facts, Plaintiffs, and all similarly situated employees, experienced various harms including losses relating to selling their homes in California, purchasing new homes in Florida, and other expenses and damages related to unnecessarily

moving across the country. Plaintiffs, and similarly situated employees, would not have suffered these damages but for Disney's false representations. Plaintiffs, and similarly situated employees' reliance on Disney's representations therefore was a substantial factor in causing these harms.

52. California Labor Code section 972 provides that any person "who violates any provision of section 970 is liable to the party aggrieved, in a civil action, for double damages resulting from such misrepresentations." Plaintiffs are therefore entitled to recover double the damages sustained as a result of Defendant's misrepresentations.

SECOND CAUSE OF ACTION Intentional Misrepresentation (Against Defendant on behalf of Plaintiffs and the Class)

- 53. Plaintiffs reallege and incorporate by reference the allegations set forth in each preceding paragraph of this complaint.
- 54. Disney represented to Plaintiffs, among other things, that Disney would build a brand-new state-of-the-art campus in Orlando, Florida. Disney further represented that most Southern California-based DPEP jobs would be relocated to Florida. Disney also represented that the consolidation of DPEP teams would provide for greater collaboration and creativity within the teams. Disney represented that management, and other associated corporate roles, would also be relocated. Disney also represented that Plaintiffs, and other similarly situated employees, would be terminated from employment at Disney if they did not agree to relocate to Florida.
- 55. These representations, among other representations made regarding the Lake Nona project, were not true.
- 56. When Disney made these representations it knew them to be untrue and did not have a reason to believe them to be true at the time the representations were made.
- 57. Disney intended that Plaintiffs, and similarly situated employees, rely on these representations in order to induce them to agree to relocate to Florida.
- 58. Plaintiffs, and all similarly situated employees, did rely on these representations and ultimately moved to Florida.

- 59. As a result of relying on these statements, Plaintiffs, and all similarly situated employees, experienced various harms including losses relating to selling their homes in California, purchasing new homes in Florida, and other expenses and damages related to unnecessarily moving across the country.
- 60. Plaintiffs, and similarly situated employees' reasonable reliance on these statements was a substantial factor in causing these harms.

THIRD CAUSE OF ACTION Concealment (Against Defendant on behalf of Plaintiffs and the Class)

- 61. Plaintiffs reallege and incorporate by reference the allegations set forth in each preceding paragraph of this complaint.
- 62. Disney represented to Plaintiffs, among other things, that Disney would build a brand-new state-of-the-art campus in Orlando, Florida. Disney further represented that most Southern California-based DPEP jobs would be relocated to Florida. Disney also represented that the consolidation of DPEP teams would provide for greater collaboration and creativity within the teams. Disney represented that management, and other associated corporate roles, would also be relocated to Florida. Disney also represented that Plaintiffs, and other similarly situated employees, would be terminated from employment at Disney if they did not agree to relocate to Florida.
- 63. However, at the time these statements were made, Disney knew additional facts that were inconsistent with the representations it made to its employees relating to the Lake Nona project.
- 64. As an employer seeking to induce employees to relocate, Disney had a duty to disclose these additional facts.
- 65. Moreover, the additional facts materially qualified the facts disclosed, and the failure to disclose the additional facts was likely to mislead employees into believing that the facts disclosed regarding the Lake Nona relocations were true.

- 66. Disney intentionally concealed the facts inconsistent with its representations in order to induce employees to move to Florida.
- 67. Plaintiff, and similarly situated employees, were not aware of the concealed facts, and had they known, they would not have moved from California to Florida, and otherwise would have behaved differently.
- 68. As a result of relying on the statements relating to the Lake Nona project, and Disney's failure to share the concealed facts, Plaintiffs, and all similarly situated employees, experienced various harms including losses relating to selling their homes in California, purchasing new homes in Florida, and other expenses and damages related to unnecessarily moving across the country.
- 69. Plaintiffs, and similarly situated employees' reasonable reliance on these statements was a substantial factor in causing these harms.

FOURTH CAUSE OF ACTION Negligent Misrepresentation (Against Defendant on behalf of Plaintiffs and the Class)

- 70. Plaintiffs reallege and incorporate by reference the allegations set forth in each preceding paragraph of this complaint.
- 71. Disney represented to Plaintiffs, among other things, that Disney would build a brand-new state-of-the-art campus in Orlando, Florida. Disney further represented that most Southern California-based DPEP jobs would be relocated to Florida. Disney also represented that the consolidation of DPEP teams would provide for greater collaboration and creativity within the teams. Disney represented that management, and other associated corporate roles, would also be relocated. Disney also represented that Plaintiffs, and other similarly situated employees, would be terminated from employment at Disney if they did not agree to relocate to Florida.
- 72. These representations, among other representations made regarding the Lake Nona project, were not true.

LOHZ/RIPAMONTI LLP/ Dated: June 18, 2024 Yason S. Lohr jason.lohr@lrllp.com Attorneys for Maria De La Cruz, George Fong, and proposed Class Members

DEMAND FOR A JURY TRIAL

Plaintiff hereby demands a jury trial on all causes of action and claims with respect to which Plaintiff has a right to a jury trial.

5 Dated: June 18, 2024

LOVIK RIPAMONTI LLE,

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Attorneys for Maria De La Cruz, George Fong, and proposed Class Members