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20 **UNITED STATES DISTRICT COURT**  
21 **NORTHERN DISTRICT OF CALIFORNIA**  
22 **SAN FRANCISCO DIVISION**

23 BERNADETTE BARNES, an individual and  
24 California resident, on behalf of herself and all  
25 others similarly situated,

26 Plaintiff,

27 vs.

28 HANNA ANDERSSON, LLC, and  
SALESFORCE.COM, INC.

Defendants.

Case No.:

**CLASS ACTION COMPLAINT**

**1.) Negligence**

**2.) Declaratory Relief**

**3.) Violation of the California Unfair  
Competition Law, Business & Professions  
Code § 17200, et seq.**

**DEMAND FOR JURY TRIAL**

Plaintiff Bernadette Barnes brings this Class Action Complaint against Hanna Andersson, LLC (“Hanna”) and Salesforce.com, Inc. (“Salesforce”)(collectively, “Defendants”), on behalf of herself and all others similarly situated, and allege, upon personal

1 knowledge as to her own actions and her counsels' investigations, and upon information and  
2 belief as to all other matters, as follows:

### 3 I. INTRODUCTION

4 1. Hanna Andersson specializes in selling high-end children's apparel through its  
5 popular website and specialty retail stores throughout the United States. For online sales, Hanna  
6 uses a third-party ecommerce platform to take customers' personal and payment information.  
7 The ecommerce platform is supplied to Hanna by Salesforce's Commerce Cloud Unit.

8 2. On January 15, 2020, Hanna Andersson notified customers and state Attorneys  
9 General about a widespread data breach that occurred from September 16, 2019 to November  
10 11, 2019. Hackers not only "scraped" many of Hanna's customers' names from the website by  
11 infecting it with malware, they also stole customers' billing and shipping addresses, payment  
12 card numbers, CVV codes, and credit card expiration dates. The criminals got everything they  
13 needed to illegally use Hanna's customers' credit cards to make fraudulent purchases, and to steal  
14 the customers' identities.

15 3. Not only did hackers skim this personally identifiable information ("PII"), law  
16 enforcement found the stolen names and card information for sale on the dark web. That means  
17 the breach worked. Hackers accessed and then offered for sale the unencrypted, unredacted stolen  
18 PII to criminals. Because of Defendants' breach, customers' PII is still available on the dark web  
19 for criminals to access and abuse. Hanna's customers face a lifetime risk of identity theft.

20 4. This PII was compromised due to Hanna's and Salesforce's negligent and/or  
21 careless acts and omissions and the failure to protect customers' data. In addition to their failure  
22 to prevent the breach, Hanna and Salesforce failed to detect the breach for almost three months.

23 5. Neither Hanna nor Salesforce had any idea the breach was happening. Months  
24 after it started, law enforcement found the stolen information on the dark web and warned Hanna  
25 on December 5, 2019. Hanna then investigated the breach, confirmed that Salesforce Commerce  
26 Cloud's ecommerce platform was "infected with malware," and confirmed that the PII entered  
27 by customers into the platform during the purchase process was "scraped"; that is, customers'  
28 PII was stolen from Hanna's website by unknown individuals, then sold on the dark web.



1 11. Defendant Hanna Andersson, LLC is a Delaware Foreign Limited Liability  
2 Company with its principal place of business located at 1010 Northwest Flanders Street, Portland,  
3 Oregon. During the class period, Hanna operated in California through its website, and has  
4 multiple retail locations, including in Palo Alto and Walnut Creek, California.

5 12. Defendant Salesforce.com, Inc. is incorporated in Delaware with its principle  
6 place of business located at 1 Market Street, San Francisco, California. According to Hanna,  
7 during the class period, Salesforce supplied Hanna with cloud-based online ecommerce services  
8 through its Salesforce Commerce Cloud Unit.<sup>1</sup>

### 9 III. JURISDICTION AND VENUE

10 13. This Court has subject matter jurisdiction over this action under 28 U.S.C.  
11 § 1332(d) because this is a class action wherein the amount of controversy exceeds the sum or  
12 value of \$5,000,000, exclusive of interest and costs, there are more than 100 members in the  
13 proposed class, and at least one member of the class is a citizen of a state different from Defendant  
14 Hanna. Moreover, Plaintiff Barnes is a citizen of California and therefore diverse from Hanna,  
15 which is headquartered in Oregon with a Delaware LLC.

16 14. This Court has personal jurisdiction over Defendants because Salesforce is  
17 headquartered in California and conducts business in the state of California, and because Hanna  
18 has physical locations throughout California and conducts business in California through its  
19 website.

20 15. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because a substantial  
21 part of the events or omissions giving rise to these claims occurred in, were directed to, and/or  
22 emanated from this District. Venue is also proper because Salesforce's terms of service require  
23

24  
25 <sup>1</sup> See, e.g., Hanna Andersson's *Notification of Security Incident* to the Washington Attorney  
26 General, January 15, 2020, available at: [https://agportal-  
27 s3bucket.s3.amazonaws.com/uploadedfiles/Another/Supporting\\_Law\\_Enforcement/HannaAnd  
28 erssonLLC.2020-01-15.pdf](https://agportal-s3bucket.s3.amazonaws.com/uploadedfiles/Another/Supporting_Law_Enforcement/HannaAnderssonLLC.2020-01-15.pdf) (last accessed Jan. 29, 2019); see also, Hanna Andersson's  
*Notification of Security Incident* to the California Attorney General, in part, January 15, 2020,  
available at: [https://oag.ca.gov/system/files/Hanna\\_Multi-State%20Master\\_Rev1.pdf](https://oag.ca.gov/system/files/Hanna_Multi-State%20Master_Rev1.pdf) (last  
29 accessed Jan. 29, 2019).

1 that claims are resolved in “the courts located in San Francisco, California.”<sup>2</sup>

#### 2 **IV. FACTUAL ALLEGATIONS**

##### 3 ***Background***

4 16. Hanna has sold high-end children’s clothing through mail order and retail stores  
5 since 1983. The company mostly sells clothing for babies through preteens, but recently added a  
6 women’s collection and home furnishings. The company has expanded to over 60 retail locations  
7 across the United States, with an extensive presence online at [www.hannaandersson.com](http://www.hannaandersson.com). The  
8 company’s annual sales are estimated to be over \$140 million.

9 17. Salesforce is primarily a cloud technology<sup>3</sup> service as a software (“SaaS”)   
10 company specializing in “customer relationship management” (“CRM”). According to  
11 Salesforce, CRM “is a technology for managing all your company’s relationships and  
12 interactions with customers and potential customers.” Due to the increase of cloud technology  
13 use, Salesforce’s recent third quarter revenue of \$4.5 billion was up 33 percent year over year.

14 18. As of 2020, Salesforce has multiple different cloud platforms: service cloud,  
15 marketing cloud, health cloud, app cloud, community cloud, analytics cloud, IoT cloud, Chatter  
16 cloud, Heroku engagement cloud, and the Salesforce Commerce Cloud.

17 19. The Salesforce Commerce Cloud provides a cloud-based unified ecommerce  
18 platform, or platform as a service (“PaaS”), with mobile, AI personalization, order management  
19 capabilities, and related services for business to customer (“B2C”) and business to business  
20 (“B2B”) companies.

21 20. Practically, businesses use Salesforce Commerce Cloud to provide websites to  
22 their customers who purchase items online. Salesforce’s platform takes the key payment and  
23 personal information from the customer to finalize the transaction: name, billing and shipping  
24 addresses, payment card type and number, CVV (security) code, credit card expiration date, and  
25

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26 <sup>2</sup> *Terms of Service*, Salesforce.com, Inc., available at  
27 <https://www.salesforce.com/company/legal/sfdc-website-terms-of-service/#> (last accessed Jan.  
28 29, 2019).

<sup>3</sup> As the name suggests, “cloud” technology is located remotely (in a “cloud computing

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