

Cahill Wins Dismissal in Consumer Class Action for Overstock.com

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Cahill won dismissal of claims in a putative nationwide class action lawsuit filed in federal court in New York that challenged Overstock's merchandise return fees and related disclosures. The complaint alleged violations of state consumer protection laws and asserted unjust enrichment claims.

In its August 20 ruling, the New York federal court granted Overstock's motion to dismiss, finding that the Plaintiff failed to demonstrate that Overstock violated consumer protection law, specifically, that Overstock knowingly and intentionally withheld its return fees policy. Judge Sterling Johnson, Jr. also found that "a reasonable consumer would not have simply continued to finalizing his or her order without first reviewing the relevant website for the vendor's return policy." Finally, Judge Johnson found that the complaint failed to allege that Overstock was enriched by the return fee and so dismissed the unjust enrichment claims.

Attorneys

- Jason M. Hall
- Jonathan D. Thier

CAHILL GORDON & REINDEL LLP