

Class Action Filed Against ClassPass Inc. for Containing Thousands of Deceptive Listings of Businesses' and Their Services

NEW YORK – October 22, 2021 – On October 22, 2021, a class action lawsuit was filed in federal court in Manhattan against ClassPass Inc. on behalf of potentially thousands of businesses alleging that the health, spa, and fitness "aggregator" improperly used business' identities for its own use. According to the Complaint, ClassPass's website and mobile application list thousands of businesses with which ClassPass has no relationship or affiliation.

The suit alleges that ClassPass included these false listings to attract new users to ClassPass—tricking customers into thinking ClassPass had far more participating businesses than in reality—and then luring the improperly-listed business to actually list on the platform. In so doing, the suit claims, ClassPass engaged in unfair competition and false affiliation, false advertising, and unfair and deceptive trade practices in violation of federal, New York, and New Jersey law.

The plaintiff representing the proposed class of thousands of aggrieved businesses is Tipsy Nail Club LLC, which operates as Leeah Nails in Montclair, New Jersey. On September 1, 2021, a customer came to the store and received manicure and pedicure services. When it was time to pay, the customer showed proof that she had already paid through ClassPass. But Leeah Nails had no relationship with ClassPass and had received no prepayment from ClassPass for the reservation.

Prompted by this incident, Leeah Nails began investigating, and found that it wasn't alone. It discover that dozens of other spas, nail salons, and gyms had similar fake listings – and entirely fabricated appointment schedules. And when Leeah Nails' owner tried to clear up the situation with ClassPass, the company's customer service department refused to deal with him because he had no ClassPass account.

To read the federal class action complaint, click on the link to the right.