IN THE DISTRICT COURT OF LANCASTER COUNTY, NEBRASKA

THE STATE OF NEBRASKA, ex rel.) Case No. CI 24-
MICHAEL T. HILGERS, Attorney General,)
Plaintiff,) COMPLAINT
v.)
SAVAGE ENTERPRISES, a Wyoming Corporation,))
Defendant.)

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

COMES NOW, the State of Nebraska, by and through its Attorney General Michael T. Hilgers, and states:

- 1. Nebraska's consumer protection statutes ensure that when Nebraskans purchase food or other products intended for human consumption, what they buy is properly labeled and ultimately safe to consume. Defendant Savage Enterprises ("Savage Enterprises" or "Savage") manufactures, produces, distributes, promotes, displays for sale, offers for sale, attempts to sell, and sells products containing tetrahydrocannabinol (THC) that fall woefully short on both accounts.
- 2. Savage Enterprises' business model seeks to entice and ultimately ensnare Nebraska's most vulnerable consumers: children and teenagers. In seeking to maximize its financial gains, Savage Enterprises has repeatedly jeopardized the health and safety of Nebraska's youngest citizens by selling THC edibles and vapes in packaging that obviously appeals to the tastes of this vulnerable

demographic. A few examples of Savage's adolescent-targeted product design and packaging appear below:



- 3. Poison control centers, health experts, law enforcement personnel, and regulators across the country have sounded the alarm in recent years on products containing delta-8 THC and other synthetically-produced hemp pseudo-derivatives. Reports of adverse events and accidental ingestion of these substances by children have spiked dramatically in recent years, owing in large part to the manner in which the substances are often marketed and sold: infused in gummies and other snack foods that are indistinguishable from common forms of children's candy.
- 4. The Attorney General has received complaints from consumers throughout the State who have experienced the disastrous effects that often follow consumption of synthetically-produced THC products, including hospitalizations and severe psychotic episodes. At least one of these reports followed consumption of a delta-8 THC product manufactured and sold by Savage Enterprises.
- 5. Despite the serious dangers and sweeping damage its products can cause, Savage Enterprises has recklessly ignored the warning signs by continuing to sell large volumes of products laced with extremely high concentrations of delta-8 THC (and other variants, equivalents, or analogues of THC) to retail smoke shops in

communities throughout the State, thereby enriching its owners while jeopardizing the health, safety, and well-being of Nebraska consumers.

- 6. Moreover, Savage Enterprises' product labels omit material information and mislead consumers as to the amount of psychoactive substances contained in its products. Nebraska consumers cannot predict with any degree of certainty which ingredients Savage Enterprises puts into its products, nor understand the potential intoxicating or other adverse effects that may result from their consumption.
- 7. Savage Enterprises has unfairly and deceptively marketed its synthetically-produced THC products notwithstanding the serious harm they can cause, but Savage's harmful and egregious conduct does not stop there. Savage Enterprises has marketed its products on social media and elsewhere using strategies that aggressively target adolescents, and the products it promotes are available for purchase through online retailers who do not perform age verification before shipping to Nebraska consumers. A few examples of Savage's adolescent-targeted online advertising content appear below:



8. For these reasons, and as outlined in greater detail below, Savage Enterprises has engaged in, and continues to engage in, deceptive, unfair, and harmful acts and practices which constitute unlawful conduct in violation of Nebraska's consumer protection laws.

9. The State, by and through its Attorney General, asks this Court to enjoin Savage Enterprises' unlawful behavior, grant appropriate monetary relief for Savage's numerous and repeated violations, and award any and all other relief warranted by law.

INTRODUCTION & BACKGROUND

- 10. "The public welfare outweighs the right to private gain ... No man may poison the people for his private profit." President Theodore Roosevelt, Special Message to Congress, (Jan. 22, 1909) available at *The American Presidency Project*, University of California Santa Barbara, https://www.presidency.ucsb.edu/documents/special-message-368.
- 11. THC is a chemical compound found in the plant *cannabis* sativa *L.*, more commonly known as "marijuana" or, under certain, limited circumstances, as "hemp."
- 12. THC is the chemical responsible for the intoxicating effect—the "high"—that is commonly associated with the consumption of marijuana. Consumption of THC can cause a variety of other, sometimes harmful, psychotropic and physiological effects.
- 13. Savage Enterprises manufactures, produces, distributes, promotes, displays for sale, offers for sale, attempts to sell, and sells THC-containing products involving synthetically-produced THC or a variant, equivalent, or analogue of THC.
- 14. These synthetically-produced THCs (or their variants, equivalents, and analogues) are unregulated, untested, and unsafe.
- 15. Synthetically-produced THC is created via a complicated, unregulated manufacturing process that involves toxic, caustic, or otherwise dangerous chemical compounds and catalysts.
- 16. Synthetically-produced THC (or their variants, equivalents, and analogues) have not been deemed safe by any Nebraska or federal regulatory body, nor have they been subject to scientific or medical testing that establishes their suitability for human consumption.

17. Indeed, even many States that have legalized or decriminalized recreational marijuana have nevertheless chosen to wholly prohibit the sale of synthetically-produced THCs, including delta-8.

A. Background Regarding Cannabis and Cannabinoids

- 18. The cannabis plant contains hundreds of naturally occurring chemical compounds. Compounds that are uniquely found within cannabis are called cannabinoids. Attachment 1, ¶ 17.
- 19. THC and cannabidiol (CBD) are the two most well-known cannabinoids.
- 20. Live cannabis plants produce cannabinoids in a native acid form, most commonly tetrahydrocannabinolic acid (THCA) and cannabidiolic acid (CBDA). These acids naturally react to heat, light, and other natural phenomena, causing them to degrade into other cannabinoids, such as the various expressions of THC. Attachment 1, ¶ 17.
- 21. Adding additional heat—such as the fire used to ignite a marijuana cigarette or the heat of an oven used to produce a baked good—will accelerate the chemical degradation of THCA contained in cannabis plant material into the most well-known expression of THC, delta-9.
- 22. Delta-9 THC (also "Δ9-THC") is the expression of THC that is most commonly responsible for the intoxicating "high" associated with consumption, inhalation, or other ingestion of marijuana variants of the cannabis plant.
- 23. When THCA degrades into THC via application of heat, delta-9 THC is by far the most abundant expression of THC that is produced. Attachment 1, ¶ 19.
- 24. Another expression of THC, delta-8 (also "Δ8-THC"), has been observed to exist in cannabis as the product of natural degradation of THCA, but only as a trace element in minuscule

amounts and concentrations. Attachment 1, $\P\P$ 20 & 22.

- 25. Producing commercially viable quantities of delta-8 THC requires producers to engage in chemical synthesis involving caustic chemicals, reagents, and catalysts.
- 26. As the FDA has explained, "[t]he natural amount of delta-8 THC in hemp is very low, and additional chemicals are needed to convert other cannabinoids in hemp, like CBD, into delta-8 THC (i.e., synthetic conversion)." Attachment 1, ¶ 20.
- 27. The quantities of naturally occurring THC found in hemp are so low that extraction of commercially viable quantities is virtually impossible.
- 28. CBD and THC have related chemical structures but materially different pharmacological effects when ingested.
- 29. When consumed, inhaled, or otherwise ingested, CBD does not induce an intoxicating effect.
- 30. When consumed, inhaled, or otherwise ingested, THC induces intoxicating effects, including, in some individuals, delusions and hallucinations.
- 31. Because of the intoxicating effects of THC, both the federal government and Nebraska have long deemed cannabis a controlled substance and listed it, by its colloquial name "marihuana" or "marijuana," on each of their respective Schedule I. Neb. Rev. Stat. § 28-405, sch. I (c)(8); 21 U.S.C. § 812, sch. I (c)(10); 21 C.F.R. § 1308.11(d)(23).
- 32. In recent years, both the federal government and Nebraska have legalized low-THC & THCA containing cannabis, colloquially referred to as "hemp." See Pub. L. 115-334, 132 Stat 4490 codified at 7 U.S.C. §16390 ("Agriculture Improvement Act of 2018"); Neb. Rev. Stat. § 2-501 et seq. ("Nebraska Hemp Farming Act").
 - 33. The passage of the Agriculture Improvement Act of 2018

and Nebraska Hemp Farming Act permits the cultivation of and, at least in some circumstances, the extraction of cannabinoids from qualifying low-THC cannabis plants, aka "hemp."

B. Synthetically-Produced THC—Its Manner of Production & Dangerous Properties

- 34. Prior to the passage of the Agriculture Improvement Act of 2018 and Nebraska Hemp Farming Act, black market chemists began creating synthetically-produced THC variants, equivalents, and analogues that mimicked the intoxicating effects of THC. Attachment 1, ¶ 23.
- 35. When consumed, inhaled, or otherwise ingested, these synthetically-produced variants, equivalents, and analogues of THC can produce "serious side effects" including "rapid heart rate, vomiting, agitation, confusion, and hallucinations." Attachment 1, \P 24.
- 36. Similarly serious side effects, such as "dyspnea, respiratory disorder[s], and seizure" have been linked to the consumption of products containing synthetically-produced THC, such as delta-8 THC. Attachment 1, \P 9.
- 37. "[T]he effects of synthetic cannabinoids can be unpredictable and severe or even life-threatening." Attachment 1, \P 25.
- 38. "Because the chemical composition of many synthetic cannabinoid products is unknown and may change from batch to batch, these products are likely to contain substances that cause dramatically different effects than the user might expect." Attachment 1, ¶ 26.
- 39. "[N]o known cannabis variety produces significant amounts of delta-8 THC, making extraction from plant material infeasible. [Therefore] delta-8 THC cannot be economically extracted from plant material[.]" Attachment 1, ¶¶ 27 & 28.
- 40. "[I]n order to produce one kilogram of natural Delta-8 extract, it would take approximately 55,000 kilograms of hemp and

cost somewhere in the neighborhood of about \$500 million." Attachment 1, \P 29.

- 41. Hemp, by definition, contains very low levels of THC and THCA (the precursor to THC). By contrast, hemp contains relatively abundant amounts of CBD and CBDA (the precursor to CBD).
- 42. CBD can be transformed, via various synthetic processes involving industrial grade-solvents, acids, and other caustic and toxic chemicals, into expressions of THC such as delta-8 THC. Attachment 1, $\P\P$ 20 & 30.
- 43. For example, one common conversion process involves "refluxing CBD in an organic solvent, such as toluene or heptane, with p-toluenesulfonic acid or another acid that serves as a catalyst." Attachment 1, \P 31.
- 44. Other variations on the process utilize different solvents, such as benzene or ethanol, in the place of toluene or heptane, as well as other acids (sulfuric, nitric, etc.). Attachment 1, ¶¶ 30 & 32.
- 45. Done haphazardly or improperly, the transformation of CBD into THC can leave behind residual byproducts that remain mixed in with the synthetically-produced THC. Attachment 1, $\P\P$ 15 & 32.
- 46. Thus, the process for manufacturing synthetically-produced THC, including delta-8 THC, can—and often does—leave behind "residuals of . . . toxic reagents" including "residual solvents, neutralizing bases, and heavy metals." Attachment 1, ¶ 15.
- 47. These residual byproducts of the manufacturing process are unsafe for human consumption.
- 48. Benzene, for example, is a known carcinogen, subject to exposure restrictions enforced by multiple federal regulatory agencies; acute exposure to high concentrations can be lethal. Long term exposure to lower levels of benzene is also harmful, causing damage to

bone marrow, weakening the immune system, and inducing hematologic disorders. Attachment 1, $\P\P$ 33 & 34.

- 49. Even when these reagents, catalysts, and other toxic chemicals are successfully removed by manufacturers who utilize proper quality controls, synthetically-produced THC itself raises safety concerns.
- 50. Most synthetically-produced THC compounds "are not found in nature and have not been tested for safety or efficacy;" their "toxicity [is] unknown." Attachment 1, ¶ 15.
- 51. Products containing synthetically-produced THC, such as delta-8 THC, have "not been evaluated or approved by the FDA for safe use in any context." Attachment 1, ¶ 20.

C. Widespread Reports of Harm Following Proliferation of Delta-8 and Other Synthetically-Produced THC Products

- 52. From January 2021 through February 2022, consumption of or exposure to products containing delta-8 THC resulted in thousands of adverse health events reported to national poison control centers; 70% of those exposures required the affected individual to be evaluated at a health care facility. Attachment $1, \P 20$.
- 53. Over a similar time period (beginning in June 2021), the Food and Drug Administration's (FDA) Adverse Event Reporting System (FAERS) database had logged 183 reports for adverse events—including 33 fatalities—that were directly attributed to the consumption of products containing delta-8 THC or similar synthetically-produced forms of THC. Attachment 1, ¶ 9.
- 54. Although the exact toxicity threshold for any individual varies—some people have higher tolerances than others—the dangers posed by the consumption of THC-containing products are particularly acute with respect to children. Attachment 1, \P 2, 35.
- 55. Savage Enterprises manufactures, produces, distributes, promotes, displays for sale, offers for sale, attempts to sell, and sells

THC-containing gummies that are labeled as containing 600 milligrams of THC per gummy, which is more than 200 times greater than the amount needed to send a 3-year-old to the hospital.

- 56. The danger posed by products containing synthetically-produced THC (and its variants, equivalents, and analogues) is deadly serious. Data from the FDA indicates that dozens of fatal overdoses and poisonings have been attributed directly to the consumption of products containing delta-8 THC. Attachment, ¶ 9.
- 57. "[B]etween January 2021 and February 2022, U.S. poison control centers received 2,363 reports of negative exposures to Delta-8 THC products. Many of these cases concerned unintentional ingestion of Delta-8 THC products and a disturbing 82% involved children." Attachment 1,¶ 10.
- 58. Between 2017 and 2021, reported cases of accidental ingestion of edibles containing cannabis by children under the age of six increased by 1,375% nationwide. Attachment $1, \P 11$.
- 59. According to data published by the Centers for Disease Control and Prevention (CDC), from 2020 to 2022 the average number of weekly cannabis-related emergency room visits by children 10 years and younger was as much as three times higher than pre-pandemic levels. Attachment 1, \P 12.
- 60. Consuming as little as 2.5 milligrams of a THC-containing gummy can "exceed the toxicity threshold" for a 3-year-old child and send that child to the hospital. Attachment 1, $\P\P$ 13 & 14.
- 61. The process for manufacturing THC also produces many novel synthetic byproducts and compounds; many of these byproducts and compounds are so new that they do not even have formal scientific names. These byproducts and compounds have not been tested for safety or efficacy and it would be "irresponsible to recommend these products for human consumption." Attachment 1, ¶ 15.

- 62. The CDC has warned that the synthetic processes used to produce delta-8 THC "may create harmful byproducts," and protocols have not yet been established to test for "contaminants such as heavy metals, solvents, or pesticides that may have adverse health effects." Attachment, ¶ 16.
- 63. On May 8, 2022, a 4-year-old boy in Virginia died after consuming a "large amount of THC gummies. ... Toxicology results showed [he] had extremely high levels of THC in his system, ... and the cause of death was delta-8-[THC] toxicity[.]" Attachment, ¶ 5.
- 64. That same month, the FDA issued a warning stating that delta-8 THC "may pose serious health risks" and the substance "has not been evaluated or approved by the FDA for safe use in any context." Attachment, ¶ 20. The FDA further warned that manufacturers of delta-8 THC were putting consumers at risk by making "unsubstantiated" claims of "therapeutic or medical uses[.]"
- 65. In July of 2023, the Federal Trade Commission (FTC) and FDA warned in a joint statement accompanying cease-and-desist letters sent to companies selling THC products that resembled popular forms of candy that "[m]arketing edible THC products that can be easily mistaken by children for regular foods is reckless and illegal." Attachment 1, ¶ 4; see also, ¶ 1.
- 66. In February of last year, the CDC warned that consumption of THC products "can have permanent effects on the developing brain when use begins in adolescence," and may cause reduced memory and learning, difficulty thinking and problem-solving, depression, social anxiety, temporary psychosis, paranoia, hallucinations, and schizophrenia. Attachment 1, ¶ 48.
- 67. In March, the National Institutes of Health (NIH) reported on the findings of a study that found 15% of 12th graders in midwestern States used delta-8 THC within the previous year, and use of the substance was higher in States (like Nebraska) that do not have existing delta-8 regulations. Attachment, ¶ 21.

- 68. The NIH warned that "adolescent [THC] use is associated with adverse effects on learning, memory, and attention; changes in brain development; and the development of cannabis use disorder and other psychiatric disorders, such as depression, psychosis and suicidality." Attachment, ¶ 21.
- 69. Researchers from the University of Nebraska Medical Center (UNMC) College of Public Health agree that consumption of THC-containing products by adolescents "could cause damage to brain development" and lead to use of heavier drugs like cocaine and opioids. Attachment 1, ¶ 47; see also Attachment 1, ¶ 49 (finding that nonhabitual THC users were 2 to 4 times more likely than nonusers to experience adverse psychosocial effects, such as major depression, suicidal ideation, slower thoughts, difficulty concentrating, truancy, low grade point average, arrest, fighting, and aggression).
- 70. In July of last year, the FDA continued its efforts to warn consumers of the dangers of purchasing edible THC products that resemble common forms of snack food, reiterating that "the companies who sell these illegal products are demonstrating complete neglect for consumer safety." Attachment 1, \P 7.
- 71. The FTC echoed the FDA's ongoing safety concerns, warning that companies that sell THC-containing products that mimic common forms of candy "are not only acting illegally, but they are also putting the health of young children at risk[.]" Attachment 1, \P 7.

D. Savage Enterprises' Conduct Has Placed Nebraskans at Risk of Harm

- 72. The Attorney General has received numerous reports of the disastrous effects that delta-8 and other THC-containing products are having on Nebraskans—especially Nebraska's children and teens.
- 73. The consumer complaints received by the Attorney General include reports of hospitalizations, psychosis, temporary paralysis, aggression, violent behavior, severe nausea, inability to

sleep, loss of consciousness, paranoia, hallucinations, panic attacks, extreme depression, chronic fatigue, seizures, vomiting, suicidal ideation, dizziness, inability to speak, and delusional thoughts.

- 74. In response to an investigation by the Attorney General, Savage Enterprises failed to provide any evidence of safety testing or research establishing that the synthetically-produced THC products it manufactures and sells to Nebraska retailers are safe to consume.
- 75. Savage Enterprises, by manufacturing, producing, distributing, promoting, displaying for sale, offering for sale, attempting to sell, and selling its THC-containing products, has created an environment in which Nebraska consumers are engaged in a game of Russian Roulette: its products are likely to attract consumption by children, which could lead to a hospital visit or a fatal poisoning; its products may be consumed by adults resulting in unintended or excessive intoxication, a hospital visit, or a poisoning; or, its products may be consumed and have no effect whatsoever.
- 76. Savage Enterprises' conduct creates a gravely serious threat of harm to Nebraska consumers, especially to Nebraska's children and teens.
- 77. For these reasons, and for the reasons outlined in greater detail below, Savage Enterprises' manufacture, production, distribution, promotion, display for sale, offering for sale, attempt to sell, and sales of THC-containing products violate Nebraska's Consumer Protection Act, Neb. Rev. Stat. § 59-1601 et seq., and its codification of the Uniform Deceptive Trade Practices Act, § 87-301 et seq.

PARTIES

- 78. The State of Nebraska, by and through its Attorney General and on behalf of all of Nebraska's citizens and consumers, is the Plaintiff in this action.
 - 79. The Attorney General of Nebraska is Nebraska's Chief

Law Enforcement Officer. The Attorney General is expressly authorized to enforce Nebraska's consumer protection laws, including both the Consumer Protection Act and the Uniform Deceptive Trade Practices Act. Neb. Rev. Stat. § 59-1608(1); 87-303.05(1).

- 80. In addition to that express statutory authority, the Attorney General has standing to bring a legal action, in the name of the State, when the object of that action is a suit to vindicate the public interest. See State ex rel. Meyer v. Peters, 188 Neb. 817, 819-21, 199 N.W.2d 738, 739-41 (1972); State v. Pacific Express Co., 80 Neb. 823, 115 N.W. 619, 620-23 (1908).
- 81. Defendant Savage Enterprises is a corporation organized under the laws of the State of Wyoming. Its principal place of business is located at 18207 McDurmott W., Ste. G, Irvine, CA 92614.
- 82. Savage Enterprises' registered agent is Capital Administrations LLC; its registered address is 1712 Pioneer Avenue, Suite 1304, Cheyenne, WY 82001.
- 83. Savage Enterprises includes anyone acting on its behalf in a representative capacity, including but not limited to directors, officers, members, employees, agents, staff, parent companies, subsidiaries, and other persons working for or on behalf of the foregoing.
- 84. Savage Enterprises was and continues to be, at all times relevant to this Complaint, engaged in retail trade or other commerce in Nebraska. Savage Enterprises operates multiple wholesale and retail websites that deliver THC-containing products to Nebraska consumers. Savage Enterprises is a major wholesale manufacturer and distributor of THC-containing products to retail vape and smoke shops throughout the State.

JURISDICTION & VENUE

85. The District Court of Lancaster County has subjectmatter jurisdiction pursuant to Neb. Rev. Stat. § 59-1608(1), Neb. Rev. Stat. § 87-303.05(1), and Neb. Rev. Stat. § 81-2,289(2).

- 86. This Court has personal jurisdiction over Savage Enterprises under Neb. Rev. Stat. § 25-536 because, at all times relevant to this Complaint, Savage Enterprises has targeted Nebraska consumers with its extensive line of THC-containing products; since 2020, Savage Enterprises has sold at least in wholesale product to at least different retail smoke and vape shops throughout the State. Savage Enterprises has facilitated consumer transactions throughout the State by making its products available to Nebraska consumers from Omaha to Scottsbluff.
- 87. Savage Enterprises has promoted and offered for sale its "super potent" THC-containing products to Nebraska consumers directly through locally targeted online advertising, examples of which are provided below:





88. Venue for this action properly lies in this Court because Savage Enterprises transacts business with retail smoke and vape shops in Lancaster County.

FACTS

89. The State of Nebraska re-alleges and expressly incorporates by reference all facts set forth in the preceding paragraphs as though fully set forth herein.

A. Savage Enterprises Has Deceived Nebraska Consumers by Selling Unsafe, Untested, and Unregulated THC Products

- 90. Despite the warnings from public health experts and widespread reports of harm, Savage Enterprises has deceptively manufactured, produced, distributed, promoted, displayed for sale, offered for sale, attempted to sell, and sold its unsafe and untested THC-containing products to smoke shops and other retailers throughout the State, leaving Nebraska consumers with the misleading impression that its products are safe to consume.
- 91. Many of Savage Enterprises' products are laced with extremely high concentrations of delta-8 THC even though the

substance—even in small amounts—is not generally recognized as safe by the FDA and has not been approved for human use in any context.

- 92. Savage Enterprises has attempted to exploit recent confusion that followed passage of the Agriculture Improvement Act of 2018, which legalized hemp products in limited circumstances provided they contain less than 0.3% (i.e., *3 milligrams per gram*) of delta-9 THC.
- 93. Savage Enterprises sells products that contain other THC compounds in concentrations that are more than 200 times greater than the permissible levels for delta-9 THC—even though these other THC compounds are known to have the same or similar psychoactive properties. For example, Savage's Lights Out vape cartridge contains 690 milligrams per gram of delta-8 THC in addition to 9 milligrams per gram of delta-9 THC.
- 94. Savage's Adios MF gummies are labeled as containing *600* milligrams of delta-8 THC per gummy.
- 95. Many of Savage Enterprises' products contain synthetic THC compounds that do not appear in the marijuana plant naturally and are unintended byproducts of the manufacturing process used to convert CBD into delta-8 THC. These compounds are not well-understood and have not undergone safety testing to establish their suitability for human consumption.
- 96. Many of the products manufactured and sold by Savage Enterprises that contain delta-8 THC omit this information from the front of the products' packaging. The labels also fail to adequately warn consumers of the products' lack of safety testing and likelihood of inducing psychotropic and other adverse effects.
- 97. Moreover, Savage Enterprises manufactures, produces, distributes, promotes, displays for sale, offers for sale, attempts to sell, and sells its THC-containing products with inaccurate descriptions and other misrepresentations as to the existence, quantity, and/or potency

of the THC contained within their products whereby:

- a. The labels omit the nature and identification of the correct THC (or its variants, equivalents, or analogues) the product contains.
- b. The labels fail to accurately disclose the quantity of the THC (or its variants, equivalents, or analogues) the product contains.
- c. The labels do not reflect the likelihood of inducing intoxication or warn about the potential psychotropic and physiological effects of consuming the product.
- 98. Nebraska consumers cannot predict, with any degree of certainty, the contents or potency of the THC-containing products manufactured, produced, distributed, promoted, displayed for sale, offered for sale, and sold by Savage Enterprises.
- 99. An investigation by the Attorney General has revealed that Savage Enterprises manufactures, sells, and distributes THC-containing products in packaging that inaccurately describes or otherwise misrepresents the existence, quantity, or potency of THC contained within the product, for example:
 - a. Extrax Lights Out Collection Banana Runts, a vape product labeled as containing 550 milligrams per gram (mg/g) of $\Delta 8$ THC, 25 mg/g of THC-JD, and 25 mg/g of THC-H, does not contain THC-JD or THC-H and contains instead 690 mg/g of $\Delta 8$ THC and 9 mg/g of $\Delta 9$ THC.
 - b. Cali Reserve Kiwi Mixer, an edible gummy labeled as containing 186 milligrams of $\Delta 8$ THC and .5 milligram of THC-P per gummy, but does not contain THC-P and contains instead 3 milligrams of $\Delta 9$ THC and 103 milligrams of $\Delta 8$ THC per gummy.

- c. Chapo Extrax Purple Urkle, a 2-gram vape product labeled as containing 891 total milligrams of $\Delta 8$ THC and no $\Delta 9$ THC, but contains instead 854 mg/g of $\Delta 8$ THC and 25.8 mg/g of $\Delta 9$ THC.
- d. Extrax Adios Sweet Tooth, a 4.5 gram vape product labeled as containing 631 mg/g of $\Delta 8$ THC, 20 mg/g of $\Delta 9$ THC, and 45 milligrams of THCA, but does not contain THCA and contains instead 735 mg/g of $\Delta 8$ THC and 12.8 mg/g of $\Delta 9$ THC.
- e. Extrax Adios Purpleberry Splash, an edible gummy labeled as containing 200 milligrams of $\Delta 8$ THC, 30 milligrams of $\Delta 9$ THC, and 13 milligrams of THCA per gummy, but does not contain THCA and contains instead 254 milligrams of $\Delta 8$ THC and 6.73 milligrams of $\Delta 9$ THC per gummy.
- f. **Zombi Extrax Toffee Cookies**, an edible product labeled as containing THC-P, THC-B, and no $\Delta 8$ THC, but does not contain THC-P or THC-B and contains instead 26.8 milligrams of $\Delta 8$ THC per serving.
- g. Extrax Wreck'd Purple Mayhem, a 4.5 gram vape product purporting to contain THC-P, THC-JD, no Δ9 THC, and 2.62 mg/g of THCA, but does not contain THC-P or THC-JD, and contains instead 13.8 mg/g of Δ9 THC and 1.42 mg/g of THCA.
- 100. Savage Enterprises has repeatedly and consistently misled Nebraska consumers by providing inaccurate and misleading information on its products' labeling and packages.
- 101. Savage Enterprises' failures here prevent Nebraska consumers from being able to accurately assess whether the THC-containing products it sells are safe or what psychoactive,

physiological, or intoxicating effect they will produce when consumed, as well as generally undermining Nebraska consumers' ability to make informed decisions regarding the consumption of these products.

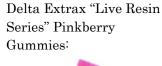
B. Savage Enterprises' High Potency THC Products Are Likely to Attract Consumption by Children and Adolescents

- 102. Savage Enterprises manufactures, produces, distributes, promotes, displays for sale, offers for sale, attempts to sell, and sells THC-containing products, including extremely potent THC gummies and other edibles that are likely to be appealing to children and teens.
- 103. Attracting children and teens is a vital marketing strategy for THC manufacturers because it can lead to a lifetime of consumption and sales. Attachment 1, \P 41.
- 104. This is a particularly harmful marketing practice because "those who start using at a younger age are more likely to become heavy or problem users" later in life, which can lead to many adverse health effects. Attachment $1, \P 41$.
- 105. THC-containing products like gummies that are appealing to children are doubly problematic.
 - a. They increase the risk that children will mistake THC-containing products for snack foods or candy, thereby substantially increasing the likelihood of accidental ingestion of THC-containing products by vulnerable children. See Attachment 1, $\P\P$ 2 & 3.
 - b. They also show Savage's intent to manufacture, produce, distribute, promote, attempt to sell, and sell its unsafe, unregulated THC-containing products to children and adolescents.
- 106. THC-containing products that resemble common forms of snack food also facilitate deception by children who may attempt to hide or misrepresent their consumption of intoxicating THC-containing

products from their parents and other authority figures, such as school administrators or law enforcement.

107. Savage Enterprises markets and sells an extensive line of THC-containing edibles, many of which are indistinguishable from common forms of children's candy and other snack foods, including for example the following:

Delta Extrax "Adios MF" Blue Razz Bombshell "High Potency" Gummies:



Zombi Extrax Live Resin Crushed Toffee & Almonds Cookies:







Delta Extrax "Lights Out" Kiwi Watermelon Live Resin Gummies:

Delta Extrax "Adios MF" Watermelon Pucker Gummies:

Delta Extrax "Lights Out" Blood Orange Live Resin Gummies:







Blackcraft Extrax Wicked Watermelon Live Resin Gummies:

Delta Extrax Live Resin Milk Chocolate Candy Bars:

Delta Extrax Adios Purpleberry Splash Gummies:





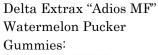


- 108. Many of the gummies and other edibles manufactured and sold by Savage Enterprises contain extremely high concentrations of delta-8 THC, but this information is omitted from the front of the products' packaging.
- 109. Savage Enterprises' flagship website, DeltaExtrax.com, boasts that its "Adios MF" gummies contain 600 milligrams of delta-8 THC per gummy, but the front of the bottle only states the gummies contain delta-9 THC, THCP, and THCA. The bottle does not warn of the potential for psychotropic effects nor inform consumers that the substances contained therein have not been approved for human consumption in any context.
- 110. A video recently posted to the Delta Extrax YouTube account claims Adios MF gummies are designed "for when you wanna be outta this world and blasting off into space." See Delta Extrax Shorts, From "mellow" to "out of this world" experiences, extrax got you covered, YouTube (October 13, 2024), https://www.youtube.com/shorts/5Wa7PbPoeJM.
- 111. Savage Enterprises' manufacture, distribution, production, promotion, display for sale, offer for sale, attempt to sell, and sale of its highly potent THC products in the form of children's candy and other snack foods is an egregiously immoral business practice that has jeopardized the health, safety, and well-being of Nebraska's children and adolescents.
- 112. In addition to selling edibles that are indistinguishable from common snack foods and candy, Savage Enterprises sells its edibles in packaging with branding that appeals to children and adolescents, including the use of fruity flavors, cartoons, bright colors, childish fonts, and products that appear "fun," or "hip and cool," for example:

Delta Extrax "Adios" Watermelon Bubblegum Gummies:



Blackcraft Extrax Blackberry Widow Gummies:





Delta Extrax Adios Purpleberry Splash Gummies:

Delta Extrax "Live Resin Series" Pinkberry Gummies:



Cali Reserve Kiwi Mixer Live Resin Gummy Rings:



Delta Extrax "Adios" Rock-It Pop Gummies:



Delta Extrax "Adios" Raspberry Rumble Gummies:



Delta Extrax "Adios" Blue Razz Lemonade Gummies:







- 113. Savage Enterprises manufactures, produces, distributes, promotes, displays for sale, offers for sale, attempts to sell, and sells its THC-containing gummies in an assortment of sweet and fruity flavors likely to attract consumption by children, including for example: Sweet Strawberry, Sour Peach, Blue Razz, Purple Berry, Kiwi Watermelon, Guava Starfruit, Raspberry Sherbet, Root Beer Float, Mango Coconut, Watermelon Bubblegum, Raspberry Rumble, Passion Punch, Blue Razz Lemonade, Tropical Sunburst, Rock-It Pop, Strawberry Colada, Pineapple Express, and many others.
- 114. Savage Enterprises' sale of THC-containing edibles in a manner likely to attract consumption by Nebraska's children and adolescents evinces a reckless disregard for the safety, health, and well-being of this vulnerable demographic.

C. Savage Enterprises' Vape Products Are Likely to Attract Consumption by Adolescents and Teens

- 115. Vaping devices, also known as electronic nicotine delivery systems, ENDS, e-cigarettes, or vapes, have supplanted cigarettes as the most common way American teenagers smoke or otherwise inhale substances with an intoxicating effect. Attachment 1, ¶ 36.
- 116. "Vaping products [have] emerg[ed] as the tool of choice for teenagers both nationally and in Nebraska." Attachment 1, \P 37.
- 117. Data from the CDC indicates that as many as 14% of American high school age teenagers and 3.3% of middle school aged children and teens—more than 2.5 million kids—routinely use vaping devices. Nearly half of the high school aged teens who reported vaping device use reported that their use was "frequent," while 30% indicated their use was "daily." Attachment 1, ¶ 38.
- 118. Vaping is a dangerous, unhealthy activity and is especially harmful to children. Attachment 1, ¶ 39.

- 119. Although originally designed as a nicotine delivery system, vaping devices can contain synthetically-produced THC such as delta-8 THC or another variant, equivalent, or analogue of THC. Attachment 1, ¶¶ 38 & 40.
- 120. Savage Enterprises manufactures, produces, distributes, promotes, displays for sale, offers for sale, attempts to sell, and sells vapes containing or purporting to contain synthetically-produced THC or a variant, equivalent, or analogue of THC.
- 121. To promote its THC vapes, Savage Enterprises uses many of the same marketing techniques it uses to sell its THC edibles, including the use of brightly colored packaging, cartoons, fruity flavors, childish fonts, and products that appear "fun," hip, and cool. Savage Enterprises' product design and branding alone reveal that its vape products are being sold in a manner that is likely to attract consumption by adolescents and teens:

Delta Extrax "Adios" 2-Pack Grape Kush and Tangie Banana Cartridge: Delta Extrax Krypto Kronic Thins Vape Cartridge: Delta Extrax Unicorn Piss Thins Vape Disposables:







Delta Extrax "Adios" Preheat Jelly Sherbet Vape Cartridge:



Delta Extrax "Lights Out" Ekto Kooler Disposable Vape Pen:



Delta Extrax Resin Maui Wowie Disposable Vape Cartridge:



Delta Extrax "Adios MF" Super Lemon Haze Vape Cartridge:



Delta Extrax "Lights Out" Banana Runtz Vape Cartridge:



Delta Extrax Preheat Kandy Kush Disposable Vape:



Delta Extrax "Liquid Badder" Alaskan Thunder F*ck Disposable:



Delta Extrax "Adios MF" Watermelon Kush Disposable Vape:



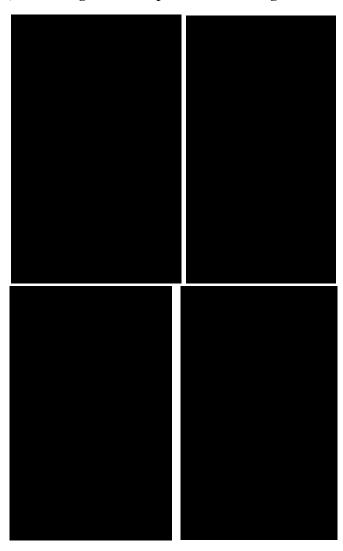
Sugar Extrax "Bestest Budz" Live Resin Disposable Vape 2-Pack:

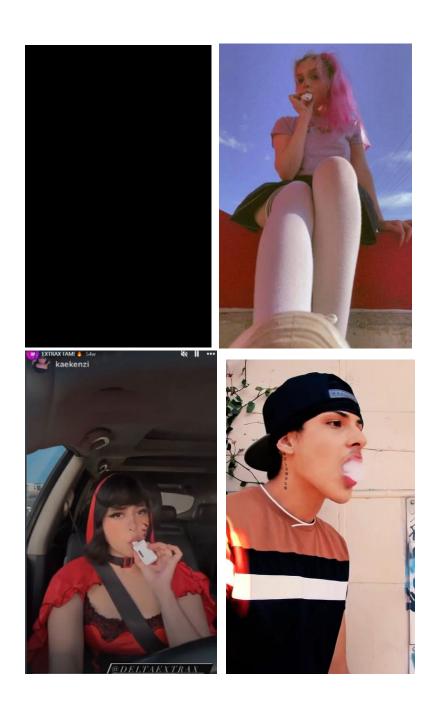


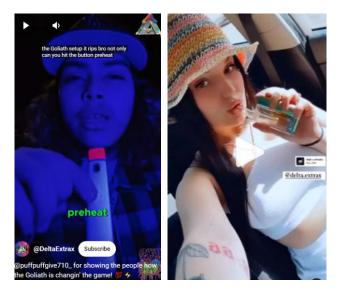
- 122. According to the CDC, "the availability of flavors such as mint, candy, fruit, or chocolate" is one of the leading reasons why adolescents decide to use vaping products. Attachment 1, ¶ 50.
- 123. Savage Enterprises' manufactures, produces, distributes, promotes, displays for sale, offers for sale, attempts to sell, and sells its THC vapes in an assortment of sweet and fruity flavors, including for example: Blue Dream, Thin Mintz, Double Bubble, Banana Runts, Birthday Cake, Maui Wowie, Blueberry Dream, Jelly Sherbet, Mango Mania, Ekto Kooler, Wedding Cake, Strawberry Shortcake, Ice Cream Cookies, Grape Kush, Key Lime, Rainbow Runtz, Hawaiian Snow, Berry Blue, Cheesecake, and many others.
- 124. Moreover, because of its ubiquitous use among adolescents and teens, social media has become an indispensable platform for targeted advertising designed to appeal to children and teenagers. Attachment 1, \P 45.
- 125. Newer marketing tools like social media influencers and sponsored content are particularly effective at manipulating the behavior of adolescents given their underdeveloped critical thinking skills, reduced impulse control, and desire to "fit in." Attachment 1, ¶ 45.
- 126. Social media marketing strategies known to appeal to teens and adolescents include the use of social media influencers, video game themes, brand partnerships with celebrities and musicians, product placements, prize giveaways, memes, humor, and claims of nutrition or health-related benefits. Attachment 1, ¶¶ 44-46, 51.
- 127. Even children who are old enough to recognize advertising content are less likely to resist its persuasive effect when it is delivered by trusted celebrity influencers, such as musicians or athletes. Attachment 1, ¶ 45.
- 128. A recently published UNMC study found that a majority of adolescents (52.8%) report being exposed to advertisements for THC-

containing products online, and exposure to online ads is causally associated with uptake and regular use of THC-containing products by adolescents. Attachment 1, \P 47.

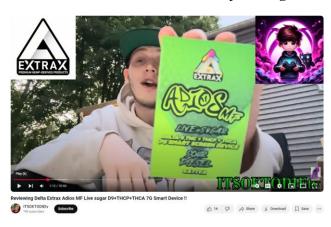
- 129. Advertisers who target adolescents often create ads with young models in trendy outfits and "in poses and movements more evocative of underage teens than mature adults." Attachment 1, \P 51.
- 130. Savage Enterprises has used this strategy to promote its THC-containing vapes and other products on social media and elsewhere online, including for example the following:





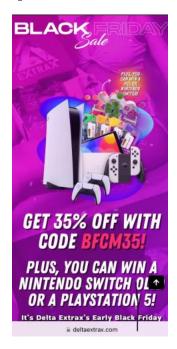


- 131. Savage Enterprises markets its products through social media influencers and celebrities who promote its products alongside adolescent themes in their social media content. Many of Savage Enterprises' marketing partners also make unsubstantiated claims of therapeutic or medical uses, another common tactic used by advertisers to adolescents.
- 132. One of Savage Enterprises' advertising partners is an aspiring, young social media influencer who posts content to various social media platforms under the moniker "ItsOKtoDieTV." The ItsOKtoDieTV YouTube account features videos of the young content creator playing video games and promoting THC-containing products, including products manufactured and sold by Savage Enterprises:

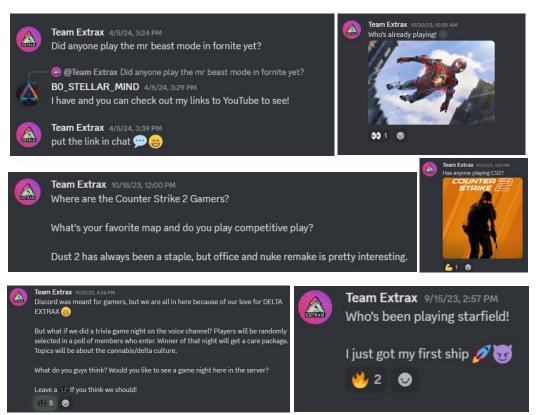


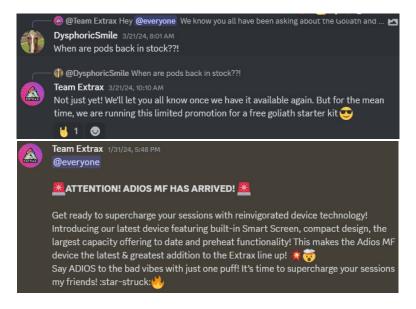


- 133. The content creator behind the ItsOKtoDieTV account claims Savage's Adios MF (he refers to them as "Adios Motherf*cka") disposable vapes made him instantaneously feel more energetic, joyful, and happy, and he was "super f*ckin' vaped up in the mind" immediately after taking a hit.
- 134. In November 2023, Savage Enterprises offered its customers an opportunity to win a video game console as part of a Black Friday online sales promotion:

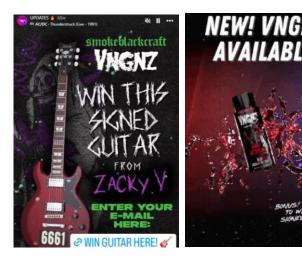


- 135. Savage Enterprises has its own server on Discord, a social media platform where users can connect with other users around various topics of interest. Discord is particularly popular among video game players and was originally intended as a platform for multiplayer video game users to interact with other players.
- 136. 90% of Discord's 200 million monthly users use the platform to play video games. According to its website, Discord users spend a combined 1.5 billion hours each month playing video games on the platform.
- 137. As part of its social media advertising strategy, Savage Enterprises created its own Official Extrax Discord server where Savage Enterprises employees interact with users of the platform to promote its THC gummies and vapes, offer product and prize giveaways, and invite other users of the platform to share their experiences using Savage Enterprises products:





- 138. On its Delta Extrax YouTube page, Savage Enterprises recently posted a video containing an interview with Zacky Vengeance—the guitarist from the popular heavy metal band Avenged Sevenfold. In the video, Vengeance claims he used Savage's Blackcraft Extrax products to "pick up [his] mood" and "bring joy back into life."
- 139. As part of its partnership with Vengeance, Savage Enterprises promoted a limited time special THC product offering called the "VNGNZ Shot" and invited its followers to enter for a chance to win a signed guitar from Vengeance:



140. A self-described "hype man" for Savage Enterprises named Steve Stoner—a young content creator and aspiring entertainer—hosts a podcast on his YouTube channel dedicated to promoting a variety of THC products, including products manufactured and sold by Savage Enterprises:

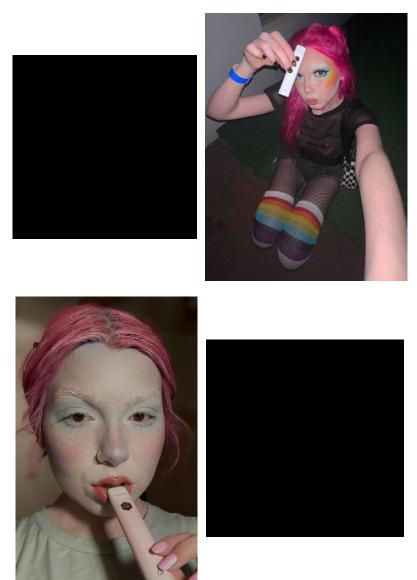


THCh THCjd Live Resin Gummies Q UNBOXING from #DeltaExtrax



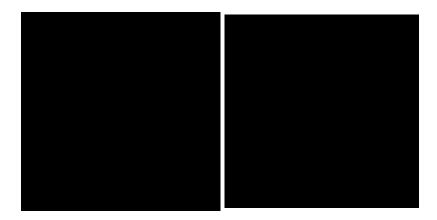
141. Stoner claims Savage Enterprises' blackberry acai gummies "gave [him] a lot of energy" and made him feel great; Savage's Adios MF vapes made him feel "energized" and "joyful."

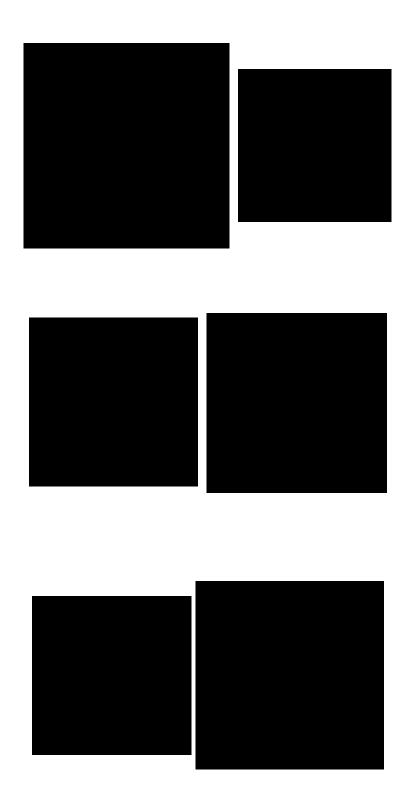
- 142. Coryn Swanson—another young social media influencer—posts videos of herself playing video games and using Savage Enterprises' THC-containing products on her Instagram profile under the handle @cybrrnymph.
- 143. Swanson describes herself as a "#gamergirl" and posts scantily clad images of herself in "cosplay"—where participants dress up as different video game, anime, or comic book characters—while using Savage Enterprises' THC-containing products, for example:



- 144. Another common tactic used by advertisers to target adolescents and teens is to incorporate sex appeal into marketing content. Attachment 1, ¶ 52.
- 145. Savage Enterprises has employed this strategy by partnering with young, attractive models who post sexually provocative images of themselves using Savage Enterprises products on social media:







146. In addition to these tactics, Savage Enterprises uses humor by posting funny memes on its social media pages in an attempt to solidify its brands as trendy and cool among adolescents and teenagers, for example:

When it's Friday and you have weed at



Tell me it wasn't a stoner who lost this



Them: Why haven't you texted me back? Me:



When you got too lit at the halloween party and its now the holidays



Everyone: Sucks that summer is ending Me:



Me and the homie in 30 years



- 147. The purpose behind Savage Enterprises' social media strategy is to create awareness for its brands among its followers and the followers of its marketing partners. Savage Enterprises recklessly disregarded the fact that its strategies would appeal to adolescents and teens and would induce them to try Savage Enterprises' THC products.
- 148. Savage Enterprises' social media accounts and the accounts of its marketing partners are accessible to the public, meaning adolescents and teens in Nebraska can access their content without restriction.
- 149. Savage Enterprises knew, or should have known, that its marketing strategies would appeal to adolescents and teens—including in Nebraska, where its products are widely available for adolescents and teens to acquire.

D. Adolescents in Nebraska Can Purchase Savage Enterprises' Products Online Without Providing Proof of Their Age

150. Savage Enterprises manufactures, produces, distributes, promotes, displays for sale, offers for sale, attempts to sell, and sells its synthetically-produced THC products to online retailers who do not perform age verification before shipping THC products to Nebraska consumers.

- 151. An investigation by the Attorney General has revealed that adolescents in Nebraska are able to purchase and acquire Savage Enterprises' products through multiple online retailers without providing proof of their age.
- 152. The sale of Savage Enterprises' unsafe, untested, and unregulated THC products online is an especially egregious behavior that makes Savage's THC-containing products incredibly easy for children and teens to acquire.

VIOLATIONS OF NEBRASKA'S CONSUMER PROTECTION LAWS

153. The Attorney General will not sit idly by while Savage Enterprises enriches itself and its owners by endangering the health and well-being of Nebraska's most valuable asset: its children and teenagers. To prevent further harm to Nebraska consumers, Savage Enterprises' dangerous and harmful business practices must be stopped.

COUNTS I THROUGH XVI: VIOLATIONS OF THE CONSUMER PROTECTION ACT – NEB. REV. STAT. §§ 59-1601 et seq. (UNFAIRNESS)

- 154. The State of Nebraska re-alleges and expressly incorporates by reference all facts set forth in the preceding paragraphs as though fully set forth herein.
- 155. The Consumer Protection Act, Neb. Rev. Stat. § 59-1602, prohibits "unfair ... acts or practices in the conduct of any trade or commerce."
- 156. An act or a practice is unfair if that act or practice is offensive to public policy, immoral, unethical, oppressive, unscrupulous, or causes substantial injury to consumers.
- 157. Savage Enterprises is a "person" within the meaning of the Consumer Protection Act, Neb. Rev. Stat. § 59-1601(2).

- 158. Savage Enterprises engaged in unfair acts or practices in the conduct of trade or commerce in violation of Neb. Rev. Stat. § 59-1602 by, without limitation:
 - a. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products to online retailers who sell to consumers in Nebraska without performing age verification.
 - b. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products in sweet and fruity flavors likely to attract consumption by children and teenagers.
 - c. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THCcontaining products in brightly colored packaging likely to attract consumption by children and teenagers.
 - d. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products in packages with cartoons and other artistic depictions likely to attract consumption by children and teenagers.
 - e. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products in packages with child-like fonts and lettering likely to attract consumption by children and teenagers.
 - f. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing gummies that are indistinguishable from

- common forms of children's candy, and therefore likely to attract consumption by children.
- g. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing chocolate bars that are indistinguishable from ordinary chocolate bars and therefore likely to attract consumption by children.
- h. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing cookies that are indistinguishable from ordinary cookies and therefore likely to attract consumption by children.
- i. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling products laced with extremely high concentrations of synthetically-produced THC despite inadequate safety testing or research establishing that the products are safe for human consumption.
- j. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling synthetically-produced THC products despite widespread reports of harm following consumption of such products.
- k. Marketing and advertising THC-containing products in a manner likely to induce consumption by children and teenagers.
- 1. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products that contain THC (or its variants, equivalents, or analogues) that are not disclosed on the packaging.

- m. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products that do not contain THC (or its variants, equivalents, or analogues) that are disclosed on the packaging.
- n. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products that contain THC (or its variants, equivalents, or analogues) at concentrations that are not disclosed on the packaging.
- o. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products at retail and online sale that do not contain THC (or its variants, equivalents, or analogues) at concentrations that are disclosed on the packaging.
- p. Marketing THC-containing products to children and teenagers in reckless disregard for their safety.
- 159. Savage Enterprises knows that its THC-containing products should not be consumed by children, yet it openly manufactures, produces, distributes, promotes, offers for sale, attempts to sell, and sells its THC-containing products in a manner likely to attract consumption by children and teenagers in flagrant disregard for the immoral, unethical, and unscrupulous implications of its behavior.
- 160. Savage Enterprises' actions constitute unfair acts or practices in the conduct of trade or commerce in violation of Neb. Rev. Stat. § 59-1602. Each and every manufacture, production, distribution, promotion, display for sale, offer for sale, attempt to sell, and sale of applicable THC-containing product constitutes a separate and independent violation of the Consumer Protection Act which should be

enjoined and for which the State of Nebraska is entitled to recover civil penalties pursuant to Neb. Rev. Stat. § 59-1614.

COUNTS XVII THROUGH XXI: VIOLATIONS OF THE CONSUMER PROTECTION ACT – NEB. REV. STAT. §§ 59-1601 et seq. (DECEPTION)

- 161. The State of Nebraska re-alleges and expressly incorporates by reference all facts set forth in the preceding paragraphs as though fully set forth herein.
- 162. The Consumer Protection Act, Neb. Rev. Stat. § 59-1602, prohibits "deceptive acts or practices in the conduct of any trade or commerce."
- 163. An act or practice is deceptive if the act or practice possessed the tendency or capacity to mislead or created a likelihood of deception.
- 164. Savage Enterprises is a "person" within the meaning of the Consumer Protection Act, Neb. Rev. Stat. § 59-1601(1).
- 165. Savage Enterprises conducts "trade and commerce" within the meaning of the Consumer Protection Act, Neb. Rev. Stat. § 59-1601(2).
- 166. Savage Enterprises engaged in deceptive acts or practices in the conduct of trade or commerce in violation of Neb. Rev. Stat. § 59-1602 by, without limitation:
 - a. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products that contain THC (or its variants, equivalents, or analogues) that are not disclosed on the packaging.
 - b. Manufacturing, producing, distributing, promoting, displaying for sale, offering for sale, attempting to sell, and selling THC-containing products that do not

- contain THC (or its variants, equivalents, or analogues) that are disclosed on the packaging.
- c. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products that contain THC (or its variants, equivalents, or analogues) at concentrations that are not disclosed on the packaging.
- d. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling THC-containing products that do not contain THC (or its variants, equivalents, or analogues) at concentrations disclosed on the packaging.
- e. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, and selling products laced with extremely high-concentrations of synthetically-produced THC despite inadequate safety testing or research establishing their suitability for human consumption.
- 167. Savage Enterprises' actions constitute deceptive acts or practices in the conduct of any trade or commerce in violation of Neb. Rev. Stat. § 59-1602. Each and every manufacture, production, distribution, promotion, offer for sale, attempt to sell, and sale of applicable THC-containing product constitutes a separate and independent violation of the Consumer Protection Act which should be enjoined and for which the State of Nebraska is entitled to recover civil penalties pursuant to Neb. Rev. Stat. § 59-1614.

COUNTS XXII THROUGH XXVII: VIOLATIONS OF THE UNIFORM DECEPTIVE TRADE PRACTICES ACT – NEB. REV. STAT. §§ 87-302(5), (6), (22)(i), and (22)(ii)

- 168. The State of Nebraska re-alleges and expressly incorporates by reference all facts set forth in the preceding paragraphs as though fully set forth herein.
- 169. Section 87-302(a) of the Uniform Deceptive Trade Practices Act specifies multiple practices that, when conducted in the course of business, constitute prohibited deceptive trade practices, including but not limited to:
 - a. Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have. Neb. Rev. Stat. § 87-302(a)(5).
 - b. Representing that goods or services do not have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they have. Neb. Rev. Stat. § 87-302(a)(5).
 - c. In the manufacture, production, distribution, promotion, offer for sale, attempt to sell, or sale of a substance making a deceptive or misleading designation, or omitting material information, about a substance or failing to identify the contents of the package or the nature of the substance contained inside the package. Neb. Rev. Stat. § 87-302(a)(22)(i).
 - d. In the manufacture, production, distribution, promotion, offer for sale, attempt to sell, or sale of a substance causing confusion or misunderstanding as to the effects a substance causes when ingested, injected, inhaled, or otherwise introduced into the human body. Neb. Rev. Stat. § 87-302(a)(22)(ii).

- 170. Savage Enterprises is a "person" within the meaning of the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. § 87-301(19).
- 171. Savage Enterprises is acting "in the course of [its] business" within the meaning of the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. § 87-302(a).
- 172. In the course of its business, Savage Enterprises engaged in deceptive acts or practices in the conduct of their business in violation of Neb. Rev. Stat. § 87-302(a)(5) by, without limitation:
 - a. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, or selling THC-containing products at wholesale that do not contain THC (or its variants, equivalents, or analogues) that are disclosed on the packaging.
 - b. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, or selling THC-containing products at wholesale that contain THC (or its variants, equivalents, or analogues) at concentrations that are not disclosed on the packaging.
- 173. In the course of its business, Savage Enterprises engaged in deceptive acts or practices in the conduct of its business in violation of Neb. Rev. Stat. § 87-302(a)(22)(i) by, without limitation:
 - a. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, or selling THC-containing products at wholesale that contain THC (or its variants, equivalents, or analogues) that are not disclosed on the packaging.
 - b. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, or selling THC-containing products at wholesale that contain THC

(or its variants, equivalents, or analogues) at concentrations that are not disclosed on the packaging.

- 174. In the course of its business, Savage Enterprises engaged in deceptive acts or practices in the conduct of its business in violation of Neb. Rev. Stat. § 87-302(a)(22)(ii) by, without limitation:
 - a. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, or selling THC-containing products at wholesale that contain THC (or its variants, equivalents, or analogues) that are not disclosed on the packaging.
 - b. Manufacturing, producing, distributing, promoting, offering for sale, attempting to sell, or selling THC-containing products at wholesale that contain THC (or its variants, equivalents, or analogues) at concentrations that are not disclosed on the packaging.
- 175. As described above and without limitation, Savage Enterprises' actions in this Complaint constitute deceptive trade practices pursuant to Neb. Rev. Stat. §§ 87-302(5), (6), (22)(i), and (22)(ii). Each and every manufacture, production, distribution, promotion, display for sale, offer for sale, attempt to sell, and sale of applicable THC-containing product constitutes a separate and independent violation of the Uniform Deceptive Trade Practices Act which should be enjoined and for which the State of Nebraska is entitled to recover civil penalties pursuant to Neb. Rev. Stat. § 87-303.11.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff State of Nebraska respectfully requests that this Court:

- A. Find that Savage Enterprises engaged in unfair acts or practices in the conduct of trade or commerce, in violation of Neb. Rev. Stat. § 59-1602;
- B. Find that Savage Enterprises engaged in deceptive acts or practices in the conduct of trade or commerce, in violation of Neb. Rev. Stat. § 59-1602;
- C. Order Savage Enterprises to pay civil penalties of not more than two thousand dollars (\$2,000.00) for each separate and individual violation of the Consumer Protection Act, pursuant to Neb. Rev. Stat. § 59-1614.
- D. Find that Savage Enterprises engaged in unlawful deceptive trade practices in the course of doing business in violation of Neb. Rev. Stat. § 87-302(5), (6), (22)(i), and (22)(ii);
- E. Order Savage Enterprises to pay civil penalties of not more than two thousand dollars (\$2,000.00) for each separate and individual violation of the Uniform Deceptive Trade Practices Act, pursuant to Neb. Rev. Stat. § 87-303.11;
- F. Permanently enjoin and restrain Savage Enterprises and its agents, employees, and all other persons and entities, corporate or otherwise, including any person in active concert or participation with any of the foregoing, from engaging in the unfair, deceptive, misleading, and unconscionable conduct, acts, and practices alleged in this Complaint to be in violation of the Consumer Protection Act and/or the Uniform Deceptive Trade Practices Act pursuant to Neb. Rev. Stat. §§ 59-1608(1), and 87-303.05(1).
- G. Permanently enjoin and restrain Savage Enterprises, and its agents, employees, and all other persons and entities, corporate or otherwise, including any person in active concert or participation with any of the foregoing, from violating the Consumer Protection Act and/or the Uniform Deceptive Trade Practices Act, and any amendments thereto;
- H. Permanently enjoin and restrain Savage Enterprises, and its agents, employees, and all other persons and entities,

corporate or otherwise, including any person in active concert or participation with any of the foregoing, from engaging in any other business conducted in the State of Nebraska until Savage Enterprises, and any parties subject to the injunction, hereby ordered has complied with any and all orders resulting from this action.

- I. Order Savage Enterprises to pay all costs and reasonable attorneys' fees for the investigation and prosecution of this action, pursuant to Neb. Rev. Stat. §§ 59-1608 and 87-303(b); and.
- J. Grant any such further relief as this Court may deem equitable, just, and appropriate under the law.

Respectfully submitted this 1st day of August, 2025.

STATE OF NEBRASKA ex rel. MICHAEL T. HILGERS, Attorney General

BY: MICHAEL T. HILGERS, #24483
Nebraska Attorney General

BY: <u>/s/ Derek T. Bral</u>

Derek T. Bral, #26767 Aaron Z. Graves, #27868, Beatrice O. Strnad, #28045 Joseph W. McKechnie, #27894 Assistant Attorneys General

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Attorneys for Plaintiff.

ATTACHMENT 1

- 1. See Colleen Tressler, Government warns sellers of edible cannabis: Stop using packaging that mimics food popular with kids, Federal Trade Commission (Consumer Advice) (July 5, 2023), https://perma.cc/TQC7-GBKF.
- 2. See Berkeley Lovelace Jr, Reports of young children accidentally eating marijuana edibles soar, NBC News (Jan. 3 2023), https://perma.cc/R9V6-DPQ5.
- 3. See D. Ompad, K. Synder, et al, Copycat and lookalike edible cannabis product packaging in the United States, National Library of Medicine (Mar. 15, 2022), https://perma.cc/5ALX-Z6A8.
- 4. Federal Trade Commission, FTC Sends Cease and Desist Letters with FDA to Companies Selling Edible Products Containing Delta-8 THC in Packaging Nearly Identical to Food Children Eat (July 5, 2023), https://perma.cc/3ZXE-79F8.
- 5. Associated Press, Officials: Virginia mom charged in son's THC gummy death (October 21, 2022) https://apnews.com/article/health-virginia-cd1a6f0d3282393b490c25067fecd528?utm_source=copy&utm_medium=share.
- 6. Brightfield Group, What's the fate of delta-8? Consumer, product, and regulatory (2021), https://content.brightfieldgroup.com/delta-8-report.
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