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New York federal court tosses toxic metals baby food class action on the pleadings

by Stephanie N. Bedard

A New York federal district court recently dismissed a consolidated class action against Beech-Nut Nutrition Company ("Beech-Nut"), the manufacturer of baby food allegedly containing toxic levels of heavy metals, for failure to plausibly allege an economic injury-in-fact sufficient to establish Article III standing. *In re: Beech-Nut Nutrition Co. Baby Food Litig.*, --- F. Supp. 3d ----, Nos. 1:21-CV-133, etc., 2025 WL 862382 (N.D.N.Y. Mar. 19, 2025).

In 2021, plaintiff purchasers of Beech-Nut baby food filed various class actions alleging breaches of warranties, fraudulent misrepresentation, fraud by omission, negligent misrepresentation, unjust enrichment, and deceptive and unlawful business practices related to the alleged metal toxicity of Beech-Nut's baby food products. 2025 WL 862382, at *1-2. After plaintiffs filed a consolidated, amended complaint, Beech-Nut moved to dismiss. *Id.* at *2.

The district court granted Beech-Nut's initial motion, finding that the U.S. Food and Drug Administration had primary jurisdiction to determine whether the amount of heavy metals in Beech-Nut's baby food was harmful. *Id.* The plaintiffs appealed that decision to the Second Circuit, which vacated and remanded the decision. *Id.* In May 2024, the plaintiffs filed a revised consolidated class action complaint, and Beech-Nut again moved to dismiss.

The district court granted the motion to dismiss, ruling the plaintiffs failed to plausibly allege a legally cognizable physical or economic injury-in-fact sufficient to establish Article III standing under either of two theories: (1) a benefit of the bargain theory; and (2) a price premium theory. *Id.* at *7.

Benefit of the bargain

Under the benefit of the bargain theory, a plaintiff "'might successfully plead an economic injury by alleging that she bargained for a product worth a given value but received a product worth less than that value.'" *Id.* at *4 (quoting *In re Johnson & Johnson Talcum Powder Prods. Mktg., Sales Practice & Liab. Litig.*, 903 F.3d 278, 283 (3d Cir. 2018)). But a plaintiff must plausibly identify the representations that induced the consumer's purchase. *Id.*

The plaintiff purchasers alleged that (1) the levels of heavy metals in Beech-Nut's products, even in trace amounts, were unsafe for consumers; and (2) because they relied on Beech-Nut's misrepresentations regarding these products, they sustained a cognizable injury when

they purchased an allegedly worthless product and thus were deprived of the "benefit of the bargain." *Id.*

The district court rejected these arguments, finding that they mirrored those that had been raised and rejected by other courts in analogous cases involving alleged economic injuries stemming from heavy metals in baby food. *Id.* at *5. Because the plaintiffs did not allege the baby food was worth something less than the purchase value or was unusable; did not assert that any alleged contaminants rendered the product labeling false or misleading; and did not allege that the goods failed to serve their intended purpose, the district court rejected the plaintiffs' benefit of the bargain theory as a basis to find Article III standing. *Id.*

Price premium

The plaintiffs also alleged standing under a "price premium theory," which requires a demonstration that "a defendant unlawfully advertised a product as 'superior'" and, as a

result, was "unlawfully induced to pay a 'premium.'" *Id.* at *6 (quoting *In re Johnson & Johnson Talcum Powder Prods. Mktg., Sales Practice & Liab. Litig.*, 903 F.3d at 283). The premium is based on the dollar amount that the plaintiffs were "unfairly and unlawfully induced to pay" because of Beech-Nut's alleged representations. *Id.* Further, a plaintiff must identify "'comparable, cheaper, or safer products'" to show that they did in fact pay a premium. *Id.* (quoting *Kimca v. Sprout Foods, Inc.*, 2022 WL 1213488, at *8 (D.N.J. April 25, 2022)).

The plaintiff purchasers alleged that, had they known of the presence of heavy metals in the products they purchased from Beech-Nut, they would not have paid the premium price that they did. *Id.*

The district court also rejected this theory of standing, finding that, as in prior baby food toxicity cases, the plaintiffs failed to allege: (1) any facts that the baby food was marketed such that a misrepresentation existed

concerning the existence of heavy metals; (2) the existence of any cheaper, comparable products; or (3) what they would have done differently had they known about the alleged toxicity levels. *Id.* at *6.

Takeaway: The Northern District of New York's opinion in *In re: Beech-Nut Nutrition Co. Baby Food Litigation* provides helpful guidance on mounting a defense to alleged economic injuries under the benefit of the bargain and price premium theories.