

1 Lauren Welling, Esq. (SBN 291813)
lwelling@milberg.com
2 MILBERG COLEMAN BRYSON
PHILLIPS GROSSMAN, PLLC
3 16755 Von Karman Ave., Suite 200
Irvine, CA 92606
4 Phone: 516-741-5600 ext. 8156
Fax: 213-477-2860
5 *Attorney for Plaintiffs*

6 **UNITED STATES DISTRICT COURT FOR**
7 **THE EASTERN DISTRICT OF CALIFORNIA**

8	TAMMIE THOMPSON,	)	CASE NO:
9	Plaintiff,	)	JUDGE:
	vs.)	
10	CARTIVA, INC.; WRIGHT MEDICAL	)	COMPLAINT FOR DAMAGES FOR:
	GROUP, N.V.; STRYKER, B.V.,)	
11	Defendant(s)	)	1) STRICT PRODUCTS LIABILITY
		)	2) NEGLIGENCE
12		)	3) STRICT PRODUCTS LIABILITY –
		)	MISBRANDED AND ADULTERATED
13		)	DEVICE
		)	4) STATE LAW AND COMMON LAW
14		)	CLAIMS
		)	5) BREACH OF EXPRESS WARRANTY
15		)	6) BREACH OF IMPLIED WARRANTY
		)	7) STRICT LIABILITY – FAILURE TO
16		)	WARN
		)	8) PUNITVE/EXEMPLARY DAMAGES

18 COMES NOW, the Plaintiff, TAMMIE THOMPSON and for her claims for relief against
19 the Defendants, Stryker B.V. f/ka Wright Medical Group f/k/a Cartiva, Inc., (collectively known
20 as “Stryker” and allege and state as follows:

21 **I. JURISDICTION**

22 1. Plaintiff is and at all times relevant to this action, was a citizen and resident of the State
23 of California with her place of residence being 15119 Cavalier Rise, Truckee, California 96161.
24

1 2. Defendant Cartiva, Inc. is, and at all times relevant to this action, was a corporation with
2 its principal place of business and headquarters located at 6120 Windward Parkway, Suite 220,
3 Alpharetta, Georgia 30005 and process may be served upon its registered agent, CT Corporation
4 System 289 South Culver Street, Lawrenceville, Georgia 30046-4805

5 3. Defendant Wright Medical Group, N.V. is, and at all times relevant to this action, was
6 a corporation with its principal place of business and headquarters located at 1023 Cherry Road,
7 Memphis, Tennessee 38117 process may be served upon its registered agent, CT Corporation
8 System, 300 Montvue Road, Knoxville, Tennessee 37919-5546.

9 4. Defendant Stryker, B.V., is, and at all times relevant to this action, was a corporation
10 with its principal place of business and headquarters located at 2825 Airview Boulevard,
11 Kalamazoo, Michigan 49002.

12 5. At all times material hereto, Defendants Stryker, B.V., Wright Medical Group, N.V and
13 Cartiva, Inc. (hereinafter referred to collectively as “Stryker”) developed, tested, assembled,
14 manufactured, packaged, labeled, prepared, distributed, marketed, supplied, and/or sold the
15 defective product sold under the name “Cartiva SCI” (hereinafter “Cartiva” or “Defective
16 Device”), either directly or indirectly, to members of the general public within the State of
17 California, including Plaintiff.

18 6. Defendants’ Defective Device was placed into the stream of interstate commerce and
19 was implanted in Plaintiff’s right great toe on October 19, 2017.

20 7. Plaintiff walks on the side of her foot and/or with AFO Splints to avoid pain. In addition
21 to orthotics she has endured Xylocaine and Celestone injections for pain control. Plaintiff
22 continues to have symptomatic Cartiva implant pain following surgery conservative treatment
23 measures that failed to provide relief.

24

1 8. Radiology images shows the Cartiva implant has slipped into the bone (“a/k/a
2 Subsidence”).

3 9. Plaintiff will require additional surgery to remove the failed Cartiva implant, bone
4 debridement and fusion surgery.

5 10. As a direct and proximate result of Defendants placing the Defective Product into the
6 stream of commerce, Plaintiff has suffered and continues to suffer both injuries and damages
7 within the State of California, including but not limited to: past, present and future physical and
8 mental pain and suffering; and past, present and future medical, hospital, monitoring, rehabilitative
9 and pharmaceutical expenses and lost wages.

10 11. Upon information and belief, at all relevant times, Defendants were present and
11 transacted, solicited and conducted business in the State of California through its employees,
12 agents and/or sales representatives, derived substantial revenue from such business.

13 12. Defendants are conclusively presumed to have been doing business in this state and is
14 subject to California’s long arm jurisdiction.

15 13. At all relevant times, Defendants expected or should have expected that its acts and
16 omissions would have consequences within the United States and the State of California.

17 14. Venue is proper in this Court because a substantial part of the events giving rise to the
18 claims asserted occurred in Nevada County, California.

19
20 **II. GENERAL ALLEGATIONS**

21 15. This is a strict products liability arising out of Defendant, Stryker f/k/a Wright Medical
22 Group f/k/a Cartiva, Inc. (collectively referred to as “Stryker”) violations of various sections of the
23 Federal Code of Regulations and the damages suffered by Plaintiff, Tammy Thompson as a result
24 thereof.

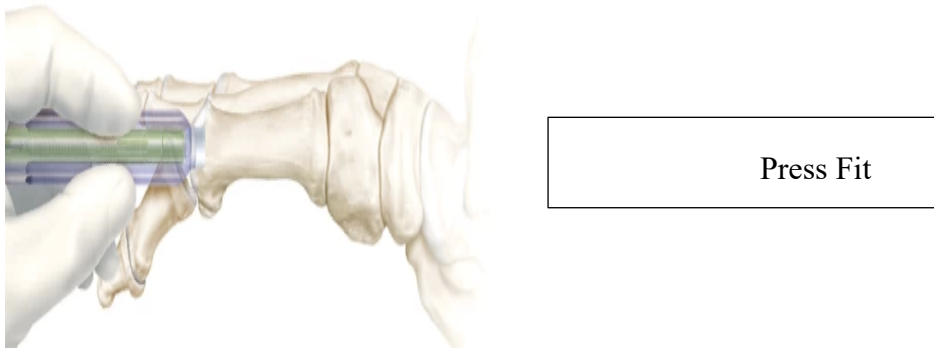
1 16. Big toe arthritis (also known as “Hallux Rigidus” or “Hallux Limitus”) affects about 2.2
2 million people in the U.S. As the osteoarthritis deteriorates joint cartilage in the first
3 metatarsophalangeal joint (“MTP”), a person loses the protective cushion of joint cartilage which
4 causes extremely painful bone-on-bone rubbing. This condition can be surgically treated with 1)
5 Arthrodesis a/k/a “fusion” or 2) a Cartiva® SCI (Synthetic Cartilage Implant hereinafter referred to
6 as “Cartiva” or “defective device”) implant, which acts like a cushion to prevent the bone-on-bone
7 pain.

8 A. Cartiva Implant Treatment Option

9 17. The Cartiva implant is a molded cylindrical implant that is placed into the metatarsal
10 head in the first metatarsophalangeal joint via press-fit implantation using instruments specifically
11 designed for placement of the device.¹



23 ¹ Home > For Physicians > Implant Procedure(<https://www.cartiva.net>)
24 (<https://www.cartiva.net/for-physicians/>)(visited March 17, 2022).



8 18. The use of Cartiva as a cartilage replacement device has been touted as a simple
9 procedure, which enables surgeons to replace the damaged cartilage with a bullet-sized implant
10 they can place into an intraoperatively created pilot hole in the first metatarsal head.

11 19. The Cartiva implant is used in the treatment of patients with painful degenerative or
12 post-traumatic arthritis (hallux limitus or hallux rigidus) in the first metatarsophalangeal joint with
13 or without the presence of mild hallux valgus.

14 20. The Cartiva instrumentation is used to drill an appropriately sized cavity in the
15 metatarsal head and deploy the Cartiva implant into the prepared cavity. Defendants allege joint
16 resurfacing with a Cartiva implant is simple, does not require significant removal of healthy tissue,
17 and typically results in nominal surgical trauma and rapid recovery.²

18 21. Cartilage is a specialized tissue responsible for mediating contact between bones on
19 surfaces with relative movement. Since cartilage is not vascularized, chondrocytes depend mainly
20 on anaerobic metabolism and get their nutrients through diffusion from the synovial fluid into the
21 matrix.

22
23
24 ² Id.

1 22. Cartilage does not restore itself or recover quickly from injury, (i.e., the complete
2 turnover of the human femoral head cartilage would take approximately 400 years).³ Joint
3 replacement with a polyvinyl alcohol-based hydrogels (PVA), such as the one used in Cartiva, is a
4 joint replacement alternative to traditional fusion treatment.

5 23. The biomechanical design of these implants relies on "hard-on-hard" and "hard-on-soft"
6 interactions. This type of design does not mimic the soft-on-soft interactions that occur in natural
7 cartilage.

8 24. PVA is biocompatible and has good swelling properties.⁴ But the characteristics of
9 the resulting hydrogel could also be tailored by adjusting the production method or by combining
10 PVA with other materials to produce a more suitable and stable material than the current design.⁵

11 **B. Fusion Treatment Option**

12 25. In contrast to Cartiva, an arthrodesis (hereinafter "fusion") is a procedure where
13 the phalangeal and metatarsal bones are cut and shaped to fit (fuse) together to relieve toe joint
14 pain.

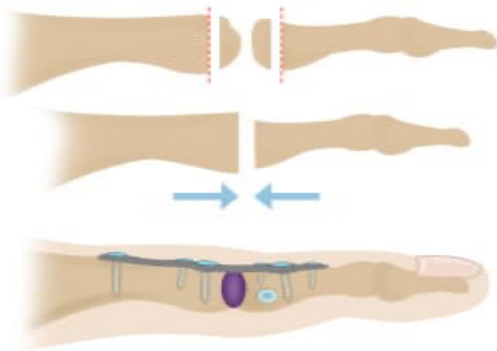
21 ³ Maroudas a. Physicochemical properties of cartilage in the light of ion exchange theory.
Biophys J. 1968;8(5):575-595. doi:10.1016/S0006-3495(68)86509-9

22 ⁴ Id.

23 ⁵ Id. Ma R, Xiong D, Miao F, Zhang J, Peng Y. Novel PVP/PVA hydrogels for articular
cartilage replacement. *Mater Sci Eng C*. 2009;29(6):1979-1983.

24 doi:10.1016/j.msec.2009.03.010; Fathi E, Atyabi N, Imani M, Alinejad Z. Physically crosslinked
polyvinyl alcohol-dextran blend xerogels: Morphology and thermal behavior. *Carbohydr Polym*.
2011;84(1):145-152. doi:10.1016/j.carbpol.2010.11.018

1 If you receive a Fusion, your doctor will cut/
2 shape the bones on each side of the joint and
3 then fuse them together, alleviating the pain but
4 eliminating any ability to move your toe.



8 26. The two bones are then aligned, set at a predetermined angle and permanently fixed
9 with either screws and/or a plate so the two bones “fuse” together permanently. A typical fusion
10 procedure eliminates the ability to move the first joint of the big toe.

11 **C. Medical Facts-Injury**

12 27. Plaintiff files the instant suit against Defendants seeking compensation for injuries and
13 damages Plaintiff sustained as a result of the implantation of the Defective Device into Plaintiff.

14 28. Defendants’ Defective Device was placed into the stream of interstate commerce and
15 was implanted in Plaintiff’s right great toe on October 19, 2017.

16 29. Plaintiff walks on the side of her foot and/or with AFO Splints to avoid pain. In addition
17 to orthotics she has endured Xylocaine and Celestone injections for pain control. Plaintiff continues
18 to have symptomatic Cartiva implant pain following surgery conservative treatment measures have
19 failed to provide relief.

20 30. Radiology images shows the Cartiva implant has receded into the bone (“a/k/a
21 Subsidence”).

22 31. Plaintiff will require additional surgery to remove the failed Cartiva implant, bone
23 debridement and fusion surgery.
24

1 32. At all times material hereto, the Cartiva implant device used in Plaintiff's surgery was
2 designed, manufactured, marketed, retailed, distributed, and/or supplied by Defendants.

3 33. After the implantation of Defendants' Defective Device into Plaintiff, Plaintiff lost the
4 range of motion in the great toe MTP joint which was later confirmed by her physician.

5 34. In addition to a loss of range of motion of the great toe, Plaintiff experienced loss of
6 mobility along with constant irritation and discomfort in the location of the synthetic Cartiva
7 device.

8 35. As a result of the implantation of the Defective Device's, failure once implanted into
9 Ms. Thompson's great toe, Plaintiff has suffered monetary damages due to repeat doctor visits to
10 treat the ongoing extreme pain she endures every time she walks, limited mobility, loss of life
11 enjoyment, and will incur substantial future expenses to remove the implant and undergo fusion
12 surgery to correct the toe deformity and bone loss caused by the additional medical expenses for
13 removal of the implant and will undergo fusion surgery to correct the toe deformity and bone loss
14 caused by the defective device, as well as additional loss of income, pain and suffering during the
15 long recovery from the standard fusion surgery.

16 36. Defendants obtained a PMA approval for Cartiva as a Class III device, yet the basis of
17 the approval was largely based on the "substantial equivalence" of the Cartiva implant performing
18 similarly to the gold standard treatment of fusion. Substantial equivalence is generally used for
19 Class II medical devices and evade a full FDA safety review.

20 37. The pivotal clinical study (the "MOTION" Study) compared the Cartiva implant to the
21 traditional gold standard fusion treatment. The study was a non-inferiority clinical study of 202
22 subjects treated at 12 sites in the United Kingdom and Canada. The "Motion Study" put simply is
23 a comparison to a fusion procedure, the results of which have produced drastically different Cartiva
24 failure rates in clinical practice.

1 **D. Insurance Carriers Consider Cartiva Experimental**

2 38. Defendants have a duty to be truthful about the risks of their products in marketing and
3 promotion of the product. Yet, Defendants have suppressed medical industry knowledge from the
4 FDA and public that Cartiva implants have a high failure rate due to migration of the implant caused
5 by implant shrinkage.

6 39. The Motion Study has been widely criticized by industry experts as an insufficient
7 sample size prompting Cigna to deem the use of the Cartiva implant to treat big toe arthritis
8 “experimental” based upon the lack of sufficient scientific evidence to support the successful
9 treatment claims made by Defendants.⁶

10 40. In support of Cigna’s position, they cited the Hayes study which found individual
11 outcome measures are inconsistent and some suggest better outcomes with arthrodesis (“fusion
12 procedure”). The body of evidence is limited by the publication of one “Motion Study” within
13 which results were conflicting and did not demonstrate a clear benefit of the Cartiva implant over
14 the gold standard fusion surgery. The Hayes report concluded that a very-low-quality body of
15 evidence is insufficient to draw conclusions regarding the effectiveness and safety of the Cartiva
16 implant for treatment of first MTP joint arthritis. Substantial uncertainty exists due to a single
17 identified trial, inconsistencies within the individual study results, and lack of long-term
18 comparative effectiveness data. Large studies assessing the comparative effectiveness and safety of
19 the Cartiva implant are needed.

21 ⁶ **Partial or total replacement of the first MTP joint or any other foot joint using ANY of the**
22 **following is considered experimental, investigational or unproven:** Page 2 of 12 Medical
Coverage Policy: 0446

- 23 • _ceramic implant (e.g., Moje prosthesis [Orthosonics, Ltd., Devon UK])
- 24 • _synthetic cartilage implant (e.g., Cartiva Synthetic Cartilage Implant)

1 41. Defendants' original Baumhauer et al. (2016) ("aka the Motion Study") reported on a
2 prospective, randomized non-inferiority study to compare the efficacy and safety of the Cartiva
3 implant to great toe fusion surgery for advanced-stage hallux rigidus. The study included 152
4 implant patients and 50 arthrodesis patients. The three primary study outcomes assessed (pain,
5 function, and safety). There were no cases of implant fragmentation, wear, or bone loss. This study
6 is the basis of the PMA approval for the Cartiva implant.

7 42. Cigna also recognized that clinical practice guidelines suggest a different implant design
8 is recommended which renders the Cartiva implant unreasonably dangerous by design. Clinical
9 practice guidelines published by the First Metatarsophalangeal Joint Disorders Panel of the
10 American College of Foot and Ankle Surgeons in 2003 states that interposition arthroplasty with
11 double-stem silicone hinged implants is still a useful procedure for the end-state arthrosis of hallux,
12 and that titanium grommets are recommended to minimize ectopic bone formation and protect the
13 implant from the adjacent bone. In addressing total joint systems, the guideline states that numerous
14 implant systems have been developed during the years and several are still used clinically, although
15 long-term clinical usefulness has yet to be established. Judicious use and strict criteria are
16 recommended to avoid complications and problematic revisions (Vanore, et al., 2003).

17 43. Outside the U.S. NICE published Interventional Procedure Guidance in 2005 based on
18 analysis of seven case series: Hanyu et al. (2001); Sharnkar, et al., (1991); Cracchiolo et al., (1992);
19 Granberry et al., (1991); Bommireddy et al., (2003); Ibrihim et al., (2004); and Malviya et al.,
20 (2004). The guidance also states there is little evidence on the durability of newer implants, and
21 that complications may necessitate removal of the joint. These complications include persistent
22 pain, infection, implant loosening, implant fracture, osteolysis, bone over-production, cyst
23 formation, silastic granulomas and transfer metatarsalgia.

24 **E. Defendants Suppressed Adverse Medical Literature From FDA/Medical Providers**

1 44. On information and belief, the Defendants have knowledge of the clinical guidelines
2 and outside studies mentioned herein but have suppressed the medical literature and failed to update
3 the label or voluntarily recall the Defective Device.

4 45. A follow up “Motion Study” Baumhauer et al. (2017), a study funded by Defendants
5 retrospectively evaluated the above study (Baumhauer, et al., 2016) finding identical success rates
6 between fusion surgery and the Cartiva implant. The “Motion Study” sits in direct opposition to
7 actual patient results which have reported failure rates of 64% as opposed to the 13.5% failure rate
8 reported to the FDA⁷.

9 46. One of the conditions of approval required a PAS (post-approval study) that
10 demonstrates no greater than 13.5% complication rate and tracking the number of patients that were
11 converted to arthrodesis (a/k/a fusion) surgery.

12 47. On July 12, 2019 the FDA approved Defendants updated the label based upon the
13 findings of the Post-Approval Motion Study to include implant subsidence. However, Defendants
14 incorrectly claimed a majority (76%; 13/17) of the Cartiva serious adverse events were for pain.
15 Additionally, Defendants incorrectly stated in the updated label that 9.2% of Cartiva subjects and
16 12% of fusion subjects had the implant and/or hardware removed during the course of the study.
17 On information and belief, the Defendants have underreported the true failure rates of the Cartiva
18 implant and have yet to disclose the actual rate of subsidence of the Cartiva implant.

19 48. Prior to the implantation of Plaintiff’s Cartiva implant, Defendants were aware of higher
20 than reported loss of toe mobility, pain and high failure rates of the Cartiva implant due to shrinkage
21 including but not limited to over 144 adverse event reports filed with the FDA.

22 _____
23 ⁷ Rosas K, Hurley ET, Kennedy JG. Early Failures of Polyvinyl Alcohol Hydrogel Implant for
24 the Treatment of Hallux Rigidus. Foot & Ankle Orthopaedics. October 2020.
doi:10.1177/2473011420S00414

1 49. **Cartiva did not report the Rosas study**⁸ to the FDA or take any action to recall the
2 Cartiva implant despite the Rosas study findings confirming high failure rates due to implant
3 shrinkage coupled with lysis and bone erosion around the implant. Plain radiographs were assessed
4 postoperatively at 2, 4, 8 weeks and final follow-up. Of 14 patients who had taken adequate
5 postoperative plain radiographs, **implant subsidence (“shrinkage”)** was observed in 9 patients
6 (64%) at 4 weeks after surgery and 11 patients (79%) at final follow-up. Eight patients (**57%**)
7 **showed radiologic lucency around the implant. Six patients (40%) had erosion of the proximal**
8 **phalanx of great toe.** Six patients(43%) reported no improvement following surgery at final follow
9 up. Three patients required additional surgery, including debridement and fixation of implant using
10 fibrin glue for loosening. Additionally the Rosas study found significant radiologic subsidence with
11 lysis around the implant, erosion of the proximal phalynx countersurface **as well as recorded**
12 **implant wear** as harbingers for concern in the long term.

13 50. To date there are 144 adverse event reports in the Maude database with the majority of
14 events attributed to implant loosening. The loosening is likely due to shrinkage of the implant that
15 is well-supported by peer-reviewed literature mentioned herein.

16 51. The Patient Brochure does not list loss of range of motion of the toe, bone lysis,
17 shrinkage of implant, bone erosion or the inability to walk as a known risk of the Cartiva implant.
18 Plaintiff relied upon the representations made to her in the patient brochure which formed the basis
19 of his decision to purchase the Cartiva implant.

20 52. Device migration was underreported as a risk that occurred in 1 out of 152 patients in a
21 two-year clinical study. However, upon information and belief, Defendants’ label and patient
22 brochures failed to provide Plaintiff with information relating to the true failure rate due to
23

24 ⁸ Id.

1 migration and prevalence of those failures sufficient for her to make an informed decision prior to
2 her surgery.

3 53. Defendants' label reflects a Cartiva implant failure of 13.5%. However, in view of
4 continual and ongoing reports and studies, the actual rate of failure of the defective Cartiva device
5 is likely 6-7 times higher than Defendants' reported failure rate.

6 54. Unfortunately, for patients with Cartiva implant failure, many in the medical
7 community, believe that loss of great toe range of motion is a symptom of shrinkage, "aka" implant
8 subsidence, and is a precursor to Cartiva failure. By any account, the numbers of Cartiva implant
9 failures is not only exponentially greater than Defendants will admit but the failure rate is reaching
10 alarming proportions.

11 55. However, during the time Defendants have marketed, labeled and sold its Cartiva
12 implant to Plaintiff, they knew or should have known that the likelihood of patients experiencing
13 implant shrinkage was significantly higher than they reported, and in fact is higher than any
14 comparable product on the market and that pain and discomfort would be a likely consequence of
15 implant shrinkage and migration.

16 56. The Cartiva implant was considered to be a revolution in great toe arthritis therapy. It
17 came out with a splash and the original studies to get the implant through FDA approval showed
18 incredible results. However, according to Bob Baravarian, DPM, FACFAS, who was involved in
19 helping launch Cartiva and educating other surgeons on the proper use of the Cartiva SCI, will no
20 longer use Cartiva because the failure rates of Cartiva implants in clinical practice occurs more
21 frequently than the results noted in Cartiva's "Motion Study." Dr. Baravarian's clinic, University
22 Foot and Ankle Institute began to see failures due to the implant slipping into the bone, a process
23 referred to as subsidence.

1 57. Dr. Baravarian is not alone in his findings. A retrospective review of 64 Cartiva SCI
2 procedures by Cedars Sinai Medical Center showed a higher level of patient dissatisfaction with
3 implant outcomes than was seen in Cartiva's Motion Study clinical trial. In the Cedars Sinai trial
4 37.5% of the patient underwent revision surgery at average 20.9 months of follow-up. More
5 importantly, the radiographic loss of MTP (great toe) joint space and progression of arthritis were
6 present for all cases studied. MRI studies revealed bony channel widening and a smaller implant
7 which is evidence of subsidence (a/k/a shrinkage) with peri-implant fluid suggesting instability at
8 the implant-bone interface. Persistent edema was observed in soft tissues and bone.

9 **F. Defendants Failed To Issue Voluntary Recall**

10 58. Defendants had the availability of a voluntary recall at their disposal to protect the public
11 from the known shrinkage, migration and bone loss issues with Cartiva implants. Instead
12 Defendants suppressed Cartiva implant failure data by taking over the sale of the defective device
13 when distributors and physicians began stopped selling and using the Cartiva implant.

14 59. A recall is a voluntary action that takes place because manufacturers and distributors
15 carry out their responsibility to protect the public health and well-being from products that present
16 a risk of injury or gross deception or are otherwise defective. A recall is an alternative to a Food
17 and Drug Administration-initiated court action for removing or correcting violative, distributed
18 products by setting forth specific recall procedures for the Food and Drug Administration to monitor
19 recalls and assess the adequacy of a firm's efforts in recall." 21 CFR §7.40(a).

20 60. The Defendants continued to market and sell a defective device that they knew should
21 have been voluntarily recalled in violation of the federal regulations including making an
22 adulterated device that proximately and directly caused Plaintiff's injuries and damages.

23 **G. Degradation Of Cartiva (PVA Gel Implant)**

1 61. The Cartiva implant is a Polyvinyl membrane (PVA) gel implant. Cartiva implants have
2 had degradation of the PVA membrane noted in the Rosas study with findings of loosening, marring
3 and deformity of implant.

4 62. Upon information and belief, Plaintiff's Cartiva implant had loosening of the implant
5 due to shrinkage, marring and deformity of the implant caused by PVA degradation which directly
6 and proximately caused implant failure, the need for subsequent fusion surgery, pain, loss of
7 mobility and bone loss.

8 63. The PVA degradation is not an anticipated or intended outcome of the Cartiva implant.

9 64. The PVA degradation is a mechanical defect that rendered the Cartiva implant inserted
10 in Plaintiff unreasonably dangerous.

11 65. The importance of *swelling behavior* is connected to the mechanical and tribological
12 properties of the Cartiva SCI hydrogel, as well as how swelling behavior impacts the risk of implant
13 failure. In 2007, PVA hydrogels were used for treatment of knee cartilage defects in adult rabbits.
14 Results revealed growth over the implant and implant shrinkage.⁹ Gels can react to osmotic
15 gradients and swell and de-swell accordingly, even in hydrated conditions. This volume change
16 may induce detachment from the tissue or implant and interfacial debonding.¹⁰

17 66. Since Cartiva implants are composed of PVA which is soluble in water, crosslinking, is
18 a crucial step for PVA gel formation. Without a stable structure, the gel is not able to withstand the
19 swelling pressure upon fluid intake and may dissolve.¹¹

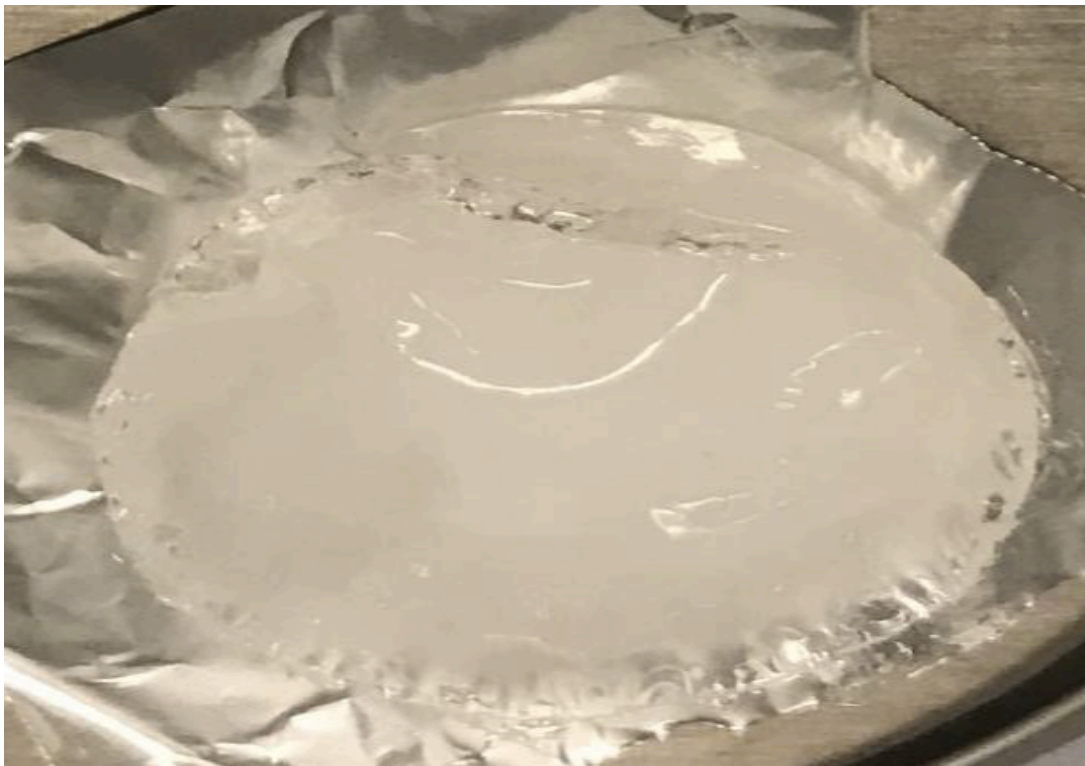
21 ⁹ Maher SA, Doty SB, Torzilli PA, et al. Nondegradable hydrogels for the treatment of focal
22 cartilage defects. *J Biomed Mater Res - Part A*. 2007;83(1):145-155. doi:10.1002/jbm.a.31255

23 ¹⁰ Carolina Borges, Rogério Colaço & Ana Paula Serro (2019) Poly(vinyl alcohol)-based
24 hydrogels for joint prosthesis, *Annals of Medicine*, 51:sup1, 105, DOI: [10.1080/07853890.2018.1562711](https://doi.org/10.1080/07853890.2018.1562711)

¹¹ Peppas NA. *Hydrogels in Medicine and Pharmacy*. Boca Raton: CRC Press; 1989

1 67. Cartiva® by Carticept Medical is a proprietary PVA-based hydrogel that has entered
2 the market in recent years. It is a cryogel, which means its production consists of successive freeze-
3 thawing cycles.

4 68. The Cartiva implant is a PVA based hydrogel. PVA hydrogels are problematic because
5 the method of manufacturing may result in 1) air bubbles, 2) PVA clumping, 3) fragility of the PVA
6 hydrogel, 4) improper binding of crystallites, 5) disintegration and 6) Striation. The following
7 images depict many of the problems with PVA hydrogels.

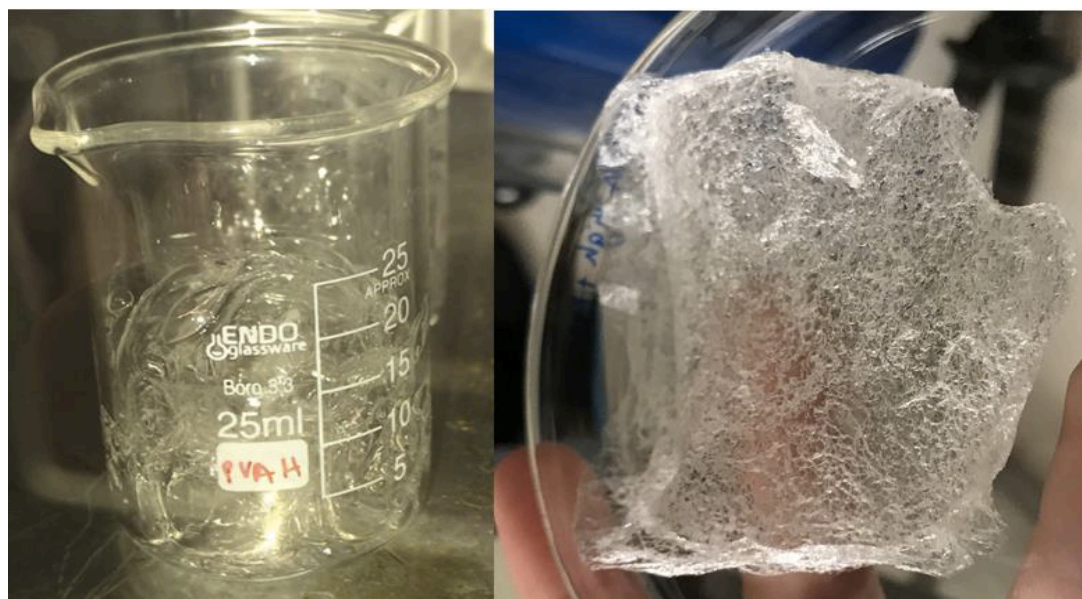


19 Figure 1-Partially disintegrated Freeze Thawed PVA gel
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Figure 2: Striations on gel caused by rapid cooling and oxygenation of pre gel solution.



23
24

Figure 3: Effects of vacuum on gelation of PVA cause air bubbles to be trapped inside hydrogel.

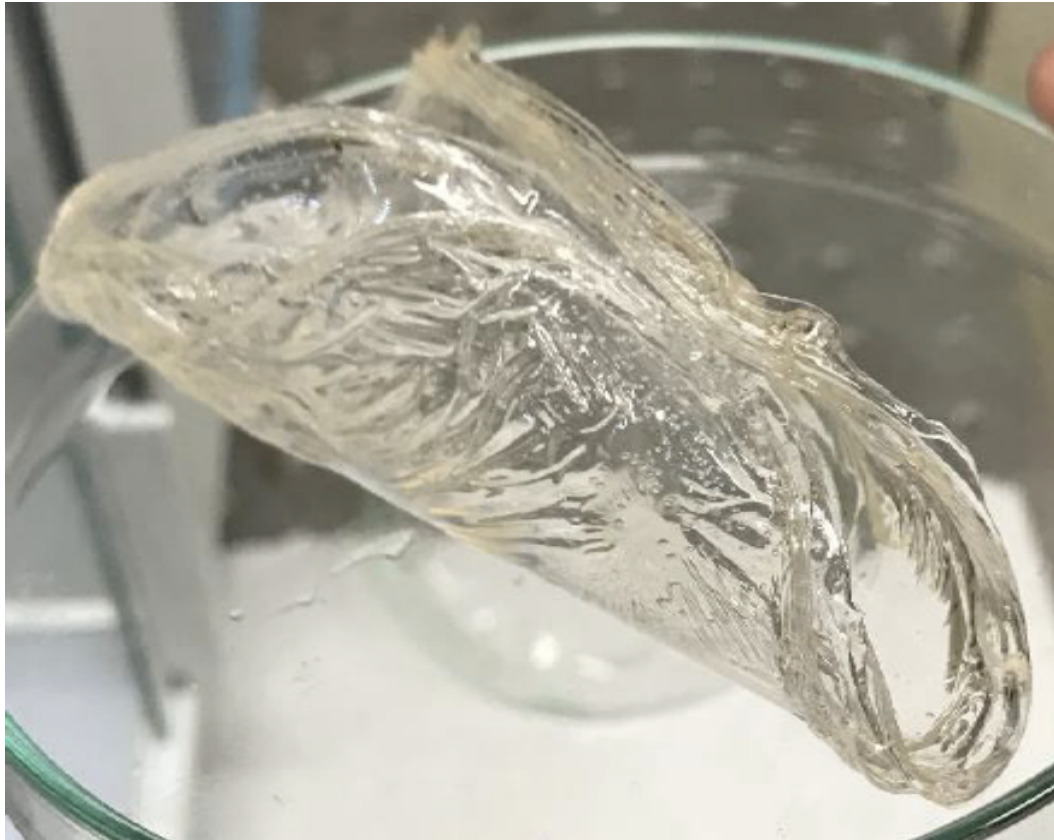


Figure 4: Semi-irreversible contracture of thick PVA hydrogel

69. Manufacturing methods are more problematic for thicker PVA gels like the Cartiva implant. Thicker gels are prone to a lot more variation due to small tweaks in temperature and aeration and are much harder to produce with consistency and uniformity on a larger scale in a manufacturing environment outside of a test lab.

70. Defendant violated federal regulations including making an adulterated device that caused Plaintiff's injuries because the manufacture of the Defective Device failed to meet established performance standards, or if the methods, facilities or controls used for its manufacture, packing, storage or installation or were not in conformity with federal requirements. See, 21. U.S.C. §351.

H. Product Representations

1 71. Defendants' label and patient brochure failed to provide accurate substantive or
2 quantitative implant failure rates to Plaintiff prior to her surgery.

3 72. Defendants have represented in patient marketing literature that Cartiva is a quick 35-
4 minute procedure where your physician replaces the damaged cartilage in your big toe with a new
5 synthetic cartilage that behaves like the natural cartilage of your big toe joint.

6 73. Defendants additionally tell patients, including Plaintiff that "movement matters"
7 further stating in marketing materials- "Your big toe joint is uniquely designed for movement and
8 provides most of the force needed for walking and running. Unlike fusion surgery, which locks the
9 joint in place, CARTIVA Synthetic Cartilage Implant (SCI) reduces pain while also allowing your
10 joint to move how it's supposed to".

11 74. In addition to promising prospective patients, including Plaintiff, increased toe mobility
12 and function, Defendants claim in their marketing materials that the Cartiva implant is proven to
13 provide long-term pain reduction and increased foot mobility, with 97% reduction in pain
14 demonstrated at almost six years post-procedure. These statements exceed the scope of the FDA
15 approved label.

16 75. Plaintiff was induced to purchase a Cartiva implant based on the Defendants
17 representations about the safety and efficacy of the product. Furthermore, Plaintiff has endured
18 medical expenses, loss of income and pain and suffering by relying on Defendants product
19 representations and will continue to have future expenses to repair the bodily harm caused by the
20 defective Cartiva implant.

21 76. Defendants' labeling was false and/or misleading. Defendants violated the federal
22 regulations in the labeling of Plaintiff's Cartiva implant thereby causing a misbranded medical
23 device to be ultimately implanted into Plaintiff's body.
24

1 77. The conditional approval letter relating to the Cartiva implant stated: “CDRH does not
2 evaluate information related to contract liability warranties, however you should be aware that any
3 such warranty statements must be truthful, accurate, and not misleading, and must be consistent
4 with applicable Federal and State laws”.

5 78. Failure to comply with the conditions of approval invalidates this approval order.

6 79. Commercial distribution of a device that is not in compliance with these conditions is a
7 violation of the Food, Drug and Cosmetic Act. 21 U.S.C. §§ 301 et seq.

8 80. Defendants violated the conditional approval requirements and consequently the federal
9 regulations by, among other things, making untrue, inaccurate and/or misleading statements
10 regarding Plaintiff’s Cartiva implant which had Defendants not violated the same, Plaintiff would
11 have chosen a different device for implantation into her body or opted for fusion surgery.

12 **i. Defendants Failed to Comply with PMA-Post-Approval Surveillance Study**

13 81. The PMA approval order of the Cartiva implant required Defendants collect data to
14 assess the following primary and secondary study endpoints:

15 a. **Primary Study Endpoints-** The primary endpoint will evaluate the long-
16 term safety of the Cartiva implant by demonstrating the following:

- 17 i. Durability of the implant over the longer term.
18 ii. Assessment of no unanticipated safety concerns that arise after Month
19 24 up to 5 years.

20 Addressed by:

- 21 1. determining the incidence of serious device-related adverse
22 events per year and overall from Month 24 to Year 5; and
23 2. summarizing device-related radiographic major
24 complications¹ over time from Month 24 to Year 5.

1 b. Provide the following **secondary endpoints**:

- 2 i. Evaluation of maintenance of range of motion;
- 3 ii. Wear characteristics or device degradation for any Cartiva implant
- 4 removed;
- 5 iii. Pain and function over time (Visual Analog Scale [VAS] pain scores,
- 6 Foot and Ankle Ability Measure [FAAM] Activities of Daily Living
- 7 [ADL] function scores and FAAM Sports function scores); and
- 8 iv. Evaluation of radiographic findings (radiolucency, bony reactions,
- 9 and heterotopic ossification) looking at presence or progression from
- 10 24 months to 5+ years as well as correlation with the 5+ years clinical
- 11 outcomes (effectiveness and safety).

12 82. In addition to not following the PMA post-approval orders, Defendants have largely

13 ignored these endpoints the FDA placed in the PMA to protect the public safety. The safety

14 criteria the FDA established did not narrow the Defendants' focus to the Motion study

15 participants. Yet, Defendants have violated the FDA's PMA order by not assessing the safety of

16 each endpoint for each device with reported adverse events, including the Plaintiff's Defective

17 Device.

18 83. The lack of safety surveillance served to suppress information from the FDA in violation

19 of the PMA order and the lack of safety surveillance makes the product unreasonably dangerous to

20 end consumers, including Plaintiff.

21 84. Defendants failed to develop practices and procedures to assure compliance with 21

22 C.F. R. §814 concerning device modifications, instructions for use, pre-market approval conditions;

23 and failed to comply with 21 C.F.R. §§803, 806 and 820, concerning maintaining Mandatory

24

1 Device Reporting “MDR”, implementing device Removals and Corrections and establishing
2 Quality Systems.

3 85. Defendants failed to develop practices and procedures to assure compliance with the
4 federal requirements for reporting adverse events, or MDRs, in accordance with 21 U.S.C. §360.

5 86. Despite the obligations described above, and the obligations of every medical device
6 manufacturer to comply with federal law, Defendants failed to meet numerous federal regulatory
7 requirements in its manufacture and sale of the Cartiva implant prior to Plaintiff’s surgery and
8 implantation of her Cartiva device which caused her to have implanted a defective and adulterated
9 device causing her injuries and damages

10 87. Defendants’ failure to meet the specific federal requirements outlined above which are
11 applicable to Plaintiff’s Cartiva implant, directly and proximately caused Plaintiff’s Cartiva implant
12 to be defective, and proximately caused harm and injury to Plaintiff.

13 88. The causes of action set forth in this complaint are not preempted by § 360k, because
14 the violations alleged are all based on an exclusively based on federal statutory and regulatory
15 standard of care which includes no “requirement, which is different from, or in addition to, any
16 requirement applicable under” the Food, Drug and Cosmetic Act and regulations promulgated
17 thereunder. As such, the claims set forth in this cause of action solely contain requirements that are
18 parallel to the Food, Drug and Cosmetic Act and regulations promulgated thereunder.

19 **J. Defendants’ Corporate Facts**

20 89. Prior to obtaining FDA approval, Cartiva Inc, raised revenue on July 24, 2013 with an
21 private equity funding of by offering a round of Regulation D security offerings totaling Four
22 Million Three Hundred Twelve Thousand and Seven Hundred Twelve Dollars (\$4,312,712.00).

1 90. Three years later on July 1, 2016 Cartiva, Inc. obtained premarket approval of the
2 Cartiva SCI.¹²

3 91. On or about October 10, 2018, Wright Medical Group purchased Cartiva, Inc. for Four
4 Hundred Thirty-Five Million Dollars (\$435,000,000).¹³ Stock analysts considered it a hefty price
5 tag but also were impressed with strong early adoption of Cartiva SCI, which purported to offer an
6 alternative to fusion surgery, the gold standard for treating severe arthritis in the big toe.¹⁴

7 92. Despite the initial excitement at product launch stock analyst quickly caught wind of
8 the reports of Cartiva implant failure reports. By July 2019, Royal Bank of Canada stock analysts
9 found that surgeons were implanting fewer of the devices or they had even stopped offering the
10 treatment altogether. Problems with post-operative pain, restricted motion, or the device slipping
11 into the bone in a process known as subsidence (“shrinkage”) were reported.¹⁵ Doctors have been
12 unable to replicate the positive results of the company’s “Motion Study” clinical trial in the broader
13 patient population and have stopped implanting the device or are more cautious about using it.
14 Despite analyst concerns that physicians were dropping offering Cartiva SCI to patients due to an
15 avalanche of failed Cartiva implants, Wright Medical Group CEO Bob Palmisano remained upbeat
16 on prospects for Cartiva. On the company’s earnings call in May 2019, Palmisano said sales growth
17 for the device was exceeding expectations, and he identified the market for treatment of big toe
18 arthritis as a \$400 million opportunity.¹⁶

19
20 ¹² PMA # P150017

21 ¹³ <https://www.globenewswire.com/news-release/2018/10/10/1619047/0/en/Wright-Medical-Group-N-V-Completes-Acquisition-of-Cartiva-Inc.html>

22 ¹⁴ <https://www.medtechdive.com/news/wright-medical-shares-tumble-amid-report-of-cartiva-slowdown/558132/>

23 ¹⁵ Id.

24 ¹⁶ Id.

1 93. The failure rates of Cartiva SCI were much higher in clinical practice than reported in
2 the Motion Study. Wright Medical Group CEO Bob Palmisano confirmed Cartiva sales in the
3 second quarter second quarter of 2019 fell short of Wright’s expectations while touting Wright still
4 maintained gross profit margins of 79%.¹⁷ Palmisano further commented,

5 “The unexpected weakness in our U.S. lower extremities business was due to a
6 combination of factors, including the significant reduction in sales by the Cartiva
7 distributors and disappointing performance in our core foot products driven by a
8 higher-than-normal level of sales rep turnover that occurred in a concentrated
9 period of time mid-quarter. To address this, we acted quickly and terminated the
10 Cartiva distributors, and as of August 1, the U.S. Cartiva business has been
11 transitioned to our direct U.S. lower extremities sales force. **We also adjusted the
12 sales compensation program for our entire U.S. lower extremities sales team
13 and are increasing the size of the sales force and aggressively adding
14 experienced reps. We are confident that the actions we have taken will
15 improve the growth rates of Cartiva** and the whole U.S. lower extremities
16 business; however it will take some time for the benefits of these actions to be
17 evident in the sales results, and we believe our updated guidance takes that timing
18 appropriately into account.”

19 94. Stryker, B.V. a wholly owned subsidiary of Stryker purchased Wright Medical Group
20 on or about November 11, 2020 for Four Billion Seven Hundred Thousand Dollars
21 (\$4,700,000,000.00).¹⁸

22 95. The basis of the “Motion Study” that helped Cartiva gain FDA approval was premised
23 upon a claim that there was a less than 10% failure in the Cartiva implant group that would require
24 subsequent conversion to fusion surgery within the first two years of the implant.¹⁹

20 ¹⁷ <https://www.globenewswire.com/en/news-release/2019/08/07/1898695/33314/en/Wright-Medical-Group-N-V-Reports-2019-Second-Quarter-Financial-Results.html>

21 ¹⁸ <https://investors.stryker.com/press-releases/news-details/2020/Stryker-completes-acquisition-of-Wright-Medical/default.aspx>

22 ¹⁹ Baumhauer JF, Singh D, Glazebrook M, Blundell C, De Vries G, Le IL, Nielsen D, Pedersen
23 ME, Sakellariou A, Solan M, Wansbrough G, Younger AS, Daniels T; for and on behalf of the
24 CARTIVA Motion Study Group. Prospective, Randomized, Multi-centered Clinical Trial
Assessing Safety and Efficacy of a Synthetic Cartilage Implant Versus First Metatarsophalangeal
(footnote continued)

1 96. The Defendants alleged the Cartiva implant was determined to be statistical equivalent
2 to arthrodesis (fusion surgery) but with the added benefit of great mobility and less surgical
3 downtime.

4 97. Initial results for the Cartiva implant were encouraging, however, unbiased reviewers
5 adopted the position that more independent, non-industry funded research was necessary with larger
6 cohorts to identify implant survivalship and long-term efficacy²⁰ -something the FDA had already
7 required the Defendants to do in the PMA approval order.

8 98. Since 2016 Defendant, Stryker f/k/a Cartiva has manufactured, introduced and/or
9 delivered the Cartiva SCI” into the stream of interstate commerce in clear violation of the PMA
10 order issued by the FDA.

11 99. Before commercially distributing the Cartiva SCI in the United States, federal law
12 required Defendant to submit an application for premarket approval (“PMA”) of the device to the
13 Secretary of Health and Human Services. On July 1, 2016, the Food and Drug Administration
14 (“FDA”) completed its review of Defendant, Cartiva, Inc.’s PMA application for the Cartiva
15 implant.

16 100. Based on the materials submitted by Defendant, Stryker f/k/a Cartiva, the FDA
17 conditionally approved the Cartiva implant for commercial distribution.²¹ The conditional approval
18 letter from the FDA stated that “[c]ommercial distribution of a device that is not in compliance with
19 these conditions is a violation of the [Food, Drug and Cosmetic] act, [21 U.S.C. §301, et seq.]”
20

21 _____
22 Arthrodesis in Advanced Hallux Rigidus. *Foot Ankle Int.* 2016 May;37(5):457-69. doi:
23 10.1177/1071100716635560. Epub 2016 Feb 27. PMID: 26922669.

24 ²⁰ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7067982/pdf/main.pdf>

²¹ PMA # P150017

1 **III. PLAINTIFF'S CARTIVA IMPLANT**

2 101. On or about October 19, 2017, Plaintiff, TAMMIE THOMPSON had a Cartiva
3 implant placed in her right great toe joint/first metatarsophalangeal joint. At the time of said surgery,
4 her physician utilized and implanted the Defendant's Cartiva SCI using the unique and specialized
5 instrumentation for the novel implant. Specifically, the following components of said system were
6 utilized:

- 7 a. Placer
- 8 b. Placement Guide Pin
- 9 c. Introducer
- 10 d. Metatarsal Drill Bit
- 11 e. Cartiva Implant

12 102. The Cartiva implant subsided into the bone which will require Plaintiff to undergo a
13 surgery to remove the failed Cartiva implant, bone debridement and fusion that comes with
14 substantial and painful post-operative recovery.

15 **IV. DELAYED DISCOVERY**

16 103. Plaintiff repeats and incorporates by reference all prior paragraphs as though fully set
17 forth herein.

18 104. Plaintiff pleads that the discovery rule should be applied to toll the running of the
19 statute of limitations until Plaintiff knew, or through the exercise of reasonable care and diligence
20 should have known, of facts indicating that the Plaintiff had been injured, the cause of the injury
21 and the tortuous nature of the wrongdoing that caused the injury.

22 105. The COVID-19 pandemic caused significant court closures. The California Judicial
23 Council responded with Emergency Rule 9 which "tolled" (or "paused") the statutes of limitation
24 for civil actions from March 6, 2020 until 90 days after Governor Newsom lifted the state of

1 emergency. The Judicial Council has now amended Rule 9 to created two tolling periods depending
2 on the length of the pertinent statute of limitation. Under Rule 9(a), statutes of limitations that
3 exceed 180 days are tolled from April 6, 2020 until October 1, 2020. Under Rule 9(b), statutes of
4 limitations of up to 180 days are tolled from April 6, 2020, until August 3, 2020.

5 106. In addition to court closures during the pandemic, patients, including Plaintiff could
6 not seek medical treatment for non-emergency or elective surgeries. The COVID pandemic has
7 impaired the ability of Plaintiff to seek medical care which delayed discovery of the Cartiva implant
8 being defective.

9 107. Further complicating Plaintiff's discovery that her Cartiva implant failed and was
10 defective is Defendants communications with physicians, sales representatives and/or distributors
11 and the FDA that failures of a successful Cartiva implant were attributed to surgical technique and
12 not the implant itself being defective.

13 108. Despite diligent investigation by Plaintiff into the cause of her injuries, including
14 consultations with Plaintiff's medical providers, the nature of Plaintiff's injuries and damages and
15 their relation to the Plaintiff's Cartiva implant and Defendants' wrongful conduct was not
16 discovered and could not have been discovered, until a date within the applicable statute of
17 limitations for filing each of Plaintiff's claims. Therefore, under appropriate application of the
18 discovery rule, Plaintiff's suit was filed well within the applicable statutory limitations period.

19 109. Any applicable statutes of limitations have been tolled by the knowing and active
20 concealment and denial of material facts known by the Defendants when they had a duty to disclose
21 those facts. The Defendants' purposeful and fraudulent acts of concealment have kept Plaintiff
22 ignorant of vital information essential to the pursuit of Plaintiff's claims, without any fault or lack
23 of diligence on Plaintiff's part, for the purpose of delaying Plaintiff filing of this lawsuit. The
24 Defendants' fraudulent concealment did result in such delay.

1 110. Defendants' are estopped from relying on the statute of limitations defense because
2 Defendants failed to timely disclose, among other things, facts evidencing the defective and
3 unreasonably dangerous nature of their Cartiva SCI device.

4 **COUNT I**
5 **STRICT PRODUCTS LIABILITY**
6 **DESIGN, MANUFACTURE AND FAILURE TO WARN**

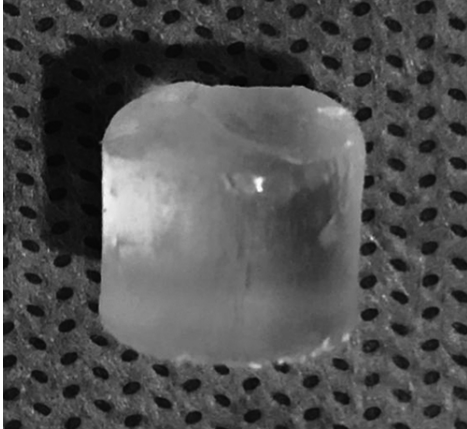
7 111. Plaintiff repeats and incorporates by reference all prior paragraphs as though fully set
8 forth herein.

9 112. The Cartiva SCI implanted in Plaintiff, Tammie Thompson on October 19, 2017 which
10 was designed and/or manufactured in violation of the Federal Food, Drug and Cosmetic Act
11 ("Act") and regulations promulgated pursuant to it, including but not limited to improper
12 workmanship and errors at the point of manufacture which caused defects in the Cartiva implant
13 that occurred in the manufacturing process and this defect has caused Plaintiff's Cartiva implant to
14 shrink, migrate from the initial implant site and has caused pain, loss of mobility and bone loss due
15 to the Defective Device.

16 113. At the time the Cartiva SCI device, implanted in Plaintiff, Tammie Thompson's great
17 toe joint on October 19, 2017 left the control of Defendants, it was unreasonably dangerous due to
18 non-compliance by Defendants with the federal regulations governing the device in one or more
19 of the following ways:

- 20 a. Defendant failed to accurately establish the in vivo life expectancy of the
21 Cartiva SCI, in violation of 21 C.F.R. § 820.30(f). There have been reports of
22 synthetic cartilage implant failure with ballooning osteolytic cyst formation
23
24

1 throughout the first metatarsal head.²² There was a large degree of reactive
2 tissue around the hydrogel implant. The implant was grossly loose. The
3 implant demonstrated pitting and wear;



Fogelman implant showing
pitting and wear

- 10 b. Defendant failed to validate the anticipated wear of the Cartiva SCI prior to its
11 release into commercial distribution, in violation of 21 C.F.R. § 820.30(g).
12 Despite peer-reviewed literature backed by radiological evidence that Cartiva
13 does not perform as expected long-term as seen is the Rosas and Fogelman
14 literature, Defendants have not reported these findings to the FDA or
15 undertaken any similar study;
- 16 c. Defendant failed to establish and maintain appropriate reliability assurance
17 testing to validate the Cartiva design both before and after its entry into the
18 marketplace, in violation of 21 C.F.R. § 820.30 (g);
- 19

20
21 ²² Fogleman J, Robles A, Hollyfield J, Whitlow S, Lundeen GA. Failed Hydrogel
22 Synthetic Cartilage Implant With Osteolytic Cyst Formation in the First
23 Metatarsophalangeal Joint. Foot & Ankle Orthopaedics. July 2020.
24 doi:10.1177/2473011420934384

- 1 d. Defendant failed to conduct adequate bio-compatibility studies to determine
2 the Cartiva implant's propensity to migrate from the joint space. Radiologic
3 evidence of implant shrinkage is evident in peer-reviewed literature, but
4 Defendants have not undertaken studies to analyze the implant shrinkage
5 when exposed to deep matrix bone;
- 6 e. Defendant failed to identify the component discrepancy, in violation of 21
7 C.F.R. § 820.80(c);
- 8 f. Defendant failed to capture the component discrepancy or defect during their
9 Final Acceptance Activities, in violation of 21 C.F.R. § 820.80(d);
- 10 g. Defendant failed to establish and maintain procedures for implementing
11 corrective and preventative action in response to, inter alia, complaints
12 regarding the Cartiva SCI device, returned Cartiva SCI device, and other
13 quality problems associated with the Cartiva, in violation of 21 C.F.R. §
14 820.100;
- 15 h. Defendant failed to appropriately respond to adverse incident reports that
16 strongly indicated the Cartiva implant was Malfunctioning [as defined in 21
17 C.F.R. § 803.3], or otherwise not responding to its Design Objection Intent, in
18 violation of 21 C.F.R. § 820.198. Physician complaints report Cartiva failure
19 rates of 50-64% with Cartiva implants and Defendants have largely ignored
20 the clinical evidence by not adequately responding to adverse incident reports
21 or initiating a voluntary recall;
- 22 i. Defendant failed to conduct complete device investigations on returned
23 Cartiva implants and components in violation of 21 C.F.R. § 820.198.
24

1 Defendant has completely failed to investigate and analyze Cartiva implant
2 failures; and/or

3 j. Defendant continued to inject Cartiva implants into the stream of interstate
4 commerce when Defendants knew, or should have known, that the Cartiva
5 implants was Malfunctioning [as defined in 21 C.F.R. § 803.3] or otherwise
6 not responding to its Design Objective Intent. Multiple press releases by
7 Wright Medical Group demonstrate an awareness of high Cartiva failure rates
8 coupled with physicians ceasing to use Cartiva, but Defendants responded to
9 these failures by increasing sales commissions and aggressing sales strategies
10 describing the sales as a “knife fight”.

11 114. As a direct and proximate result of Defendants violations of one or more of these
12 federal statutory and regulatory standards of care, two Cartiva implants were implanted in Plaintiff,
13 Tammie Thompson, failed and such failure directly caused and/or contributed to the severe and
14 permanent injuries sustained and endured by Plaintiff, Tammie Thompson, as defined in 21 C.F.R.
15 § 803.3.

16 115. As a direct result, Plaintiff, Tammie Thompson, endured pain and suffering, including,
17 but not limited to failure of the Cartiva implants, migration of the Cartiva implant with swelling
18 and pain, bone loss, loss of mobility which will require an additional fusion surgery and she has
19 incurred significant medical expenses in the past and will incur additional medical expenses in the
20 future; both past and future wage loss; physical pain and suffering, both past and future; mental
21 anguish and emotional distress, both past and future, including, but not limited to, humiliation,
22 embarrassment, annoyance substantial loss of life enjoyment and aggravation.

23 116. This cause of action is based entirely on the contention that Defendants violated
24 federal safety statutes and regulations. Plaintiff does not bring the underlying action as an implied

1 statutory cause of action, but rather she is pursuing parallel state common law claims based upon
2 Defendants' violations of the applicable federal regulations.

3 117. Under California State law, Defendants' violations of the aforementioned federal
4 statutes and regulations establish a prima facie case of strict liability in tort. Three types of strict
5 products liability claims can be asserted in California: manufacturing defect, design defect, and
6 failure to provide adequate warnings. *Anderson v. Owens–Corning Fiberglas Corp.* (1991) 53
7 *Cal.3d* 987, 995 [281 *Cal.Rptr.* 528, 810 P.2d 549] 1991.

8 118. Thus, under California common law, a money damages remedy exists for violation of
9 the Act and regulations promulgated thereunder which results in an unreasonably dangerous
10 product proximately causing injuries, and there is no need for the California Legislature to act in
11 order to create such a remedy.

12 119. The Act contains an express preemption provision, 21 U.S.C. §360(k), which in
13 relevant part states: “no state or political subdivision of a state may establish or continue in effect
14 with respect to a device intended for human use any requirement –(1) which is different from, or
15 in addition to, any requirement applicable under this Act [21 USCS §§301, et seq.] to the device,
16 and (2) which relates to the safety or effectiveness of the device or to any other matter included in
17 a requirement applicable to the device under this Act [21 USCS §§301, et seq.]”.

18 120. The cause of action set forth in this Court is not preempted by 21 U.S.C. §306(k)
19 because the alleged violations are all based on an exclusively on a federal statutory and regulatory
20 set of requirements which include no “requirement, which is different from, or in addition to, any
21 requirement applicable under” the Act and regulations promulgated thereunder. See; *Bausch v.*
22 *Stryker*, 630 F.3d 546, 556 (7th Cir. 2010) (claims for negligence and strict products liability
23 relating to a Class III medical device were not expressly preempted by federal law to the extent
24

1 they were based on the defendants' violations of federal law). As such, the claims set forth herein
2 contain requirements that are parallel to the Act and regulations promulgated thereunder.

3 121. As a direct and proximate result of Defendants' aforementioned actions, Plaintiff,
4 Tammie Thompson, prays for judgment against Defendants in an amount in excess of Seventy-
5 Five Thousand Dollars (\$75,000.00).

6 122. As a direct and proximate result of Defendants' violations of one or more of these
7 federal statutory and regulatory standards of care, the Cartiva implants used on Plaintiff, Tammie
8 Thompson failed and such failure directly caused and/or contributed to the severe and permanent
9 injuries sustained and endured by Plaintiff, Tammie Thompson, as defined in 21 C.F.R. 803.3.

10 123. As a direct and proximate result of Defendants' violations of one or more of these
11 federal statutory and regulatory standards of care, Plaintiff, Tammie Thompson, endured pain and
12 suffering, including, but not limited to implant failure, scarring and disfigurement and has required
13 additional and debilitating surgeries to repair the damage caused by the defective Cartiva SCI and
14 has incurred significant medical expenses in the past and will incur additional substantial medical
15 expenses in the future; both past and future wage loss; physical pain and suffering, both past and
16 future; mental anguish and emotional distress, both past and future, including, but not limited to,
17 humiliation, embarrassment, annoyance and aggravation. This cause of action is based entirely on
18 the contention that Defendants violated federal safety statutes and regulations. Plaintiff do not bring
19 the underlying action as an implied statutory cause of action, but rather they are pursuing parallel
20 state common law claims based upon Defendants' violations of the applicable federal regulations.

21 124. Under California law, Defendants' violations of the aforementioned federal statutes
22 and regulations establish a prima facie case of negligence.

23 125. Plaintiff alleges that at the time the Cartiva SCI device left Defendants' control, (i)
24 one or more were defective because they deviated in a material way from the manufacturers or

1 designer's specifications, (ii) such defective condition rendered them unreasonably dangerous to
2 the user, and (iii) such condition proximately caused the damages for which recovery is sought
3 herein.

4 126. Alternatively, Plaintiff alleges that at the time the Cartiva SCI device left Defendants'
5 control, (i) one or more were designed in a defective manner, (ii) such defective condition rendered
6 them unreasonably dangerous to the user, and (iii) such condition proximately caused the damages
7 for which recovery is sought herein. Further, (i) Defendants knew, or in light of reasonably available
8 knowledge or in the exercise of reasonable care should have known, about the risk of harm for
9 which recovery is sought herein, and (ii) the Cartiva SCI collectively failed to function as expected
10 and there existed a feasible design alternative that would have to a reasonable probability of
11 preventing the harm and injury Defendants Defective Device actually and proximately caused
12 Plaintiff.

13 **COUNT II**
14 **NEGLIGENCE -DESIGN, MANUFACTURE, MISBRANDED AND**
15 **IMPROPER TRANSFER OF 510K/PMA WITHOUT FDA APPROVAL**

16 127. Plaintiff repeats and incorporate by reference all prior paragraphs as though. Fully set
17 forth herein.

18 128. Plaintiff is in the class of persons that Defendants should reasonably foresee as being
19 subject to the harm caused by defectively designed Cartiva implants insofar as Plaintiff was the
20 type of person for whom a Cartiva implant was intended to be used.

21 129. At all times herein mentioned, Defendants created, designed, researched,
22 manufactured, tested, advertised, promoted, marketed, sold, and/or distributed its Cartiva implant
23 as hereinabove described above was used by the Plaintiff.

24 130. Defendants could reasonably have foreseen that its Cartiva SCI devices were expected
to and did reach the usual consumers, handlers, and persons coming into contact with said product

1 without substantial change in the condition in which they were produced, manufactured, sold,
2 distributed and marketed by Defendants.

3 131. The Cartiva implant inserted into Plaintiff, Tammie Thompson's body on October 19,
4 2017 was a Class III device but the instruments used to insert Cartiva implants are all Class II
5 devices designed and/or manufactured by Defendants and placed into the interstate stream of
6 commerce.

7 132. Defendants marketed, distributed and/or permitted use of its Cartiva implants in
8 violation of the Act and regulations promulgated to it.

9 133. It was the duty of Defendants to comply with the Act, and the regulations promulgated
10 pursuant to it. Notwithstanding this duty, Defendants violated the Act in one or more of the
11 following ways:

- 12 a. Defendant failed to accurately establish the in vivo life expectancy of the
13 Cartiva, in violation of 21 C.F.R. § 820.30(f);
- 14 b. Defendant failed to accurately validate the anticipated wear of the Cartiva SCI
15 prior to its release into commercial distribution, in violation of 21 C.F.R. §
16 820.30(g) and the PMA approval order for Cartiva;
- 17 c. Defendant failed to establish and maintain appropriate reliability assurance
18 testing to validate the Cartiva SCI design both before and after its entry into
19 the marketplace, in violation of 21 C.F.R. § 820.30 (g) and the PMA approval
20 order for Cartiva;
- 21 d. Defendant failed to conduct adequate bio-compatibility studies to determine
22 the Cartiva SCI's latent propensity to loosen, migrate into bone and failure to
23 integrate into the joint space as required by the PMA approval order for
24 Cartiva;

- 1 e. Defendant failed to identify the component discrepancy, in violation of 21
2 C.F.R. § 820.80(c);
- 3 f. Defendant failed to capture the component discrepancy or defect during their
4 Final Acceptance Activities, in violation of 21 C.F.R. § 820.80(d) and as
5 required by the PMA approval for Cartiva;
- 6 g. Defendant failed to establish and maintain procedures for implementing
7 corrective and preventative action in response to, inter alia, complaints
8 regarding the Cartiva SCI, returned Cartiva SCI devices, and other quality
9 problems associated with the Cartiva SCI, in violation of 21 C.F.R. § 820.100
10 and the PMA approval order for Cartiva;
- 11 h. Defendant failed to appropriately respond to adverse incident reports that
12 strongly indicated the Cartiva implant was Malfunctioning [as defined in 21
13 C.F.R. § 803.3], or otherwise not responding to its Design Objection Intent, in
14 violation of 21 C.F.R. § 820.198 and the PMA approval order for Cartiva;
- 15 i. Defendant failed to conduct complete device investigations on returned
16 Cartiva implants and components, in violation of 21 C.F.R. § 820.198 and the
17 PMA approval order for Cartiva; and/or
- 18 j. Defendant failed to comply with the FDA policies and procedures to transfer
19 ownership of the 510k and/or PMA. Without proper transfer of ownership
20 pursuant to FDA requirements it is not certain the Cartiva device made and
21 distributed by the current Defendants are within the PMA issued for Cartiva,
22 Inc. which means preemption is a non-issue for an unregulated manufacturer.

23 134. The Cartiva implant and accompanying instruments have been owned and
24 manufactured by three corporations: Cartiva, Inc. (2015-2017), Wright Medical Group (2018-2020)

1 and Stryker (2020-present), yet the 510k for instruments and the Cartiva implant is still identifies
 2 Cartiva, Inc to the FDA with no PMA Supplement approving new manufacturing sites with
 3 ownership changes which implies the FDA has not reviewed or approved ownership of the 510k
 4 transfer.

5 **135. FDA TIMELINE:**

Date	FDA Action	Approval Number
7/1/16	PMA Approval	P150017
8/25/16	PMA Supplement- Change vendor of foil lidstock used to seal primary packaging of Cartiva SCI device	S001
9/29/16	PMA Supplement-Approval of protocol for ODE lead PMA Post Approval Study	S002
11/1/16	PMA Supplement- Approval of 8- and 20-unit shipping configurations for smaller orders	S003
1/6/17	PMA Supplement- Change is supplier of a component used in manufacture of Cartiva SCI	S004
3/1/17	PMA Supplement/Label Change- Modifications to Surgical implantation Technique Guide	S005
11/9/17	PMA Supplement- Expansion of Manufacturing facility	S006
1/29/18	Cartiva Instruments Reclassified as Class II device	Q180170
8/28/18	PMA Supplement-Approval of manufacturing site for instruments to Arcamed LLC	S007
7/2/18	PMA Supplement- Approval of an alternate raw material provider	S008
7/2/18	PMA Supplement- Add additional clean room for manufacture of Cartiva	S009
7/11/19	PMA Supplement- Approval of addition of 6 mm and 12 mm sizes of Cartiva SCI to the previously approved 8 mm and 10 mm device.	S010

7/12/19	PMA Supplement/Label change based on findings of PAS	S011
3/22/19	PMA Supplement-Approval to add clarifying statement regarding need for irrigation during drilling within Instructions for Use and the Surgical Implantation Technique for Cartiva	S012
2/9/20	PMA Supplement- add manufacturing site at Steris Synergy Health in Saxonburg, PA	S013
11/26/19	PMA Supplement-Expanded release criteria of final finished device to accept those that have a homogenously opaque appearance	S014

136. The FDA does permit 510k transfers with the caveat that two companies may not manufacture the same device under a single 510k clearance. Therefore, if a 510k holder wishes to license the right to manufacture a device but also wishes to continue its own manufacturing activity, the FDA's policy is to require the licensee to obtain a new 510(k) clearance.

137. When the holder of an approved PMA enters into an agreement to permit another firm to manufacture and distribute a device under the licensee's private label, FDA approval may be obtained by either of two procedures: (i) the PMA holder may submit a supplement to the approved PMA; or (ii) the licensee may submit an original PMA that includes, or includes by authorized reference to the holder's approved PMA, all appropriate information required by 21 C.F.R. § 814.20 (required information for PMA applications). There is no evidence in the FDA medical device database that the Cartiva implant used in Plaintiff Tammie Thompson was manufactured or marketed with FDA approval for the new owners of Cartiva.

138. As a direct and proximate result of Defendants' violations of one or more of these federal statutory and regulatory standards of care, the Cartiva implant was used on the Plaintiff and

1 failed, and such failure directly caused and/or contributed to the severe and permanent injuries
2 sustained and endured by Plaintiff, as defined in 21 C.F.R. 803.3. As a direct result, Plaintiff
3 endured pain and suffering, including, but not limited to the scarring and disfigurement, and will
4 require additional and debilitating surgeries and has incurred significant medical expenses in the
5 past and will incur additional medical expenses in the future; both past and future wage loss;
6 physical pain and suffering, both past and future; mental anguish and emotional distress, both past
7 and future, including, but not limited to, humiliation, embarrassment, annoyance and aggravation
8 and loss of life enjoyment because she cannot walk without being in pain.

9 139. This cause of action is based entirely on the contention that Defendants violated
10 federal safety statutes and regulations. Plaintiff does not bring the underlying action as an
11 implied statutory cause of action, but rather she is pursuing parallel state common law claims based
12 upon Defendants' violations of the applicable federal regulations.

13 140. Under California law, Defendants' violations of the aforementioned federal statutes
14 and regulations establish a prima facie case of negligence.

15 141. Thus, under California common law, a money damages remedy exists for violation of
16 the Act and regulations promulgated thereunder which results in an unreasonably dangerous
17 product proximately causing injuries, and there is no need for the California Legislature to act in
18 order to create such a remedy.

19 142. The Act contains an express preemption provision, 21 U.S.C. §360(k), which in
20 relevant part states: "no state or political subdivision of a state may establish or continue in effect
21 with respect to a device intended for human use any requirement –(1) which is different from, or
22 in addition to, any requirement applicable under this Act [21 USCS §301, et seq.] to the device,
23 and (2) which relates to the safety or effectiveness of the device or to any other matter included in
24

1 a requirement applicable to the device under this Act [21 USCS §§301, et seq.].”The cause of
2 action set forth in this Claim for Relief is not preempted by 21 U.S.C.

3 143. The cause of action set forth in this Claim for Relief is not preempted by 21 U.S.C.
4 §306(k) because the violations alleged are all based on an exclusively federal statutory and
5 regulatory set of requirements which include no “requirement, which is different from, or in
6 addition to, any requirement applicable under” the Act and regulations promulgated thereunder.
7 See; Bausch v. Stryker, 630 F.3d 546, 556 (7th Cir. 2010) (claims for negligence and strict products
8 liability relating to a Class III medical device were not expressly preempted by federal law to the
9 extent they were based on the defendants’ violations of federal law). As such, the claims set forth
10 herein contain requirements that are parallel to the Act and regulations promulgated thereunder.

11 144. As a direct and proximate result of Defendants aforementioned actions, Plaintiff prays
12 for judgment against Defendants in an amount in excess of Seventy-Five Thousand Dollars
13 (\$75,000.00).

14 145. Defendants created, designed, researched, manufactured, tested, advertised, promoted,
15 marketed, sold and distributed a defective product which created an unreasonable risk to the health
16 of consumers and to Plaintiff, in particular, and Defendants are therefore liable for the injuries
17 sustained by Ms. Thompson.

18 **COUNT III**
19 **STRICT PRODUCTS LIABILITY**
20 **MISBRANDED AND ADULTERATED DEVICE**

21 146. Plaintiff repeats and incorporates by reference all prior paragraphs as though fully set
22 forth herein.

23 147. Plaintiff, Tammie Thompson has endured a painful Cartiva implant that slipped into
24 her bone along with celestone injections necessitated by the defective Cartiva implants. A fusion
surgery is required to repair the bone defects caused by the Cartiva implant. The original Cartiva

1 implant was a Class III device and all instruments used to insert the Cartiva implant are Class II
2 devices designed and/or manufactured by Defendants and placed into the interstate stream of
3 commerce.

4 148. Defendants marketed, distributed and/or permitted use of its Cartiva implant and
5 insertion instruments in violation of the Act and regulations promulgated to it.

6 149. It was the duty of Defendants to comply with the Act, and the regulations promulgated
7 pursuant to it, yet, notwithstanding this duty, Defendants violated the Act in one or more of the
8 following ways:

- 9 a. Defendant failed to submit a PMA supplement to warn of risk of implant
10 shrinkage, migration and bone loss for review and approval as required by the
11 FDA. 21 C.F.R. §814.39 and PMA approval order for Cartiva. Despite
12 Defendants' knowledge of higher failure rates than previously reported to the
13 FDA, Defendants chose to do nothing. It is the Defendants, not the FDA who
14 had a duty to report the failure rates and manufacturing problems to the FDA.
15 The burden for determining whether a supplement is required is primarily on
16 the PMA holder. Changes for which an applicant shall submit a PMA
17 supplement include, but without limitation the following types of changes if
18 they affect the safety or effectiveness of the device:
- 19 i. New indications for use of the device.
 - 20 ii. Labeling changes.
 - 21 iii. The use of a different facility or establishment to manufacture,
22 process, or package the device.
 - 23 iv. Changes in sterilization procedures.
 - 24 v. Changes in packaging.

1 vi. Changes in the performance or design specifications, circuits,
2 components, ingredients, principle of operation, or physical layout of
3 the device.

4 b. Defendants sold, distributed and permitted use of its devices in violation of the
5 regulations prescribed under 21 U.S.C. §360j(e) and 21 U.S.C. § 352(q) which
6 required design validation and manufacturing controls to assure the
7 Defendants would not produce a medical device with impurities or
8 inconsistencies. Defendants also had a duty to provide a label that was truthful
9 about the risks associated with the Cartiva implant and Defendants have failed
10 to do so;

11 c. Defendant failed to restrict the use of the Cartiva implant and instruments in
12 violation of 21 U.S.C. §352(r) and the PMA approval order for Cartiva. The
13 Cartiva PMA approval order provided the device is further restricted under
14 section 515(d)(1)(B)(ii) of the Act insofar as the labeling must specify the
15 specific training or experience practitioners need in order to use the device. In
16 direct violation of the PMA order, Defendants' Direction For Use merely states
17 "The Cartiva SCI device should only be used by experienced surgeons who
18 have undergone training in the use of this device". There is no limitation on
19 the physician experience-specialty type, years of experience nor do the
20 instructions provide any details about the type of training required. The PMA
21 approval order further states the FDA has determined that these restrictions on
22 sale and distribution are necessary to provide reasonable assurance of the
23 safety and effectiveness of the device. The device is therefore a restricted
24 device subject to the requirements in Sections 502(q) and (r) of the Act, in

1 addition to the many other FDA requirements governing the manufacture,
2 distribution, and marketing of medical devices. As mentioned herein,
3 Defendants had a duty to print on the label and marketing of the Cartiva
4 implant all relevant warnings, precautions, side effects, instructions for use and
5 contraindications and has failed to issue any warnings beyond the
6 generalizations provided in the label; and

7 d. Defendant failed to comply with the requirements of 21 U.S.C. § 360i which
8 provides a device manufacturer shall report to the FDA when the manufacturer
9 receives or otherwise becomes aware of information that reasonably suggests
10 that one of its marketed devices may have caused or contributed to a death
11 or serious injury, or has malfunctioned and that such device or a
12 similar device marketed by the manufacturer would be likely to cause or
13 contribute to a death or serious injury if the malfunction were to recur. As
14 mentioned herein, Defendants have knowledge that Cartiva SCI failure rates
15 are higher than reported to the FDA, yet Defendants have taken no action to
16 protect the public, including Plaintiff from the harm caused by the defective
17 Cartiva implants that Defendants knew were defective; and

18 e. Defendants have failed to comply with 21 U.S.C. § 360l which required
19 Defendants to submit a surveillance plan for its device once commercial
20 distribution began to detect adverse health events to the public. Instead
21 Defendants have relied solely on the Motion Study to continue with
22 commercial distribution ignoring the adverse event reports and other studies
23 supporting findings that the failure rate is 6-7 times higher than reported by
24 Defendants.

1 150. As a direct and proximate result of Defendants' violations of one or more of these
2 federal statutory and regulatory standards of care, Plaintiff, Tammie Thompson, had a Cartiva
3 implanted in her body using Cartiva instruments and it failed, and such failure directly caused
4 and/or contributed to the severe and permanent injuries sustained and endured by Plaintiff as
5 defined in 21 C.F.R. 803.3. As a direct result, Plaintiff endured suffering, including, but not limited
6 to, recurrent dislocations and subluxations with swelling, toe enlargement, and has required
7 additional medical care and will require additional and debilitating surgeries (i.e. fusion) and has
8 incurred significant medical expenses in the past and will incur additional medical expenses in the
9 future; both past and future wage loss; physical pain and suffering, both past and future; mental
10 anguish and emotional distress, both past and future, including, but not limited to, humiliation,
11 embarrassment, annoyance, aggravation and loss of life enjoyment because Ms. Thompson is in
12 pain whenever she walks.

13 151. This cause of action is based entirely on the contention that Defendants violated
14 federal safety statutes and regulations. Plaintiffs do not bring the underlying action as an implied
15 statutory cause of action, but rather she is pursuing parallel state common law claims based upon
16 Defendants' violations of the applicable federal regulations.

17 152. Under California law, Defendants' violations of the aforementioned federal statutes
18 and regulations establish a prima facie case of strict liability in tort *Anderson v. Owens-Corning*
19 *Fiberglas Corp.* (1991) 53 Cal.3d 987, 995 [281 Cal.Rptr. 528, 810 P.2d 549] 1991.

20 153. Thus, under California common law, a money damages remedy exists for violation of
21 the Act and regulations promulgated thereunder which results in an unreasonably dangerous
22 product proximately causing injuries, and there is no need for the California Legislature to act in
23 order to create such a remedy.

24 154. The Act contains an express preemption provision, 21 U.S.C. §360(k), which in

1 relevant part states: “no state or political subdivision of a state may establish or continue in effect
2 with respect to a device intended for human use any requirement –(1) which is different from, or
3 in addition to, any requirement applicable under this Act [21 USCS §§301, et seq.] to the device,
4 and (2) which relates to the safety or effectiveness of the device or to any other matter included in
5 a requirement applicable to the device under this Act [21 USCS §§301, et seq.]”

6 155. The cause of action set forth in this Claim for Relief is not preempted by 21 U.S.C.
7 §306(k) because the violations alleged are all based on an exclusively federal statutory and
8 regulatory set of requirements which include no “requirement, which is different from, or in
9 addition to, any requirement applicable under” the Act and regulations promulgated thereunder.
10 See; *Bausch v. Stryker*, 630 F.3d 546, 556 (7th Cir. 2010) (claims for negligence and strict products
11 liability relating to a Class III medical device were not expressly preempted by federal law to the
12 extent they were based on the defendants’ violations of federal law). As such, the claims set forth
13 herein contain requirements that are parallel to the Act and regulations promulgated thereunder.

14 156. As a direct and proximate result of Defendants’ aforementioned actions, Plaintiff,
15 prays for judgment against Defendants in an amount in excess of Seventy-Five Thousand Dollars
16 (\$75,000.00).

17 **COUNT IV**
18 **STATE LAW AND COMMON LAW CLAIMS OF STRICT LIABILITY AND**
19 **NEGLIGENCE FOR CLASS II DEVICES/CLASS III DEVICES**

20 157. Plaintiff repeats and incorporates by reference all prior paragraphs as though fully set
21 forth herein.

22 158. The Cartiva implant and corresponding Cartiva instruments used on Plaintiff on
23 October 19, 2017 were designed, manufactured and distributed by Defendants and placed into the
24 stream of interstate commerce by Defendants. Said components were defective in design and/or

1 manufacture. Said defects existed when the components left the hands of Defendants making the
2 components unreasonably dangerous beyond the contemplation of the ordinary user. Defendants
3 are therefore strictly liable to Plaintiff under the doctrine of manufacturers' products liability.

4 159. Defendants further breached applicable implied and express warranties, including
5 warranties of merchantability and fitness for a particular purpose. Further, Defendants failed to
6 provide appropriate warnings regarding the potential dangers associated with the use of said
7 components, including warnings regarding the risk of migration of Cartiva implant and shrinkage
8 of the Cartiva SCI, such as was experienced by Plaintiff.

9 160. As a direct and proximate result of the design and/or manufacturing defects, failure to
10 warn and breach of express and implied warranties related to Defendants' Cartiva SCI device and
11 corresponding instruments designed, manufactured, distributed, sold and/or placed into the stream
12 of commerce by the Defendants, Plaintiff suffered severe and permanent injuries, including, but not
13 limited to, scarring and disfigurement, pain and suffering and has required additional medical care
14 and will require additional debilitating surgeries to repair the damage caused by the Defective
15 Device has incurred significant medical expenses in the past and will incur additional medical
16 expenses in the future; both past and future wage loss; physical pain and suffering, both past and
17 future; mental anguish and emotional distress, both past and future, including, but not limited to,
18 humiliation, embarrassment, annoyance and aggravation; and has been damaged in an amount in
19 excess of Seventy Five Thousand Dollars (\$75,000.00).

20 161. As a direct and proximate result of the willful, wanton, intentional acts, reckless
21 and/or the willful, wanton, intentional acts, reckless and/or the willful, wanton, intentional and
22 reckless failures to act by Defendants Plaintiffs(s) suffered the aforesaid damages and, as such,
23 Plaintiff(s) demand that punitive damages be awarded against Defendants.

24 **COUNT V**

BREACH OF EXPRESS WARRANTY

1
2 162. Plaintiff repeats and incorporates by reference all prior paragraphs as though fully set
3 forth herein.

4 163. Defendants knew that the Cartiva SCI device had problems, including but not limited
5 to shrinkage and migration out of joint space into the bone. Defendants advertised the Cartiva SCI
6 implantation as a non-invasive procedure, designed to reduce quickly restore toe mobility with a
7 simple procedure. None of Defendants' advertising, marketing, or informational materials
8 reviewed by the Plaintiff, mentioned that Cartiva had the ability to cause a condition that results in
9 a permanent disfigurement to the body that can only be resolved through invasive surgeries
10 resulting in the *opposite effect* of the device's advertised purpose.

11 164. Plaintiff relied on the skill and judgment of the Defendants that the device was
12 adequately tested and rendered safe to use for its intended purpose.

13 165. Plaintiff became interested in and underwent the Cartiva implant procedure based on
14 the Defendants' representation about the procedure.

15 166. Because of the innate defective nature of the Cartiva implant, Plaintiff and the
16 individuals performing the Cartiva implant procedure on Plaintiff, through the use of reasonable
17 care could not have discovered the defective nature of the Cartiva device or its perceived dangers.

18 167. As the direct and proximate result of Defendants' conduct, Plaintiff sustained serious
19 injuries that were directly caused by the defective, unsafe, and unreasonably dangerous Cartiva
20 implant that could not safely be used for the purpose for which it was marketed, advertised,
21 promoted and intended.

22 168. As the direct and proximate result of Defendants' wrongful conduct, Plaintiff suffered
23 and continue to suffer economic losses, emotional distress, permanent disfigurement, physical pain,
24 mental anguish, diminished enjoyment of life and future medical expenses.

**COUNT VI
BREACH OF IMPLIED WARRANTY**

1
2 169. Plaintiff repeats and incorporates by reference all prior paragraphs as though fully set
3 forth herein.

4 170. At all times herein mentioned, Defendants manufactured, compounded, portrayed,
5 distributed, recommended, merchandized, advertised, promoted and sold its Cartiva implant and
6 instruments.

7 171. At the time Defendants marketed, sold, and distributed its Cartiva implant and
8 instruments intended to be used on Tammie Thompson, Defendants knew of the use for which its
9 Cartiva devices were intended and impliedly warranted the product to be of merchantable quality
10 and safe and fit for such use.

11 172. Defendants impliedly represented and warranted to the users of its Cartiva devices
12 and/or their physicians, and/or healthcare providers, and/or the FDA that its Cartiva devices were
13 safe and of merchantable quality and fit for the ordinary purpose for which said products were to
14 be used.

15 173. That aforementioned representations and warranties aforementioned were false,
16 misleading, and inaccurate because Defendants Cartiva devices were unsafe, unreasonably
17 dangerous, improper, not of merchantable quality, and defective.

18 174. Plaintiff and/or members of the medical community and/or healthcare professionals
19 did rely on said implied warranties of merchantability and fitness for a particular use and purpose.

20 175. Plaintiff and/or her physicians and/or healthcare professionals reasonably relied upon
21 the skill and judgment of Defendants as to whether its Cartiva devices were of merchantable quality
22 and safe and fit for it intended use.

23 176. Defendants' Cartiva devices were injected into the stream of commerce by Defendants
24 in a defective, unsafe, and inherently dangerous condition and the products and materials were

1 expected to and did reach users, handlers, and persons coming into contact with said products
2 without substantial change in the condition in which they were sold.

3 177. Defendants herein breached these aforesaid implied warranties, because its Cartiva
4 devices were neither merchantable nor fit for their intended purposes and uses.

5 178. By reason of the foregoing Plaintiff has experienced and continues to experience,
6 serious and dangerous side effects including but not limited to, mobility problems and disability, as
7 well as other severe and personal injuries which are permanent and lasting in nature, physical pain
8 and mental anguish, including diminished enjoyment of life, as well as the need for lifelong medical
9 treatment, monitoring and/or medications.

10 179. As a result of the foregoing acts and omissions Plaintiff requires and/or will require
11 more health care and services and did incur medical, health, incidental and related expenses.
12 Plaintiff is informed and believes and further alleges that Plaintiff will in the future be required to
13 obtain further medical and/or hospital care, attention, and services.

14 **COUNT VII**
15 **STRICT LIABILITY- FAILURE TO WARN**

16 180. Plaintiff repeats and incorporates by reference all prior paragraphs as though fully
17 set forth herein.

18 181. Defendants are, and at all times mentioned herein, were engaged in the business of
19 designing, manufacturing, assembling, and selling a medical device product known as Cartiva
20 devices with the purpose of gaining profits from the distribution thereof.

21 182. Defendants directly or through its agents, apparent agents, servants, or employees
22 designed, manufactured, tested, marketed, and commercially distributed the Cartiva SCI system
23 that was used on Plaintiff, Tammie Thompson.
24

1 183. Defendants knew that its Cartiva SCI devices were unreasonably dangerous, unsafe,
2 and/or defective and could cause harm to those who used it, including Plaintiff, Tammie Thompson.

3 184. Defendants knew that implant migration into the bone was not preventable and is
4 unavoidable if undergoing the Cartiva SCI surgical procedure.

5 185. Defendants had superior knowledge about implant migration because it was in
6 possession and had access to facts and information about the condition that was not available to
7 anyone else. As the manufacturer of the device, Defendants were a centralized hub of information
8 about the device's adverse effects, including migration. Defendants had received thousands of
9 reports of users developing implant migration, had access to those person's medical records and
10 information regarding diagnosis, treatment, and occurrence rate, but Defendants failed to disclose
11 this information to the medical community and prospective patients.

12 186. Defendants had a duty to provide adequate warnings about implant shrinkage and
13 migration, a dangerous adverse effect of its Cartiva SCI device and instruments to Plaintiff's
14 medical provider.

15 187. Defendants failed to provide adequate warnings to Plaintiff's medical provider
16 because the language used by Defendants to describe risks in its training materials is:

- 17 a. Inaccurate in content and ambiguous in its manner of expression;
- 18 b. Did not adequately inform the medical providers about a condition which is:
- 19 1) unfamiliar to the medical community, 2) is only associated with the Cartiva
20 device, and 3) about which Defendants had superior knowledge;
- 21 c. Creatively used insufficient and vague language that did not provide enough
22 specificity about the risk of implant migration, which was necessary for the
23 medical providers using the Cartiva SCI device on their patients to know about
24 the risks prior to inserting the device into their patient's bodies;

- 1 d. Misrepresented facts about the adverse effects and incidents;
- 2 e. Did not use concrete terms like “shrinkage” and “implant migration” to
- 3 describe the risks;
- 4 f. Did not warn that it is likely that multiple surgeries may be necessary to
- 5 remove and/or correct a failed Cartiva SCI; and
- 6 g. Did not disclose that Cartiva implant failure can cause permanent nerve
- 7 damage, excruciating pain and deformity;

8 188. Defendants are strictly liable for Plaintiff’s damages because its product was

9 defective due to Defendants failure to adequately warn Cartiva SCI medical providers about the

10 danger of the Cartiva SCI device and its specialized instruments.

11 189. As the direct and proximate result of Defendants’ wrongful conduct, Plaintiff suffered

12 and continue to suffer economic losses, emotional distress, permanent disfigurement, physical pain,

13 mental anguish, diminished enjoyment of life and future medical expenses.

14 **COUNT XIII**

15 **PUNITIVE/EXEMPLARY DAMAGES**

16 190. Plaintiff repeats and incorporates by reference all prior paragraphs as though fully

17 set forth herein.

18 191. Defendants’ actively and knowingly deceived Cartiva SCI medical providers and/or

19 convinced providers to participate in Defendant’s scheme to profit off the Defective Device.

20 192. Plaintiff was not informed of the seriousness, permanency, and frequency of implant

21 shrinkage and migration because Defendants actively concealed material information regarding the

22 serious adverse effect of the Cartiva implant, and created a system in which consumers did not

23 have fair access to important information about Cartiva, and Defendants were so reckless or wanting

24

1 in care such that it constitutes a conscious disregard or indifference to the life, safety, or rights of
2 persons exposed to Defendants conduct.

3 193. Defendants, as a corporation, actively and knowingly disseminated
4 misrepresentations and concealed material information related to implant shrinkage and migration
5 caused by its Cartiva SCI implant system and instruments.

6 194. Defendants and their agent's malicious and fraudulent conduct must be punished to
7 deter future harm to others. Therefore, exemplary damages are appropriate under that the
8 circumstances.

9 **PRAYER FOR RELIEF**

10 Plaintiff Tammie Thompson prays so far as the law and this Court allows for a judgment
11 against each Defendant on each Count as follows:

- 12 a. All available compensatory damages for the described losses with respect
13 to each Count;
- 14 b. Past and future medical expenses, as well as the cost associated with past
15 and future life care;
- 16 c. Past and future lost wages and loss of earning capacity;
- 17 d. Past and future emotional distress;
- 18 e. Consequential damages;
- 19 f. All available noneconomic damages, including without limitation pain,
20 suffering, and loss of enjoyment of life;
- 21 g. All wrongful death damages permitted by law, where applicable;
- 22 h. Disgorgement of profits obtained through unjust enrichment;
- 23 i. Restitution;
- 24

