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7		Exempt from filing fees per Gov't Code § 6103
8	SUPERIOR COURT OF TH	HE STATE OF CALIFORNIA
9	COUNTY O	F SAN DIEGO
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11	THE PEOPLE OF THE STATE OF) CALIFORNIA,)	Case No.
12	Plaintiff,	COMPLAINT FOR DAMAGES AND INJUNCTIVE RELIEF
13	v. ,	INCINCITY E REDIEI
14	COAST RUNNER INDUSTRIES,	
15	INC., GHOST GUNNER, INC., and) DEFENSE DISTRIBUTED,)	
16	Defendants.	
17	Defendants.	
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Plaintiff the People of the State of California, by and through the Office of County Counsel for the County of San Diego, bring this action against Defendants Coast Runner Industries, Inc. ("Coast Runner"), Ghost Gunner Inc. ("Ghost Gunner"), and Defense Distributed, alleging the following:

I. **INTRODUCTION**

- For several years, Defense Distributed has sold and marketed products and software designed to allow its users to evade state and federal firearms laws and to create ghost guns: untraceable, unserialized firearms that are uniquely popular among criminals.
- 2. One of Defense Distributed's products is a computer numerical control ("CNC") milling machine called the "Ghost Gunner." As the name suggests, the Ghost Gunner is specifically designed to enable users to build ghost guns. According to Defense Distributed's website, the Ghost Gunner is a "third-generation, programmable desktop CNC with a gunsmithing design emphasis and related software" that supports "a growing library of firearms patterns, including the AR-15, AR-308, 1911, and Polymer80 frames." On its website, Ghost Gunner, Inc. describes the purpose of the Ghost Gunner in simple terms: "The Ghost Gunner 3 aims to allow individuals to manufacture their own un-serialized firearms. Un-serialized firearms are untraceable. Hence, the 'ghost gun' name."2
- 3. California regulates the sale of CNC milling machines that, like the Ghost Gunner, are designed and marketed for making firearms. For example, Assembly Bill 1621 (2021-2022 Reg. Sess.) ("AB 1621") generally makes it unlawful to sell or market a CNC milling machine that "has the sole or primary function of manufacturing firearms." Stats. 2022, ch. 76, § 25 (enacted as Cal. Pen. Code § 29185(b)). Likewise, Assembly Bill 1089 (2023-2024 Reg. Sess.) ("AB 1089") generally makes it unlawful to sell or market a CNC milling machine in a manner that "is targeted at purchasers seeking to manufacture firearms or that otherwise affirmatively promotes"

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About, DEF. DISTRIBUTED, https://defdist.org/ [https://perma.cc/Y8LT-6PDU] (last visited April 28, 2024).

Ghost Gunner for Dummies, DEF. DISTRIBUTED, https://ghostgunner.zendesk.com/hc/enus/articles/360024369772-Ghost-Gunner-for-Dummies [https://perma.cc/CNN7-RGAB] (last visited April 28, 2024).

Code § 3273.62(a)-(b)).
4. Defense Distributed is well aware of California's laws on CNC milling machines
When AB 1621 was enacted, Defense Distributed filed a lawsuit in federal court seeking to enjoir
enforcement of the new law. In its complaint, Defense Distributed recognized that AB 1621 would
"effectively prohibit Defense Distributed from selling the Ghost Gunner" in California.
Defense Distributed lost the challenge, as the court wholly rejected Defense Distributed's claim
that the company had a Second Amendment right to market the Ghost Gunner to California
consumers. ⁴
5. However, shortly after Defense Distributed lost its lawsuit, a purportedly "new"
CNC milling machine appeared on the market: the "Coast Runner." ⁵
6. The "Coast Runner" and the "Ghost Gunner" share more than just similar rhyming
names. The "Coast Runner" is in fact the Ghost Gunner with a new coat of paint. It has the same
internal designs, the same features, and is being marketed for the same purpose: the illegal
production of untraceable ghost guns. Moreover, it is being sold and marketed by the same
company, as public records show that Coast Runner Industries, Inc. is merely an alter ego of Ghos
Gunner Inc. and Defense Distributed.
First Amended Complaint for Declaratory and Injunctive Relief at 2, <i>Def. Distributed</i> v.
Bonta, No. CV 22-6200-GW-AGR (C.D. Cal. Sept. 21, 2022) ("Defense Distributed Am. Compl.").
Def. Distributed v. Bonta, 2022 WL 15524977 (C.D. Cal. Oct. 21, 2022), adopted, 2022 WL 15524983 (C.D. Cal. Oct. 24, 2022).
The earliest version of the Coast Runner webpage available on public web archives is from February 7, 2023. Corporate records reflect that "Coast Runner Industries, Inc." was incorporated on or about February 3, 2023.

the machine's "utility in manufacturing firearms." Stats. 2023, ch. 243, § 2 (enacted as Cal. Civ.

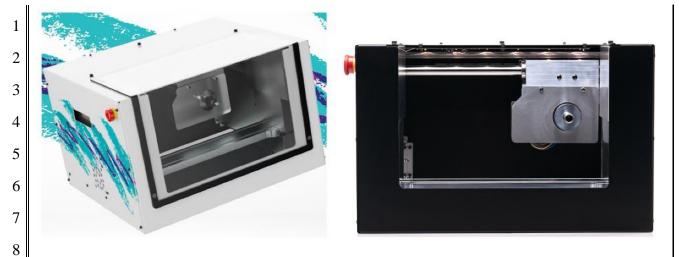


FIGURE 1: Left, Image of Coast Runner from Coast Runner Kickstarter; Right, Image of Ghost Gunner from Ghost Gunner Website.

- 7. In early 2024, Defendants began an aggressive marketing campaign for the Coast Runner. The device had its own booth at "the largest and most comprehensive trade show" for the firearms industry, known as the Shooting, Hunting, and Outdoor Trade or SHOT Show, held in Las Vegas, Nevada. The organizers of SHOT Show 2024 promoted the Coast Runner as "one of the hottest new products" in the firearms industry.⁶
- 8. Unregulated, unserialized firearms have had tragic consequences in California and continue to pose a grave and urgent danger to the People of California. According to a 2023 report from the California Office of Gun Violence Prevention, the number of ghost guns recovered in connection with crimes in California per annum has increased exponentially over the past decade, from 26 total ghost guns recovered in 2015 to 12,894 ghost guns recovered in 2022.⁷

SHOT Show, New Product Center - Top Scanned Products | SHOT Show 2024,

YOUTUBE (Jan. 25, 2024), https://www.youtube.com/watch?v=YNPHbIG8ou4.

OFFICE OF GUN VIOLENCE PREVENTION, CAL. DEP'T OF JUSTICE, DATA REPORT: THE IMPACT OF GUN VIOLENCE IN CALIFORNIA 23 (2023), https://oag.ca.gov/system/files/media/OGVP-Data-Report-2022.pdf [https://perma.cc/2UYL-Q4ZS].

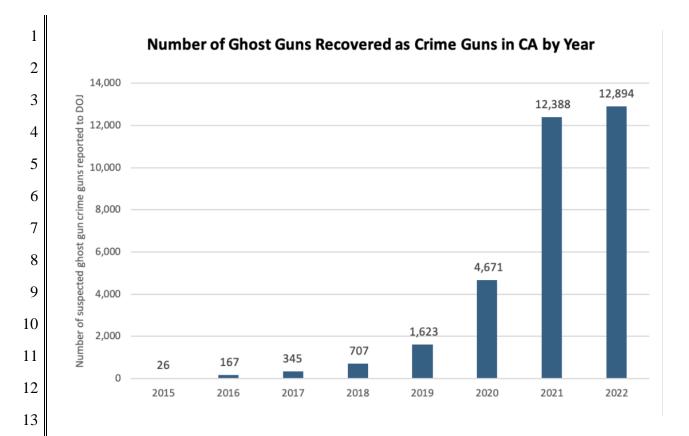


FIGURE 2: Chart from the 2023 Office of Gun Violence Prevention Report reflecting the annual number of ghost guns recovered as crime guns in California.

9. Defendants flout California law with too-cute-by-half sales and marketing tactics. The Coast Runner is not a joke—it is an illegal device designed, marketed, and sold to enable its users to make firearms and to violate California's gun violence prevention laws. Plaintiff brings this suit to put an end to Defendants' flagrant violations of California law and to seek remedy for the harm Defendants have caused and are continuing to cause in California.

II. PARTIES

- 10. Plaintiff is the People of the State of California by and through the Office of County Counsel for the County of San Diego. Under California Civil Code § 3273.62(d), "the Attorney General, county counsel, or city attorney may bring an action" in "the name of the people of the State of California" against "a person [who] has violated this section."
- 11. Defendant Ghost Gunner, Inc. is a Texas corporation with its principal place of business in Austin, Texas. Ghost Gunner's registered agent is Defense Distributed. The director of Ghost Gunner, Inc. is Cody Rutledge Wilson.

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- 12. Defendant Coast Runner Industries, Inc. is a Texas corporation founded on February 3, 2023, with its principal place of business in Austin, Texas. According to its certificate of formation, Coast Runner Industries, Inc. was organized by "CR Wilson."
- 13. Defendant Defense Distributed is a corporation organized under the laws of the State of Texas. Cody Rutledge Wilson is the co-founder of Defense Distributed. Defense Distributed designed, marketed, and continues to market the Ghost Gunner.

III. **JURISDICTION AND VENUE**

- 14. This Court has jurisdiction over this action pursuant to Cal. Const. art. VI, § 10 and Cal. Code Civ. Proc. § 410.10.
- 15. This Court has personal jurisdiction over Defendant Ghost Gunner, Inc. because Ghost Gunner, Inc. has engaged directly and through its agents in systematic and ongoing business transactions in the State of California, including but not limited to the design, testing, import, marketing, supply, warranty, distribution, misrepresentation, and sales of the illegal products that form the basis of the suit in California. Defendant Ghost Gunner, Inc. intended to, and did, target distributors, retailers, and consumers in the State of California for sales of its Ghost Gunner and Coast Runner products and has otherwise availed itself of the benefits of the laws of California.
- 16. This Court has personal jurisdiction over Defendant Coast Runner Industries, Inc. because Coast Runner Industries, Inc. has engaged directly and through its agents in systematic and ongoing business transactions in the State of California, including but not limited to the design, testing, import, marketing, supply, warranty, distribution, misrepresentation, and sales of the illegal products that form the basis of the suit in California. Defendant Coast Runner Industries, Inc. intended to, and did, target consumers in the State of California for sales of its Coast Runner products and has otherwise availed itself of the benefits of the laws of California.
- 17. This Court has personal jurisdiction over Defendant Defense Distributed because Defense Distributed has engaged directly and through its agents in systematic and ongoing business transactions in the State of California, including but not limited to the design, testing, import, marketing, supply, warranty, distribution, misrepresentation, and sales of the illegal products that form the basis of the suit in California. Defendant Defense Distributed intended to,

and did, target consumers in the State of California for sales of its Ghost Gunner and Coast Runner products and has otherwise availed itself of the benefits of the laws of California.

Venue is proper in this Court under California Code of Civil Procedure § 395.5 because Defendants' obligation or liability arises from the County of San Diego. Defendants have specifically targeted their illegal Coast Runner product to the San Diego market, for instance, by including an arbitration provision in the Coast Runner's Terms & Conditions specifying that any arbitration "will take place in San Diego, California."

Defense Distributed, Ghost Gunner, Inc., and Cody Wilson

- Defense Distributed and Ghost Gunner, Inc. were founded by Cody Wilson, a selfdescribed "crypto-anarchist" who is credited with creating the first 3-D printed firearm. In 2012, Wilson was even featured on a list of "The 15 Most Dangerous People in the World," alongside notorious figures such as President Bashar al-Assad of Syria and Joaquín "El Chapo" Guzman.⁸ Wilson is also the founder of "Hatreon," a crowdfunding website frequently used by neo-Nazi
- Wilson has spoken directly about the purpose and intent of the Ghost Gunner. In one interview, he claimed that the Ghost Gunner is the sole product that allows individuals "to take raw materials . . . in their primordial state . . . and turn them into guns." As he explained, "[t]here's a world of things that are not gun parts. We will give you the technology to turn these
- Wilson has consistently demonstrated an indifferent attitude towards the tragic human toll of gun violence. In fact, in the month following the 2018 shooting at Marjory Stoneman Douglas High School in Parkland, Florida—in which a 19-year-old shooter killed 17 people and

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Neil Redmond, The 15 Most Dangerous People in the World, WIRED (Dec. 19, 2012), https://www.wired.com/2012/12/most-dangerous-people/[https://perma.cc/KR83-UPVK].

Dave Montgomery and Ian Urbina, A Push for 3-D Weapons by One of the World's 'Most Dangerous People', N.Y. TIMES (Aug. 1, 2018), https://www.nytimes.com/2018/08/01/us/3dguns-printing.html [https://perma.cc/EYS9-JWHG].

Zach Weissmueller, Cody Wilson Thwarts Another Attempt to Stop Ghost Guns, REASON (Jan. 12, 2022), https://reason.com/video/2022/01/12/cody-wilson-thwarts-another-attempt-tostop-ghost-guns/ [https://perma.cc/K6XJ-XC8F].

- Wilson and Defense Distributed also made a video directed "To California" that 23. mocked California's legislative efforts to curb the manufacture and sale of certain gun parts.¹⁴
- 24. Wilson's attack on California regulations culminated in August 2022, when Defense Distributed filed a federal lawsuit challenging AB 1621, claiming the law violated Defense Distributed's purported Second Amendment right to sell its Ghost Gunner product.
- 25. In its lawsuit, Defense Distributed explained that Defense Distributed "sells products and software that allow consumers to self-manufacture some of the most popular firearms in the United States." Defense Distributed described its Ghost Gunner product as a CNC milling machine "that gives purchasers the ability to complete unfinished frames and receivers for various types of firearms, including the AR-15, AR-308, M1911, and AK-47."¹⁶ According to Defense Distributed, "[b]ecause the materials provided by Defense Distributed often do not have serial numbers and are not licensed with the federal government, they may be used to make what are

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Îd. (emphasis added).

See Cody Rutledge Wilson, SOUTHERN POVERTY LAW CENTER,

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https://www.splcenter.org/fighting-hate/extremist-files/individual/cody-rutledge-wilson [https://perma.cc/4JBR-ZSYM]. 27

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Defense Distributed Am. Compl. at 1.

¹⁶ *Id.* at 1-2.

²⁷

Coast Runner CR-1: Titanium-Capable Desktop CNC, KICKSTARTER,

https://www.kickstarter.com/projects/coastrunnercnc/the-coast-runner-desktop-cnc-mill [https://perma.cc/TN3H-PBVN].

1	Defense Distributed and stated that he and Cody Wilson are operating "six or seven" businesses
2	simultaneously. ²¹ In the same interview, Walliman made clear the purpose and goal of his
3	companies: "Just trying to make guns, man, that's all I want to do."22
4	31. In addition, the certificate of formation for Coast Runner Industries, Inc. identifies
5	"CR Wilson" as the organizer of Coast Runner Industries, Inc., and the address listed on the
6	certificate of formation for the company is 1101 W 34th Street, #340, Austin, TX 78705. Texas
7	corporate filings for Defense Distributed list this address as the address for Cody Wilson in his
8	role as principal of Defense Distributed. Therefore, upon information and belief, Cody Wilson is
9	the "CR Wilson" listed on Coast Runner Industries, Inc.'s certificate of formation. ²³
10	32. Finally, social media posts from the two companies show that at least three of the
11	same individuals who previously promoted the Ghost Gunner are now promoting and selling the
12	Coast Runner, including Coast Runner Industries, Inc. CEO Garret Walliman. When Ghost
13	Gunner attended the NRA's Annual Meeting in 2022, it posted the below picture of its team on
14	Instagram, with the caption: "The best part of being at a trade show; educating gun owners that
15	technology + innovation is the key to pivoting around infringement."
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27	Interview with Garret Walliman, JOHN CRUMP LIVE, (Apr. 11, 2024),
28	https://twitter.com/i/broadcasts/1MnGnMgegAkKO. 22



FIGURE 3: Walliman, second from right.

33. And on Coast Runner's now-shuttered Kickstarter page, Coast Runner included the below picture of its team, which again features Garret Walliman:



FIGURE 4: Walliman, second from left.

34. From its inception, the Coast Runner was designed and marketed for the California market. In 2023, Ghost Gunner and Defense Distributed marketed the Coast Runner as the

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s-cnc-deposit/ [https://perma.cc/5KU8-Q4ND]. Terms and Conditions, COAST RUNNER, [https://perma.cc/5BKE-X328].

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Id.

³⁰ Id.

YOUTUBE (Jan. 25, 2024), https://www.youtube.com/watch?v=YNPHbIG8ou4.

1	41. Coast Runner's Website Terms of Use indicates that Defendants understand they
2	are selling a firearm-related product. The "Prohibited Uses" section of the Website Terms of Use
3	states that, by using Coast Runner's website:
4	You further represent and warranty that each of the following are true and correct under penalty of perjury pursuant to 28 U.S.C. § 1746:
5	under penalty of perjury pursuant to 28 C.S.C. § 1740.
6	 You are a citizen or lawful permanent resident of the United States of America, or of any other country in which the operation of this site is lawful You have not renounced your U.S. citizenship
7	 You are not an illegal or unlawful alien, and are not a nonimmigrant alien
8	Your possession and/or use of the products available through this site does not violate any local, state, or federal law of the jurisdiction in which you reside
9	 You are not currently under indictment for, and have never been convicted in any court of, a crime punishable by imprisonment for one year or more You are not a fugitive from justice
10	 You are not an unlawful user of, or addicted to, any controlled substance
11	You have not been adjudicated as a mental defective and have not been committed to any mental institution
12	 You have never been and are not expected to be discharged from the Armed Forces under dishonorable conditions
13	 You are not currently subject to a domestic violence restraining order of any kind You have never been convicted in any court of a crime of domestic violence³⁴
14	These conditions match the list of persons prohibited from possessing firearms under the federal
15	Gun Control Act, as set forth in 18 U.S.C. § 922(g).
16	42. By examining the internal designs of the devices, it becomes even clearer that the
17	Coast Runner is identical to the Ghost Gunner 3. Both the Ghost Gunner and the Coast Runner
18	come with user manuals that provide diagrams and technical information on the products.
19	43. Shown in Figure 5 below is the Physical Overview diagram of the Ghost Gunner 3
20	contained in the Ghost Gunner 3 Operator's Manual: ³⁵
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27	Website Terms of Use, COAST RUNNER, https://coastrunner.net/website-terms-of-use/[https://perma.cc/5BSU-HH5U].
28	DEFENSE DISTRIBUTED, GHOST GUNNER 3 OPERATOR'S MANUAL at 9, https://github.com/Defdist/Manuals/raw/main/GG3/LATEST_GG3-Operators-Manual.pdf [https://perma.cc/AJK9-74DE].

3 - Physical Overview Take a moment to identify Probe Gantry 2 the following features on Spindle your Ghost Gunner 3: Connector 3 **Emergency Stop** Spindle ER-11 collet system, accepts tools up to 8 mm 4 (~ 5/16") in diameter. 5 Gantry Moves the Spindle left & right and in & out to 6 perform milling operations. X Table 7 Moves up & down while performing milling operations. Two T-slot 8 profiles secure the work piece in place, using jigs. 9 **Probe Connector** When instructed, plug the probe cable into this 10 connector. A green LED is located 55 mm (~2") to the 11 right. The LED turns on when the probe is either tripped or disconnected. 12 **Emergency Stop Switch** (E-stop) 13 Immediately halts all T-Slot (X Table) motion when engaged. Engage the E-stop if you 14 sense danger. GG doesn't have a brain... but you do. 15 **FIGURE 5:** Physical Overview diagram of the Ghost Gunner 3. 16 17 44. Figure 6 is the Physical Overview diagram of the Coast Runner contained in the Coast Runner Operator's Manual at the time Coast Runner launched its Kickstarter:³⁶ 18 19

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COAST RUNNER INDUSTRIES, INC., COAST RUNNER OPERATOR'S MANUAL at 7, https://coastrunner.net/wp-content/uploads/2023/07/Coast-Runner-Operators-Manual.pdf [https://perma.cc/R286-MJ5T].

3 - Physical Overview

Take a moment to identify the following features on your Coast Runner:

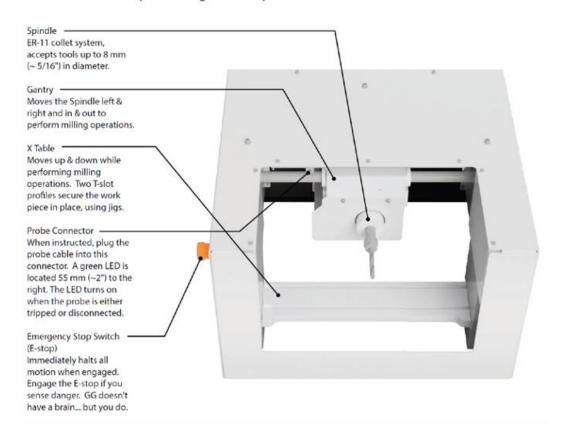


FIGURE 6: Physical Overview diagram of the Coast Runner.

- 45. Both diagrams highlight the same five key components and use identical language to describe these key components. Both share the same identical key parts, with identical descriptions for each component.
- 46. In perhaps the most revealing oversight, one description in the Coast Runner's Physical Overview diagram refers to the Coast Runner *as the Ghost Gunner*, using the initials "GG." When describing the Emergency Stop Switch, the Coast Runner manual states: "Emergency Stop Switch (E-stop) Immediately halts all motion when engaged. Engage the E-stop if you sense danger. *GG doesn't have a brain... but you do.*" (emphasis added). It appears that in preparing the Coast Runner Operator's Manual, Defendants simply used a global find-and-replace function to replace "Ghost Gunner" with "Coast Runner" but failed to catch this use of the initials "GG" for "Ghost Gunner."³⁷

Coast Runner has since uploaded a new version of its Operator's Manual that corrects this revealing oversight. However, the original Operator's Manual remains available on its

47. In each of the Operator's Manuals, Appendix N provides the specifications for each of the devices. The Coast Runner and the Ghost Gunner 3 share identical specifications, including identical weight, total cutting volume, total working volume, max acceleration, operating temperature, storage temperature, spindle cutting power, and spindle rotations-per-minute (RPM).

48. Users across social media, including members of online firearms communities, have seen through the Coast Runner's facade and recognized from the outset that the Coast Runner is identical to the Ghost Gunner. For example, in an October 2023 post on Reddit, in the r/GhostGunner subreddit, a user posted the following question: "Coast Runner? Hey guys, Been eyeing the GG for some time and just found out about the Coast Runner (Cali resident). Can't seem to find much info on it though Does anyone have have [sic] insight into this?"38 The first reply responded, "[i]t's exactly the same accept [sic] the cover coating," to which another user facetiously responded, "I have no idea what you are talking about, definitely not for guns, it's for surf board fins bro." In a follow-up post, another user explained that "[i]t's the exact same as the ghost gunner 3", while another user wrote, "I'll give you a hint, look up on google why the ghost gunner isn't allowed to be sold in California and tell me what you see different between this product and the GG3."³⁹

49. Even after its 2024 relaunch, users have continued to recognize that the Coast Runner is the same as the Ghost Gunner. In a January 2024 TikTok video from FreeThink Media highlighting the Coast Runner, one user commented "it's literally just a ghost gunner," to which another user replied, "Coast Runner sounds an awful lot like Ghost Gunner doesn't it." On a January 2024 post from Coast Runner on its TikTok page, a user commented, "[1]ooks like a Ghost

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website at https://coastrunner.net/wp-content/uploads/2023/07/Coast-Runner-Operators-Manual.pdf [https://perma.cc/R286-MJ5T].

²⁶ REDDIT, "Coast runner?", https://www.reddit.com/r/GhostGunner/comments/16mi4lh/ coast_runner/ [https://perma.cc/7X79-3LJ3].

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Freethink (@freethinkmedia), TIKTOK (Jan. 11, 2024). https://www.tiktok.com/@freethinkmedia/video/7322975778986085674 [https://perma.cc/LZS4-X8QM].

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1	gunner imo," to which a different user replied, "[n]otice that it rhymes," while another replied
2	"[i]t's made by the same company the name is changed to get around the state ban."41
3	50. Most recently, in a April 2024 post on Reddit, a user posted the following
4	question: "Coast runner CR-1 Has anyone looked into the Coast runner?" The first reply
5	responded, "The base model is just a rebranded GhostGunner, made by the same people even,
6	and intended to sell in non-permissive areas." ⁴³ Another user added, "It is illegal to sell a CNC
7	machine in California if it is [sic] purpose build to make guns. This is the Ghost Gunner but
8	marketed towards not guns so it can be sold in California. It even says on the GG website that if
9	you try to buy the GG from California you will automatically be switched to purchasing a Coast
10	Runner." ⁴⁴
11	51. As shown in Figure 7 below, in a post on the r/Gunmemes subreddit, users mocked
12	the obvious rebranding of the Ghost Gunner to the Coast Runner with the heading: "Hey, can I
13	copy your homework? Sure just change it up a bit so it's not obvious you've copied.":45
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24	Coast Runner (@coast.runnercnc), TIKTOK (Jan. 4, 2024),
25	https://www.tiktok.com/@coast.runnercnc/video/7320374200538058027 [https://perma.cc/GA8X-Y7CY].
26	REDDIT, https://www.reddit.com/r/fosscad/comments/1c8tvsq/coast_runner _cr1/?share_id=vcNqKb-WkL9IjdveMiNCl&utm_content=1&utm_medium=ios_app&utm_nam
27	e=ioscss&utm_source=share&utm_term=1 [https://perma.cc/8C8D-7NTZ]. Id.
28	44 <i>Id.</i> 45 REDDIT, https://www.reddit.com/r/GunMemes/comments/1b34nuf/
	hey_can_i_copy_your_homework_sure_just_change_it/ [https://perma.cc/P5AW-9SR9].

...

Hey, can I copy your homework? Sure just change it up a bit so it's not obvious you've copied.



FIGURE 7: Post on the r/Gunmemes subreddit.

- 52. Defendants are currently selling the Coast Runner using a "deposit model" in which customers pay 10% of the full price of the machine "to secure their spot in line." Coast Runner's website states that the "official ship date" for the Coast Runner machines is September 2024. However, the website also states that Defendants are planning to ship certain "early access" machines imminently, and may have even begun shipping these early access machines in April 2024.⁴⁷
- 53. To fund the production of the Coast Runner, Defendants first turned to the crowdfunding website Kickstarter, where they offered a variety of limited-time promotions allowing users to place orders for the Coast Runner machines at a discounted price.⁴⁸ This initial campaign raised a total of \$542,123.⁴⁹ But after just a few days on the website, in early March

COAST RUNNER INDUSTRIES, INC., Coast Runner Direct Funding and Early Access (March 6, 2024), https://coastrunner.net/coast-runner-direct-funding-and-early-access/[https://perma.cc/5CL3-43GT].

Id.

KICKSTARTER, Coast Runner CR-1: Titanium-Capable Desktop CNC (Suspended), https://www.kickstarter.com/projects/coastrunnercnc/the-coast-runner-desktop-cnc-mill/rewards [https://perma.cc/TN3H-PBVN].

1	2024, Kickstarter suspended the Coast Runner campaign. A statement from Kickstarter to the
2	media explained the decision, noting that Kickstarter found "a number of rule violations" for the
3	Coast Runner project, including that it "replicates a CNC machine used in connection with heavily
4	regulated and banned items" and that the Coast Runner's creators did not "present [the] project[]
5	clearly and honestly."50
6	54. Defendants then relaunched the Coast Runner on another crowdfunding website,
7	IndieGoGo. ⁵¹ That campaign has now also been suspended. ⁵²
8	a. Ghost Guns: Regulation and Harm
9	55. Ghost guns such as the ones that can be manufactured using the Coast Runner are
10	fueling an epidemic of gun violence across the country.
11	56. Nationwide, the number of ghost guns recovered at crime scenes has increased
12	more than elevenfold in just five years, from 1,758 in 2016 to 19,344 in 2021. ⁵³ And in California,
13	while 26 ghost guns were recovered in connection with criminal activity in 2015, by 2022 that
14	number had risen to 12,894. According to local and federal law enforcement officials in Los
15	Angeles, Oakland, San Diego, and San Francisco, in 2020 and 2021, ghost guns accounted for 25
16	to 50 percent of firearms recovered at crime scenes. ⁵⁴
17	57. These numbers likely significantly underestimate the actual number of ghost guns
18	recovered from crime scenes because many law enforcement agencies do or did not accurately
19	record or trace their recoveries. ⁵⁵ And they grossly undercount the number of ghost guns that are
20	
21	Matthew Mensley, Coast Runner Kickstarter Campaign Terminated, Relaunches on
22	<i>IndieGoGo</i> , All3DP (Mar. 1, 2024), https://all3dp.com/4/coast-runner-kickstarter-campaign-terminated-relaunches-on-indiegogo/ [https://perma.cc/HFU4-UD8R] (emphasis added).
23	IndieGoGo, Coast Runner CR-1: Titanium-Capable Desktop CNC,
24	https://www.indiegogo.com/projects/coast-runner-cr-1-titanium-capable-desktop-cnc#/ [https://perma.cc/JLP6-WFUJ].
25	Definition of "Frame or Receiver" and Identification of Firearms, 87 Fed. Reg. 24652, (Aug. 26, 2022), https://www.federalregister.gov/documents/2022/04/26/2022-08026/definition-
26	of-frame-or-receiver-andidentification-of-firearms [https://perma.cc/DAP7-B446]. Glenn Trush, 'Ghost Guns': Firearm Kits Bought Online Fuel Epidemic of Violence,
27	N.Y. TIMES (Nov. 14, 2021), https://www.nytimes.com/2021/11/14/us/ghost-guns-homemade-firearms.html [https://perma.cc/4NQR-H54U].
28	Definition of "Frame or Receiver" and Identification of Firearms, 87 Fed. Reg. 24652, (Aug. 26, 2022), https://www.federalregister.gov/documents/2022/04/26/2022-08026/definition-of-frame-or-receiver-andidentification-of-firearms [https://perma.cc/9YDL-SK8R].

- 60. Recognizing the threat posed by ghost guns, in October 2021, the City of San Diego passed an ordinance prohibiting the possession and sale of ghost guns.⁶² In January 2022, the County of San Diego followed suit and passed a similar ordinance prohibiting the possession and sale of ghost guns within the county.⁶³
- 61. On June 30, 2022, Governor Newsom signed AB 1621, a bill that aimed to curb the proliferation of ghost guns by revising state regulations regarding firearm "precursor parts," or components that may be readily assembled to be used as a functional ghost gun. AB 1621 established several provisions of law prohibiting any entity except for a federally licensed firearms manufacturer or importer from selling, offering to sell, transferring, advertising, or marketing CNC milling machines that have the "sole or primary function of manufacturing firearms." Cal. Penal Code § 29185(a)-(c). According to its author, Assemblymember Mike Gipson, "AB 1621 seeks to eradicate ghost guns from our streets, and this effort is nothing short of a lifesaving, common sense approach toward providing justice for families who have continued to bear the burden of losing a loved one through incidents that could have otherwise been prevented . . . this is wholeheartedly about saving lives, and nothing less."
- 62. A few months later, on September 26, 2022, Governor Newsom signed AB 1089, which builds on the provisions of AB 1621 by creating two civil causes of action relating to CNC milling machines. The first, added to the California Civil Code as section 3273.60, is directed against a person who either knowingly distributes or causes to be distributed a digital firearm manufacturing code. Cal. Civ. Code § 3273.61(a)(1). The second cause of action, added to the California Civil Code as section 3273.62, is directed against a person who sells, offers to sell, transfers, advertises, or markets a CNC milling machine that knowingly or recklessly causes another person to engage in conduct that is illegal under Penal Code 29185. Cal. Civ. Code § 3273.62(a). Such conduct includes the use, sale, offer to sell, or transfer of a CNC milling

⁶² City of San Diego's 'Ghost Gun' Ban Now in Effect, NBC 7 SAN DIEGO (Oct. 23, 2021), https://www.nbcsandiego.com/news/local/city-of-san-diegos-ghost-gun-ban-now-in-effect/2760770/ [https://perma.cc/V4WB-2VXP].

San Diego County Officially Bans 'Ghost Guns', NBC 7 SAN DIEGO (Jan. 25, 2022), https://www.nbcsandiego.com/news/local/san-diego-county-officially-bans-ghost-guns/2848675/[https://perma.cc/JQ7W-YDW3].

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1	machine, or the possession, purchase, or receiving of such a machine whose sole or primary
2	function is to manufacture firearms by a person who is not a state-licensed firearms manufacturer
3	Cal. Penal Code § 29185. A claim under either of the two causes of action may be brought in a
4	court of competent jurisdiction by the Attorney General, a county counsel, or a city attorney, who
5	can seek injunctive relief to prevent further violations of the law as well as a civil penalty of up to
6	\$25,000 for each violation. <i>Id.</i> §§ 3273.61(c), 3273.62(c)-(d).
7	63. As Assemblymember Gipson emphasized, "Assembly Bill 1089 seeks to build or
8	California's recently enacted ghost gun reforms by closing additional gaps and creating a civil
9	cause of action to assist in accountability and enforcement against companies whose sale or
10	advertising practices unfairly and deceptively induce California buyers to illegally obtain and use
11	ghost gun manufacturing machines without a manufacturer's license."65
12	V. <u>CLAIMS FOR RELIEF</u>
13	FIRST CAUSE OF ACTION
14	Violation of California Civil Code § 3273.62
15	Against All Defendants
16	64. The People hereby incorporate by reference the allegations set forth in paragraphs 1
17	through 63, as if fully set forth herein.
18	65. Under California Civil Code § 3273.62(a), a "person shall not sell, offer to sell
19	transfer, advertise, or market a CNC milling machine or three-dimensional printer in a manner that
20	knowingly or recklessly causes another person in this state to engage in conduct prohibited by
21	Section 29185 of the Penal Code, or in a manner that otherwise knowingly or recklessly aids, abets
22	promotes, or facilitates conduct prohibited by that section." California Penal Code § 29185 makes
23	it unlawful for anyone, other than a state-licensed manufacturer, to "use a computer numerical
24	control (CNC) milling machine or three-dimensional printer to manufacture a firearm."
25	66. Under California Civil Code § 3273.62(b), there is a rebuttable presumption that a
26	person has violated these provisions if "(1) [t]he person offers to sell, advertises, or markets a CNC
27	milling machine or three-dimensional printer in a manner that, under the totality of the

California Bill Analysis, A.B. 1089 Assem., 9/1/2023.

circumstances, is targeted at purchasers seeking to manufacture firearms or that otherwise affirmatively promotes the machine or printer's utility in manufacturing firearms, regardless of whether the machine or printer is otherwise described or classified as having any other capabilities" and "(2) [t]he person sells or transfers the CNC milling machine or three-dimensional printer . . . without verifying that a purchaser or transferee in this state is a federally licensed firearms manufacturer or not otherwise prohibited from purchasing or using the machine or printer to manufacture firearms."

- 67. Defendants have violated and continue to violate California Civil Code § 3273.62(a) because they sell, offer to sell, transfer, advertise, or market the Coast Runner in California in a manner that knowingly and recklessly causes their customers to violate California Penal Code § 29185.
- 68. As described above, the Coast Runner is identical in everything but name to the Ghost Gunner, a CNC milling machine that is designed specifically to allow users to manufacture their own ghost guns. The Coast Runner and the Ghost Gunner share the exact same technical specifications, and the Coast Runner's Physical Overview diagram even refers to the Coast Runner as the Ghost Gunner, using the initials "GG."
- 69. Defendants market and sell the Coast Runner knowing full well that it can be—and in fact is intended to be—used to manufacture firearms. As described above, a website operated by Defendants even allows users to place a nonrefundable \$500 deposit to receive a Ghost Gunner 3 and explains that "California residents ordering a GG CNC machine consent to receiving a Coast Runner CNC machine in lieu of a GG." Defendants thus market and sell the Coast Runner knowing that users can and will manufacture firearms with the machine, in clear violation of California Penal Code § 29185.
- 70. Furthermore, Defendants have advertised, marketed, and offered to sell the Coast Runner in a manner that, under the totality of the circumstances, is targeted at purchasers seeking to manufacture firearms and that otherwise affirmatively promotes the Coast Runner's utility in manufacturing firearms.

1	71. As just one example, Defendants brazenly marketed the Coast Runner as "one or
2	the hottest new products" in the firearms industry at SHOT Show 2024, the largest annual
3	gathering in the firearms community. Thus, Defendants have clearly targeted purchasers seeking
4	to manufacture their own guns. Moreover, Defendants have promoted the Coast Runner's utility
5	in manufacturing firearms because Defendant's own description for the Coast Runner at SHOT
6	Show 2024 explicitly describes the product as "Revolutionizing Small-Scale Manufacturing and
7	Gunsmithing" and "empower[ing] small manufacturers and gunsmiths with advanced
8	capabilities."
9	72. Defendants also sell the Coast Runner without verifying that purchasers are
10	federally licensed firearms dealers or are not otherwise prohibited from purchasing or using the
11	Coast Runner to manufacture firearms.
12	73. Because Defendants' conduct meets the conditions set forth in California Civi
13	Code § 3273.62(b), Defendants should be presumed to have violated California Civil Code
4	§ 3273.62(a).
15	74. Each day that Defendants have advertised and marketed the Coast Runner
16	constitutes its own independent violation of California Civil Code § 3273.62(a). At a minimum
17	Defendants have violated § 3273.62(a) from January 25, 2024, up to and including the day of the
8	filing of this complaint, for a total of 98 violations.
9	SECOND CAUSE OF ACTION
20	Violation of Cal. Bus. & Prof. Code § 17200 et seq.
21	Against All Defendants
22	75. Plaintiff hereby incorporates by references the allegations set forth in paragraphs
23	through 74, as if fully set forth herein.
24	76. The foregoing acts and conduct of Defendants constitute deceptive business
25	practices that are both unlawful and unfair under California's Unfair Competition Law, Cal
26	Bus. & Prof. Code § 17200 ("UCL").
27	
90	

- 77. Business and Professions Code section 17206 imposes civil liability of not more than \$2,500 for each violation for any act of unfair competition, as defined in Business and Professions Code section 17200.
- 78. Defendants engaged in, and continue to engage in, unlawful business practices in violation of the UCL through their violations of AB 1089 and AB 1621. Under California law, an "unlawful" business practice includes anything that can properly be called a business practice and is forbidden by law.
- 79. *First*, as alleged above, Defendants have violated and continue to violate AB 1089 because they sell, offer to sell, transfer, advertise, or market the Coast Runner in California in a manner that is targeted at purchasers seeking to manufacture firearms.
- 80. *Second*, as alleged above, Defendants have violated and continue to violate AB 1621 because they routinely use, sell, offer to sell, and possess the Coast Runner in the course of their business transactions. As the marketing materials and physical specifications for the Coast Runner, along with Defendants' own statements about the Coast Runner, demonstrate, the Coast Runner is a CNC milling machine designed with "the sole or primary function of manufacturing firearms."
- 81. Defendants have also engaged in, and continue to engage in, unfair business practices in violation of the UCL by undermining the policy animating AB 1089 and AB 1621 in a manner that harms the public. The legislature enacted these statutes with the specific goal of clamping down on ghost gun manufacturing machines. As the legislature recognized, these machines pose a unique danger to the people of California because they contribute to the proliferation of untraceable ghost guns.
- 82. Defendants seek to evade AB 1089 and AB 1621 by selling their "Coast Runner" machine—identical in all but name to the "Ghost Gunner"—in California. Notably, Defendants only began marketing the Coast Runner after they lost their legal challenge to AB 1621 in California. Defendants' attempted end-run around the California legislature's clear intent to prohibit the sale of dangerous CNC milling machines in the state is an unfair business practice and should not be permitted here.

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