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UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION

YAGNESH MEHTA, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

NIKE, INC., JOHN J. DONAHOE II, and
MATTHEW FRIEND,

Defendants.

Case No. 3:24-cv-1150

**CLASS ACTION ALLEGATION
COMPLAINT FOR VIOLATIONS OF
THE FEDERAL SECURITIES LAWS**
(15 U.S.C. §§ 78j(b) and 78t(a) & 17 C.F.R.
§ 240.10b-5)

DEMAND FOR JURY TRIAL

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Plaintiff Yagnesh Mehta (“Plaintiff”), by and through Plaintiff’s counsel, alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and upon information and belief as to all other matters, including the investigation of Plaintiff’s counsel, which included, among other things, a review of Defendants’ (defined below) United States Securities and Exchange Commission (“SEC”) filings, wire and press releases published by NIKE, Inc. (“NIKE” or the “Company”), analyst reports and advisories about the Company, media reports concerning the Company, judicial filings and opinions, and other publicly available information. Plaintiff believes that substantial additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

I. NATURE OF THE ACTION AND OVERVIEW

1. This is a federal securities class action on behalf of a class of all persons and entities who purchased or otherwise acquired NIKE Class B common stock between March 19, 2021, and June 27, 2024, inclusive (the “Class Period”), seeking to pursue remedies under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”), and SEC Rule 10b-5, promulgated thereunder.

2. NIKE is an Oregon corporation with its principal executive offices in Beaverton, Oregon. NIKE is a global athletic footwear and apparel company which designs, markets, and sells products for its NIKE, Jordan, and Converse brands. NIKE branded products are sold through the Company’s retail stores, NIKE Brand Digital platforms (“NIKE Digital”), wholesale partners, distributors, and licensees. NIKE Digital includes Nike.com and the Company’s digital application, Nike+. The Company’s Class B common stock trades on the New York Stock Exchange (“NYSE”) under the ticker symbol “NKE.”

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3. In 2017, NIKE began implementing its “Consumer Direct Offense” strategy, which focused on increasing innovation and direct connections with consumers. Consumer Direct Offense also emphasized NIKE’s digital presence as a means of directly connecting with consumers by “add[ing] greater digital expertise and control in the markets where consumer connections happen.” In fact, the Company began reporting the financial metrics from NIKE Digital and the Company’s retail stores as “NIKE Direct.” In connection with NIKE’s direct-to-consumer strategy, the Company dropped nearly one-third of its sales partners by late 2020, and significantly reduced sales to other major retail clients in order to shift the Company’s focus to direct-to-consumer sales.

4. The Class Period begins on March 19, 2021, to coincide with NIKE’s announcement of its financial results for the third quarter of fiscal year 2021, and NIKE’s related investor earnings call, after the market closed the prior evening. In connection with these results, Defendant John J. Donahoe II (the Company’s President and Chief Executive Officer) touted that “NIKE continues to deeply connect with consumers all over the world driven by our strong competitive advantages” and that “[o]ur strategy is working, as we accelerate innovation and create the seamless, premium marketplace of the future.” Defendant Matthew Friend (the Company’s Executive Vice President and Chief Financial Officer) similarly assured investors that “NIKE’s brand momentum is as strong as ever and we are driving focused growth against our largest opportunities.” On the related investor earnings call, Defendant Donahoe emphasized NIKE’s “tremendous success in digital” and that “NIKE’s digital transformation remains a unique advantage.”

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5. Throughout the Class Period, Defendants repeatedly touted the purported strength of NIKE’s business model, and in particular, the claimed success of its digital and direct-to-consumer strategies to produce sustainable growth, while downplaying the significant competitive pressures facing the Company.

6. Investors began to learn the truth about NIKE’s inability to generate sustainable revenue growth on June 27, 2022, when the Company announced its fourth quarter and full year 2022 financial results after market close. NIKE announced that quarterly revenues declined 1% year-over-year and quarterly wholesale revenues declined 7% year-over-year. However, Defendant Donahoe reassured investors that NIKE’s “strategy is working” by creating value through its “competitive advantages, including [its] pipeline of innovative product[s] and expanding digital leadership.” He further asserted that NIKE’s investments in digital and other areas prompted Defendants to be “very confident in our long-term strategy and our growth outlook.” On this news, the price of NIKE Class B common stock declined \$7.72 per share, or nearly 7%, from a close of \$110.50 per share on June 27, 2022, to close at \$102.78 per share on June 28, 2022.

7. Three months later, on September 29, 2022, investors learned more when NIKE reported its first quarter fiscal year 2023 financial earnings after market close. In spite of modest revenue growth, NIKE reported that its net income declined 22% year-over-year and that diluted earnings per share (“EPS”) similarly declined 20% year-over-year. NIKE also reported a significant reduction in gross margin (down 220 basis points year-over-year) driven by the disposal of excess inventory—which was 44% higher than in the first quarter of 2022. On this news, the

price of NIKE Class B common stock declined \$12.21 per share, or nearly 13%, from a close of \$95.33 per share on September 29, 2022, to close at \$83.12 per share on September 30, 2022.

8. Notwithstanding the Company's struggles with NIKE Direct and its direct-to-consumer strategy, Defendants continued to tout the purported strength of NIKE's business model over the next year, telling investors that NIKE's "competitive advantages continue to fuel our momentum" and that NIKE is primed to "leverage our competitive advantages to not only gain share but also grow the market."

9. On December 21, 2023, however, investors learned more about the competitive pressures facing NIKE when the Company issued its second quarter fiscal year 2024 financial results and held its related investor earnings call after market close. Defendant Friend admitted that NIKE's "total retail sales across the marketplace fell short of our expectations," and that NIKE's digital platforms lost consumer traffic to competitors because of "higher promotional activity across the marketplace." Given these challenges, Defendant Friend revealed that NIKE was "adjusting [its] channel growth plans for the remainder of the year" and "identifying opportunities across the company to deliver up to \$2 billion in cumulative cost savings over the next 3 years." On this news, the price of NIKE Class B common stock declined \$14.49 per share, or nearly 12%, from a close of \$122.53 per share on December 21, 2023, to close at \$108.04 per share on December 22, 2023.

10. On March 21, 2024, NIKE announced its third quarter fiscal year 2024 financial results after market close, revealing a 3% year-over-year decline in revenue in its Europe, Middle East, and Africa ("EMEA") segment, a 3% year-over-year decline in NIKE Digital revenue, and scant quarterly revenue growth of approximately 0.4% year-over-year in NIKE Direct. On the

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related investor earnings call held that same day, Defendant Donahoe admitted that “NIKE is not performing [to its] potential” even though moments earlier he claimed that “Q3 performed in line with our expectations.” Moreover, Defendant Donahoe revealed the Company’s decision to reduce reliance on its direct-to-consumer strategy and “lean in with our wholesale partners to elevate our brand and grow the total marketplace.” According to Defendant Donahoe, NIKE made a “reinvestment with our wholesale partners, so we bring a more holistic offense that grows the market and gets in the path of our consumer.” Furthermore, Defendant Friend revealed that NIKE was “prudently planning for revenue in the first half of the fiscal year [2025] to be down low single digits” as Defendants “shift our product portfolio toward newness and innovation.” On this news, the price of NIKE Class B common stock declined \$6.96 per share, or nearly 7%, from a close of \$100.82 per share on March 21, 2024, to close at \$93.86 per share on March 22, 2024.

11. On June 27, 2024, NIKE announced its fourth quarter and full year 2024 financial results. The Company revealed a 2% year-over-year quarterly revenue decrease, including, *inter alia*, an 8% year-over-year quarterly revenue decline in NIKE Direct and a 10% year-over-year quarterly revenue decline in NIKE Digital. Defendant Donahoe later explained to investors that Defendants are taking “strategic shifts . . . including leadership and organization changes” to “position [NIKE] to compete and win.” Nevertheless, Defendant Friend disclosed that NIKE was expected to face significant headwinds through fiscal year 2025 which would cause NIKE’s full year 2025 revenue “to be down mid-single digits with the first half down high single digits.” Critically, Defendants further retreated from NIKE’s direct-to-consumer strategy by “reducing what we’re offering to consumers through our digital channel.” Given NIKE’s substandard financial performance and Defendants’ disparaging commentary about the Company’s financial

outlook, market analysts at Barclays questioned the “long-term health of the Nike brand” as “[NIKE]’s strategy continues to increase in uncertainty.” Moreover, Neil Saunders, the managing director at GlobalData, also expressed an unsettled view of the Company, noting that NIKE’s “[m]anagement has tried to sell a story of improvement to investors, but is not prepared to back it up with positive forecasts.” On this news, the price of NIKE Class B common stock declined \$18.82 per share, or approximately 20%, from a close of \$94.19 per share on June 27, 2024, to close at \$75.37 per share on June 28, 2024. This stock drop represented the largest decline in the price of NIKE Class B common stock since 2001.

12. This Complaint alleges that, throughout the Class Period, Defendants made materially false and/or misleading statements, as well as failed to disclose material adverse facts, about the Company’s business and operations. Specifically, Defendants misrepresented and/or failed to disclose that: (1) NIKE’s direct-to-consumer strategy was unable to generate sustainable revenue growth; (2) NIKE’s purported competitive advantages were unable to protect the Company from intense competitive pressures after NIKE largely disengaged from many of its wholesale and retail partners to focus on the Company’s direct-to-consumer strategy; and (3) as a result, Defendants’ representations about the Company’s business, operations, and prospects were materially false and misleading and/or lacked a reasonable basis.

13. As a result of Defendants’ wrongful acts and omissions, and the decline in the market value of the Company’s Class B common stock pursuant to the revelation of the fraud, Plaintiff and other members of the Class (defined below) have suffered significant damages.

II. JURISDICTION AND VENUE

14. Plaintiff's claims arise under Sections 10(b) and 20(a) of the Exchange Act, 15 U.S.C. §§ 78j(b) and 78t(a), and the rules and regulations promulgated thereunder, including SEC Rule 10b-5, 17 C.F.R. § 240.10b-5.

15. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. § 1331 and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

16. Venue is proper in this District under Section 27 of the Exchange Act, 15 U.S.C. § 78aa, and 28 U.S.C. § 1391(b), because NIKE is incorporated and headquartered in this District, and because many of the acts and conduct that constitute the violations of law complained of herein, including the dissemination to the public of materially false and misleading information, occurred in this District.

17. In connection with the acts, conduct, and other wrongs alleged in this Complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails, interstate telephone communications, and the facilities of the national securities markets.

III. PARTIES

18. Plaintiff, as set forth in the accompanying certification, incorporated by reference herein, purchased NIKE Class B common stock at artificially inflated prices during the Class Period and suffered damages as a result of the violations of the federal securities laws alleged herein.

19. Defendant NIKE is an Oregon corporation headquartered at One Bowerman Drive, Beaverton, Oregon 97005-6453.

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20. Defendant Donahoe was, at all relevant times, NIKE’s President and Chief Executive Officer, and a Company Director.

21. Defendant Friend was, at all relevant times, NIKE’s Executive Vice President and Chief Financial Officer.

22. Defendants Donahoe and Friend are collectively referred to as the “Individual Defendants.”

23. The Individual Defendants, because of their positions with the Company, possessed the power and authority to control the contents of NIKE’s reports to the SEC, press releases, and presentations to securities analysts, money and portfolio managers, and institutional investors, i.e., the market. Each Individual Defendant was provided with copies of the Company’s reports alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, each of the Individual Defendants knew that the adverse facts specified herein had not been disclosed to, and/or were being concealed from, the public, and that the positive representations that were being made were then materially false and/or misleading.

24. NIKE and the Individual Defendants are collectively referred to herein as “Defendants.”

IV. SUBSTANTIVE ALLEGATIONS

A. Background

25. NIKE is an Oregon corporation with its principal executive offices in Beaverton, Oregon. It is a global athletic footwear and apparel company which designs, markets, and sells

products for its NIKE, Jordan, and Converse brands. The Company’s NIKE branded products are sold through its retail stores, NIKE Digital, wholesale partners, distributors, and licensees. NIKE Digital includes Nike.com and the Company’s digital application, Nike+.

26. Historically, NIKE emphasized three “competitive advantages” as the basis for its success—“a culture deeply rooted in innovation, a brand that deeply connects with consumers fueled by compelling storytelling and an unmatched sports marketing portfolio.”

27. In 2017, NIKE began implementing its “Consumer Direct Offense” strategy, which focused on increasing innovation and direct connections with consumers. Consumer Direct Offense also emphasized NIKE’s digital presence as a means of directly connecting with consumers by “add[ing] greater digital expertise and control in the markets where consumer connections happen.” In fact, the Company began reporting the financial metrics from NIKE Digital and the Company’s retail stores as one segment—“NIKE Direct.” NIKE Direct is divided into four geographic operating segments: North America; EMEA; Greater China; and Asia Pacific & Latin America.

28. On June 25, 2020, Defendants announced a second phase to Consumer Direct Offense—“Consumer Direct Acceleration”—the Company’s “new digitally empowered phase of our consumer direct strategy” intended to provide consumers with a “consistent, seamless physical and digital experience.”

29. According to the Company, the acceleration of NIKE’s direct-to-consumer strategy more closely aligned NIKE’s designs and products with consumer preferences, and optimized the Company in several areas, including, *inter alia*, “data and analytics, demand sensing, insight gathering,” and inventory management, to accelerate NIKE’s “digital transformation.”

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30. In connection with the acceleration of NIKE’s direct-to-consumer strategy, NIKE dropped nearly one-third of its sales partners by late 2020, and significantly reduced sales to retail clients, such as Foot Locker, DSW, and Macy’s, in order to shift the Company toward direct-to-consumer sales and away from reliance on wholesale partners. NIKE Direct is intended to be the centerpiece of NIKE’s long-term financial plans and has been touted by Defendant Donahoe as NIKE’s “fourth emerging competitive advantage.”

31. NIKE’s Class B common stock trades on the NYSE under the ticker symbol “NKE.”

B. Defendants’ False and Misleading Statements During the Initial Portion of the Class Period

32. The Class Period begins on March 19, 2021, the day after NIKE announced its third quarter fiscal year 2021 financial results after market hours. Among other things, the Company highlighted a 3% year-over-year increase in quarterly revenues “led by Greater China reported revenue growth of 51 percent” and “NIKE Brand digital sales increased 59 percent . . . with strong double-digit increases in all geographies.” Notably, Defendant Donahoe touted the Company’s “strong competitive advantages” as the driving force behind NIKE’s continued success. Defendant Friend similarly assured investors that “NIKE’s brand momentum is as strong as ever, and we are driving focused growth against our largest opportunities.”

33. During the accompanying investor earnings call held after market hours on March 18, 2021, Defendant Donahoe stressed NIKE’s “tremendous success in digital”—including the Company’s “digital transformation”—as its “unique advantage” to power its global brand.

34. On June 24, 2021, when NIKE announced its fourth quarter and full fiscal year 2021 financial results after market close, Defendant Donahoe emphasized that “NIKE’s strong results this quarter and full fiscal year demonstrate NIKE’s unique competitive advantage and deep connection with consumers all over the world.” Defendants specifically focused on the importance of the Company’s digital presence, with Defendant Friend noting that “NIKE’s brand momentum is a testament to our authentic consumer connections, digital strength and continued operational execution,” and that, “[a]s we advance our consumer-led digital transformation, we are building a new financial model that will continue to fuel long-term sustainable, profitable growth for NIKE.”

35. During the accompanying investor earnings call held that same day, Defendant Donahoe reiterated that NIKE’s “strong business results proved yet again NIKE’s unique competitive advantage.” Furthermore, he touted that “we are better positioned to drive sustainable long-term growth than we were before the pandemic” and “[o]ur relentless pipeline of innovative products continues to create separation between us and our competition.”

36. On the same call, Defendant Friend discussed NIKE’s Consumer Direct Acceleration strategy, explaining that the Company will make an “accelerated shift to a more direct member-centric business model” where the Company’s revenue “[g]rowth will be led by NIKE Direct and our strategic marketplace partners.” Specifically, he noted that Defendants intend for NIKE Direct “to represent approximately 60% of the business in fiscal ’25, led by growth in digital.”

37. On December 20, 2021 NIKE announced its second quarter fiscal year 2022 financial results after market close. On the accompanying investor earnings call held that same day, Defendant Donahoe emphasized that “[t]he results we delivered offered continued proof that

our strategy is working.” Moreover, Defendant Donahoe highlighted NIKE’s digital presence as its “fourth emerging competitive advantage . . . as we are one of the few brands that can directly connect with and serve consumers at scale.”

38. During the same call, Defendant Donahoe further touted NIKE’s competitive position during an exchange with a JPMorgan Chase & Co. analyst. Specifically, Defendant Donahoe stated that the Company’s “digital penetration is at an all-time high,” leading to a “direct connection with the consumer” that is ultimately “strengthening and strengthening [NIKE’s brand] against our historical competitors.”

39. On March 21, 2022, NIKE reported its third quarter fiscal year 2022 financial results after market close. During the accompanying investor earnings call held that same day, Defendant Donahoe stressed NIKE’s “growing digital advantage,” particularly as Defendants “continue to drive greater competitive separation” through the Company’s digital presence. Moreover, while NIKE’s third quarter fiscal year 2022 revenues in Greater China were down 8% year-over-year, Defendant Friend sought to reassure investors that “NIKE was rated the #1 cool and #1 favorite brand in China, creating separation and distinction versus the competition.”

40. The above statements identified in ¶¶ 32-39 were materially false and misleading, and failed to disclose materially adverse facts, about the Company’s business and operations. Specifically, Defendants misrepresented and/or failed to disclose that: (1) NIKE’s direct-to-consumer strategy was unable to generate sustainable revenue growth; (2) NIKE’s competitive advantages were unable to protect the Company from intense competitive pressures after NIKE largely disengaged from many of its wholesale and retail partners to focus on the Company’s direct-to-consumer strategy; and (3) as a result, Defendants’ representations about the Company’s

business, operations, and prospects were materially false and misleading and/or lacked a reasonable basis.

C. The Truth Begins to Be Revealed

41. Investors began to learn the truth about the unsustainability of NIKE’s direct-to-consumer strategy on June 27, 2022, when NIKE announced its fourth quarter and full fiscal year 2022 financial results after market close. NIKE’s quarterly revenues declined 1% year-over-year and quarterly wholesale revenues declined 7% year-over-year. Likewise, NIKE’s quarterly gross margin declined 80 basis points year-over-year, “primarily due to higher inventory obsolescence reserves in Greater China and elevated freight and logistics costs,” and the Company’s 2022 gross margin growth of 120 basis points year-over-year was significantly below expectations.

42. Defendant Donahoe asserted that, in spite of the Company’s poor performance, NIKE’s “competitive advantages, including our pipeline of innovative product and expanding digital leadership, prove that our strategy is working as we create value through our relentless drive to serve the future of sport.”

43. Additionally, on the accompanying investor earnings call also held on June 27, 2022, Defendant Donahoe stated that, “as we look ahead to fiscal ’23, we remain very confident in our long-term strategy and our growth outlook.” Moreover, in response to an analyst’s question about Defendants’ outlook in China—including an expected 100+ basis point decline in first quarter fiscal year 2023 gross margin—Defendant Donahoe downplayed any concerns, noting that “[w]e’ve always taken a long-term view” in China and that NIKE is China’s “#1 cool brand.”

44. On this news, the price of NIKE Class B common stock declined \$7.72 per share, or nearly 7%, from a close of \$110.50 per share on June 27, 2022, to close at \$102.78 per share on June 28, 2022.

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45. Investors learned more about the Company’s struggles on September 29, 2022, when NIKE reported disappointing first quarter fiscal year 2023 financial results after market close. NIKE reported significant year-over-year declines in net income (22%), diluted EPS (20%), and gross margin (220 basis points), with only a meager increase in NIKE’s quarterly revenue (4%). The Company also disclosed that its gross margin was primarily impacted by the disposal of excess inventory—which was 44% higher than the same period in 2022. In explaining the Company’s margin issues, Defendant Friend acknowledged that “we’ve decided to take that inventory and more aggressively liquidate it.”

46. Nonetheless, on the accompanying investor earnings call held that same day, Defendant Donahoe reassured investors that the industry was experiencing a “period of turbulence” where Defendants “want to leverage our strengths to emerge in a stronger position than our competition at the other end of it.” Specifically, he underscored that “[w]e’ve got a really strong innovation pipeline. So we talk about the transitional and the structural. The transitional is navigating through the inventory situation. The structural is leveraging our competitive advantages so we emerge in a stronger position, and we’ll be playing offense on both.”

47. On this news, the price of NIKE Class B common stock declined \$12.21 per share, or nearly 13%, from a close of \$95.33 per share on September 29, 2022, to close at \$83.12 per share on September 30, 2022.

D. Defendants Continue to Falsely Tout the Sustainability of NIKE’s Business Model

48. On December 20, 2022, NIKE announced its second quarter fiscal year 2023 financial results after market close. In connection with these results, Defendants persisted in

touting NIKE’s growth strategy, with Defendant Donahoe claiming that “NIKE’s results this quarter are a testament to our deep connection with consumers,” “[o]ur growth was broad-based and was driven by our expanding digital leadership and brand strength,” and that “[t]hese results give us confidence in delivering the year as our competitive advantages continue to fuel our momentum.” Additionally, Defendant Friend stated that “[c]onsumer demand for NIKE’s portfolio of brands continues to drive strong business momentum in a dynamic environment” and that Defendants are “on track to deliver on our operational and financial goals — setting the foundation for sustainable, profitable growth.”

49. On the accompanying investor earnings call held that same day, Defendant Donahoe highlighted that NIKE is “creating more separation between us and our competition thanks to the meaningful relationships we have with consumers and the continued success of our strategy.”

50. Six months later, on June 29, 2023, the Company reported its fourth quarter and full fiscal year 2023 financial results after market close. On the accompanying investor earnings call held that same day, Defendant Friend announced NIKE’s fiscal year 2024 financial outlook of revenue growth in the mid-single digits and gross margin growth between 140 and 160 basis points due, in part, to “clear advantages, strong consumer momentum, a robust product innovation pipeline, healthy inventory and a normalized flow of supply.”

51. During the same investor earnings call, a JPMorgan Chase & Co. analyst asked Defendant Donahoe to explain “how you believe the NIKE brand is positioned to capture market share globally?” In response, Defendant Donahoe stated that NIKE is primed to “leverage our

competitive advantages”—such as its digital presence—“to not only gain share but also grow the market.”

52. The above statements identified in ¶¶ 48-51 were materially false and misleading, and failed to disclose materially adverse facts, about the Company’s business and operations. Specifically, Defendants misrepresented and/or failed to disclose that: (1) NIKE’s direct-to-consumer strategy was unable to generate sustainable revenue growth; (2) NIKE’s competitive advantages were unable to protect the Company from intense competitive pressures after NIKE largely disengaged from many of its wholesale and retail partners to focus on the Company’s direct-to-consumer strategy; and (3) as a result, Defendants’ representations about the Company’s business, operations, and prospects were materially false and misleading and/or lacked a reasonable basis.

E. The Truth is Revealed

53. Investors began to learn more about NIKE’s inability to generate sustainable revenue growth through its Consumer Direct Offense strategy on December 21, 2023, when the Company announced its second quarter fiscal year 2024 financial results after market close. Specifically, the Company announced 1% total revenue growth year-over-year, which was dragged down by quarterly revenue declines in North America and EMEA. Additionally, during the accompanying investor earnings call held that same day, Defendant Friend revealed that NIKE’s “[t]otal retail sales across the marketplace fell short of our expectations” and that NIKE’s digital platforms lost consumer traffic to competitors because of “higher levels of promotional activity across the marketplace.” Given these challenges, Defendant Friend revealed that NIKE was “adjusting [its] channel growth plans for the remainder of the year” and “identifying opportunities across the company to deliver up to \$2 billion in cumulative cost savings over the next 3 years,”

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including improving the Company's supply chain efficiency and "streamlining [its] organizational structure."

54. On this news, the price of NIKE Class B common stock declined \$14.49 per share, or nearly 12%, from a close of \$122.53 per share on December 21, 2023, to close at \$108.04 per share on December 22, 2023.

55. On March 21, 2024, NIKE announced its third quarter fiscal year 2024 financial results after market close, revealing a 3% year-over-year decline in EMEA revenue, a 3% year-over-year decline in NIKE Digital revenue, and scant quarterly revenue growth of just approximately 0.4% year-over-year in NIKE Direct. Defendant Donahoe, on the accompanying investors earnings call held that same day, admitted that "NIKE is not performing in our potential." He then revealed that, "while NIKE Direct will continue to play a critical role, we must lean in with our wholesale partners to elevate our brand and grow the total marketplace." Furthermore, Defendant Donahoe stated that "we're combining both the best of our direct offense but a reinvestment with our wholesale partners, so we bring a more holistic offense that grows the market and gets in the path of our consumer." Defendant Friend then informed investors that "we are prudently planning for revenue in the first half of the fiscal year [2025] to be down low single digits."

56. On this news, the price of NIKE Class B common stock declined \$6.96 per share, or nearly 7%, from a close of \$100.82 per share on March 21, 2024, to close at \$93.86 per share on March 22, 2024.

57. Then, on June 27, 2024, NIKE announced disappointing fourth quarter and full year 2024 financial results. The Company disclosed a 2% year-over-year decrease in fourth quarter

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revenues, with significant year-over-year quarterly declines in NIKE Direct (8%) and NIKE Digital (10%). Moreover, NIKE's full year 2024 revenues only increased approximately 0.3% year-over-year, with a meager year-over-year increase in NIKE Direct revenue of approximately 1% for full year 2024. Critically, NIKE Digital full year 2024 revenue declined 3% year-over-year.

58. On the related investor earnings call held that same day, Defendant Donahoe stated that "fiscal '25 will be a transition year for our business," but "highlighted the strategic shifts we're taking as a company, including leadership and organization changes" and "making a series of adjustments to position us to compete and win." More surprisingly, Defendant Friend revealed a "more pronounced impact" from headwinds expected to affect the Company through fiscal year 2025. In light of these headwinds, Defendant Friend revealed that NIKE expects full year 2025 NIKE revenue "to be down mid-single digits with the first half down high single digits"—significantly worse than previously disclosed. When asked about the change in the Company's financial outlook from the prior quarter, Defendant Friend explained that there was a "more pronounced" decline in NIKE's lifestyle products on NIKE Digital platforms than expected. In fact, Defendant Friend further revealed that, in order to "manage the health of [NIKE's largest franchises]," Defendants are planning to "reduc[e] what we're offering to consumers through our digital channel."

59. Market analysts were disappointed by NIKE's fourth quarter and full year 2024 financial results. For example, analysts at Barclays believe that "[NIKE]'s strategy continues to increase in uncertainty" as to NIKE's "large-scale efforts to reset the business," including the Company's "redirection back into the wholesale channel." Importantly, the Barclays analysts note

that “[w]e believe the most recent quarterly results have raised more questions and more uncertainty about the long-term health of the Nike brand.” Additionally, an analyst at Stifel stated that “[m]anagement[‘s] credibility is severely challenged, and [the] potential for C-level regime change adds further uncertainty.” Echoing this dim view of management, Neil Saunders, the managing director at GlobalData, was quoted saying that NIKE’s “[m]anagement has tried to sell a story of improvement to investors, but is not prepared to back it up with positive forecasts.”

60. On the news of NIKE’s continued struggles with its direct-to-consumer strategy and increasingly negative financial outlook for 2025, the price of NIKE Class B common stock declined \$18.82 per share, or approximately 20%, from a close of \$94.19 per share on June 27, 2024, to close at \$75.37 per share on June 28, 2024. The decline was NIKE’s largest since 2001.

V. PLAINTIFF’S CLASS ACTION ALLEGATIONS

61. Plaintiff brings this class action under Rule 23 of the Federal Rules of Civil Procedure on behalf of a class of all persons and entities who purchased or otherwise acquired NIKE Class B common stock during the Class Period (the “Class”). Excluded from the Class are Defendants, their agents, directors and officers of NIKE, and their families and affiliates.

62. The members of the Class are so numerous that joinder of all members is impracticable. The disposition of their claims in a class action will provide substantial benefits to the parties and the Court.

63. There is a well-defined community of interest in the questions of law and fact involved in this case. Questions of law and fact common to the members of the Class, which predominate over questions which may affect individual Class members, include:

- a. Whether Defendants violated the Exchange Act;
- b. Whether Defendants omitted and/or misrepresented material facts;

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- c. Whether Defendants' statements omitted material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;
- d. Whether Defendants knew or recklessly disregarded that their statements were false and misleading;
- e. Whether the price of NIKE Class B common stock was artificially inflated; and
- f. The extent of damage sustained by members of the Class and the appropriate measure of damages.

64. Plaintiff's claims are typical of those of the Class because Plaintiff and the Class sustained damages from Defendants' wrongful conduct.

65. Plaintiff will adequately protect the interests of the Class and has retained counsel who are experienced in securities class actions. Plaintiff has no interests that conflict with those of the Class.

66. A class action is superior to other available methods for the fair and efficient adjudication of this controversy. Joinder of all Class members is impracticable.

VI. APPLICABILITY OF PRESUMPTION OF RELIANCE: FRAUD-ON-THE-MARKET DOCTRINE

67. Plaintiff will rely upon the presumption of reliance established by the fraud-on-the-market doctrine in that, among others:

- a. Defendants made public misrepresentations or failed to disclose material facts during the Class Period;

- b. The omissions and misrepresentations were material;
- c. The Company's Class B common stock traded on an efficient market;
- d. The misrepresentations alleged would tend to induce a reasonable investor to misjudge the value of the Company's Class B common stock; and
- e. Plaintiff and the Class purchased NIKE Class B common stock between the time the Company and the Individual Defendants misrepresented or failed to disclose material facts and the time the true facts were disclosed, without knowledge of the misrepresented or omitted facts.

68. At all relevant times, the market for the Company's Class B common stock was efficient because: (1) as a regulated issuer, the Company filed periodic public reports with the SEC; and (2) the Company regularly communicated with public investors using established market communication mechanisms, including through regular disseminations of press releases on the major news wire services and through other wide-ranging public disclosures, such as communications with the financial press, securities analysts, and other similar reporting services.

VII. NO SAFE HARBOR

69. Defendants' "Safe Harbor" warnings accompanying any forward-looking statements issued during the Class Period were ineffective to shield those statements from liability. Defendants are liable for any false or misleading forward-looking statements pleaded because, at the time each forward-looking statement was made, the speaker knew the statement was false or misleading and the forward-looking statement was authorized and/or approved by an executive officer of NIKE who knew that the forward-looking statement was false. None of the historic or present-tense statements made by Defendants were assumptions underlying or relating to any plan,

projection, or statement of future economic performance, as they were not stated to be such assumptions underlying or relating to any projection or statement of future economic performance when made, nor were any of the projections or forecasts made by Defendants expressly related to or stated to be dependent on those historic or present-tense statements when made.

VIII. LOSS CAUSATION/ECONOMIC LOSS

70. Defendants' wrongful conduct directly and proximately caused the economic loss suffered by Plaintiff and the Class. The price of NIKE Class B common stock significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses. As a result of their purchases of NIKE Class B common stock during the Class Period, Plaintiff and the Class suffered economic loss, i.e., damages, under the federal securities laws.

IX. ADDITIONAL SCIENTER ALLEGATIONS

71. During the Class Period, Defendants had both the motive and opportunity to commit fraud. They also had actual knowledge of the misleading nature of the statements they made, or acted in reckless disregard of the true information known to them at the time. In so doing, Defendants participated in a scheme to defraud and committed acts, practices, and participated in a course of business that operated as a fraud or deceit on purchasers of NIKE Class B common stock during the Class Period.

X. CLAIMS AGAINST DEFENDANTS

COUNT I

Violations of Section 10(b) of the Exchange Act and

SEC Rule 10b-5 Promulgated Thereunder

Against All Defendants

72. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

73. During the Class Period, Defendants carried out a plan, scheme, and course of conduct that was intended to and, throughout the Class Period, did: (1) deceive the investing public, including Plaintiff and the Class; and (2) cause Plaintiff and the Class to purchase NIKE Class B common stock at artificially inflated prices. In furtherance of this unlawful scheme, plan, and course of conduct, Defendants, and each of them, took the actions set forth herein.

74. Defendants: (1) employed devices, schemes, and artifices to defraud; (2) made untrue statements of material fact and/or omitted material facts necessary to make the statements not misleading; and (3) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of NIKE's Class B common stock in an effort to maintain artificially high market prices thereof in violation of Section 10(b) of the Exchange Act and SEC Rule 10b-5.

75. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the Class suffered damages in connection with their respective purchases of NIKE's Class B common stock during the Class Period.

COUNT II

Violations of Section 20(a) of the Exchange Act

Against the Individual Defendants

76. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

77. The Individual Defendants acted as controlling persons of NIKE within the meaning of Section 20(a) of the Exchange Act. By virtue of their high-level positions, and their ownership and contractual rights, participation in and/or awareness of the Company's operations, and/or intimate knowledge of the false statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had the power to influence and control—and did influence and control, directly or indirectly—the decision-making of the Company, including the content and dissemination of the various false and/or misleading statements. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

78. In particular, each of the Individual Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, are presumed to have had the power to control or influence the activities giving rise to the securities violations as alleged herein, and exercised the same.

79. As described above, the Company and the Individual Defendants each violated Section 10(b) of the Exchange Act and SEC Rule 10b-5 by their acts and omissions as alleged in this Complaint. By virtue of their positions as controlling persons, the Individual Defendants are

PAGE 25 – CLASS ACTION ALLEGATION COMPLAINT

liable under Section 20(a) of the Exchange Act. As a direct and proximate result of this wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of Company Class B common stock during the Class Period.

XI. PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

- a. Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;
- b. Awarding compensatory damages and equitable relief in favor of Plaintiff and other members of the Class against all Defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;
- c. Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and
- d. Such other and further relief as the Court may deem just and proper.

XII. DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury.

Dated this 15th day of July 2024.

STOLL STOLL BERNE LOKTING & SHLACHTER P.C.

By: s/ Timothy S. DeJong

Keith A. Ketterling, OSB No. 913368
Timothy S. DeJong, OSB No. 940662
209 Southwest Oak Street, Suite 500
Portland, OR 97204
Telephone: (503) 227-1600
Facsimile: (503) 227-6840
Email: kketterling@stollberne.com

PAGE 26 – CLASS ACTION ALLEGATION COMPLAINT

tdejong@stollberne.com

Local Counsel for Plaintiff Yagnesh Mehta

Naumon A. Amjed (*pro hac vice* forthcoming)

Geoffrey C. Jarvis (*pro hac vice* forthcoming)

Joshua S. Keszczyk (*pro hac vice* forthcoming)

KESSLER TOPAZ MELTZER & CHECK, LLP

280 King of Prussia Road

Radnor, PA 19087

Telephone: (610) 667-7706

Facsimile: (610) 667-7056

Email: namjed@ktmc.com

gjarvis@ktmc.com

jkezczyk@ktmc.com

Counsel for Plaintiff Yagnesh Mehta

PAGE 27 – CLASS ACTION ALLEGATION COMPLAINT

CERTIFICATION

I, Yagnesh Mehta, declare that:

1. I have reviewed the facts and allegations of the Class Action Allegation Complaint for Violations of the Federal Securities Laws and authorize its filing.
2. I did not purchase and/or acquire the security that is the subject of this action at the direction of my counsel nor in order to participate in any private action under the federal securities laws.
3. I am willing to serve as a representative party on behalf of the class, including giving testimony at deposition and trial, if necessary. I understand that this is not a claim form, and that my ability to share in any recovery as a member of the class is not dependent upon execution of this Certification.
4. My Class Period purchase and sale transaction(s) in NIKE, Inc. securities that are the subject of this action are attached in Schedule A. I have complete authority to bring a suit to recover for investment losses for all securities set forth in Schedule A.
5. During the three years prior to the date of this Certification, I have not sought to serve nor served as a representative party for a class in an action filed under the federal securities laws.
6. I will not accept any payment for serving as a representative party on behalf of the class beyond my pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the Court.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: 7/12/2024

DocuSigned by:

FC9BF2AE600248D...
Yagnesh Mehta

SCHEDULE A

<u>Security</u>	<u>Buy/Sell</u>	<u>Date</u>	<u>Quantity</u>	<u>Price</u>
Class B Common Stock	Buy	11/14/2022	7	\$105.07
Class B Common Stock	Dividend Reinvestment	12/28/2022	0.0203	\$117.0803
Class B Common Stock	Dividend Reinvestment	4/3/2023	0.0196	\$122.2388
Class B Common Stock	Dividend Reinvestment	7/5/2023	0.0222	\$107.7559
Class B Common Stock	Buy	7/25/2023	4	\$107.68
Class B Common Stock	*Dividend Reinvestment	10/2/2023	0.0390	\$96.4103
Class B Common Stock	*Dividend Reinvestment	1/2/2024	0.0380	\$108.1579
Class B Common Stock	Dividend Reinvestment	4/1/2024	0.0440	\$93.6364

*Pre-Market Trade

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

Yagnesh Mehta, Individually and on Behalf of All Others Similarly Situated

(b) County of Residence of First Listed Plaintiff Queens County (NY) (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number) STOLL STOLL BERNE LOKTING & SHLACHTER P.C. Keith A. Ketterling and Timothy S. DeJong 209 Southwest Oak Street, Suite 500, Portland, OR 97204 Telephone: (503) 227-1600

DEFENDANTS

NIKE, Inc., John J. Donahoe II, and Matthew Friend

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, PTF DEF, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions.

Table with columns: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes various legal categories like Personal Injury, Contract, Labor, etc.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District, 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

15 U.S.C. §§ 78j(b) and 78t(a); and 17 C.F.R. § 240.10b-5

Brief description of cause:

Securities Fraud - Violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934; and SEC Rule 10b-5

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: [X] Yes [] No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE Adrienne C. Nelson

DOCKET NUMBER 3:24-cv-00974-AN

DATE

07/15/2024

SIGNATURE OF ATTORNEY OF RECORD

s/ Timothy S. DeJong

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here. United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.
Original Proceedings. (1) Cases which originate in the United States district courts.
Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.
Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related cases, if any. If there are related cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

District of Oregon

YAGNESH MEHTA, Individually and on Behalf of All
Others Similarly Situated,

Plaintiff(s)

v.

NIKE, INC., JOHN J. DONAHOE II, and MATTHEW
FRIEND,

Defendant(s)

Civil Action No. 3:24-cv-01150

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) NIKE, Inc.
One Bowerman Drive
Beaverton, Oregon 97005-6453

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Keith A. Ketterling, OSB No. 913368
Timothy S. DeJong, OSB No. 940662
STOLL STOLL BERNE LOKTING & SHLACHTER, P.C.
209 Southwest Oak Street, Suite 500
Portland, OR 97204

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

Civil Action No. 3:24-cv-01150

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____ .

I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____ ; or

I returned the summons unexecuted because _____ ; or

Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ _____ 0.00 .

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

District of Oregon

YAGNESH MEHTA, Individually and on Behalf of All
Others Similarly Situated,

Plaintiff(s)

v.

NIKE, INC., JOHN J. DONAHOE II, and MATTHEW
FRIEND,

Defendant(s)

Civil Action No. 3:24-cv-01150

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) John J. Donahoe II
c/o NIKE, Inc.
One Bowerman Drive
Beaverton, Oregon 97005-6453

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Keith A. Ketterling, OSB No. 913368
Timothy S. DeJong, OSB No. 940662
STOLL STOLL BERNE LOKTING & SHLACHTER, P.C.
209 Southwest Oak Street, Suite 500
Portland, OR 97204

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

Civil Action No. 3:24-cv-01150

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____ .

I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* _____ , who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____ ; or

I returned the summons unexecuted because _____ ; or

Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ _____ 0.00 .

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

District of Oregon

YAGNESH MEHTA, Individually and on Behalf of All
Others Similarly Situated,

Plaintiff(s)

v.

NIKE, INC., JOHN J. DONAHOE II, and MATTHEW
FRIEND,

Defendant(s)

Civil Action No. 3:24-cv-01150

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Matthew Friend
c/o NIKE, Inc.
One Bowerman Drive
Beaverton, Oregon 97005-6453

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Keith A. Ketterling, OSB No. 913368
Timothy S. DeJong, OSB No. 940662
STOLL STOLL BERNE LOKTING & SHLACHTER, P.C.
209 Southwest Oak Street, Suite 500
Portland, OR 97204

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

Civil Action No. 3:24-cv-01150

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____ .

I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* _____ , who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____ ; or

I returned the summons unexecuted because _____ ; or

Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ _____ 0.00 _____ .

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc: