LEXINGTON LAW GROUP, LLP Eric S. Somers, State Bar No. 139050 1 ENDORSED FILED Mark N. Todzo, State Bar No. 168389 ALAMEDA COUNTY Ryan D. Cabinte, State Bar No. 230792 1627 Irving Street NOV 0 8 2007 San Francisco, CA 94122 Telephone: (415) 759-4111 CLERK OF THE SUPERIOR COURT Facsimile: (415) 759-4112 By KMEL DHILLON Deputy Attorneys for Plaintiff 6 CENTER FOR ENVIRONMENTAL HEALTH 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 COUNTY OF ALAMEDA 10 11 12 PEOPLE OF THE STATE OF CALIFORNIA. Lead Case No.: RG 04-162075 ex rel. BILL LOCKYER, Attorney General, 13 [Consolidated with Case Nos.: RG 06-14 269531; RG 04-162037; and RG 04-Plaintiff, 169511] 15 FOURTH AMENDED COMPLAINT --16 CENTER FOR ENVIRONMENTAL **BURLINGTON COAT FACTORY** HEALTH V. NADRI, INC.; CASE NO. 17 WAREHOUSE CORPORATION, et al., RG 06-269531 18 Health & Safety Code §25249.6 et sea. Defendants. 19 (Other) 20 And Consolidated Cases. 21 22 23 24 25 26 27 28

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Plaintiff Center for Environmental Health, in the public interest, based on information and belief and investigation of counsel, except for information based on personal knowledge, hereby makes the following allegations:

INTRODUCTION

This Fourth Amended Complaint seeks to remedy defendants' continuing failure to warn individuals in California that they are being exposed to lead and lead compounds (collectively, "Lead"), chemicals known to the State of California to cause cancer, birth defects and other reproductive harm. Such exposures have occurred, and continue to occur, through the manufacture, distribution, sale and use of defendants' jewelry, such as bracelets, necklaces, and earrings, made of materials containing Lead (the "Products"). Lead is present in both the metallic and non-metallic parts of the Products. The route of exposure for the violations is direct ingestion when consumers place the Products in their mouths, ingestion via hand to mouth contact after consumers wear, touch or handle the Products or eat after coming into contact with the Products, and dermal absorption directly through the skin when consumers wear, touch or handle the Products. Many of the Products are designed for and marketed to young children and teens, who are particularly likely to place the Products in their mouths and who are also particularly susceptible to lead poisoning. These exposures occur in homes, workplaces and everywhere else throughout California where people wear, touch or handle the Products. Clear and reasonable warnings are not provided to users of the Products regarding the carcinogenic or reproductive hazards of Lead. Consequently, defendants have violated and continue to violate the warning provision of Proposition 65. Health & Safety Code §25249.6.

PARTIES

Plaintiff CENTER FOR ENVIRONMENTAL HEALTH ("CEH") is a non-profit corporation dedicated to protecting the public from environmental health hazards and toxic exposures. CEH is based in Oakland, California and incorporated under the laws of the State of California. CEH is a "person" within the meaning of Health & Safety Code §25249.11(a) and brings this enforcement action in the public interest pursuant to Health & Safety Code §25249.7(d). CEH is a nationally recognized non-profit environmental advocacy

group that has prosecuted a large number of Proposition 65 cases in the public interest. These cases have resulted in significant public benefit, including reformulation of toxic products to make them safer and the provision of clear and reasonable warnings on hundreds of products sold throughout California.

- 3. Defendant 21ST CENTURY GIRL, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. 21ST CENTURY GIRL, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 4. Defendant 99¢ ONLY STORES is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. 99¢ ONLY STORES manufactures, distributes and/or sells the Products for sale and use in California.
- 5. Defendant ALDO GROUP, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. ALDO GROUP, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 6. Defendant ALDO US, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. ALDO US, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 7. Defendant A-LIST, INC. dba KITSON is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. A-LIST, INC. dba KITSON manufactures, distributes and/or sells the Products for sale and use in California.
- 8. Defendant ALLIED SYSTEMS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. ALLIED SYSTEMS, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 9. Defendant ALMAR SALES CO., INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. ALMAR SALES CO., INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 10. Defendant ALMART RETAIL DEVELOPMENT COMPANY, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. ALMART RETAIL DEVELOPMENT COMPANY, INC. manufactures, distributes and/or sells

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business within the meaning of Health & Safety Code §25249.11. BEBE STORES, INC.

Defendant BEBE STORES, INC. is a person in the course of doing

manufactures, distributes and/or sells the Products for sale and use in California.

- 19. Defendant BEENA BEAUTY HOLDING, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. BEENA BEAUTY HOLDING, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 20. Defendant BEVERLY FABRICS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. BEVERLY FABRICS, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 21. Defendant BIG LOTS STORES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. BIG LOTS STORES, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 22. Defendant BUSCH ENTERTAINMENT CORPORATION is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. BUSCH ENTERTAINMENT CORPORATION manufactures, distributes and/or sells the Products for sale and use in California.
- 23. Defendant BRANDON FEMME, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. BRANDON FEMME, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 24. Defendant CACHE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. CACHE, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 25. Defendant CHARMS BY THE BAY is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. CHARMS BY THE BAY manufactures, distributes and/or sells the Products for sale and use in California.
- 26. Defendant CHICO'S FAS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. CHICO'S FAS INC. manufactures, distributes and/or sells the Products for sale and use in California.
 - 27. Defendant COLDWATER CREEK, INC. is a person in the course of

doing business within the meaning of Health & Safety Code §25249.11. COLDWATER CREEK, INC. manufactures, distributes and/or sells the Products for sale and use in California.

- 28. Defendant COUSIN CORPORATION OF AMERICA is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. COUSIN CORPORATION OF AMERICA manufactures, distributes and/or sells the Products for sale and use in California.
- 29. Defendant CREATIVE CO-OP, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. CREATIVE CO-OP, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 30. Defendant CVS PHARMACY, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. CVS PHARMACY, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 31. Defendant DAISO CALIFORNIA LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. DAISO CALIFORNIA LLC manufactures, distributes and/or sells the Products for sale and use in California.
- 32. Defendant D.M. MERCHANDISING, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. D.M. MERCHANDISING, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 33. Defendant DONKIE, LLC dba AMBIANCE is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. DONKIE, LLC dba AMBIANCE manufactures, distributes and/or sells the Products for sale and use in California.
- 34. Defendant ESTÉE LAUDER, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. ESTÉE LAUDER, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 35. Defendant ESTÉE LAUDER COMPANIES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. ESTÉE LAUDER COMPANIES, INC. manufactures, distributes and/or sells the Products for sale and

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sale and use in California.

- 61. Defendant LISA KLINE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. LISA KLINE, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 62. Defendant LONG RAP, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. LONG RAP, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 63. Defendant LUCAS DESIGN INTERNATIONAL is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. LUCAS DESIGN INTERNATIONAL manufactures, distributes and/or sells the Products for sale and use in California.
- 64. Defendant MANGO is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. MANGO manufactures, distributes and/or sells the Products for sale and use in California.
- 65. Defendant MAUI MAGNETS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. MAUI MAGNETS, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 66. Defendant MAXFIELD, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. MAXFIELD, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 67. Defendant MCCAULOU'S, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. MCCAULOU'S, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 68. Defendant MEL BERNIE & COMPANY, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. MEL, BERNIE & COMPANY, INC. manufactures, distributes and/or sells the Products for sale and use in California.
 - 69. Defendant METROPARK USA, INC. is a person in the course of doing

California.

- 110. Defendant URBAN OUTFITTERS WEST LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. URBAN OUTFITTERS WEST LLC manufactures, distributes and/or sells the Products for sale and use in California.
- 111. Defendant VALUEVISION MEDIA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. VALUEVISION MEDIA, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 112. Defendant WHOLE FOODS MARKET, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. WHOLE FOODS MARKET, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 113. Defendant WINCRAFT, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. WINCRAFT, INC. manufactures, distributes and/or sells the Products for sale and use in California.
- 114. Defendant Z GALLERIE is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Z GALLERIE manufactures, distributes and/or sells the Products for sale and use in California.
- 115. DOES 1-200 are each a person in the course of doing business within the meaning of Health & Safety Code §25249.11. DOES 1 through 200 manufacture, distribute and/or sell the Products for sale or use in California.
- 116. The true names of DOES 1 through 200 are unknown to plaintiff at this time. When their identities are ascertained, the complaint shall be amended to reflect their true names.
- 117. The defendants identified in Paragraphs 3 through 114 and DOES 1 through 200 are collectively referred to herein as "Defendants."

JURISDICTION

118. The Court has jurisdiction over this action pursuant to Health & Safety

Code §25249.7, which allows enforcement in any court of competent jurisdiction. The California Superior Court has jurisdiction over this action pursuant to California Constitution Article VI, Section 10, which grants the Superior Court "original jurisdiction in all cases except those given by statute to other trial courts." The statute under which this action is brought does not grant jurisdiction to any other trial court.

- 119. This Court has jurisdiction over the Defendants because, each is a business entity that does sufficient business, has sufficient minimum contacts in California, or otherwise intentionally avails itself of the California market, through the sale, marketing or use of the Products in California, to render the exercise of jurisdiction over it by the California courts consistent with traditional notions of fair play and substantial justice.
- 120. Venue is proper in the Alameda Superior Court because one or more of the violations arise in the County of Alameda.

BACKGROUND FACTS

- 121. The People of the State of California have declared by initiative under Proposition 65 their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." Proposition 65, §1(b).
- 122. To effectuate this goal, Proposition 65 requires that individuals be provided with a "clear and reasonable warning" before being exposed to chemicals listed by the State of California as known to cause cancer, birth defects and other reproductive harm unless the business responsible for the exposure can prove that it fits within a statutory exemption. Health & Safety Code §25249.6 states, in pertinent part:

No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual....

123. On February 27, 1987, the State of California officially listed lead as a chemical known to cause reproductive toxicity. Lead is specifically identified as a reproductive toxicant under three subcategories: "developmental reproductive toxicity," which means harm to the developing fetus, "female reproductive toxicity," which means harm to the female

reproductive system, and "male reproductive toxicity," which means harm to the male reproductive system. 22 California Code of Regulations ("CCR") §12000(c). On February 27, 1988, one year after it was listed as a chemical known to cause reproductive toxicity, lead became subject to the clear and reasonable warning requirement regarding reproductive toxicants under Proposition 65. 22 CCR §12000(c); Health & Safety Code §25249.10(b).

- 124. On October 1, 1992, the State of California officially listed lead and lead compounds as chemicals known to cause cancer. On October 1, 1993, one year after they were listed as a chemicals known to cause cancer, lead and lead compounds became subject to the clear and reasonable warning requirement regarding carcinogens under Proposition 65. 22 CCR §12000(c); Health & Safety Code §25249.10(b).
- 125. Under Proposition 65, an exposure is "knowing" where the party responsible for such exposure has:

knowledge of the fact that a[n]... exposure to a chemical listed pursuant to Health and Safety Code §25249.8(a) is occurring. No knowledge that the ... exposure is unlawful is required.

22 CCR §12201(d).

- 126. Defendants know that individuals, including children, wear, touch and handle the Products, thus exposing them to Lead without prior clear and reasonable warning regarding the carcinogenic or reproductive hazards of Lead.
- 127. Defendants intend that individuals, including children, through the reasonably foreseeable use of the Products, wear, touch and handle the Products, thus exposing them to Lead without prior clear and reasonable warning regarding the carcinogenic or reproductive hazards of Lead.
- who wear, touch or handle the Products are exposed to Lead through the reasonably foreseeable use of the Products. These exposures occur when people who wear, touch or handle the Products ingest the Lead by placing the Products directly in their mouths, ingest the Lead by hand to mouth contact, ingest the Lead by eating or drinking after coming into contact with the Products, and absorb the Lead through directly the skin. No clear and reasonable warning is provided with

 the Products regarding the carcinogenic or reproductive hazards of Lead.

- 129. Any person acting in the public interest has standing to enforce violations of Proposition 65 provided that such person has supplied the requisite public enforcers with a valid 60-Day Notice of Violation and such public enforcers are not diligently prosecuting the action within such time. Health & Safety Code §25249.7(d).
- provided a 60-Day "Notice of Violation of Proposition 65" to the California Attorney General, the District Attorneys of every county in California, the City Attorneys of every California city with a population greater than 750,000, and to each named Defendant. In compliance with Health & Safety Code §25249.7(d) and 22 CCR §12903(b), each Notice of Violation included the following information: the name and address of the violator; the statute violated; the time period during which violations occurred; specific descriptions of the violations, including the routes of exposure to Lead from the Products; and the specific type of product with specific non-exclusive examples of Products sold and used in violation of Proposition 65; and the name of the specific Proposition 65-listed chemical that is the subject of the violation described in the Notice (Lead).
- California Attorney General, the District Attorneys of every county in California, the City Attorneys of every California city with a population greater than 750,000, and to each named Defendant. In compliance with Health & Safety Code §25249.7(d) and 11 CCR §3101, each of these Certificates certified that CEH's counsel: (1) has consulted with one or more persons with relevant and appropriate experience or expertise who reviewed facts, studies or other data regarding the exposures to Lead alleged in the Notice; and (2) based on the information obtained through such consultations, believes that there is a reasonable and meritorious case for a citizen enforcement action based on the facts alleged in the attached Notice. In compliance with Health & Safety Code §25249.7(d) and 11 CCR §3102, each of the Certificates served on the Attorney General included factual information provided on a confidential basis sufficient to establish the basis for the Certificate, including the identity of the person(s) consulted by CEH's counsel

and the facts, studies or other data reviewed by such persons.

- 132. None of the public prosecutors with the authority to prosecute violations of Proposition 65 has commenced and/or is diligently prosecuting a cause of action against the Proposition 65 Defendants under Health & Safety Code §25249.5 *et seq.* based on the claims asserted in the Notices.
- 133. Any person "violating or threatening to violate" the Proposition 65 may be enjoined in any court of competent jurisdiction. Health & Safety Code §25249.7. To "threaten to violate" is defined to mean "to create a condition in which there is a substantial probability that a violation will occur." Health & Safety Code §25249.11(e). Proposition 65 provides for civil penalties not to exceed \$2,500 per day for each violation of Proposition 65.

FIRST CAUSE OF ACTION

(Violations of the Health & Safety Code §25249.6)

- 134. Plaintiff realleges and incorporates by reference as if specifically set forth herein Paragraphs 1 through 133 inclusive.
- 135. By placing the Products into the stream of commerce, Defendants are persons in the course of doing business within the meaning of Health & Safety Code §25249.11.
- Products, users of the Products are exposed to Lead. Defendants intend that the Products be used in a manner that results in users of the Products being exposed to Lead contained in the Products.
- 137. Defendants have failed, and continue to fail, to provide clear and reasonable warning regarding the carcinogenicity and reproductive toxicity of Lead to users of the Products.
- 138. Lead is a chemical listed by the State of California as known to cause cancer, birth defects and other reproductive harm.
- 139. By committing the acts alleged above, Defendants have at all times relevant to this Complaint violated Proposition 65 by knowingly and intentionally exposing individuals to Lead without first giving clear and reasonable warning to such individuals regarding the carcinogenicity and reproductive toxicity of Lead.

1	Wherefore, plaintiff prays judgment against Defendants, as set forth hereafter.		
2	PRAYER FOR RELIEF		
3	Wherefore, plaintiff prays for judgment against defendants as follows:		
4	4 1. That the Court, purs	uant to Health & Safety Code §25249.7(b), assess civil	
-5	penalties against each of the Defendants in the amount of \$2,500 per day for each violation of		
6	6 Proposition 65 according to proof;	Proposition 65 according to proof;	
7	7 2. That the Court, purs	uant to Health & Safety Code §25249.7(a),	
8	preliminarily and permanently enjoin Defendants from offering the Products for sale in		
9	California without providing clear and reasonable warnings, as plaintiff shall specify in further		
10	application to the Court;		
11	11 3. That the Court, purs	uant to Health & Safety Code §25249.7(a), order	
12	Defendants to take action to stop ongoing unwarned exposures to Lead resulting from use of		
13	Products sold by Defendants, as CEH shall specify in further application to the Court;		
14	14 4. That the Court, purs	uant to Code of Civil Procedure §1021.5 and any other	
15	applicable theory, grant Plaintiff its reasonable attorneys' fees and costs of suit; and		
16	16 5. That the Court grant	such other and further relief as may be just and	
17	proper.		
18	Dated: November 8, 2007	Respectfully submitted,	
19	19	LEXINGTON LAW GROUP, LLP	
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21	21	The state of the s	
22	22	Eric S. Somers Attorneys for Plaintiff	
23	23	CENTER FOR ENVIRONMENTAL HEALTH	
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