LEXINGTON LAW GROUP Eric S. Somers, State Bar No. 139050 CECROGRA CELLE Howard Hirsch, State Bar No. 213209 Lisa Burger, State Bar No. 239676 ALAMEDA COUNTY 3 1627 Irving Street San Francisco, CA 94122 NOV 03 2010 Telephone: (415) 759-4111 CLERK OF THE SUPSMOR COURT Facsimile: (415) 759-4112 By Esther Coleman, Deputy 5 Attorneys for Plaintiff CENTER FOR ENVIRONMENTAL HEALTH 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 COUNTY OF ALAMEDA 10 CENTER FOR ENVIRONMENTAL HEALTH,) Lead Case No. RG 09-459448 11 a non-profit corporation, 12 [Consolidated with Case No. RG 10-Plaintiff, 494289; Case No. RG 10-494513; and Case 13 No. RG 10-494517] v. 14 SECOND AMENDED COMPLAINT -CENTER FOR ENVIRONMENTAL 15 LULU NYC LLC, et al., and Defendant DOES 1) HEALTH V. ASHLEY STEWART through 500, inclusive, LTD.; CASE NO. RG 10-494289 16 Defendants. Health & Safety Code §25249.6, et seq. 17 (Other) 18 And Consolidated Cases. 19 20 21 22 23 24 25 26 27 28

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

INTRODUCTION

- 1. This Second 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 and birth defects and other reproductive harm. Such exposures have occurred, and continue to occur, through the manufacture, distribution, sale and/or use of Defendants' belts made with leather, vinyl or imitation leather materials (the "Products"). Consumers, including pregnant women, are exposed to Lead when they touch or handle the Products.
- 2. Under California's Proposition 65, Health and Safety Code §25249.5, et seq., it is unlawful for businesses to knowingly and intentionally expose individuals in California to chemicals known to the State to cause cancer, birth defects or other reproductive harm without providing clear and reasonable warnings to individuals prior to their exposure. Defendants introduce Products contaminated with significant quantities of Lead into the California marketplace, exposing consumers of their Products, many of whom are pregnant women, to Lead.
- 3. Despite the fact that Defendants expose pregnant women, children and other people who come into contact with the Products to Lead, Defendants provide no warnings whatsoever about the carcinogenic or reproductive hazards associated with these Lead exposures. Defendants' conduct thus violates the warning provision of Proposition 65. Health & Safety Code §25249.6.

PARTIES

4. 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 the reformulation of thousands of products to remove toxic chemicals to make them safer. CEH also provides information to Californians about the health risks associated with exposure to hazardous substances, where manufacturers and other responsible parties fail to do so.

- 5. Defendant 80'S PURPLE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. 80's Purple, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 6. Defendant ACCESSORY EXCHANGE LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Accessory Exchange LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 7. Defendant AE RETAIL WEST LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. AE Retail West LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 8. Defendant A.I.J.J. ENTERPRISES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. A.I.J.J. Enterprises, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 9. 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 or use in California.
- 10. Defendant ALDO U.S. INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Aldo U.S. Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 11. Defendant AMAZON.COM, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Amazon.com, Inc. manufactures, distributes and/or sells the Products for sale or use in California.

California.

- 21. Defendant BCBG MAX AZRIA GROUP, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. BCBG Max Azria Group, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 22. Defendant BELGO LUX, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Belgo Lux, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 23. Defendant BETSEY JOHNSON LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Betsey Johnson LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 24. Defendant BILLABONG RETAIL, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Billabong Retail, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 25. Defendant B. J. VINES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. B. J. Vines, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 26. Defendant BLOOMINGDALE'S, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Bloomingdale's, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 27. Defendant THE BUCKLE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. The Buckle, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 28. Defendant BURLEIGH POINT, LTD. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Burleigh Point, Ltd. manufactures, distributes and/or sells the Products for sale or use in California.
- 29. Defendant THE BURTON CORPORATION is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. The Burton Corporation manufactures, distributes and/or sells the Products for sale or use in California.

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

- 40. Defendant DIESEL U.S.A., INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Diesel U.S.A., Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 41. Defendant DISTEX, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Distex, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 42. Defendant DOLCE & GABBANA USA INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Dolce & Gabbana USA Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 43. Defendant THE DONNA KARAN COMPANY LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. The Donna Karan Company LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 44. Defendant THE DONNA KARAN COMPANY STORE LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. The Donna Karan Company Store LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 45. Defendant DONNA KARAN INTERNATIONAL INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Donna Karan International Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 46. Defendant THE DRESS BARN, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. The Dress Barn, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 47. Defendant ELEMENT SKATEBOARDS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Element Skateboards, Inc. manufactures, distributes and/or sells the Products for sale or use in California.

- 48. Defendant EXPRESS, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Express, LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 49. Defendant FANTAS EYES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Fantas Eyes, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 50. Defendant FANTASIA ACCESSORIES, LTD. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Fantasia Accessories, Ltd. manufactures, distributes and/or sells the Products for sale or use in California.
- 51. Defendant FOOT LOCKER, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Foot Locker, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 52. Defendant FOOT LOCKER RETAIL, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Foot Locker Retail, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 53. Defendant FOOTLOCKER.COM, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Footlocker.com, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 54. Defendant FOSSIL, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Fossil, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 55. Defendant FOSSIL STORES I, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Fossil Stores I, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 56. Defendant GEORGIOU DESIGN STUDIOS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Georgiou Design Studios, Inc. manufactures, distributes and/or sells the Products for sale or use in California.

- 57. Defendant GEORGIOU STUDIO, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Georgiou Studio, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 58. Defendant GUESS?, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Guess?, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 59. Defendant GUESS? RETAIL, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Guess? Retail, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 60. Defendant H&M HENNES & MAURITZ, L.P. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. H&M Hennes & Mauritz, L.P. manufactures, distributes and/or sells the Products for sale or use in California.
- 61. Defendant H.A. SHELDON CANADA LTD. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. H.A. Sheldon Canada Ltd. manufactures, distributes and/or sells the Products for sale or use in California.
- 62. Defendant HENRI BENDEL, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Henri Bendel, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 63. Defendant THE HOLLYWOOD COMPANY, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. The Hollywood Company, LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 64. Defendant HSN, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. HSN, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 65. Defendant JAG FOOTWEAR, ACCESSORIES AND RETAIL

 CORPORATION is a person in the course of doing business within the meaning of Health &

 Safety Code §25249.11. JAG Footwear, Accessories and Retail Corporation manufactures,

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

- 66. Defendant JANTZEN LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Jantzen LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 67. Defendant J.C. PENNEY CORPORATION, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. J.C. Penney Corporation, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 68. Defendant JONES APPAREL GROUP, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Jones Apparel Group, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 69. Defendant JONES APPAREL GROUP USA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Jones Apparel Group USA, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 70. Defendant JONES JEANSWEAR GROUP, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Jones Jeanswear Group, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 71. Defendant JUICY COUTURE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Juicy Couture, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 72. Defendant KATE SPADE LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Kate Spade LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 73. Defendant KMART CORPORATION is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Kmart Corporation manufactures, distributes and/or sells the Products for sale or use in California.
- 74. Defendant KOHL'S DEPARTMENT STORES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Kohl's Department Stores, Inc. manufactures, distributes and/or sells the Products for sale or use in

California.

- 75. Defendant LANDS' END, INC. DBA LANDS' END DIRECT MERCHANTS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Lands' End, Inc. dba Lands' End Direct Merchants, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 76. Defendant LIMITED STORES, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Limited Stores, LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 77. Defendant LIZ CLAIBORNE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Liz Claiborne, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 78. Defendant LUCKY BRAND DUNGAREES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Lucky Brand Dungarees, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 79. Defendant M & P CENTRAL, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. M & P Central, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 80. Defendant MACY'S, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Macy's, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 81. Defendant MACY'S DEPARTMENT STORES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Macy's Department Stores, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 82. Defendant MANGO NY, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Mango NY, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
 - 83. Defendant MARC JACOBS INTERNATIONAL, L.L.C. is a person in the

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

- 92. Defendant PACIFIC SUNWEAR OF CALIFORNIA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Pacific Sunwear of California, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 93. Defendant PACIFIC SUNWEAR STORES CORP. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Pacific Sunwear Stores Corp. manufactures, distributes and/or sells the Products for sale or use in California.
- 94. Defendant PAYLESS SHOESOURCE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Payless ShoeSource, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 95. Defendant PERRY ELLIS MENSWEAR LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Perry Ellis Menswear LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 96. Defendant PHILLIPS-VAN HEUSEN CORPORATION is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Phillips-Van Heusen Corporation manufactures, distributes and/or sells the Products for sale or use in California.
- 97. Defendant POLO RALPH LAUREN CORPORATION is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Polo Ralph Lauren Corporation manufactures, distributes and/or sells the Products for sale or use in California.
- 98. Defendant PUMA NORTH AMERICA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Puma North America, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 99. Defendant RAINBOW APPAREL DISTRIBUTION CENTER CORP. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11.

Rainbow Apparel Distribution Center Corp. manufactures, distributes and/or sells the Products for sale or use in California.

- 100. Defendant RAINBOW USA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Rainbow USA, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 101. Defendant RALPH LAUREN FOOTWEAR CORP. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Ralph Lauren Footwear Corp. manufactures, distributes and/or sells the Products for sale or use in California.
- 102. Defendant RAY ENTERPRISES OF CHESAPEAKE WALK, INC. DBA HOBO INTERNATIONAL is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Ray Enterprises of Chesapeake Walk, Inc. dba Hobo International manufactures, distributes and/or sells the Products for sale or use in California.
- 103. Defendant RUE21, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. rue21, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 104. Defendant SAKS INCORPORATED is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Saks Incorporated manufactures, distributes and/or sells the Products for sale or use in California.
- 105. Defendant SAKS & COMPANY is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Saks & Company manufactures, distributes and/or sells the Products for sale or use in California.
- 106. Defendant SAKS DIRECT, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Saks Direct, LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 107. Defendant SCCA STORE HOLDINGS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. SCCA Store Holdings, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
 - 108. Defendant SEARS, ROEBUCK AND CO. is a person in the course of

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

126. Defendant VF OUTDOOR, INC. is a person in the course of doing		
business within the meaning of Health & Safety Code §25249.11. VF Outdoor, Inc.		
manufactures, distributes and/or sells the Products for sale or use in California.		
127. Defendant VICTORIA'S SECRET STORES, LLC is a person in the		
course of doing business within the meaning of Health & Safety Code §25249.11. Victoria's		
Secret Stores, LLC manufactures, distributes and/or sells the Products for sale or use in		
California.		
128. Defendant VICTORIA'S SECRET DIRECT BRAND MANAGEMENT,		
LLC is a person in the course of doing business within the meaning of Health & Safety Code		
§25249.11. Victoria's Secret Direct Brand Management, LLC manufactures, distributes and/or		
sells the Products for sale or use in California.		
129. Defendant VOLCOM, INC. is a person in the course of doing business		
within the meaning of Health & Safety Code §25249.11. Volcom, Inc. manufactures, distributes		
and/or sells the Products for sale or use in California.		
130. Defendant VOLCOM RETAIL, INC. is a person in the course of doing		
business within the meaning of Health & Safety Code §25249.11. Volcom Retail, Inc.		
manufactures, distributes and/or sells the Products for sale or use in California.		
131. Defendant WAL-MART STORES, INC. is a person in the course of doing		
business within the meaning of Health & Safety Code §25249.11. Wal-Mart Stores, Inc.		
manufactures, distributes and/or sells the Products for sale or use in California.		
132. Defendant THE WET SEAL, INC. is a person in the course of doing		
business within the meaning of Health & Safety Code §25249.11. The Wet Seal, Inc.		
manufactures, distributes and/or sells the Products for sale or use in California.		
133. Defendant THE WET SEAL RETAIL, INC. is a person in the course of		
doing business within the meaning of Health & Safety Code §25249.11. The Wet Seal Retail,		
Inc. manufactures, distributes and/or sells the Products for sale or use in California.		
134. Defendant WORLDWIDE DREAMS LLC is a person in the course of		

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

- 135. Defendant WORLDWIDE DYNASTY, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Worldwide Dynasty, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 136. Defendant YOOX CORPORATION is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. YOOX Corporation manufactures, distributes and/or sells the Products for sale or use in California.
- 137. Defendant ZAPPOS.COM, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Zappos.com, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 138. Defendant ZUMIEZ, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Zumiez, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 139. DOES 1 through 500 are each a person in the course of doing business within the meaning of Health & Safety Code §25249.11. DOES 1 through 500 manufacture, distribute and/or sell the Products for sale or use in California.
- 140. The true names of DOES 1 through 500 are unknown to CEH at this time. When their identities are ascertained, the Complaint shall be amended to reflect their true names.
- 141. The defendants identified in paragraphs 5 through 138 and DOES 1 through 500 are collectively referred to herein as "Defendants."

JURISDICTION AND VENUE

- 142. The Court has jurisdiction over this action pursuant to Health & Safety Code §25249.7, which allows enforcement in any court of competent jurisdiction, and pursuant to California Constitution Article VI, Section 10, because this case is a cause not given by statute to other trial courts.
- 143. This Court has jurisdiction over 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 and/or by having such other contacts with California so as to render the exercise of jurisdiction over it by the California courts consistent with traditional notions of fair play and substantial justice.

144. Venue is proper in the Alameda Superior Court because one or more of the violations arise in the County of Alameda.

BACKGROUND FACTS

- 145. 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).
- 146. To effectuate this goal, Proposition 65 prohibits exposing people to chemicals listed by the State of California as known to cause cancer, birth defects or other reproductive harm without a "clear and reasonable warning" 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. . .

- 147. 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. 27 California Code of Regulations ("C.C.R.") §27001(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. 27 C.C.R. §27001(c); Health & Safety Code §25249.10(b).
- 148. 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 chemicals known to cause cancer, lead and lead compounds became subject to the clear and reasonable warning requirement regarding carcinogens under Proposition 65. 27 C.C.R. §27001(c); Health & Safety Code §25249.10(b).

- 149. Some of the Products are designed for and marketed to children. Young children are also exposed to Lead from the Products when they touch or play with Products that are owned or used by their parents or caretakers. In addition, young children are exposed to Lead from the Products when they touch their hands to their mouths after their hands have touched or handled the Products.
- Children show a greater sensitivity to Lead's effects than do adults. Adverse health impacts from Lead exposure generally occur in children at lower blood Lead levels than in adults. Children absorb and retain more Lead in proportion to their weight than do adults. Young children also show a greater prevalence of iron deficiency, a condition that can increase gastrointestinal absorption of Lead. The body accumulates Lead over a lifetime and releases it slowly, so even small doses received in childhood, over time, can cause adverse health impacts, including but not limited to reproductive toxicity, later in life. For example, in times of physiological stress, such as pregnancy, the body can mobilize accumulated stores of Lead in tissue and bone, thereby increasing the level of Lead in the blood and increasing the risk of harm to the fetus.
- Lead exposure have been shown to permanently reduce mental capacity. Davis, J.M., Svendgaard, D.J., "Lead and Child Development," *Nature* 329:297-300, 1987. One study on the effect of childhood Lead exposure declared that even the smallest detectable amount of blood Lead levels in children can mean the difference between an A or B grade in school. Lanphear, B.P., Dietrich, K., Auinger, P., Cox, C., "Subclinical Lead Toxicity in U.S. Children and Adolescents," *Neurodevelopmental Disabilities II Platform*, 2000. Another study followed children into adulthood and found a sevenfold increase in the risk for developing a reading disability among children exposed to sufficient levels of Lead as toddlers. Needleman, H.L., Schell, A., Bellinger, D., Leviton, A., Allred, E.N., "The Long-Term Effects of Exposure to Low

Doses of Lead in Childhood: An 11-Year Follow-up Report," *New England Journal of Medicine* 322:83-88, 1990.

- 152. Lead exposures for pregnant women are also of particular concern in light of evidence that even short term Lead exposures *in utero* may have long-term harmful effects. Hu, H., *et al.*, "Fetal Lead Exposure at Each State of Pregnancy as a Predictor of Infant Mental Development," *Environmental Health Perspectives* 114:11, 2006; Schnaas, L., *et al.*, "Reduced Intellectual Development in Children with Prenatal Lead Exposure," *Environmental Health Perspectives* 114:5, 2006.
- Products are made. Lead is found in the Products as a stabilizer in the vinyl or imitation leather materials, as a chemical ingredient in some of the dies, paints and other coloring agents used in the Products and in the chemicals used in the leather tanning process. Lead is also found in metallic components used on some of the Products.
- 154. Defendants' Products contain sufficient quantities of Lead such that consumers, including pregnant women and children, who touch and/or handle the Products are exposed to Lead through the average use 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 touch or handle the Products; and dermal absorption directly through the skin when consumers take on or off and/or otherwise touch or handle the Products.
- 155. No clear and reasonable warning is provided with the Products regarding the carcinogenic or reproductive hazards of Lead.
- 156. 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).
- 157. More than sixty days prior to naming each Defendant in this lawsuit, CEH provided a 60-Day "Notice of Violation of Proposition 65" to the California Attorney General,

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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 of the named Defendants. In compliance with Health & Safety Code §25249.7(d) and 27 C.C.R. §25903(b), each Notice included the following information: (1) the name and address of each violator; (2) the statute violated; (3) the time period during which violations occurred; (4) specific descriptions of the violations, including (a) the routes of exposure to Lead from the Products, and (b) the specific type of products sold and used in violation of Proposition 65; and (5) the name of the specific Proposition 65-listed chemical that is the subject of the violations described in each Notice.

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 the named Defendants. In compliance with Health & Safety Code §25249.7(d) and 11 C.C.R. §3101, each of the 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 each of the Notices; 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 each of the Notices. In compliance with Health & Safety Code §25249.7(d) and 11 C.C.R. §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.

- 159. 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 Defendants under Health & Safety Code §25249.5, *et seq.*, based on the claims asserted in the Notice.
- 160. Defendants both know and intend that individuals, including pregnant women and children, will touch and/or handle the Products, thus exposing them to Lead.
 - 161. Under Proposition 65, an exposure is "knowing" where the party

1	5. That the Court grant such other and further relief as may be just and
2	proper.
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4	Dated: November 3, 2010 Respectfully submitted,
5	LEXINGTON LAW GROUP
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-8	Eric S. Somers
9	Eric S. Somers Attorneys for Plaintiff CENTER FOR ENVIRONMENTAL HEALTH
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