1 LEXINGTON LAW GROUP Eric S. Somers, State Bar No. 139050 Howard Hirsch, State Bar No. 213209 Lisa Burger, State Bar No. 239676 1627 Irving Street 3 NUX 5 # 3010 San Francisco, CA 94122 Telephone: (415) 759-4111 4 CLERK OF THE SUPERIOR COURT Facsimile: (415) 759-4112 5 By Molly Kautz Attorneys for Plaintiff CENTÉR FOR ENVIRONMENTAL HEALTH 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 COUNTY OF ALAMEDA 10 11 CENTER FOR ENVIRONMENTAL HEALTH.) Lead Case No. RG 09-459448 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 FIRST AMENDED COMPLAINT -CENTER FOR ENVIRONMENTAL 15 LULU NYC LLC, et al., and Defendant DOES 1 **HEALTH V. BAG BAZAAR, LTD.**; through 500, inclusive, CASE NO. RG 10-494517 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 First 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' wallets, handbags, purses and clutches made with leather, vinyl or imitation leather materials (the "Products"). Consumers, including pregnant women, are exposed to Lead when they use, 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 A-LIST, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. A-List, 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 ADIDAS AMERICA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Adidas America, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 8. Defendant ADIDAS PROMOTIONAL RETAIL OPERATIONS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Adidas Promotional Retail Operations, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 9. 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.
- 10. 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.
- 11. Defendant AMERICAN EAGLE OUTFITTERS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. American

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

- 12. Defendant AMERICAN PROCUREMENT CO., INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. American Procurement Co., Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 13. Defendant AMICI ACCESSORIES, LTD. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Amici Accessories, Ltd. manufactures, distributes and/or sells the Products for sale or use in California.
- 14. Defendant AMITY/ROLFS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Amity/Rolfs, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 15. Defendant AUDIGIER BRAND MANAGEMENT GROUP, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Audigier Brand Management Group, LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 16. Defendant BAEKGAARD LIMITED OF INDIANA is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Baekgaard Limited of Indiana manufactures, distributes and/or sells the Products for sale or use in California.
- 17. Defendant BAG BAZAAR, LTD. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Bag Bazaar, Ltd. manufactures, distributes and/or sells the Products for sale or use in California.
- 18. Defendant BATH & BODY WORKS LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Bath & Body Works LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 19. Defendant BATH & BODY WORKS DIRECT, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Bath & Body

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

- 20. Defendant BEBE STORES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Bebe Stores, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 21. Defendant BENETTON USA CORPORATION DBA UNITED COLORS OF BENETTON is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Benetton USA Corporation dba United Colors of Benetton manufactures, distributes and/or sells the Products for sale or use in California.
- 22. Defendant THE BETESH GROUP HOLDING CORPORATION is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. The Betesh Group Holding Corporation manufactures, distributes and/or sells the Products for sale or use in California.
- 23. 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.
- 24. Defendant BILLABONG USA HOLDINGS PTY LTD. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Billabong USA Holdings PTY Ltd. manufactures, distributes and/or sells the Products for sale or use in California.
- 25. Defendant BILLABONG USA INVESTMENTS PTY LTD, is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Billabong USA Investments PTY Ltd. 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 BROWN SHOE COMPANY, INC. is a person in the course of

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

- 28. 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.
- 29. 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.
- 30. Defendant C. & J. CLARK AMERICA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. C. & J. Clark America, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 31. Defendant C. & J. CLARK RETAIL, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. C. & J. Clark Retail, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 32. Defendant CALIFORNIA ONAX is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. California Onax manufactures, distributes and/or sells the Products for sale or use in California.
- 33. Defendant CALVIN KLEIN, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Calvin Klein, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 34. Defendant CBI DISTRIBUTING CORP. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. CBI Distributing Corp. manufactures, distributes and/or sells the Products for sale or use in California.
- 35. Defendant CHARLOTTE RUSSE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Charlotte Russe, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 36. Defendant CHARLOTTE RUSSE HOLDING, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Charlotte

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

- 37. Defendant CHENSON INDUSTRIAL CO. LTD., INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Chenson Industrial Co. Ltd., Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 38. Defendant CHRISTIAN AUDIGIER, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Christian Audigier, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 39. Defendant CLAIRE'S BOUTIQUES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Claire's Boutiques, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 40. Defendant CLAIRE'S STORES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Claire's Stores, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 41. 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 or use in California.
- 42. Defendant COLDWATER CREEK U.S. INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Coldwater Creek U.S. Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 43. Defendant COLE HAAN is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Cole Haan manufactures, distributes and/or sells the Products for sale or use in California.
- 44. Defendant COLE HAAN COMPANY STORE is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Cole Haan Company Store manufactures, distributes and/or sells the Products for sale or use in California.
 - 45. Defendant COMECO, INC. is a person in the course of doing business

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

- 46. Defendant COMECO, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Comeco, LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 47. Defendant CVS CAREMARK CORPORATION is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. CVS Caremark Corporation manufactures, distributes and/or sells the Products for sale or use in California.
- 48. 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 or use in California.
- 49. 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.
- 50. 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.
- 51. 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.
- 52. Defendant EASTBAY, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Eastbay, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 53. Defendant EBAGS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. eBags, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 54. Defendant ECKO DIRECT, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Ecko Direct, LLC

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

- 55. Defendant EFASHION SOLUTIONS, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. eFashion Solutions, LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 56. 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.
- 57. Defendant ETIENNE AIGNER, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Etienne Aigner, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 58. 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.
- 59. Defendant FASHION BUG OF CALIFORNIA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Fashion Bug of California, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 60. Defendant FASHION BUG RETAIL COMPANIES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Fashion Bug Retail Companies, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 61. Defendant FASHION SHOE LICENSING LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Fashion Shoe Licensing LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 62. 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.
- 63. Defendant FOREIGN EXCHANGE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Foreign Exchange, Inc.

64	4.	Defendant FOX HEAD, INC. is a person in the course of doing business		
within the meaning	ng o	f Health & Safety Code §25249.11. Fox Head, Inc. manufactures,		
distributes and/or sells the Products for sale or use in California.				
65	5.	Defendant FRENCH CONNECTION GROUP, INC. is a person in the		
course of doing b	ousir	ness within the meaning of Health & Safety Code §25249.11. French		
Connection Grou	ıp, İr	nc. manufactures, distributes and/or sells the Products for sale or use in		
California.				
66	5.	Defendant FRENCH CONNECTION GROUP PLC is a person in the		
course of doing b	ousir	ness within the meaning of Health & Safety Code §25249.11. French		
Connection Grou	ıp PI	LC manufactures, distributes and/or sells the Products for sale or use in		
California.				
67	7.	Defendant FURMIR, LLC is a person in the course of doing business		
within the meaning	ng o	f Health & Safety Code §25249.11. Furmir, LLC manufactures, distributes		
and/or sells the P	rodu	acts for sale or use in California.		
68	8.	Defendant GLOBAL BRAND HOLDINGS, LLC is a person in the course		
of doing business	s wit	hin the meaning of Health & Safety Code §25249.11. Global Brand		
Holdings, LLC manufactures, distributes and/or sells the Products for sale or use in California.				
69	9.	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 P	rodu	acts for sale or use in California.		
70	0.	Defendant GUESS? RETAIL, INC. is a person in the course of doing		
business within the	he n	neaning of Health & Safety Code §25249.11. Guess? Retail, Inc.		
manufactures, dis	strib	utes and/or sells the Products for sale or use in California.		
71	1.	Defendant HARDY LIFE, LLC is a person in the course of doing business		
within the meaning	ng o	f Health & Safety Code §25249.11. Hardy Life, LLC manufactures,		
distributes and/or	r sell	Is the Products for sale or use in California.		

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.

- 73. Defendant HOT TOPIC, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Hot Topic, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 74. Defendant HOT TOPIC MERCHANDISING, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Hot Topic Merchandising, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 75. 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.
- 76. Defendant ICONIX BRAND GROUP, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Iconix Brand Group, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 77. Defendant INDONESIAN IMPORTS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Indonesian Imports, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 78. Defendant JILL STUART, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Jill Stuart, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 79. Defendant JILL STUART INTERNATIONAL, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Jill Stuart International, LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 80. Defendant JOE'S JEANS INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Joe's Jeans Inc. manufactures, distributes and/or sells the Products for sale or use in California.

person in the course of doing business within the meaning of Health & Safety Code §25249.11. Marc Ecko Enterprises Accessories, LLC manufactures, distributes and/or sells the Products for sale or use in California.

- 91. Defendant MARC JACOBS INTERNATIONAL, L.L.C. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Marc Jacobs International, L.L.C. manufactures, distributes and/or sells the Products for sale or use in California.
- 92. Defendant MAURICES INCORPORATED is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Maurices Incorporated manufactures, distributes and/or sells the Products for sale or use in California.
- 93. Defendant MAXX ACCESSORIES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Maxx Accessories, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 94. Defendant ME & YOU ACCESSORIES INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Me & You Accessories Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 95. Defendant MELIE BIANCO ACCESSORIES, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Melie Bianco Accessories, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 96. Defendant METROPARK USA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Metropark USA, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 97. Defendant MIAS FASHION MANUFACTURING COMPANY, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Mias Fashion Manufacturing Company, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 98. Defendant MICHAEL KORS (USA), INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Michael Kors (USA),

- 107. 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.
- 108. Defendant PACIFIC WORLDWIDE, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Pacific Worldwide, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 109. 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.
- 110. Defendant PERLINA HANDBAGS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Perlina Handbags, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 111. Defendant PHAT FASHIONS, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Phat Fashions, Inc. manufactures, distributes and/or sells the Products for sale or use in California.
- 112. Defendant PHAT FASHIONS, LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Phat Fashions, LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 113. 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.
- 114. Defendant PHOENIX LEATHER GOODS LLC is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Phoenix Leather Goods LLC manufactures, distributes and/or sells the Products for sale or use in California.
- 115. Defendant RAY ENTERPRISES OF CHESAPEAKE WALK, INC. DBA HOBO INTERNATIONAL is a person in the course of doing business within the meaning of

BACKGROUND FACTS

P:

169. 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).

170. 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. . .

- 171. 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).
- 172. 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).
 - 173. 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 eat food that is stored or carried in the Products or touch or play with non-food items that are stored or carried in the Products. Additional childhood exposures to Lead occur when children touch their hands to their mouths after their hands have touched the Products or items stored or carried in the Products.

174. Young children are especially susceptible to the toxic effects of Lead. 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.

- 176. 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.
- 177. Lead is found in the fabric and/or material from which many of the 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 the metallic components such as zippers and zipper pulls used on some of the Products.
- 178. Defendants' Products contain sufficient quantities of Lead such that consumers, including pregnant women and children, who use, 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 or items that have been stored in the Products in their mouths; ingestion via hand-to-mouth contact after consumers use, touch and/or handle the Products or items that have been stored in the Products; and dermal absorption directly through the skin when consumers use, touch and/or handle the Products or items that have been stored in the Products or items that
- 179. 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).
- 180. 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, 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.

- 182. 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.
- 183. Defendants both know and intend that individuals, including pregnant women and children, will use, touch and/or handle the Products, thus exposing them to Lead.
- 184. 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.

1	5.	That the Court grant such other and further relief as may be just and
2	proper.	
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4	Dated: May 28, 2010	Respectfully submitted,
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8		Eric S. Somers Attorneys for Plaintiff CENTER FOR ENVIRONMENTAL HEALTH
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