

1 Clifford A. Chanler, State Bar No. 135534
2 Josh Voorhees, State Bar No. 241436
3 THE CHANLER GROUP
4 2560 Ninth Street
5 Parker Plaza, Suite 214
6 Berkeley, CA 94710-2565
7 Telephone: (510) 848-8880
8 Facsimile: (510) 848-8118

9 Attorneys for Plaintiff
10 ANTHONY E. HELD, PH.D., P.E.

CASE MANAGEMENT CONFERENCE SET

APR 22 2011 9⁰⁰ AM
DEPARTMENT 212

EMBOSSED
FILED
San Francisco County Superior Court

NOV 22 2010

CLERK OF THE COURT
BY: PARSONS
COURT CLERK

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 FOR THE COUNTY OF SAN FRANCISCO
13 UNLIMITED CIVIL JURISDICTION

CGC - 10 - 505565

14 ANTHONY E. HELD, PH.D., P.E.,

15 Plaintiff,

16 v.

17 CELS ENTERPRISES, INC.; and DOES 1-
18 150, inclusive,

19 Defendants.

Case No. _____

**COMPLAINT FOR CIVIL PENALTIES
AND INJUNCTIVE RELIEF**

(Cal. Health & Safety Code § 25249.6 et seq.)

20
21
22
23
24
25
26
27
28
VIA FAX

1 NATURE OF THE ACTION

2 1. This Complaint is a representative action brought by plaintiff ANTHONY E.
3 HELD, PH.D., P.E., in the public interest of the citizens of the State of California, to enforce the
4 People’s right to be informed of the presence of di(2-ethylhexyl)phthalate (“DEHP”), a toxic
5 chemical found in footwear sold in California.

6 2. By this Complaint, plaintiff seeks to remedy defendants’ continuing failures to
7 warn California citizens about their exposure to DEHP, present in or on certain footwear that
8 defendants manufacture, distribute, and/or offer for sale to consumers throughout the State of
9 California.

10 3. Under California’s Safe Drinking Water and Toxic Enforcement Act of 1986,
11 California Health & Safety Code § 25249.6 *et seq.* (“Proposition 65”), “No person in the course
12 of doing business shall knowingly and intentionally expose any individual to a chemical known
13 to the state to cause cancer or reproductive toxicity without first giving clear and reasonable
14 warning to such individual. . . .” (*Cal. Health & Safety Code § 25249.6.*)

15 4. On October 23, 2003, California identified and listed DEHP as a chemical known
16 to cause birth defects and other reproductive harm. DEHP became subject to the warning
17 requirement one year later and was therefore subject to the “clear and reasonable warning”
18 requirements of Proposition 65, beginning on October 23, 2004. (*27 CCR § 27001 (c); Cal.*
19 *Health & Safety Code § 25249.8.*) DEHP shall be referred to hereinafter as the “LISTED
20 CHEMICAL.”

21 5. Defendants manufacture, distribute, and/or sell footwear containing the LISTED
22 CHEMICAL including, but not limited to, the *Chinese Laundry Sweet Caroline, #4175 (#8*
23 *80858 85343 6)*. All such footwear containing the LISTED CHEMICAL shall hereinafter be
24 referred to as the “PRODUCTS.”

25 6. Defendants’ failures to warn consumers and/or other individuals in the State of
26 California about their exposure to the LISTED CHEMICAL in conjunction with defendants’
27 sale of the PRODUCTS is a violation of Proposition 65 and subjects defendants to enjoinder
28 of such conduct as well as civil penalties for each such violation.

1 7. For defendants' violations of Proposition 65, plaintiff seeks preliminary injunctive
2 and permanent injunctive relief to compel defendants to provide purchasers or users of the
3 PRODUCTS with the required warning regarding the health hazards of the LISTED
4 CHEMICAL. (*Cal. Health & Safety Code § 25249.7(a).*)

5 8. Plaintiff also seeks civil penalties against defendants for their violations of
6 Proposition 65, as provided for by California Health & Safety Code § 25249.7(b).

7 **PARTIES**

8 9. Plaintiff ANTHONY E. HELD, PH.D., P.E. is a citizen of the State of California
9 who is dedicated to protecting the health of California citizens through the elimination or
10 reduction of toxic exposures from consumer products, and brings this action in the public
11 interest pursuant to California Health & Safety Code § 25249.7.

12 10. Defendant CELS ENTERPRISES, INC. ("CELS") is a person doing business
13 within the meaning of California Health & Safety Code § 25249.11.

14 11. Defendant CELS manufactures, distributes, and/or offers the PRODUCTS for sale
15 or use in the State of California or implies by its conduct that it manufactures, distributes, and/or
16 offers the PRODUCTS for sale or use in the State of California.

17 12. Defendants DOES 1-50 ("MANUFACTURER DEFENDANTS") are each
18 persons doing business within the meaning of California Health & Safety Code § 25249.11.

19 13. MANUFACTURER DEFENDANTS engage in the process of researching,
20 testing, designing, assembling, fabricating, and/or manufacturing, or imply by their conduct that
21 they engage in the process of researching, testing, designing, assembling, fabricating, and/or
22 manufacturing, one or more of the PRODUCTS for sale or use in the State of California.

23 14. Defendants DOES 51-100 ("DISTRIBUTOR DEFENDANTS") are each persons
24 doing business within the meaning of California Health & Safety Code § 25249.11.

25 15. DISTRIBUTOR DEFENDANTS distribute, exchange, transfer, process, and/or
26 transport one or more of the PRODUCTS to individuals, businesses, or retailers for sale or use
27 in the State of California.

1 16. Defendants DOES 101-150 ("RETAILER DEFENDANTS") are each persons
2 doing business within the meaning of California Health & Safety Code § 25249.11.

3 17. RETAILER DEFENDANTS offer the PRODUCTS for sale to individuals in the
4 State of California.

5 18. At this time, the true names of Defendants DOES 1 through 150, inclusive, are
6 unknown to plaintiff, who therefore sues said defendants by their fictitious name pursuant to
7 Code of Civil Procedure § 474. Plaintiff is informed and believes, and on that basis alleges, that
8 each of the fictitiously named defendants is responsible for the acts and occurrences herein
9 alleged. When ascertained, their true names shall be reflected in an amended complaint.

10 19. CELS, MANUFACTURER DEFENDANTS, DISTRIBUTOR DEFENDANTS,
11 and RETAILER DEFENDANTS shall, where appropriate, collectively be referred to hereinafter
12 as "DEFENDANTS."

13 **VENUE AND JURISDICTION**

14 20. Venue is proper in the San Francisco County Superior Court, pursuant to Code of
15 Civil Procedure §§ 394, 395, 395.5, because this Court is a court of competent jurisdiction,
16 because one or more instances of wrongful conduct occurred, and continues to occur, in the
17 County of San Francisco and/or because DEFENDANTS conducted, and continue to conduct,
18 business in this County with respect to the PRODUCTS.

19 21. The California Superior Court has jurisdiction over this action pursuant to
20 California Constitution Article VI, § 10, which grants the Superior Court "original jurisdiction
21 in all causes except those given by statute to other trial courts." The statute under which this
22 action is brought does not specify any other basis of subject matter jurisdiction.

23 22. The California Superior Court has jurisdiction over DEFENDANTS based on
24 plaintiff's information and good faith belief that each defendant is a person, firm, corporation or
25 association that either are citizens of the State of California, have sufficient minimum contacts
26 in the State of California, or otherwise purposefully avail themselves of the California market.
27 DEFENDANTS' purposeful availment renders the exercise of personal jurisdiction by
28 California courts consistent with traditional notions of fair play and substantial justice.

1 **FIRST CAUSE OF ACTION**

2 **(Violation of Proposition 65 - Against All Defendants)**

3 23. Plaintiff realleges and incorporates by reference, as if fully set forth herein,
4 Paragraphs 1 through 22, inclusive.

5 24. The citizens of the State of California have expressly stated in Proposition 65 that
6 they must be informed “about exposures to chemicals that cause cancer, birth defects and other
7 reproductive harm.” (*Cal. Health & Safety Code § 25249.6.*)

8 25. Proposition 65 states, “No person in the course of doing business shall knowingly
9 and intentionally expose any individual to a chemical known to the state to cause cancer or
10 reproductive toxicity without first giving clear and reasonable warning to such individual....”
11 (*Id.*)

12 26. On September 1, 2010, a sixty-day notice of violation, together with the requisite
13 certificate of merit, was provided to CELS and various public enforcement agencies stating that
14 as a result of the DEFENDANTS’ sales of the PRODUCTS, purchasers and users in the State of
15 California were being exposed to DEHP resulting from the reasonably foreseeable uses of the
16 PRODUCTS, without the individual purchasers and users first having been provided with a
17 “clear and reasonable warning” regarding such toxic exposures.

18 27. DEFENDANTS have engaged in the manufacture, distribution, and/or offering of
19 the PRODUCTS for sale or use in violation of California Health & Safety Code § 25249.6 and
20 DEFENDANTS’ manufacture, distribution, and/or offering of the PRODUCTS for sale or use
21 in violation of California Health & Safety Code § 25249.6 has continued to occur beyond
22 DEFENDANTS’ receipt of plaintiff’s sixty-day notice of violation. Plaintiff further alleges and
23 believes that such violations will continue to occur into the future.

24 28. After receipt of the claims asserted in the sixty-day notice of violation, the
25 appropriate public enforcement agencies have failed to commence and diligently prosecute a
26 cause of action against DEFENDANTS under Proposition 65.

27 ///

28 ///

1 29. The PRODUCTS manufactured, distributed, and/or offered for sale or use in
2 California by DEFENDANTS contained the LISTED CHEMICAL above the allowable state
3 limits.

4 30. DEFENDANTS knew or should have known that the PRODUCTS manufactured,
5 distributed, and/or offered for sale or use by DEFENDANTS in California contained the
6 LISTED CHEMICAL.

7 31. The LISTED CHEMICAL was present in or on the PRODUCTS in such a way as
8 to expose individuals to the LISTED CHEMICAL through dermal contact and/or ingestion
9 during the reasonably foreseeable use of the PRODUCTS.

10 32. The normal and reasonably foreseeable use of the PRODUCTS has caused and
11 continues to cause consumer exposures to the LISTED CHEMICAL, as such exposure is
12 defined by 27 CCR § 25602(b).

13 33. DEFENDANTS had knowledge that the normal and reasonably foreseeable use of
14 the PRODUCTS would expose individuals to the LISTED CHEMICAL through dermal contact
15 and/or ingestion.

16 34. DEFENDANTS intended that such exposures to the LISTED CHEMICAL from
17 the reasonably foreseeable use of the PRODUCTS would occur by their deliberate, non-
18 accidental participation in the manufacture, distribution, and/or offer for sale or use of
19 PRODUCTS to individuals in the State of California.

20 35. DEFENDANTS failed to provide a “clear and reasonable warning” to those
21 consumers and/or other individuals in the State of California who were or who could become
22 exposed to the LISTED CHEMICAL through dermal contact and/or ingestion during the
23 reasonably foreseeable use of the PRODUCTS.

24 36. Contrary to the express policy and statutory prohibition of Proposition 65, enacted
25 directly by California voters, individuals exposed to the LISTED CHEMICAL through dermal
26 contact and/or ingestion resulting from the reasonably foreseeable use of the PRODUCTS, sold
27 by DEFENDANTS without a “clear and reasonable warning,” have suffered, and continue to
28 suffer, irreparable harm, for which harm they have no plain, speedy or adequate remedy at law.

1 37. As a consequence of the above-described acts, DEFENDANTS are liable for a
2 maximum civil penalty of \$2,500 per day for each violation pursuant to California Health &
3 Safety Code § 25249.7(b).

4 38. As a consequence of the above-described acts, California Health & Safety Code
5 § 25249.7(a) also specifically authorizes the Court to grant injunctive relief against
6 DEFENDANTS.

7 **PRAYER FOR RELIEF**

8 Wherefore, plaintiff prays for judgment against DEFENDANTS as follows:

9 1. That the Court, pursuant to California Health & Safety Code § 25249.7(b), assess
10 civil penalties against DEFENDANTS in the amount of \$2,500 per day for each violation
11 alleged herein;

12 2. That the Court, pursuant to California Health & Safety Code § 25249.7(a),
13 preliminarily and permanently enjoin DEFENDANTS from manufacturing, distributing, or
14 offering the PRODUCTS for sale or use in California, without providing "clear and reasonable
15 warnings" as defined by 27 CCR § 25601, as to the harms associated with exposures the
16 LISTED CHEMICAL;

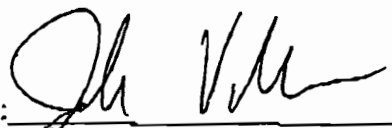
17 3. That the Court grant plaintiff his reasonable attorneys' fees and costs of suit; and

18 4. That the Court grant such other and further relief as may be just and proper.

19 Respectfully Submitted,

20 Dated: November 22, 2010

THE CHANLER GROUP

21
22 By: 
23 Josh Voorhees
24 Attorneys for Plaintiff
25 ANTHONY E. HELD, PH.D., P.E.