1 2	Reuben Yeroushalmi (SBN 193981) Daniel D. Cho (SBN 105409)	CONFORMED COPY  SUPERIOR COURT OF LLED  COUNTY OF LOS ASSEMBLY
3	Ben Yeroushalmi (SBN 232540) YEROUSHALMI & ASSOCIATES	APR 18 2012
	9100 Wilshire Boulevard, Suite 610E	John A. Clarke. Executive Officer/Clerk
4	Beverly Hills, California 90213 Telephone: 310.623.1926	Rugena Juliano Deputy
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6	Attorneys for Plaintiffs,	
7	Consumer Advocacy Group, Inc.	
8		
9	SUPERIOR COURT OF T	HE STATE OF CALIFORNIA
10	COUNTY OF LOS ANGELES – CENTRAL DISTRICT	
11		
12	CONSUMER ADVOCACY GROUP, INC.,	CASE NO. BC 482995
	in the public interest,	
13	Plaintiff,	COMPLAINT FOR PENALTY,
14		INJUNCTION, AND RESTITUTION
15	v.	Violation of Proposition 65, the Safe
16	STREET GLOW, INC., a New Jersey	Drinking Water and Toxic Enforcement
17	Corporation, ROSS DRESS FOR LESS,	Act of 1986 (Health & Safety Code, §
18	INC., a Virginia Corporation d.b.a dd's DISCOUNTS, ROSS STORES, INC., a	2524 <del>9.5, et seq.)</del>
	Delaware Corporation d.b.a dd's	ACTION IS AN UNLIMITED CIVIL
19	DISCOUNTS, and DOES 1-50;	CASE (exceeds \$25,000)
20	Defendants.	
21		
22	Plaintiff Consumer Advocacy Group, Inc. alleges a cause of action against Defendants a	
23	follows:	-
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COMPLAINT FOR VIOLATION OF PROPOSITION 65, THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (HEALTH AND SAFETY CODE § 25249.5, ET SEQ.)

### THE PARTIES

- 1. Plaintiff Consumer Advocacy Group, Inc. ("Plaintiff" OR "CAG") is a corporation qualified to do business in the State of California. CAG is a person within the meaning of Health and Safety Code section 25249.11, subdivision (a). CAG, acting as a private attorney general, brings this action in the public interest as defined under Health and Safety Code section 25249.7, subdivision (d).
- 2. Defendant Street Glow, Inc., ("Street Glow") is a company incorporated in the State of New Jersey.
- 3. Defendant Ross Dress For Less, Inc. dba dd's Discounts, ("Ross Dress") is a company incorporated in the State of Virginia qualified to do business in California.
- 4. Defendant Ross Stores, Inc. dba dd's Discounts ("Ross Stores") is a company incorporated in the State of Delaware qualified to do business in California.
- 5. Plaintiff is presently unaware of the true names and capacities of defendants Does 1-50, and therefore sues these defendants by such fictitious names. Plaintiff will amend this complaint to allege their true names and capacities when ascertained. Plaintiff is informed, believes, and thereon alleges that each fictitiously named defendant is responsible in some manner for the occurrences herein alleged and the damages caused thereby.
- 6. At all times mentioned herein, the term "Defendants" includes Street Glow, Ross Dress, Ross Stores, and Does 1-50.
- 7. Plaintiff is informed and believes, and thereon alleges that each of the Defendants at all times mentioned herein have conducted business within the State of California.
- 8. At all times relevant to this action, each of the Defendants, including Does 1-50, was an agent, servant, or employee of each of the other Defendants. In conducting the activities alleged in this Complaint, each of the Defendants was acting within the course and scope of this agency, service, or employment, and was acting with the consent, permission, and authorization of each of the other Defendants. All actions of each of the Defendants alleged in this Complaint were ratified and approved by every other Defendant or their

- officers or managing agents. Alternatively, each of the Defendants aided, conspired with and/or facilitated the alleged wrongful conduct of each of the other Defendants.
- 9. Plaintiff is informed, believes, and thereon alleges that at all relevant times, each of the Defendants was a person doing business within the meaning of Health and Safety Code section 25249.11, subdivision (b), and that each of the Defendants had ten (10) or more employees at all relevant times.

## **JURISDICTION**

- 10. The Court has jurisdiction over this lawsuit pursuant to California Constitution Article

  VI, Section 10, which grants the Superior Court original jurisdiction in all causes except
  those given by statute to other trial courts. This Court has jurisdiction over this action
  pursuant to Health and Safety Code section 25249.7, which allows enforcement of
  violations of Proposition 65 in any Court of competent jurisdiction.
- 11. This Court has jurisdiction over Defendants named herein because Defendants either reside or are located in this State or are foreign corporations authorized to do business in California, are registered with the California Secretary of State, or who do sufficient business in California, have sufficient minimum contacts with California, or otherwise intentionally avail themselves of the markets within California through their manufacture, distribution, promotion, marketing, or sale of their products within California to render the exercise of jurisdiction by the California courts permissible under traditional notions of fair play and substantial justice.
- 12. Venue is proper in the County of Los Angeles because one or more of the instances of wrongful conduct occurred, and continues to occur, in the County of Los Angeles and/or because Defendants conducted, and continue to conduct, business in the County of Los Angeles with respect to the consumer product that is the subject of this action.

# BACKGROUND AND PRELIMINARY FACTS

13. In 1986, California voters approved an initiative to address growing concerns about exposure to toxic chemicals and declared their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." Ballot Pamp.,

Proposed Law, Gen. Elec. (Nov. 4, 1986) at p. 3. The initiative, The Safe Drinking Water and Toxic Enforcement Act of 1986, codified at Health and Safety Code sections 25249.5, et seq. ("Proposition 65"), helps to protect California's drinking water sources from contamination, to allow consumers to make informed choices about the products they buy, and to enable persons to protect themselves from toxic chemicals as they see fit.

- 14. Proposition 65 requires the Governor of California to publish a list of chemicals known to the state to cause cancer, birth defects, or other reproductive harm. *Health & Safety Code* § 25249.8. The list, which the Governor updates at least once a year, contains over 700 chemicals and chemical families. Proposition 65 imposes warning requirements and other controls that apply to Proposition 65-listed chemicals.
- 15. All businesses with ten (10) or more employees that operate or sell products in California must comply with Proposition 65. Under Proposition 65, businesses are: (1) prohibited from knowingly discharging Proposition 65-listed chemicals into sources of drinking water (*Health & Safety Code* § 25249.5), and (2) required to provide "clear and reasonable" warnings before exposing a person, knowingly and intentionally, to a Proposition 65-listed chemical (*Health & Safety Code* § 25249.6).
- 16. Proposition 65 provides that any person "violating or threatening to violate" the statute may be enjoined in any court of competent jurisdiction. Health & Safety Code § 25249.7. "Threaten to violate" means "to create a condition in which there is a substantial probability that a violation will occur." Health & Safety Code § 25249.11(e). Defendants are also liable for civil penalties of up to \$2,500.00 per day per violation, recoverable in a civil action. Health & Safety Code § 25249.7(b).
- 17. Plaintiff identified certain practices of manufacturers and distributors of lead-bearing products of exposing, knowingly and intentionally, persons in California to the Proposition 65-listed chemicals of such products without first providing clear and reasonable warnings of such to the exposed persons prior to the time of exposure. Plaintiff later discerned that Defendants engaged in such practice.

Pedals.

- 18. On October 1, 1992, the Governor of California added Lead and Lead Compounds to the list of chemicals known to the State to cause cancer (*Cal. Code Regs.* tit. 27, § 27001(b)). Pursuant to Health and Safety Code sections 25249.9 and 25249.10, twenty (20) months after addition of Lead and lead compounds to the list of chemicals known to the State to cause cancer, Lead and lead compounds became fully subject to Proposition 65 warning requirements and discharge prohibitions.
- 19. On February 27, 1987, the Governor of California added Lead to the list of chemicals known to the State to cause reproductive toxicity (*Cal. Code Regs.* tit. 27, § 27001(c)). Lead is known to the State to cause developmental, female, and male reproductive toxicity. Pursuant to Health and Safety Code sections 25249.9 and 25249.10, twenty (20) months after addition of Lead to the list of chemicals known to the State to cause reproductive toxicity, Lead became fully subject to Proposition 65 warning requirements and discharge prohibitions.

## SATISFACTION OF PRIOR NOTICE

20. On or about July 19, 2011, Plaintiff gave notice of alleged violations of Health and Safety

- Code section 25249.6, concerning consumer products exposures, subject to a private action to Ross Dress, identified in the notice as "Ross Dress For Less, Inc. dba dd's Discounts", Ross Stores, identified in the notice as "Ross Stores, Inc. dba dd's Discounts", Street Glow, identified in the notice as "Street Glow, Inc.", and to the California Attorney General, County District Attorneys, and City Attorneys for each city
  - containing a population of at least 750,000 people in whose jurisdictions the violations allegedly occurred, concerning OPTX® "El Neon Pedal Electro-Luminescent Glowing
- 21. On or about September 6, 2011, Plaintiff gave notice of alleged violations of Health and Safety Code section 25249.6, concerning consumer products exposures, subject to a private action to Ross Dress, identified in the notice as "Ross Dress For Less, Inc.", Ross Stores, identified in the notice as "Ross Stores, Inc.", Street Glow, identified in the notice as "Street Glow, Inc.", and to the California Attorney General, County District Attorneys,

- and City Attorneys for each city containing a population of at least 750,000 people in whose jurisdictions the violations allegedly occurred, concerning OPTX® Radio Bar.
- 22. Before sending the notices of alleged violation, Plaintiff investigated the consumer products involved, the likelihood that such products would cause users to suffer significant exposures to lead, and the corporate structure of each of the Defendants.
- 23. Plaintiff's notice of alleged violation included a Certificate of Merit executed by the attorney for the noticing party, CAG. The Certificate of Merit stated that the attorney for Plaintiff who executed the certificate had consulted with at least one person with relevant and appropriate expertise who reviewed data regarding the exposures to lead, respectively, which are the subject Proposition 65-listed chemicals of this action. Based on that information, the attorney for Plaintiff who executed the Certificate of Merit believed there was a reasonable and meritorious case for this private action. The attorney for Plaintiff attached to the Certificate of Merit served on the Attorney General the confidential factual information sufficient to establish the basis of the Certificate of Merit.
- 24. Plaintiff's notice of alleged violations also included a Certificate of Service and a document entitled "The Safe Drinking Water & Toxic Enforcement Act of 1986

(Proposition 65) A Summary." Health & Safety Code § 25249.7(d).

- 25. Plaintiff is commencing this action more than sixty (60) days from the dates that Plaintiff gave notice of the alleged violations to Defendants and the public prosecutors referenced in Paragraph 20-21.
- 26. Plaintiff is informed, believes, and thereon alleges that neither the Attorney General, nor any applicable district attorney or city attorney has commenced and is diligently prosecuting an action against the Defendants.

# FIRST CAUSE OF ACTION

(By Consumer Advocacy Group, Inc. and against Ross Dress For Less, Inc. dba dd's Discounts, Ross Stores, Inc. dba dd's Discounts, and Street Glow, Inc., for Violations of

# Proposition 65, The Safe Drinking Water and Toxic Enforcement Act of 1986 (Health & Safety Code, §§ 25249.5, et seq.))

### **OPTX®** "El Neon Pedal" Electro-Luminescent Glowing Pedals

- 27. Plaintiff Consumer Advocacy Group, Inc. repeats and incorporates by reference paragraphs 1 through 26 of this complaint as though fully set forth herein.
- 28. Each of the Defendants is, and at all times mentioned herein was, a manufacturer, distributor, promoter, or retailer of OPTX® "El Neon Pedal" Electro-Luminescent Glowing Pedals (hereinafter "Pedals"), a consumer product designed for use with an automobile.
- 29. Plaintiff is informed, believes, and thereon alleges that Pedals contain Lead.
- 30. Defendants knew or should have known that Lead has been identified by the State of California as a chemical known to cause cancer and reproductive toxicity and therefore was subject to Proposition 65 warning requirements. Defendants were also informed of the presence of Lead in the Pedals within Plaintiff's notice of alleged violations further discussed above at Paragraph 20.
- 31. Plaintiff's allegations regarding Pedals concern "consumer products exposure[s]," which "is an exposure that results from a person's acquisition, purchase, storage, consumption, or other reasonably foreseeable use of a consumer good, or any exposure that results from receiving a consumer service." *Cal. Code Regs.* tit. 27, § 25602(b). Headphones are a consumer product, and, as mentioned in herein, exposures to Lead took place as a result of such normal and foreseeable consumption and use.
- 32. Plaintiff is informed, believes, and thereon alleges that between July 19, 2008 and the present, each of the Defendants knowingly and intentionally exposed California consumers and users of Pedals, which Defendants manufactured, distributed, or sold as mentioned above, to Lead, without first providing any type of clear and reasonable warning of such to the exposed persons before the time of exposure. Defendants have distributed and sold Pedals in California. Defendants know and intend that California

- consumers will use and consume Pedals, thereby exposing them to Lead. Defendants thereby violated Proposition 65.
- 33. The principal routes of exposure were through inhalation, oral ingestion, including hand to mouth pathways, and trans-dermal absorption. Persons sustain exposures by handling the Pedals without wearing gloves or by touching bare skin or mucous membranes with gloves after handling the Pedals, as well as hand to mouth contact, hand to mucous membrane, or breathing in particulate matter emanating from the Pedals during installation and use.
- 34. Plaintiff is informed, believes, and thereon alleges that each of Defendants' violations of Proposition 65 as to Pedals have been ongoing and continuous to the date of the signing of this complaint, as Defendants engaged and continue to engage in conduct which violates Health and Safety Code section 25249.6, including the manufacture, distribution, promotion, and sale of Pedals, so that a separate and distinct violation of Proposition 65 occurred each and every time a person was exposed to Lead by Pedals as mentioned herein.
- 35. Plaintiff is informed, believes, and thereon alleges that each violation of Proposition 65 mentioned herein is ever continuing. Plaintiff further alleges and believes that the

violations alleged herein will continue to occur into the future.

- 36. Based on the allegations herein, Defendants are liable for civil penalties of up to \$2,500.00 per day per individual exposure to Lead from Pedals, pursuant to Health and Safety Code section 25249.7(b).
- 37. In the absence of equitable relief, the general public and Defendants' employees will continue to be involuntarily exposed to Lead that is contained in Pedals, creating a substantial risk of irreparable harm. Thus, by committing the acts alleged herein, Defendants have caused irreparable harm for which there is no plain, speedy, or adequate remedy at law.

### SECOND CAUSE OF ACTION

(By Consumer Advocacy Group, Inc. and against Ross Dress For Less, Inc., Ross Stores, Inc., and Street Glow, Inc., for Violations of Proposition 65, The Safe Drinking Water and Toxic Enforcement Act of 1986 (Health & Safety Code, §§ 25249.5, et seq.))

### **OPTX®** Radio Bar

- 38. Plaintiff Consumer Advocacy Group, Inc. repeats and incorporates by reference paragraphs 1 through 37 of this complaint as though fully set forth herein.
- 39. Each of the Defendants is, and at all times mentioned herein was, a manufacturer, distributor, promoter, or retailer of OPTX® Radio Bar (hereinafter "Bar"), a consumer product designed for use with an automobile.
- 40. Plaintiff is informed, believes, and thereon alleges that Bar contains Lead.
- 41. Defendants knew or should have known that Lead has been identified by the State of California as a chemical known to cause cancer and reproductive toxicity and therefore was subject to Proposition 65 warning requirements. Defendants were also informed of the presence of Lead in the Bar within Plaintiff's notice of alleged violations further discussed above at Paragraph 21.
  - an exposure that results from a person's acquisition, purchase, storage, consumption, or other reasonably foreseeable use of a consumer good, or any exposure that results from receiving a consumer service." *Cal. Code Regs.* tit. 27, § 25602(b). Bar is a consumer product, and, as mentioned in herein, exposures to Lead took place as a result of such normal and foreseeable consumption and use.

42. Plaintiff's allegations regarding Bar concern "consumer products exposure[s]," which "is

43. Plaintiff is informed, believes, and thereon alleges that between September 6, 2008 and the present, each of the Defendants knowingly and intentionally exposed California consumers and users of Bar, which Defendants manufactured, distributed, or sold as mentioned above, to Lead, without first providing any type of clear and reasonable warning of such to the exposed persons before the time of exposure. Defendants have distributed and sold Bar in California. Defendants know and intend that California

- consumers will use and consume Bar, thereby exposing them to Lead. Defendants thereby violated Proposition 65.
- 44. The principal routes of exposure were through inhalation, oral ingestion, including hand to mouth pathways, and trans-dermal absorption. Persons sustain exposures by handling the Bar without wearing gloves or by touching bare skin or mucous membranes with gloves after handling the Bar, as well as hand to mouth contact, hand to mucous membrane, or breathing in particulate matter emanating from the Bar during installation and use.
- 45. Plaintiff is informed, believes, and thereon alleges that each of Defendants' violations of Proposition 65 as to Bar have been ongoing and continuous to the date of the signing of this complaint, as Defendants engaged and continue to engage in conduct which violates Health and Safety Code section 25249.6, including the manufacture, distribution, promotion, and sale of Bar, so that a separate and distinct violation of Proposition 65 occurred each and every time a person was exposed to Lead by Bar as mentioned herein.
- 46. Plaintiff is informed, believes, and thereon alleges that each violation of Proposition 65 mentioned herein is ever continuing. Plaintiff further alleges and believes that the violations alleged herein will continue to occur into the future.
- 47. Based on the allegations herein, Defendants are liable for civil penalties of up to \$2,500.00 per day per individual exposure to Lead from Bar, pursuant to Health and Safety Code section 25249.7(b).
- 48. In the absence of equitable relief, the general public and Defendants' employees will continue to be involuntarily exposed to Lead that is contained in Bar, creating a substantial risk of irreparable harm. Thus, by committing the acts alleged herein, Defendants have caused irreparable harm for which there is no plain, speedy, or adequate remedy at law.
- 49. Plaintiff has engaged in good faith efforts to resolve the claims alleged herein prior to filing this Complaint.

### PRAYER FOR RELIEF