ENDORSED FILED Jonathan A. Bornstein, State Bar No. 196345 ALAMEDA COUNTY 1 THE CHANLER GROUP SEP 1 0 2014 2560 Ninth Street 2 Parker Plaza, Suite 214 CLERK OF THE SUPERIOR COURT Berkeley, CA 94710-2565 3 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 4 Attorneys for Plaintiffs 5 ANTHONY E. HELD, PhD., P.E. and PAUL WOZNIAK 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF ALAMEDA 9 UNLIMITED CIVIL JURISDICTION 10 11 RG14740016 12 Case No. ANTHONY E. HELD, PhD., P.E. and PAUL WOZNIAK, 13 **COMPLAINT FOR CIVIL PENALTIES** Plaintiffs, 14 AND INJUNCTIVE RELIEF v. 15 (Health & Safety Code. § 25249.6 et seq.) 16 CREEDENCE HOLDINGS, LLC, WAL-MART STORES, INC., TEAM BEANS, LLC; 17 and DOES 1-150, inclusive, 18 Defendants. 19 20 21 22 23 24 25 26 27 28 COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELIEF

NATURE OF THE ACTION

- 1. This Complaint is a representative action brought by plaintiffs ANTHONY E. HELD, PhD, P.E. and PAUL WOZNIAK, in the public interest of the citizens of the State of California to enforce the People's right to be informed of the presence of di(2-ethylhexyl)phthalate ("DEHP"), and Di-n-butyl phthalate ("DBP") toxic chemicals found in vinyl/PVC straps and vinyl/PVC tote bags sold in California.
- 2. By this Complaint, plaintiffs seek to remedy defendants' continuing failure to warn California citizens about the risk of exposure to DEHP and DBP present in and on the vinyl/PVC straps and vinyl/PVC tote bags manufactured, distributed, and offered for sale or use to consumers throughout the State of California.
- 3. Detectable levels of DEHP and DBP are commonly found in and on the vinyl/PVC straps and vinyl/PVC tote bags that defendants manufacture, distribute, and offer for sale to consumers throughout the State of California.
- 4. Under the Safe Drinking Water and Toxic Enforcement Act of 1986, codified at Health and Safety Code section 25249.6 *et seq.* ("Proposition 65"), "[n]o 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" Health & Safety Code § 25249.6.
- 5. Pursuant to Proposition 65, on October 24, 2003, California identified and listed DEHP as a chemical known to cause birth defects and other reproductive harm. DEHP became subject to the "clear and reasonable warning" requirements of the act one year later on October 24, 2004. Cal. Code Regs. tit. 27, § 27001(c); Health & Safety Code §§ 25249.8 & 25249.10(b). Pursuant to Proposition 65, on December 2, 2005, California identified and listed DBP as a chemical known to cause birth defects and other reproductive harm. DBP became subject to the "clear and reasonable warning" requirements of the act one year later on December 2, 2006. Cal. Code Regs. tit. 27, § 27001(c); Health & Safety Code §§ 25249.8 & 25249.10(b). DEHP and DBP are referred to hereinafter as the "LISTED CHEMICALS."

- 6. Defendants manufacture, distribute, import, sell, and/or offer for sale vinyl/PVC straps containing DBP as follows:
 - a. Defendants manufacture, distribute, import, sell, and/or offer for sale vinyl/PVC straps containing DBP without a warning, including, but not limited to, the Forever Collectibles Flip Flops, Oakland Raiders, UPC# 7-37224 86164 2.
- 7. Defendants manufacture, distribute, import, sell, and/or offer for sale vinyl/PVC tote bags containing DEHP as follows:
 - a. Defendants manufacture, distribute, import, sell, and/or offer for sale vinyl/PVC tote bags containing DEHP without a warning, including, but not limited to, the NFL San Francisco 49ers Tote Bag, CHA0713-10080, UPC# 8 87849 30861 6.
- 8. All such vinyl/PVC straps containing DBP and all such vinyl/PVC tote bags containing DEHP, described above in paragraphs 6(a) and 7(a), shall hereinafter be referred to as the "PRODUCTS."
- 9. Defendants' failure to warn consumers and other individuals in the State of California about their exposure to the LISTED CHEMICALS in conjunction with defendants' sales of the PRODUCTS is a violation of Proposition 65, and subjects defendants to enjoinment of such conduct as well as civil penalties for each violation. Health & Safety Code § 25249.7(a) & (b)(1).
- 10. For defendants' violations of Proposition 65, plaintiffs seek preliminary and permanent injunctive relief to compel defendants to provide purchasers or users of the PRODUCTS with the required warning regarding the health hazards of the LISTED CHEMICALS. Health & Safety Code § 25249.7(a).
- 11. Pursuant to Health and Safety Code section 25249.7(b), plaintiffs also seek civil penalties against defendants for their violations of Proposition 65.

PARTIES

12. Plaintiff ANTHONY E. HELD, PhD., P.E. is a citizen of the State of California who is dedicated to protecting the health of California citizens through the elimination or

reduction of toxic exposures from consumer products; and he brings this action in the public interest pursuant to Health and Safety Code section 25249.7(d).

- 13. Plaintiff PAUL WOZNIAK is a citizen of the State of California who is dedicated to protecting the health of California citizens through the elimination or reduction of toxic exposures from consumer products; and he brings this action in the public interest pursuant to Health and Safety Code section 25249.7(d).
- 14. Defendant CREEDENCE HOLDINGS, LLC ("CREEDENCE") is a person in the course of doing business within the meaning of Health and Safety Code section 25249.11.
- 15. CREEDENCE manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale or use in the State of California, or implies by its conduct that it manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale or use in the State of California.
- 16. Defendant WAL-MART STORES, INC. ("WAL-MART") is a person in the course of doing business within the meaning of Health and Safety Code section 25249.11.
- 17. WAL-MART manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale or use in the State of California, or implies by its conduct that it manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale or use in the State of California.
- 18. Defendant TEAM BEANS, LLC ("TEAM BEANS") is a person in the course of doing business within the meaning of Health and Safety Code section 25249.11.
- 19. TEAM BEANS manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale or use in the State of California, or implies by its conduct that it manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale or use in the State of California.
- 20. Defendants DOES 1-50 ("MANUFACTURER DEFENDANTS") are each persons in the course of doing business within the meaning of Health and Safety Code section 25249.11.

- 21. MANUFACTURER DEFENDANTS research, test, design, assemble, fabricate, and manufacture, or imply by their conduct that they research, test, design, assemble, fabricate, and manufacture one or more of the PRODUCTS offered for sale or use in the State of California.
- 22. Defendants DOES 51-100 ("DISTRIBUTOR DEFENDANTS") are each a person in the course of doing business within the meaning of Health and Safety Code section 25249.11.
- 23. DISTRIBUTOR DEFENDANTS distribute, exchange, transfer, process, and/or transport one or more of the PRODUCTS to individuals, businesses, or retailers for sale or use in the State of California.
- 24. Defendants DOES 101-150 ("RETAILER DEFENDANTS") are each a person in the course of doing business within the meaning of Health and Safety Code section 25249.11.
- 25. RETAILER DEFENDANTS offer the PRODUCTS for sale to individuals in the State of California.
- 26. At this time, the true names of defendants DOES 1 through 150, inclusive, are unknown to plaintiffs, who, therefore, sue said defendants by their fictitious names pursuant to Code of Civil Procedure section 474. Plaintiffs are informed and believe, and on that basis allege, that each of the fictitiously named defendants is responsible for the acts and occurrences alleged herein. When ascertained, their true names shall be reflected in an amended complaint.
- 27. CREEDENCE, WAL-MART, TEAM BEANS, MANUFACTURER
 DEFENDANTS, DISTRIBUTOR DEFENDANTS, and RETAILER DEFENDANTS shall,
 where appropriate, collectively be referred to as "DEFENDANTS."

VENUE AND JURISDICTION

28. Venue is proper in the Alameda County Superior Court, pursuant to Code of Civil Procedure sections 393, 395, and 395.5, because this Court is a court of competent jurisdiction, because plaintiffs seek civil penalties against DEFENDANTS, because one or more instances of wrongful conduct occurred, and continue to occur, in Alameda County, and/or because

DEFENDANTS conducted, and continue to conduct, business in this county with respect to the PRODUCTS.

- 29. The California Superior Court has jurisdiction over this action pursuant to California Constitution Article VI, section 10, which grants the Superior Court "original jurisdiction in all causes except those given by statute to other trial courts." The statute under which this action is brought does not specify any other basis of subject matter jurisdiction.
- 30. The California Superior Court has jurisdiction over DEFENDANTS based on plaintiffs' information and good faith belief that each defendant is a person, firm, corporation or association that is a citizen of the State of California, has sufficient minimum contacts in the State of California, and/or otherwise purposefully avails itself of the California market.

 DEFENDANTS' purposeful availing renders the exercise of personal jurisdiction by California courts consistent with traditional notions of fair play and substantial justice.

FIRST CAUSE OF ACTION

(Violation of Proposition 65 - Against All Defendants)

- 31. Plaintiffs re-allege and incorporate by reference, as if fully set forth herein, Paragraphs 1 through 30, inclusive.
- 32. In enacting Proposition 65, in the preamble to the Safe Drinking Water and Toxic Enforcement Act of 1986, the People of California expressly declared their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm."
- 33. Proposition 65 states, "[n]o 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" Health & Safety Code § 25249.6.
- 34. On March 26, 2014, plaintiff PAUL WOZNIAK's sixty-day notice of violation, together with the requisite certificate of merit, was provided to CREEDENCE and WAL-MART and certain public enforcement agencies stating that, as a result of DEFENDANTS' sales of the

PRODUCTS containing DBP, purchasers and users in the State of California were being exposed to DBP resulting from their reasonably foreseeable use of the PRODUCTS, without the individual purchasers and users first having been provided with a "clear and reasonable warning" regarding such toxic exposures, as required by Proposition 65.

- 35. On April 30, 2014, plaintiff ANTHONY E. HELD's sixty-day notice of violation, together with the requisite certificate of merit, was provided to TEAM BEANS and certain public enforcement agencies stating that, as a result of DEFENDANTS' sales of the PRODUCTS containing DEHP, purchasers and users in the State of California were being exposed to DEHP resulting from their reasonably foreseeable use of the PRODUCTS, without the individual purchasers and users first having been provided with a "clear and reasonable warning" regarding such toxic exposures, as required by Proposition 65.
- 36. DEFENDANTS have engaged in the manufacture, importation, distribution, sale, and offering of the PRODUCTS for sale or use in violation of Health and Safety Code section 25249.6, and DEFENDANTS' violations have continued to occur beyond their receipt of plaintiff's sixty-day notice of violation. As such, DEFENDANTS' violations are ongoing and continuous in nature, and will continue to occur in the future.
- 37. After receiving plaintiffs' sixty-day notices of violation, the appropriate public enforcement agencies have failed to commence and diligently prosecute a cause of action against DEFENDANTS under Proposition 65.
- 38. The PRODUCTS manufactured, imported, distributed, sold, and offered for sale or use in California by DEFENDANTS contain the LISTED CHEMICALS such that they require a "clear and reasonable" warning under Proposition 65.
- 39. DEFENDANTS knew or should have known that the PRODUCTS they manufacture, import, distribute, sell, and offer for sale or use in California contain the LISTED CHEMICALS.

- 40. The LISTED CHEMICALS are present in or on the PRODUCTS in such a way as to expose individuals to the LISTED CHEMICALS through dermal contact and/or ingestion during reasonably foreseeable use.
- 41. The normal and reasonably foreseeable uses of the PRODUCTS have caused, and continue to cause, consumer exposures to the LISTED CHEMICALS, as such exposures are defined by title 27 of the California Code of Regulations, section 25602(b).
- 42. DEFENDANTS had knowledge that the normal and reasonably foreseeable uses of the PRODUCTS expose individuals to the LISTED CHEMICALS through dermal contact and/or ingestion.
- 43. DEFENDANTS intended that such exposures to the LISTED CHEMICALS from the reasonably foreseeable uses of the PRODUCTS would occur by their deliberate, non-accidental participation in the manufacture, importation, distribution, sale, and offering of the PRODUCTS for sale or use to individuals in the State of California.
- 44. DEFENDANTS failed to provide a "clear and reasonable warning" to those consumers and other individuals in the State of California who were or who would become exposed to the LISTED CHEMICALS through dermal contact and/or ingestion during the reasonably foreseeable uses of the PRODUCTS.
- 45. Contrary to the express policy and statutory prohibition of Proposition 65 enacted directly by California voters, individuals exposed to the LISTED CHEMICALS through dermal contact and/or ingestion resulting from the reasonably foreseeable use of the PRODUCTS sold by DEFENDANTS without a "clear and reasonable warning," have suffered, and continue to suffer, irreparable harm for which they have no plain, speedy, or adequate remedy at law.
- 46. Pursuant to Health and Safety Code section 25249.7(b), as a consequence of the above-described acts, DEFENDANTS are liable for a maximum civil penalty of \$2,500 per day for each violation.

47. As a consequence of the above-described acts, Health and Safety Code section 25249.7(a) also specifically authorizes the Court to grant injunctive relief against DEFENDANTS.

PRAYER FOR RELIEF

Wherefore, plaintiffs pray for judgment against DEFENDANTS as follows:

- 1. That the Court, pursuant to Health and Safety Code section 25249.7(b), assess civil penalties against DEFENDANTS in the amount of \$2,500 per day for each violation:
- 2. That the Court, pursuant to Health and Safety Code section 25249.7(a), preliminarily and permanently enjoin DEFENDANTS from manufacturing, distributing, or offering the PRODUCTS for sale or use in California without first providing a "clear and reasonable warning" as defined by title 27 of the California Code of Regulations, section 25601 *et seq.*, as to the harms associated with exposures the LISTED CHEMICAL;
- 3. That the Court grant plaintiffs their reasonable attorneys' fees and costs of suit; and
 - 4. That the Court grant such other and further relief as may be just and proper.

Dated: September 9, 2014

Respectfully Submitted, THE CHANLER GROUP

By

Jonathan A. Bornstein Attorneys for Plaintiffs ANTHONY E. HELD, PhD., P.E, and PAUL WOZNIAK