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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

UNLIMITED CIVIL JURISDICTION

ANTHONY E. HELD, PH.D., P.E. and MARK MOORBERG,

Plaintiffs,

v.

AMERICAN CRAFTS, L.C.; and DOES 1-150, inclusive,

Defendants.

Case No. RG14-733570

FIRST AMEDNED COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELIEF

(Health & Safety Code § 25249.6 et seq.)

### **NATURE OF THE ACTION**

- 1. This First Amended Complaint is a representative action brought by plaintiffs ANTHONY E. HELD, PH.D., P.E., and MARK MOORBERG in the public interest of the citizens of the State of California to enforce the People's right to be informed about exposures to di(2-ethylhexyl) phthalate ("DEHP"), a toxic chemical that is found in vinyl/PVC craft embellishments and vinyl/PVC pen pouches that are sold in California.
- 2. By this First Amended Complaint, plaintiffs seeks to remedy defendants' continuing failure to warn California citizens about the risks of exposures to DEHP present in and on the vinyl/PVC craft embellishments and vinyl/PVC pen pouches manufactured, distributed, sold, and offered for sale or use to consumers throughout the State of California.
- 3. Detectable levels of DEHP are commonly found in and on the vinyl/PVC craft embellishments and vinyl/PVC pen pouches that defendants import, manufacture, distribute, ship, sell and/or 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. On October 24, 2003, California listed DEHP pursuant to Proposition 65 as a chemical that is known to cause birth defects or 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). DEHP is referred to hereinafter as the "LISTED CHEMICAL."

- 6. Defendants manufacture, distribute, import, sell, and offer for sale without warning in California, vinyl/PVC craft embellishments containing the LISTED CHEMICAL, including, but not limited to, the *Dear Lizzy+American Crafts Adhesive Layered Embellishments Honeysuckle*, #78040, (UPC No. 7 18813 78040 7).
- 7. Defendants manufacture, distribute, import, sell, and offer for sale without warning in California, vinyl/PVC pen pouches containing the LISTED CHEMICAL, including, but not limited to, the Artist's Loft Illustration Pens, # 179838 #89655-2011-03, (UPC No. 4 00100 83113 7).
- 8. All the above vinyl/PVC craft embellishments and vinyl/PVC pen pouches containing the LISTED CHEMICAL are referred to collectively hereinafter as the "PRODUCTS."
- 9. Defendants' failure to warn consumers and other individuals in California of the harms associated with exposures to the LISTED CHEMICAL in conjunction with defendants' sales of the PRODUCTS containing the LISTED CHEMICAL are violations of Proposition 65, and subject 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, plaintiff seeks preliminary and permanent injunctive relief to compel defendants to provide purchasers and users of the PRODUCTS with the required warning regarding the health hazards associated with exposures to the LISTED CHEMICAL. Health & Safety Code § 25249.7(a).
- 11. Pursuant to Health and Safety Code section 25249.7(b), plaintiff also seeks civil penalties against defendants, and each of them, for each violation of Proposition 65.

#### **PARTIES**

- 12. Plaintiffs ANTHONY E. HELD, PH.D, P.E. and MARK MOORBERG are citizens of the State of California who are dedicated to protecting the health of California citizens through the elimination or reduction of harmful exposures to toxic chemicals from consumer products. Plaintiffs brings this action in the public interest pursuant to Health and Safety Code section 25249.7(d).
- 13. Defendant American Crafts, L.C. ("AMERICAN CRAFTS") is a person in the course of doing business within the meaning of Health and Safety Code sections 25249.6 and 25249.11.
- 14. AMERICAN CRAFTS manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale or use in the State of California, or it implies by its conduct that it manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale or use in the State of California.
- 15. Defendants DOES 1-50 ("MANUFACTURER DEFENDANTS") are each a person in the course of doing business within the meaning of Health and Safety Codes sections 25249.6 and 25249.11.
- 16. 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.
- 17. Defendants DOES 51-100 ("DISTRIBUTOR DEFENDANTS") are each a person in the course of doing business within the meaning of Health and Safety Code sections 25249.6 and 25249.11.
- 18. DISTRIBUTOR DEFENDANTS distribute, exchange, transfer, process, and transport one or more of the PRODUCTS to individuals, businesses, or retailers for sale or use in the State of California.

- 19. Defendants DOES 101-150 ("RETAILER DEFENDANTS") are each a person in the course of doing business within the meaning of Health and Safety Code sections 25249.6 and 25249.11.
- 20. RETAILER DEFENDANTS offer the PRODUCTS for sale to individuals in the State of California.
- 21. At this time, the true names of defendants DOES 1 through 150, inclusive, are unknown to plaintiff, who, therefore, sues said defendants by their fictitious names pursuant to Code of Civil Procedure section 474. Plaintiff is informed and believes, and on that basis alleges, 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.
- 22. AMERICAN CRAFTS, MANUFACTURER DEFENDANTS, DISTRIBUTOR DEFENDANTS, and RETAILER DEFENDANTS are hereinafter collectively referred to as "DEFENDANTS."

#### VENUE AND JURISDICTION

- 23. Venue is proper in the County of Alameda, pursuant to Code of Civil Procedure sections 393, 395, and 395.5, because this Court is a court of competent jurisdiction, because plaintiff seeks civil penalties against DEFENDANTS, because one or more instances of wrongful conduct occurred, and continue to occur, in this county, and/or because DEFENDANTS conducted, and continue to conduct, business in Alameda County with respect to the PRODUCTS.
- 24. 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.

25. The California Superior Court has jurisdiction over DEFENDANTS based on plaintiff's 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 availment 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)

- 26. Plaintiff realleges and incorporates by reference, as if fully set forth herein, Paragraphs 1 through 25, inclusive.
- 27. 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."
- 28. 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.
- 29. On April 30, 2014, ANTHONY E. HELD's sixty-day notice of violation, together with the requisite certificate of merit, was provided to AMERICAN CRAFTS and the requisite public enforcement agencies stating that, as a result of DEFENDANTS' sales of the vinyl/PVC craft embellishments containing the LISTED CHEMICAL, workers, consumers, and other individuals in the State of California are being exposed to the LISTED CHEMICAL resulting from their reasonably foreseeable uses of the PRODUCTS, without the individual purchasers and users first having received the "clear and reasonable warning" as required by Proposition 65.

- 30. On October 24, 2014, MARK MOORBERG's sixty-day notice of violation, together with the requisite certificate of merit, was provided to AMERICAN CRAFTS and the requisite public enforcement agencies stating that, as a result of DEFENDANTS' sales of the vinyl/PVC pen pouches containing the LISTED CHEMICAL, workers, consumers, and other individuals in the State of California are being exposed to the LISTED CHEMICAL resulting from their reasonably foreseeable uses of the PRODUCTS, without the individual purchasers and users first having received the "clear and reasonable warning" as required by Proposition 65.
- 31. 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.
- 32. After receiving the plaintiffs' sixty-day notices of violation, no public enforcement agencies has commenced and diligently prosecuted a cause of action against DEFENDANTS under Proposition 65 for any violation alleged in the Notices.
- 33. The PRODUCTS manufactured, imported, distributed, sold, and offered for sale or use in California by DEFENDANTS contain the LISTED CHEMICAL in such a way that the reasonably foreseeable uses of these products result in exposures that require a "clear and reasonable" warning under Proposition 65.
- 34. 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 CHEMICAL.
- 35. The LISTED CHEMICAL is present in or on the PRODUCTS in such a way as to expose individuals through dermal contact and/or ingestion during reasonably foreseeable use.

- 36. The normal and reasonably foreseeable uses of the PRODUCTS have caused, and continue to cause, consumer exposures to the LISTED CHEMICAL, as such exposures are defined by title 27 of the California Code of Regulations, section 25602(b).
- 37. DEFENDANTS know that the normal and reasonably foreseeable uses of the PRODUCTS expose individuals to the LISTED CHEMICAL through dermal contact and/or ingestion.
- 38. DEFENDANTS intend for such exposures to the LISTED CHEMICAL from the reasonably foreseeable uses of the PRODUCTS to occur by their deliberate, non-accidental participation in the manufacture, distribution, sale, and offering of the PRODUCTS for sale or use to individuals in the State of California.
- 39. DEFENDANTS failed to provide a "clear and reasonable warning" to those consumers and other individuals in California who have been, or will be, exposed to the LISTED CHEMICAL.
- 40. Contrary to the express policy and statutory prohibition of Proposition 65 enacted directly by California voters, consumers, and other individuals exposed to the LISTED CHEMICAL through dermal contact and/or ingestion, resulting from the reasonably foreseeable uses 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.
- 41. 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.
- 42. 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, plaintiff prays 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, and each of them, 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 plaintiff his 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: April\_\_\_\_, 2015

Respectfully Submitted, THE CHANLER GROUP

Christopher Tuttle

Attorneys for Plaintiff

ANTHÓNY E. HELD, PH.D., P.E.