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FILED BY FAX ALAMEDA COUNTY WILLIAM F. WRAITH, SBN 185927 1 WRAITH LAW July 22, 2015 24422 Avenida de la Carlota, Suite 400 2 Laguna Hills, CA 92653 CLERK OF THE SUPERIOR COURT Tel: (949) 452-1234 By Burt Moskaira, Deputy 3 Fax: (949) 452-1102 CASE NUMBER: 4 RG15778780 Attorneys for Plaintiff 5 **Environmental Research Center** 6 7 8 SUPERIOR COURT OF CALIFORNIA 9 COUNTY OF ALAMEDA 10 11 ENVIRONMENTAL RESEARCH Case No .: 12 CENTER, a California non-profit corporation. 13 COMPLAINT FOR INJUNCTIVE Plaintiffs. RELIEF AND CIVIL PENALTIES 14 [Health & Safety Code § 25249.5, et seq.] VS. 15 LIVING ECOLOGY INC, LIVING [UNLIMITED CIVIL CASE – AMOUNT 16 ECOLOGY MANUFACTURING INC. DEMANDED EXCEES \$25,000] and DOES 1-25, Inclusive, 17 Defendants. 18 19 Plaintiff Environmental Research Center, Inc. ("Plaintiff") brings this action in the 20 interests of the general public and, on information and belief, hereby alleges: 21 INTRODUCTION 22 1. This action seeks to remedy Defendants Living Ecology Inc, Living Ecology 23 Manufacturing Inc. and Does 1-25, Inclusive's (individually referred to hereinafter as 24 "Defendant" or collectively as "Defendants") continuing failure to warn consumers in California 25 that they are being exposed to cadmium, a substance known to the State of California to cause 26 cancer, birth defects and other reproductive harm. 27 2. Defendants have manufactured, packaged, distributed, marketed, sold and/or have 28

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otherwise been involved in the chain of commerce of, and continue to manufacture, package, distribute, market, sell and/or otherwise continue to be involved in the chain of commerce of the following ingestible products, which contain the chemical cadmium and which have been and continue to be offered for sale, sold and/or otherwise provided for use and/or handling to individuals in California:

- 1. Organic Food Bar Inc. Raw Organic Food Bar Cinnamon Raisin
- 2. Organic Food Bar Inc. Raw Organic Food Bar Chocolatey Chocolate Chip
- 3. Organic Food Bar Inc. Organic Food Bar High Energy Protein
- 4. Organic Food Bar Inc. Organic Food Bar High Energy Vegan
- 5. Organic Food Bar Inc. Organic Food Bar Vegan Protein Vanilla These listed products are hereinafter referred to together as "THE PRODUCTS".
- 3. The use and/or handling of THE PRODUCTS causes exposures to cadmium at levels requiring a "clear and reasonable warning" under California's Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code ("H&S Code") §25249.5, et. seq. (also known as "Proposition 65"). Defendants have failed to provide the health hazard warnings required by Proposition 65.
- 4. The continued manufacturing, packaging, distributing, marketing and/or sales of THE PRODUCTS without the required health hazard warnings, causes individuals to be involuntarily and unwittingly exposed to levels of cadmium that violate Proposition 65.
- 5. Plaintiff seeks injunctive relief enjoining Defendants from the continued manufacturing, packaging, distributing, marketing and/or selling of THE PRODUCTS for sale or use in California without first providing clear and reasonable warnings, within the meaning of Proposition 65, regarding the risks of cancer, birth defects and other reproductive harm posed by exposure to cadmium through the use and/or handling of THE PRODUCTS. Plaintiff seeks an injunctive order compelling Defendants to bring each of its business practices into compliance with Proposition 65 by providing clear and reasonable warnings to each individual who may be exposed to cadmium from the use and/or handling of THE PRODUCTS. Plaintiff also seeks an order compelling Defendants to identify and locate each individual person who in the past has

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purchased THE PRODUCTS, and to provide to each such purchaser a clear and reasonable warning that the use of THE PRODUCTS will cause exposures to cadmium.

6. In addition to injunctive relief, Plaintiff seeks an assessment of civil penalties to remedy Defendants' failure to provide clear and reasonable warnings regarding exposures to the LISTED CHEMICALS.

JURISDICTION AND VENUE

- 7. This 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 for jurisdiction.
- 8. This Court has jurisdiction over Defendants because, based on information and belief, each Defendant is a business having sufficient minimum contacts with California, or otherwise intentionally availing itself of the California market through the marketing, distribution and/or sale of THE PRODUCTS in the State of California to render the exercise of jurisdiction over it by the California courts consistent with traditional notions of fair play and substantial justice.
- 9. This Court is the proper venue for this action because each Defendant has violated California law in the County of Alameda. Furthermore, this Court is the proper venue under Code of Civil Procedure §395.5 and H&S Code §25249.7(a), which provides that any person who violates or threatens to violate H&S Code §§25249.5 or 25249.6 may be enjoined in any court of competent jurisdiction.

PARTIES

- 10. Plaintiff Environmental Research Center, Inc. ("ERC") is a non-profit corporation organized under California's Non-Profit Benefit Corporation Law. ERC is dedicated to, among other causes, reducing the use and misuse of hazardous and toxic substances, consumer protection, worker safety and corporate responsibility.
- 11. ERC is a person within the meaning of H&S Code §25118 and brings this enforcement action in the public interest pursuant to H&S Code §25249.7(d).

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- 12. Defendant LIVING ECOLOGY INC. is a business of unknown form, which ERC alleges on information and belief is a person within the meaning of H&S Code §25249.11(a).
- 13. Defendant LIVING ECOLOGY MANUFACTURING INC. is a business of unknown form, which ERC alleges on information and belief is a person within the meaning of H&S Code §25249.11(a).
- 14. Each Defendant manufactured, packaged, distributed, marketed, sold and/or has otherwise been involved in the chain of commerce, and continues to manufacture, package, distribute, market, sell and/or otherwise continue to be involved in the chain of commerce of THE PRODUCTS for sale or use in California. Plaintiff alleges on information and belief that each Defendant employs ten or more persons, and is thus each a "person in the course of doing business" within the meaning of Proposition 65.
- 15. Defendants DOES 1-25 are named herein under fictitious names, as their true names and capacities are unknown to Plaintiff. ERC is informed and believes, and thereon alleges, that each of said DOES has manufactured, packaged, distributed, marketed, sold and/or has otherwise been involved in the chain of commerce of, and continues to manufacture, package, distribute, market, sell, and/or otherwise continues to be involved in the chain of commerce of THE PRODUCTS for sale or use in California, and/or is responsible, in some actionable manner, for the events and happenings referred to herein, either through its conduct or through the conduct of its agents, servants or employees, or in some other manner, causing the harms alleged herein. Plaintiff will seek leave to amend this Complaint to set forth the true names and capacities of DOES when ascertained.
- 16. Plaintiff is informed and believes and thereon alleges that each Defendant is in some manner responsible for the events set forth in this Complaint and proximately caused the injuries and damages to Plaintiff as alleged in this Complaint.

STATUTORY BACKGROUND

The People of the State of California have declared in Proposition 65 their right 17. "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." (Section 1(b) of Initiative Measure, Proposition 65).

18. To effect this goal, Proposition 65 requires that individuals be provided with a "clear and reasonable warning" before being exposed to substances listed by the State of California as causing cancer or reproductive toxicity. H&S 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....

19. Proposition 65 provides that any person who "violates or threatens to violate" the statute "may be enjoined in any court of competent jurisdiction." (H&S Code §25249.7(a).) "Threaten to violate" is defined to mean creating "a condition in which there is a substantial probability that a violation will occur." (H&S Code §25249.11(e).) Violators are liable for civil penalties of up to \$2,500 per day for each violation of Proposition 65. (H&S Code §25249.7(b).)

FACTUAL BACKGROUND

- 20. On May 1, 1997, the State of California officially listed the chemical cadmium as a chemical known to cause reproductive toxicity. Cadmium became subject to the warning requirement one year later and was therefore subject to the "clear and reasonable" warning requirements for Proposition 65 beginning on May 1, 1998. (27 CCR § 25000, *et seq.;* H&S Code §25249.5, *et seq.*). Due to the high toxicity of cadmium, the maximum allowable dose level for cadmium is 4.1 ug/day (micrograms a day) for reproductive toxicity. (27 CCR § 25805(b).)
- 21. On October 1, 1987, the State of California officially listed the chemicals cadmium and cadmium compounds as chemicals known to cause cancer. Cadmium and cadmium compounds became subject to the warning requirement one year later and were therefore subject to the "clear and reasonable" warning requirements of Proposition 65 beginning on October 1, 1988 (27 CCR § 25000, et seq.; H&S Code §25249.6 et seq.).
- 22. Plaintiff is informed and believes, and based on such information and belief, alleges THE PRODUCTS have been marketed, distributed and/or sold to individuals in

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California without the requisite clear and reasonable warnings before, on, and April 10, 2012. THE PRODUCTS continue to be marketed, distributed and sold in California without the requisite warning information.

- 23. As a proximate result of acts by Defendants, as a person in the course of doing business within the meaning of H&S Code §25249.11(b), individuals throughout the State of California, including in the County of Alameda, have been exposed to cadmium without clear and reasonable warnings. The individuals subject to exposures to cadmium include normal and foreseeable users of THE PRODUCTS, as well as all other persons exposed to THE PRODUCTS.
- 24. At all times relevant to this action, Defendants have knowingly and intentionally exposed the users and/or handlers of THE PRODUCTS to cadmium without first giving clear and reasonable warnings to such individuals.
- 25. Individuals using or handling THE PRODUCTS are exposed to cadmium in excess of the "maximum allowable daily" and "no significant risk" levels determined by the State of California, as applicable.
- 26. At all times relevant to this action, each Defendant has, in the course of doing business, failed to provide individuals using and/or handling THE PRODUCTS with clear and reasonable warnings that THE PRODUCTS expose individuals to cadmium.
- 27. THE PRODUCTS continues to be marketed, distributed, and/or sold in California without the requisite clear and reasonable warnings.

FIRST CAUSE OF ACTION

(Injunctive Relief for Violations of Health and Safety Code §25249.5, et seq.)

- 28. Plaintiff hereby incorporates by reference each and every preceding allegation and paragraph as though fully set forth in this cause of action.
- 29. On April 10, 2015, Plaintiff sent a 60-Day Notice of Proposition 65 Violations to the requisite public enforcement agencies ("Notice of Violations"). The Notice of Violations was issued pursuant to, and in compliance with, the requirements of H&S Code §25249.7(d) and the statute's implementing regulations regarding the notices of violations to be given to certain

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public enforcement agencies and to the violator. The Notice of Violations was issued as follows:

- 1. Defendants LIVING ECOLOGY INC. and LIVING ECOLOGY MANUFACTURING INC. and the California Attorney General were provided a copy of the Notice of Violations, along with a Certificates of Merit by the attorney for the noticing party stating that there is a reasonable and meritorious cause for this action. The requisite county district attorneys and city attorneys were provided a copy of the Notice of Violations and Certificates of Merit.
- 2. Defendants LIVING ECOLOGY INC. and LIVING ECOLOGY MANUFACTURING INC. were provided with the Notice of Violations, a copy of a document entitled "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," which is also known as Appendix A to Title 27 of CCR § 25903.
- 3. The California Attorney General was provided, with the Notice of Violations, additional factual information sufficient to establish a basis for the Certificates of Merit, including the identity of the persons consulted with and relied on by the certifier, and the facts, studies, or other data reviewed by those persons, pursuant to H&S Code §§25249.7(d)(1) and 25249.7(h)(2).
- The appropriate public enforcement agencies have failed to commence and 30. diligently prosecute a cause of action under H&S Code §25249.5, et seq. against Defendants based on the allegations herein.
- 31. By committing the acts alleged in this Complaint, Defendants at all times relevant to this action, and continuing through the present, have violated and continue to violate H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals who use or handle THE PRODUCTS to the chemical cadmium at levels exceeding allowable exposure levels without Defendants first giving clear and reasonable warnings to such individuals pursuant to H&S Code §§25249.6 and 25249.11(f). Defendants have manufactured, packaged, distributed, marketed, sold and/or have otherwise been involved in the chain of commerce of, and continue to manufacture, package, distribute, market, sell and/or otherwise

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continue to be involved in the chain of commerce of THE PRODUCTS, which have been, are, and will be used and/or handled by individuals in California, without Defendants providing clear and reasonable warnings, within the meaning of Proposition 65, regarding the risks of cancer, birth defects and other reproductive harm posed by exposure to cadmium through the use and/or handling of THE PRODUCTS. Furthermore, Defendants have threatened to violate H&S Code §25249.6 by THE PRODUCTS being marketed, offered for sale, sold and/or otherwise provided for use and/or handling to individuals in California.

- 32. By the above-described acts, Defendants have violated H&S Code §25249.6 and are therefore subject to an injunction ordering Defendants to stop violating Proposition 65, and to provide required warnings to consumers and other individuals who will purchase, use and/or handle THE PRODUCTS.
- 33. An action for injunctive relief under Proposition 65 is specifically authorized by Health & Safety Code §25249.7(a).
- 34. Continuing commission by Defendants of the acts alleged above will irreparably harm the citizens of the State of California, for which harm they have no plain, speedy, or adequate remedy at law.
 - 35. Wherefore, Plaintiff prays judgment against Defendants, as set forth hereafter.

SECOND CAUSE OF ACTION

(Civil Penalties for Violations of Health and Safety Code §25249.5, et seq.)

- 36. Plaintiff hereby incorporates by reference each and every preceding allegation and paragraph as though fully set forth in this cause of action.
- 37. On April 10, 2015, Plaintiff sent a 60-Day Notice of Proposition 65 Violations to the requisite public enforcement agencies ("Notice of Violations"). The Notice of Violations was issued pursuant to, and in compliance with, the requirements of H&S Code §25249.7(d) and the statute's implementing regulations regarding the notices of violations to be given to certain public enforcement agencies and to the violator. The Notice of Violations was issued as follows:
 - 1. Defendants LIVING ECOLOGY INC. and LIVING ECOLOGY MANUFACTURING INC. and the California Attorney General were provided

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copies of the Notice of Violations, along with a Certificates of Merit by the attorney for the noticing party stating that there is a reasonable and meritorious cause for this action. The requisite county district attorneys and city attorneys were provided a copy of the Notice of Violations and Certificates of Merit.

- 2. Defendants LIVING ECOLOGY INC. and LIVING ECOLOGY MANUFACTURING INC. were provided with the Notice of Violations, a copy of a document entitled "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," which is also known as Appendix A to Title 27 of CCR § 25903.
- 3. The California Attorney General was provided, with the Notices of Violations, additional factual information sufficient to establish a basis for the Certificate of Merit, including the identity of the persons consulted with and relied on by the certifier, and the facts, studies, or other data reviewed by those persons, pursuant to H&S Code §§25249.7(d)(1) and 25249.7(h)(2).
- 38. The appropriate public enforcement agencies have failed to commence and diligently prosecute a cause of action under H&S Code §25249.5, et seq. against Defendants based on the allegations herein.
- 39. By committing the acts alleged in this Complaint, Defendants at all times relevant to this action, and continuing through the present, have violated and continue to violate H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals who use or handle THE PRODUCTS to the chemical cadmium at levels exceeding allowable exposure levels without Defendants first giving clear and reasonable warnings to such individuals pursuant to H&S Code §§25249.6 and 25249.11(f). Defendants have manufactured, packaged, distributed, marketed, sold and/or have otherwise been involved in the chain of commerce of, and continue to manufacture, package, distribute, market, sell and/or otherwise continue to be involved in the chain of commerce of THE PRODUCTS, which have been, are, and will be used and/or handled by individuals in California, without Defendants providing clear and reasonable warnings, within the meaning of Proposition 65, regarding the risks of cancer,

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birth defects and other reproductive harm posed by exposure to cadmium through the use and/or handling of THE PRODUCTS. Furthermore, Defendants have threatened to violate H&S Code §25249.6 by THE PRODUCTS being marketed, offered for sale, sold and/or otherwise provided for use and/or handling to individuals in California.

40. By the above-described acts, Defendants are liable, pursuant to H&S Code §25249.7(b), for a civil penalty of \$2,500 per day for each violation of H&S Code §25249.6 relating to THE PRODUCTS.

THE NEED FOR INJUNCTIVE RELIEF

- 41. Plaintiff hereby incorporates by reference each and every preceding allegation and paragraph as though fully set forth in this cause of action.
- 42. By committing the acts alleged in this Complaint, Defendants have caused irreparable harm for which there is no plain, speedy or adequate remedy at law. In the absence of equitable relief, Defendants will continue to create a substantial risk of irreparable injury by continuing to cause consumers to be involuntarily and unwittingly exposed to cadmium through the use and/or handling of THE PRODUCTS.

PRAYER FOR RELIEF

Wherefore, Plaintiff prays for the following relief against Defendants LIVING ECOLOGY INC. and LIVING ECOLOGY MANUFACTURING INC.:

- A preliminary and permanent injunction enjoining the Defendants, each of its A. agents, employees, assigns and all persons acting in concert or participating with each Defendant, from manufacturing, packaging, distributing, marketing and/or selling THE PRODUCTS for sale or use in California without first providing clear and reasonable warnings, within the meaning of Proposition 65, that the users and/or handlers of THE PRODUCTS are exposed to the cadmium;
- В. An assessment of civil penalties against each Defendant, pursuant to Health & Safety Code §25249.7(b), in the amount of \$2,500 per day for each violation of Proposition 65;
- C. An award to Plaintiff of its reasonable attorney fees pursuant to California Code of Civil Procedure §1021.5 or the substantial benefit theory;

| 1 | D. | An award of costs of suit herein; and | |
|----|---------------|---------------------------------------|--|
| 2 | E. | Such other and further reli | ef as may be just and proper. |
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| 4 | Dated: July 2 | 1, 2015 | WRAITH LAW |
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| 7 | | | WILLIAM F. WRAITH Attorney for Plaintiff Environmental |
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