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7	WHITNEY R. LEEMAN, PH.D.	
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	COUNTY OF SAN FRANCISCO	
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11	UNLIMITED CIVIL JURISDICTION	
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13	WHITNEY R. LEEMAN, PH.D.,	Case No. CGC-16-555322
14	Plaintiff,	THIRD AMENDED COMPLAINT FOR
15	V.	CIVIL PENALTIES AND INJUNCTIVE RELIEF
16	R.C. BIGELOW, INC.; PRINCE OF PEACE ENTERPRISES, INC.; TEANCE FINE TEAS; THE	(Health & Safety Code § 25249.5 et seq.)
17	HAIN CELESTIAL GROUP, INC.; WALONG MARKETING, INC. and DOES 1 – 150, inclusive,	
18	Defendants.	
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THIRD AMENDED COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELIEF

# **NATURE OF THE ACTION**

- 1. This Third Amended Complaint is a representative action brought by plaintiff WHITNEY R. LEEMAN, PH.D. in the public interest of the citizens of the State of California to enforce the People's right to be informed of the health hazards caused by exposures to lead, a toxic chemical found in teas sold by defendants in California.
- 2. By this Third Amended Complaint, plaintiff seeks to remedy defendants' continuing failure to warn individuals not covered by California's Occupational Safety Health Act, Labor Code section 6300 et seq., who purchase and consume defendants' products, about the risks of exposure to lead present in teas manufactured, distributed, and offered for sale throughout the State of California. Individuals not covered by California's Occupational Safety Health Act, Labor Code section 6300 et seq., who purchase defendants' products, are referred to hereinafter as "consumers."
- 3. Detectable levels of lead are found in teas 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 February 27, 1987, California identified and listed lead as a chemical known to cause birth defects or other reproductive harm. Lead became subject to the "clear and reasonable warning" requirements of the act one year later, on February 27, 1988. 27 Cal. Code Regs. § 27001(c); Health and Safety Code §§ 25249.8 & 25249.10(b).
- 6. Defendants manufacture, distribute, import, sell, and offer for sale tea containing lead as follows:
  - 6.1 Defendant R.C. Bigelow, Inc. manufactures, distributes, imports, sells, and offers for sale without health hazard warnings in California, teas (including herbal and/or

non-herbal) that contain and expose consumers to lead, including but not limited to *Bigelow Oolong Tea Classic, UPC #0 72310 00199 2.* 

- 6.2 Defendant Prince of Peace Enterprises, Inc. manufactures, distributes, imports, sells, and offers for sale without health hazard warnings in California, dried teas (loose leaf and bagged) that contain and expose consumers to lead. Plaintiff, at this time, specifically limits her allegations in this regard to the *Prince of Peace Premium Oolong Tea, UPC #0 39278 15100 8*.
- 6.3 Defendant Teance Fine Teas manufactures, distributes, imports, sells, and/or offers for sale without health hazard warnings in California, dried teas (loose leaf and bagged) that contain and expose consumers to lead. Plaintiff, at this time, specifically limits her allegations in this regard to the *Teance Fine Teas Lapsang Souchong Wild Forged Spring 2016*.
- 6.4 Defendant The Hain Celestial Group, Inc. manufactures, distributes, imports, sells, and offers for sale without health hazard warnings in California, teas (including herbal and/or non-herbal) that contain and expose consumers to lead, including but not limited to *Celestial Organics Fair Trade Certified Organic Oolong Tea*, #53470-000, UPC #0 70734 53468 3.
- 6.5 Defendants Walong Marketing, Inc. manufactures, distributes, imports, sells, and offers for sale without health hazard warnings in California, dried teas (loose leaf and bagged) that contain and expose consumers to lead, including but not limited to *Asian Taste Dong Ding Oolong Tea, UPC #6 73367 64217 8*.
- 7. All such teas containing lead, as identified more specifically in paragraphs 6.1 through 6.5 above, shall be referred to collectively hereinafter as the "PRODUCTS." As to each specific defendant, however, PRODUCTS shall refer and be limited only to those specific products listed for each specific defendant in paragraphs 6.1 through 6.5 above.
- 8. Defendants' failure to warn consumers in the State of California of the health hazards associated with exposures to lead in conjunction with defendants' sales of the PRODUCTS are violations of Proposition 65, and subject defendants, and each of them, to

enjoinment of such conduct as well as civil penalties for each violation. Health & Safety Code § 25249.7(a) & (b)(1).

- 9. For defendants' violations of Proposition 65, plaintiff seeks preliminary and permanent injunctive relief to compel defendants to provide consumers of the PRODUCTS with the required warning regarding the health hazards associated with exposures to lead. Health & Safety Code § 25249.7(a).
- 10. Pursuant to Health and Safety Code section 25249.7(b), plaintiff also seeks civil penalties against defendants for their violations of Proposition 65.

#### **PARTIES**

- 11. Plaintiff WHITNEY R. LEEMAN, PH.D. 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 she brings this action in the public interest pursuant to Health and Safety Code section 25249.7(d).
- 12. Defendant R.C. BIGELOW, INC. ("R.C. BIGELOW") is a person in the course of doing business within the meaning of Health and Safety Code sections 25249.6 and 25249.11.
- 13. R.C. BIGELOW manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale 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.
- 14. Defendant PRINCE OF PEACE ENTERPRISES, INC. ("PRINCE OF PEACE") is a person in the course of doing business within the meaning of Health and Safety Code sections 25249.6 and 25249.11.
- 15. PRINCE OF PEACE manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale in the State of California, or implies by its conduct that it manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale in the State of California.
- 16. Defendant TEANCE FINE TEAS ("TEANCE") is a person in the course of doing business within the meaning of Health and Safety Code sections 25249.6 and 25249.11.

- 17. TEANCE manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale in the State of California, or implies by its conduct that it manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale in the State of California.
- 18. Defendant THE HAIN CELESTIAL GROUP, INC. ("HAIN CELESTIAL") is a person in the course of doing business within the meaning of Health and Safety Code sections 25249.6 and 25249.11.
- 19. HAIN CELESTIAL manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale in the State of California, or implies by its conduct that it manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale in the State of California.
- 20. Defendant WALONG MARKETING, INC. ("WALONG") is a person in the course of doing business within the meaning of Health and Safety Code sections 25249.6 and 25249.11.
- 21. WALONG manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale in the State of California, or implies by its conduct that it manufactures, imports, distributes, sells, and/or offers the PRODUCTS for sale in the State of California.
- 22. Defendants DOES 1-50 ("MANUFACTURER 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.
- 23. MANUFACTURER DEFENDANTS, and each of them, research, test, design, assemble, fabricate, and manufacture, or each implies by its conduct that it researches, tests, designs, assembles, fabricates, and manufactures one or more of the PRODUCTS offered for sale in California.
- 24. 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.
- 25. DISTRIBUTOR DEFENDANTS, and each of them, distribute, exchange, transfer, process, and transport one or more of the PRODUCTS to individuals, businesses, or retailers for sale in the State of California, or each implies by its conduct that it distributes,

exchanges, transfers, processes, and transports one or more of the PRODUCTS to individuals, businesses, or retailers for sale in the State of California.

- 26. 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.
- 27. RETAILER DEFENDANTS, and each of them, offer the PRODUCTS for sale to consumers and other individuals in the State of California.
- 28. 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.
- 29. R.C. BIGELOW, PRINCE OF PEACE, TEANCE, HAIN CELESTIAL, WALONG, MANUFACTURER DEFENDANTS, DISTRIBUTOR DEFENDANTS, and RETAILER DEFENDANTS shall hereinafter be referred to collectively as the "DEFENDANTS."

#### **VENUE AND JURISDICTION**

- 30. Venue is proper in the Superior Court for the County of San Francisco 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 San Francisco, and because DEFENDANTS conducted, and continue to conduct, business in this county with respect to the PRODUCTS.
- 31. 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.

32. The California Superior Court has jurisdiction over DEFENDANTS based on plaintiff's information and good faith belief that DEFENDANTS are each 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)

- 33. Plaintiff realleges and incorporates by reference, as if fully set forth herein, Paragraphs 1 through 32, inclusive.
- 34. 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."
- 35. 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.
- 36. On December 28, 2016 and November 20, 2017, plaintiff served sixty-day notices of violation, together with the accompanying certificates of merit, on R.C. BIGELOW, the California Attorney General's Office, and all other requisite public enforcement agencies alleging that, as a result of R.C. BIGELOW'S sales of the PRODUCTS, consumers in the State of California are being exposed to lead resulting from their reasonably foreseeable use of the PRODUCTS, without the consumers first receiving a "clear and reasonable warning" regarding the harms associated with exposures to lead, as required by Proposition 65.
- 37. On August 19, 2016, plaintiff served a sixty-day notice of violation, together with the accompanying certificate of merit, on PRINCE OF PEACE, the California Attorney General's Office, and all other requisite public enforcement agencies alleging that, as a result of

PRINCE OF PEACE'S sales of the PRODUCTS, consumers in the State of California are being exposed to lead resulting from their reasonably foreseeable consumption of the PRODUCTS, without the consumers first receiving a "clear and reasonable warning" regarding the harms associated with exposures to lead, as required by Proposition 65.

- 38. On August 19, 2016, plaintiff served a sixty-day notice of violation, together with the accompanying certificate of merit, on TEANCE, the California Attorney General's Office, and all other requisite public enforcement agencies alleging that, as a result of TEANCE'S sales of the PRODUCTS, consumers in the State of California are being exposed to lead resulting from their reasonably foreseeable consumption of the PRODUCTS, without the consumers first receiving a "clear and reasonable warning" regarding the harms associated with exposures to lead, as required by Proposition 65.
- 39. On August 19, 2016 and November 21, 2017, plaintiff served sixty-day notices of violation, together with the accompanying certificates of merit, on HAIN CELESTIAL, the California Attorney General's Office, and all other requisite public enforcement agencies alleging that, as a result of HAIN CELESTIAL'S sales of the PRODUCTS, consumers in the State of California are being exposed to lead resulting from their reasonably foreseeable consumption of the PRODUCTS, without the consumers first receiving a "clear and reasonable warning" regarding the harms associated with exposures to lead, as required by Proposition 65.
- 40. On August 19, 2016, plaintiff served a sixty-day notice of violation, together with the accompanying certificate of merit, on WALONG the California Attorney General's Office, and all other requisite public enforcement agencies alleging that, as a result of WALONG'S sales of the PRODUCTS, consumers in the State of California are being exposed to lead resulting from their reasonably foreseeable consumption of the PRODUCTS, without the consumers first receiving a "clear and reasonable warning" regarding the harms associated with exposures to lead, as required by Proposition 65.
- 41. DEFENDANTS manufacture, import, distribute, sell, and offer the PRODUCTS for sale in violation of Health and Safety Code section 25249.6, and DEFENDANTS' violations have continued beyond their receipt of plaintiff's sixty-day notices of violation. As such,

DEFENDANTS' violations are ongoing and continuous in nature and, unless enjoined, will continue in the future.

- 42. After receiving plaintiff's sixty-day notices of violation, no public enforcer has commenced and diligently prosecuted a cause of action against any of the DEFENDANTS under Proposition 65 to enforce the alleged violations that are the subject of plaintiff's notices.
- 43. The PRODUCTS that DEFENDANTS manufacture, import, distribute, sell, and offer for sale in California cause exposures to lead as a result of the reasonably foreseeable consumption of the PRODUCTS. Such exposures caused by DEFENDANTS and endured by consumers and other individuals in California are not exempt from the "clear and reasonable" warning requirements of Proposition 65, yet DEFENDANTS provide no warning.
- 44. DEFENDANTS knew or should have known that the PRODUCTS they manufacture, import, distribute, sell, and offer for sale in California contain lead.
- 45. Lead is present in or on the PRODUCTS in such a way that consumers are exposed to lead through dermal contact and/or ingestion during the reasonably foreseeable preparation and consumption of the PRODUCTS.
- 46. The normal and reasonably foreseeable preparation and consumption of the PRODUCTS has caused, and continues to cause, consumer exposures to lead, as such exposures are defined by title 27 of the California Code of Regulations section 25602(b).
- 47. DEFENDANTS know that the normal and reasonably foreseeable preparation and consumption of the PRODUCTS exposes individuals to lead through dermal contact and/or ingestion.
- 48. DEFENDANTS intend that exposures to lead from the reasonably foreseeable preparation and consumption of the PRODUCTS will occur by their deliberate, non-accidental participation in the manufacture, importation, distribution, sale, and offering of the PRODUCTS for sale to consumers in California.
- 49. DEFENDANTS failed to provide a "clear and reasonable warning" to those consumers and other individuals in California who have been, or who will be, exposed to lead

through dermal contact and/or ingestion resulting from their preparation and/or consumption of the PRODUCTS.

- 50. Contrary to the express policy and statutory prohibition of Proposition 65 enacted directly by California voters, consumers and other individuals exposed to lead through dermal contact and/or ingestion as a result of their consumption of the PRODUCTS that DEFENDANTS sell without a "clear and reasonable" health hazard warning, have suffered, and continue to suffer, irreparable harm for which they have no plain, speedy, or adequate remedy at law.
- 51. Pursuant to Health and Safety Code section 25249.7(b), as a consequence of the above-described acts, DEFENDANTS, and each of them, are liable for a maximum civil penalty of \$2,500 per day for each violation.
- 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.

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### 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 consumption in California without first providing a "clear and reasonable warning" regarding the harms associated with exposures to lead in accordance with title 27 of the California Code of Regulations section 25601 *et seq.*;
- 3. That the Court, Pursuant to Health and Safety Code section 25249.7(a), issue preliminary and permanent injunctions mandating that DEFENDANTS recall all PRODUCTS currently in the chain of commerce in California without a "clear and reasonable warning" as defined by title 27 California Code of Regulations section 25601 *et seq.*;
  - 4. That the Court grant plaintiff her reasonable attorneys' fees and costs of suit; and
  - 5. That the Court grant such other and further relief as may be just and proper.

Dated: April 11, 2018 Respectfully submitted,

THE CHANLER GROUP

Josh Voorhees

Attorneys for Plaintiff

WHITŇEY R. LEEMAN, PH.D.