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To: Page 2 of 17 2018-04-30 20:31:25 (GMT) From: Lexington Law Group

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8 9 10	Attorneys for Plaintiff CENTER FOR ENVIRONMENTAL HEALTH	
11	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
12	COUNTY OF ALAMEDA	
13		
14	CENTER FOR ENVIRONMENTAL HEALTH,) Case No. RG 17-852777
15	Plaintiff,)
16	v.) FIRST AMENDED COMPLAINT) FOR INJUNCTIVE RELIEF AND
17	MRS. GOOCH'S NATURAL FOOD) CIVIL PENALTIES
18	MARKETS, INC.; WHOLE FOODS MARKET CALIFORNIA, INC.; LASSONDE PAPPAS) Health & Safety Code § 25249.6, et seq.
19	AND COMPANY, INC.; CLEMENT PAPPAS AND COMPANY, INC.; CLIFFSTAR LLC;	(Other)
20	CLIFFSTAR CALIFORNIA LLC; KNUDSEN)
21	& SONS, INC.; SMUCKER NATURAL FOODS, INC.; and DOES 5 through 200,)
22 23	inclusive,))
23	Defendants.)
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FIRST AMENDED COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES		

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Plaintiff Center for Environmental Health, in the public interest, based on information and belief and investigation of counsel, except for information based on knowledge, hereby makes the following allegations:

INTRODUCTION

- 1. This Complaint seeks to remedy Defendants' continuing failure to warn individuals in California that they are being exposed to acrylamide, a chemical known to the State of California to cause cancer. Such exposures have occurred, and continue to occur, through the manufacture, distribution, sale, and consumption of Defendants' prune juice (the "Products"). Consumers are exposed to acrylamide when they consume the Products.
- 2. Under California's Proposition 65, Health & Safety Code § 25249.5, et seq., it is unlawful for businesses to knowingly and intentionally expose individuals in California to chemicals known to the State to cause cancer without providing clear and reasonable warnings to individuals prior to their exposure. Defendants introduce Products contaminated with significant quantities of acrylamide into the California marketplace, thereby exposing consumers of their Products to acrylamide.
- 3. Despite the fact that Defendants expose consumers to acrylamide, Defendants provide no warnings whatsoever about the carcinogenic hazards associated with acrylamide exposure. Defendants' conduct thus violates the warning provision of Proposition 65. Health & Safety Code § 25249.6.

PARTIES

4. Plaintiff CENTER FOR ENVIRONMENTAL HEALTH ("CEH") is a non-profit corporation dedicated to protecting the public from environmental health hazards and toxic exposures. CEH is based in Oakland, California and incorporated under the laws of the State of California. CEH is a "person" within the meaning of Health & Safety Code § 25249.11(a) and brings this enforcement action in the public interest pursuant to Health & Safety Code § 25249.7(d). CEH is a nationally recognized non-profit environmental advocacy group that has prosecuted a large number of Proposition 65 cases in the public interest. These cases have resulted in significant public benefit, including the reformulation of thousands of products to

remove toxic chemicals and to make them safer. CEH also provides information to Californians about the health risks associated with exposure to hazardous substances, where manufacturers and other responsible parties fail to do so.

- 5. Defendant MRS. GOOCH'S NATURAL FOOD MARKETS, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant MRS. GOOCH'S NATURAL FOOD MARKETS, INC. manufactures, distributes, and/or sells the Products for sale and consumption in California. CEH's claims against Defendant MRS. GOOCH'S NATURAL FOOD MARKETS, INC. in this action are limited to Products sold under the 365 Everyday Value Brand and Products sold by Defendants KNUDSEN & SONS, INC. and SMUCKER NATURAL FOODS, INC.
- 6. Defendant WHOLE FOODS MARKET CALIFORNIA, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant WHOLE FOODS MARKET CALIFORNIA, INC. manufactures, distributes, and/or sells the Products for sale and consumption in California. CEH's claims against Defendant WHOLE FOODS MARKET CALIFORNIA, INC. in this action are limited to Products sold under the 365 Everyday Value Brand and Products sold by Defendants KNUDSEN & SONS, INC. and SMUCKER NATURAL FOODS, INC.
- 7. Defendant LASSONDE PAPPAS AND COMPANY, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant LASSONDE PAPPAS AND COMPANY, INC. manufactures, distributes, and/or sells the Products for sale and consumption in California.
- 8. Defendant CLEMENT PAPPAS AND COMPANY, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant CLEMENT PAPPAS AND COMPANY, INC. manufactures, distributes, and/or sells the Products for sale and consumption in California.
- 9. Defendant CLIFFSTAR LLC is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant CLIFFSTAR LLC manufactures, distributes, and/or sells the Products for sale and consumption in California.

- 10. Defendant CLIFFSTAR CALIFORNIA LLC is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant CLIFFSTAR CALIFORNIA LLC manufactures, distributes, and/or sells the Products for sale and consumption in California.
- 11. Defendant KNUDSEN & SONS, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant KNUDSEN & SONS, INC. manufactures, distributes, and/or sells the Products for sale and consumption in California.
- 12. Defendant SMUCKER NATURAL FOODS, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant SMUCKER NATURAL FOODS, INC. manufactures, distributes, and/or sells the Products for sale and consumption in California.
- 13. DOES 5 through 200 are each a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. DOES 5 through 200 manufacture, distribute, and/or sell the Products for sale and consumption in California.
- 14. The true names of DOES 5 through 200 are either unknown to CEH at this time or the applicable time period before which CEH may file a Proposition 65 action has not run. When their identities are ascertained or the applicable time period before which CEH may file a Proposition 65 action has run, the Complaint shall be amended to reflect their true names.
- 15. The defendants identified in paragraphs 5 through 12 and DOES 5 through 200 are collectively referred to herein as "Defendants."

JURISDICTION AND VENUE

- 16. The Court has jurisdiction over this action pursuant to Health & Safety Code § 25249.7, which allows enforcement in any court of competent jurisdiction, and pursuant to California Constitution Article VI, Section 10, because this case is a cause not given by statute to other trial courts.
- 17. This Court has jurisdiction over Defendants because each is a business entity that does sufficient business, has sufficient minimum contacts in California, or otherwise intentionally avails itself of the California market through the sale, marketing, or use of the Products in

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California and/or by having such other contacts with California so as to render the exercise of jurisdiction over it by the California courts consistent with traditional notions of fair play and substantial justice.

18. Venue is proper in Alameda County Superior Court because one or more of the violations arise in the County of Alameda.

BACKGROUND FACTS

- 19. The People of the State of California have declared by initiative under Proposition 65 their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." Proposition 65, § 1(b).
- 20. To effectuate this goal, Proposition 65 prohibits exposing people to chemicals listed by the State of California as known to cause cancer, birth defects, or other reproductive harm above certain levels without a "clear and reasonable warning" unless the business responsible for the exposure can prove that it fits within a statutory exemption. Health & Safety 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. . .

21. On January 1, 1990, the State of California officially listed acrylamide as a chemical known to cause cancer. On January 1, 1991, one year after it was listed as a chemical known to cause cancer, acrylamide became subject to the clear and reasonable warning requirement regarding carcinogens under Proposition 65. 27 California Code of Regulations ("C.C.R.") § 27001(b); Health & Safety Code § 25249.10(b). Acrylamide's listing as a known carcinogen is well supported by numerous scientific studies establishing a link between acrylamide exposure and cancer. *See generally* Beland, F., *et al.*, "Carcinogenicity of acrylamide in B6C3F1 mice and F344/N rats from a 2-year drinking water exposure," *Food & Chemical Toxicology* (2013) Vol 51:149; World Health Organization International Agency for Research on Cancer, *IARC Monographs on the Evaluation of Carcinogenic Risks to Humans* (1994) Vol.

60:389; Vogt, R., *et al.*, "Cancer and non-cancer health effects from food contaminant exposures for children and adults in California: a risk assessment," *Environmental Health* (2012) Vol. 11:83.

- 22. Acrylamide is found in cigarette smoke and is produced industrially for use in products such as plastics, grouts, water treatment products, and cosmetics. Acrylamide is also found in certain food products, including the Products at issue. Acrylamide is formed during the manufacturing process when the Products are processed. The problem of acrylamide in food products first came to light in 2002 when researchers at the Swedish National Food Agency and Stockholm University reported finding acrylamide in a variety of fried and baked foods. Since then, numerous government reports and academic studies have confirmed the presence of high levels of acrylamide in certain foods, including the Products. *See*, *e.g.*, U.S. Food and Drug Administration ("FDA"), "Survey Data on Acrylamide in Food: Individual Food Products," *available at* http://www.fda.gov/Food/FoodborneIllnessContaminants/ucm053549.htm (updated July 2006); FDA, "Survey Data on Acrylamide in Food: Total Diet Study Results," *available at* http://www.fda.gov/Food/FoodborneIllnessContaminants/ (ChemicalContaminants/ucm053566.htm (updated October 2006).
- 23. Defendants' Products contain sufficient quantities of acrylamide such that consumers who consume the Products are exposed to acrylamide. The route of exposure for the violations is direct ingestion when consumers drink the Products. These exposures occur in homes, schools, workplaces, and everywhere else throughout California where the Products are consumed.
- 24. No clear and reasonable warning is provided with the Products regarding the carcinogenic hazards of acrylamide.
- 25. Any person acting in the public interest has standing to enforce violations of Proposition 65 provided that such person has supplied the requisite public enforcers with a valid 60-Day Notice of Violation and such public enforcers are not diligently prosecuting the action within such time. Health & Safety Code § 25249.7(d).

- 26. More than sixty days prior to naming each Defendant in this lawsuit, CEH provided a 60-Day "Notice of Violation of Proposition 65" to the California Attorney General, to the District Attorneys of every county in California, to the City Attorneys of every California city with a population greater than 750,000, and to each of the named Defendants. In compliance with Health & Safety Code § 25249.7(d) and 27 C.C.R. § 25903(b), each Notice included the following information: (1) the name and address of each violator; (2) the statute violated; (3) the time period during which violations occurred; (4) specific descriptions of the violations, including (a) the routes of exposure to acrylamide from the Products, and (b) the specific type of Products sold and used in violation of Proposition 65; and (5) the name of the specific Proposition 65-listed chemical that is the subject of the violations described in each Notice.
- 27. CEH also sent a Certificate of Merit for each Notice to the California Attorney General, to the District Attorneys of every county in California, to the City Attorneys of every California city with a population greater than 750,000, and to each of the named Defendants. In compliance with Health & Safety Code § 25249.7(d) and 11 C.C.R. § 3101, each Certificate certified that CEH's counsel: (1) has consulted with one or more persons with relevant and appropriate experience or expertise who reviewed facts, studies, or other data regarding the exposures to acrylamide alleged in each Notice; and (2) based on the information obtained through such consultations, believes that there is a reasonable and meritorious case for a citizen enforcement action based on the facts alleged in each Notice. In compliance with Health & Safety Code § 25249.7(d) and 11 C.C.R. § 3102, each Certificate served on the Attorney General included factual information provided on a confidential basis sufficient to establish the basis for the Certificate, including the identity of the person(s) consulted by CEH's counsel and the facts, studies, or other data reviewed by such persons.
- 28. None of the public prosecutors with the authority to prosecute violations of Proposition 65 has commenced and/or is diligently prosecuting a cause of action against Defendants under Health & Safety Code § 25249.5, *et seq.*, based on the claims asserted in each of CEH's Notices.

- 29. Defendants both know and intend that individuals will consume the Products, thus exposing them to acrylamide.
- 30. Under Proposition 65, an exposure is "knowing" where the party responsible for such exposure has:

knowledge of the fact that a[n] . . . exposure to a chemical listed pursuant to [Health & Safety Code § 25249.8(a)] is occurring. No knowledge that the . . . exposure is unlawful is required.

- 27 C.C.R. § 25102(n). This knowledge may be either actual or constructive. *See*, *e.g.*, Final Statement of Reasons Revised (November 4, 1988) (pursuant to former 22 C.C.R. Division 2, § 12601).
- 31. As companies that manufacture, import, distribute, and/or sell the Products for use in the California marketplace, Defendants know or should know that the Products contain acrylamide and that individuals who consume the Products will be exposed to acrylamide. The acrylamide exposures to consumers who consume the Products are a natural and foreseeable consequence of Defendants' placing the Products into the stream of commerce.
- 32. Defendants have been informed of the acrylamide in their Products by the 60-Day Notice of Violation and accompanying Certificate of Merit served on them by CEH.
- 33. Defendants also have constructive knowledge that their Products contain acrylamide due to the widespread media coverage concerning the problem of acrylamide in food products in general. In addition, the state trade group for the prune industry admits that the Products contain acrylamide. *See* California Dried Plum Board, "Prune Juice: Benefits Aren't Just for the Elderly," *available at* http://www.californiadriedplums.org/in-the-news/2016/8/prune-juice-benefits-arent-just-for-the-elderly.
- 34. Nevertheless, Defendants continue to expose consumers to acrylamide without prior clear and reasonable warnings regarding the carcinogenic hazards of acrylamide.
- 35. CEH has engaged in good-faith efforts to resolve the claims alleged herein prior to filing this Complaint.