ENDORSED FILED ALAMEDA COUNTY LEXINGTON LAW GROUP 1 Howard Hirsch, State Bar No. 213209 MAY 21 2019 2 Joseph Mann, State Bar No. 207968 Ryan B. Berghoff, State Bar No. 308812 CLERK OF THE SUPERIOR COURT 3 503 Divisadero Street San Francisco, CA 94117 4 Telephone: (415) 913-7800 5 Facsimile: (415) 759-4112 hhirsch@lexlawgroup.com 6 imann@lexlawgroup.com rberghoff@lexlawgroup.com 7 Attorneys for Plaintiff 8 CENTER FOR ENVIRONMENTAL HEALTH 9 10 11 SUPERIOR COURT OF THE STATE OF CALIFORNIA 12 **COUNTY OF ALAMEDA** 13 14 CENTER FOR ENVIRONMENTAL HEALTH, Case No. RG 18-928947 15 Plaintiff. SECOND AMENDED COMPLAINT FOR INJUNCTIVE RELIEF AND 16 **CIVIL PENALTIES** v. 17 Health & Safety Code § 25249.6, et seq. GALLERIA MARKET, LP; DICKINSON 18 FROZEN FOODS, INC.; MCCAIN FOODS (Other) USA, INC.; ALDI INC., DOING BUSINESS IN 19 CALIFORNIA AS ALDI FOODS INC.; RITE AID CORPORATION; CHEEZWHSE.COM, 20 INC.; TRELLEG, INC.; WORLD'S BEST CHEESES WEST, INC.; and DOES 1 through 21 700, inclusive, 22 Defendants. 23 24 25 26 27 28 DOCUMENT PREPARED ON RECYCLED PAPER SECOND AMENDED COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES

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 three types of food products: (i) fried or baked potato or sweet potato based snack foods (the "Potato or Sweet Potato Snack Products"); (ii) hash brown potato products, including but not limited to hash browns, hash brown patties, tater tots, and tater puffs (the "Hash Brown Products"); and (iii) french-fried potatoes (the "French Fry Products"). Potato or Sweet Potato Snack Products, Hash Brown Products, and French Fry Products are collectively referred to herein as "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, birth defects, or other reproductive harm without providing clear and reasonable warnings to individuals prior to their exposure. Defendants sell the Products into the California marketplace knowing that consumers of the Products, including children, will be exposed to significant quantities of 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 DICKINSON FROZEN FOODS, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant DICKINSON FROZEN FOODS, INC. manufactures, distributes, and/or sells Hash Brown Products for sale and consumption in California.
- 6. Defendant MCCAIN FOODS USA, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant MCCAIN FOODS USA, INC. manufactures, distributes, and/or sells French Fry Products for sale and consumption in California. CEH's allegations and claims against Defendant MCCAIN FOODS USA, INC. in this action are limited to French Fry Products sold under private label brands.
- 7. Defendant ALDI INC., DOING BUSINESS IN CALIFORNIA AS ALDI FOODS INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant ALDI INC., DOING BUSINESS IN CALIFORNIA AS ALDI FOODS INC. manufactures, distributes, and/or sells Potato or Sweet Potato Snack Products, Hash Brown Products, and French Fry Products for sale and consumption in California. CEH's allegations and claims against Defendant ALDI INC., DOING BUSINESS IN CALIFORNIA AS ALDI FOODS INC. in this action are limited to Potato or Sweet Potato Snack Products sold under the Clancy's brand, and Hash Brown Products and French Fry Products sold under the Season's Choice brand.
- 8. Defendant RITE AID CORPORATION is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant RITE AID CORPORATION manufactures, distributes, and/or sells Potato or Sweet Potato Snack Products

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for sale and consumption in California. CEH's allegations and claims against Defendant RITE AID CORPORATION in this action are limited to Potato or Sweet Potato Snack Products sold under the Tyrrell's brand.

- 9. Defendant CHEEZWHSE.COM, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant CHEEZWHSE.COM, INC. manufactures, distributes, and/or sells Potato or Sweet Potato Snack Products for sale and consumption in California. CEH's allegations and claims against Defendant CHEEZWHSE.COM, INC. in this action are limited to Potato or Sweet Potato Snack Products sold by Patatas Fritas Torres S.L.
- 10. Defendant TRELLEG, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant TRELLEG, INC. manufactures, distributes, and/or sells Potato or Sweet Potato Snack Products for sale and consumption in California. CEH's allegations and claims against Defendant TRELLEG, INC. in this action are limited to Potato or Sweet Potato Snack Products sold by Patatas Fritas Torres S.L.
- 11. Defendant WORLD'S BEST CHEESES WEST, INC. is a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. Defendant WORLD'S BEST CHEESES WEST, INC. manufactures, distributes, and/or sells Potato or Sweet Potato Snack Products for sale and consumption in California. CEH's allegations and claims against Defendant WORLD'S BEST CHEESES WEST, INC. in this action are limited to Potato or Sweet Potato Snack Products sold by Patatas Fritas Torres S.L.
- 12. DOES 1 through 100 are each a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. DOES 1 through 100 manufacture, distribute, and/or sell Potato or Sweet Potato Snack Products for sale and consumption in California. Defendant ALDI INC., DOING BUSINESS IN CALIFORNIA AS ALDI FOODS INC.; RITE AID CORPORATION; CHEEZWHSE.COM, INC.; TRELLEG, INC.; WORLD'S BEST CHEESES WEST, INC.; and DOES 1 through 100 are collectively referred to herein as "Potato or Sweet Potato Snack Products Defendants."

- 13. DOES 101 through 200 are each a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. DOES 101 through 200 manufacture, distribute, and/or sell Hash Brown Products for sale and consumption in California. Defendants DICKINSON FROZEN FOODS, INC.; ALDI INC., DOING BUSINESS IN CALIFORNIA AS ALDI FOODS INC.; and DOES 101 through 200 are collectively referred to herein as "Hash Brown Products Defendants."
- 14. DOES 201 through 300 are each a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. DOES 201 through 300 manufacture, distribute, and/or sell French Fry Products for sale and consumption in California. Defendants MCCAIN FOODS USA, INC.; ALDI INC., DOING BUSINESS IN CALIFORNIA AS ALDI FOODS INC.; and DOES 201 through 300 are collectively referred to herein as "French Fry Products Defendants."
- 15. DOES 301 through 400 are each a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. DOES 301 through 400 manufacture, distribute, and/or sell both Potato or Sweet Potato Snack Products and Hash Brown Products for sale and consumption in California.
- 16. DOES 401 through 500 are each a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. DOES 401 through 500 manufacture, distribute, and/or sell both Potato or Sweet Potato Snack Products and French Fry Products for sale and consumption in California.
- 17. DOES 501 through 600 are each a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. DOES 501 through 600 manufacture, distribute, and/or sell both Hash Brown Products and French Fry Products for sale and consumption in California.
- 18. DOES 601 through 700 are each a person in the course of doing business within the meaning of Health & Safety Code § 25249.11. DOES 601 through 700 manufacture, distribute, and/or sell Potato or Sweet Potato Snack Products, Hash Brown Products, and French Fry Products for sale and consumption in California.

19.	The true names of DOES 1 through 700 are either unknown to CEH at this tin	ne or
the applicable	e time period before which CEH may file a Proposition 65 action has not run. V	Vhen
their identities are ascertained or the applicable time period before which CEH may file a		
Proposition 63	5 action has run, the Complaint shall be amended to reflect their true names.	

The defendants identified in paragraphs 5 through 11 and DOES 1 through 700 are

JURISDICTION AND VENUE

- 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
- 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 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
- Venue is proper in Alameda County Superior Court because one or more of the

BACKGROUND FACTS

- 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
- 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

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. . .

- 26. 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.
- 27. 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 when the Products are cooked at high temperatures. 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," publicly available online at http://www.fda.gov/Food/FoodborneIllnessContaminants/ ChemicalContaminants/ucm053549.htm (updated July 2006); FDA, "Survey Data on Acrylamide

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in Food: Total Diet Study Results," publicly available online at http://www.fda.gov/Food/
FoodborneIllnessContaminants/ChemicalContaminants/ucm053566.htm (updated October 2006).

- 28. Defendants' Products contain sufficient quantities of acrylamide such that consumers who eat the Products are thereby exposed to acrylamide. The route of exposure for the violations is direct ingestion when consumers eat the Products. These exposures occur in homes, schools, workplaces, and everywhere else throughout California where the Products are consumed.
- 29. No clear and reasonable warning is provided with the Products regarding the carcinogenic hazards of acrylamide.
- 30. 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).
- 31. 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.
- 32. 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.

- 33. 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.
- 34. Defendants both know and intend that individuals will consume the Products, thus exposing them to acrylamide.
- 35. 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).
- 36. 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 eat the Products are a natural and foreseeable consequence of Defendants' placing the Products into the stream of commerce.
- 37. Defendants have also 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.

- 46. Each Potato or Sweet Potato Snack Products Defendant knows that average use of the Potato or Sweet Potato Snack Products will expose users of its Potato or Sweet Potato Snack Products to acrylamide. Each Potato or Sweet Potato Snack Products Defendant intends that its Potato or Sweet Potato Snack Products be used in a manner that results in exposures to acrylamide from the Potato or Sweet Potato Snack Products.
- 47. Potato or Sweet Potato Snack Products Defendants have failed, and continue to fail, to provide clear and reasonable warnings regarding the carcinogenicity of acrylamide to users of the Potato or Sweet Potato Snack Products.
- 48. By committing the acts alleged above, Potato or Sweet Potato Snack Products Defendants have at all times relevant to this Complaint violated Proposition 65 by knowingly and intentionally exposing individuals to acrylamide without first giving clear and reasonable warnings to such individuals regarding the carcinogenicity of acrylamide.

Wherefore, CEH prays for judgment against Potato or Sweet Potato Snack Products Defendants, as set forth hereafter.

SECOND CAUSE OF ACTION

(Violations of Health & Safety Code § 25249.6) (Against Hash Brown Products Defendants)

- 49. CEH realleges and incorporates by reference as if specifically set forth herein Paragraphs 1 through 48, inclusive.
- 50. By placing the Hash Brown Products into the stream of commerce, Hash Brown Products Defendants are each a person in the course of doing business within the meaning of Health & Safety Code § 25249.11.
- 51. Acrylamide is a chemical listed by the State of California as known to cause cancer.
- 52. Each Hash Brown Products Defendant knows that average use of the Hash Brown Products will expose users of its Hash Brown Products to acrylamide. Each Hash Brown Products Defendant intends that its Hash Brown Products be used in a manner that results in exposures to acrylamide from the Hash Brown Products.

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1	individuals to acrylamide without first giving clear and reasonable warnings to such individuals		
2	regarding the carcinogenicity of acrylamide.		
3	Wherefore, CEH prays for judgment against French Fry Products Defendants, as		
4	set forth hereafter.		
5	PRAYER FOR RELIEF		
6	Wherefore, CEH prays for judgment against Defendants as follows:		
7	1. That the Court, pursuant to Health & Safety Code § 25249.7(a), preliminarily and		
8	permanently enjoin Defendants from offering Products for sale in California without providing		
9	prior clear and reasonable warnings, as CEH shall specify in further application to the Court;		
10	2. That the Court, pursuant to Health & Safety Code § 25249.7(a), order Defendants		
11	to take action to stop ongoing unwarned exposures to acrylamide resulting from use of Products		
12	sold by Defendants, as CEH shall specify in further application to the Court;		
13	3. That the Court, pursuant to Health & Safety Code § 25249.7(b), assess civil		
14	penalties against each of the Defendants in the amount of \$2,500 per day for each violation of		
15	Proposition 65 according to proof;		
16	4. That the Court, pursuant to Code of Civil Procedure § 1021.5 or any other		
17	applicable theory, grant CEH its reasonable attorneys' fees and costs of suit; and		
18	5. That the Court grant such other and further relief as may be just and proper.		
19			
20	Dated: May 21, 2019 Respectfully submitted,		
21	LEXINGTON LAW GROUP		
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24	Joseph Mann Attorneys for Plaintiff		
25	CENTER FOR ENVIRONMENTAL HEALTH		
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