BY FAX

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Superior Court of California Ali Abtahi (State Bar No. 224688) -1 ali.abtahi@abtahilaw.com JAN 29 2020 ABTAHI LAW GROUP LLC 2 200 W Madison St | Suite 2100 Sherri R. Carier, Exegutive Unicericiery of Court Chicago, IL 60606 3 Tel: (312) 883-8800 Crystal Foley (State Bar No. 224627) 4 cfoley@simmonsfirm.com SIMMONS HANLY CONROY LLC 100 N. Pacific Coast Highway | Suite 1350 6 El Segundo, CA 90245 Tel: (310) 322-3555 7 [Additional counsel listed on signature block] 8 Attorneys for Plaintiff Jan Graham 9 10 IN THE SUPERIOR COURT OF CALIFORNIA 11 FOR THE COUNTY OF LOS ANGELES 12 Jan Graham, Case No: 20STCV03578 13 Plaintiff, **COMPLAINT** 14 VS. (1) Violations of Proposition 65; 15 Bausch Health Companies Inc.: (2) Injunctive Relief Bausch Health U.S., LLC; 16 CVS Health Corporation; DEMAND FOR JURY TRIAL CVS Pharmacy, Inc.; 17 Dollar General Corporation; Dolgen, LLC; Dolgen California, LLC; 18 Johnson & Johnson; 19 Johnson & Johnson Consumer, Inc.; Sanofi, S.A.; 20 Sanofi US Services, Inc.; Chattem, Inc.; 21 Target Corporation; Target Brands, Inc.; 22 Walgreen Co.; Walmart Inc.; 23 Davion, Inc.; Garcoa, Inc.; 24 Personal Care Products, LLC; Stone Arch Capital, LLC; 25 Premier Brands of America Inc.; Thornton Industries, Inc.; and 26 Does 1-50, inclusive. 27 Defendants.

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I. <u>INTRODUCTION</u>

- 1. This case is brought against the major nationwide suppliers and distributors of talcum powder products in order to address an existing public health crisis arising from the sale of products that contain multiple carcinogens and reproductive toxins. The products at issue involve nationwide retail brands, such as Johnson's Baby, Gold Bond, and Shower to Shower. They also include private label brands distributed and sold at large nationwide retailers, including CVS, Dollar General, Target, Walgreens, and Walmart.
- 2. Under the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6, also known as "Proposition 65," businesses must provide persons with a "clear and reasonable warning" before exposing individuals to chemicals known to the State to cause cancer or reproductive harm.
- 3. Proposition 65 requires businesses to provide warnings to Californians about significant exposures to chemicals that cause cancer, birth defects, or other reproductive harm. These chemicals can be in the products that Californians purchase, that are in their homes or workplaces, or that are released into the environment. By requiring that this information be provided, Proposition 65 enables Californians to make informed decisions about their exposures to these chemicals.
- 4. The named Defendants have willfully violated Proposition 65 by manufacturing, distributing, and selling products with excess levels of dangerous chemicals. Defendants have for decades manufactured, distributed, or sold talcum powder products that contain multiple chemicals at levels known to cause cancer or reproductive toxicity. The carcinogenic chemicals and reproductive toxins at issue include: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. The chemicals are listed Proposition 65 chemicals known to the State to cause cancer or reproductive toxicity and are referred to herein collectively as "Listed Chemicals."

- 5. As discussed in more detail herein, the talcum powder industry (the "Industry") has had actual knowledge of the contamination of talcum powder products with multiple carcinogens and reproductive toxins. The Industry has also known that the presence of carcinogens and reproductive toxins within talcum powder products made the products unsafe and unfit to use in personal care.
- 6. For many years, the Industry has taken concerted action to conceal and hide the presence of carcinogen and reproductive toxins in talcum powder products from consumers and the general public. Such actions date back to at least 1976 when the Cosmetic, Toiletry and Fragrance Association ("CTFA") issued so-called "purity standards" for talc used in cosmetic products. The CTFA is an Industry trade association that represents cosmetic and personal care products companies. Its work has included the promulgation of the Industry specification and definition for "talc." This definition has been utilized by the personal care product companies, including Defendants herein.
- 7. As discussed more fully below, in 1976, the Industry adopted talc purity standards that were designed to hide the presence of carcinogen and reproductive toxins in talcum powder products. The Industry *redefined* "talc" to consist of a minimum of 90% talc with the remainder "consisting of naturally associated minerals." The Industry specification further incorporates multiple carcinogens and reproductive toxins into the Industry definition of "talc." (Ex. A.) Unbeknownst to consumers, the Industry specification for "talc" expressly includes arsenic (up to 3 ppm) and lead (up to 20 ppm lead). (Ex. A.) Other "naturally associated minerals" found in talcum powder products commonly include hexavalent chromium.
- 8. By including these carcinogens and reproductive toxins in the specification for "talc," the Industry has misleadingly marketed talcum powder products as containing pure talc and has actively and knowingly taken steps to conceal the presence of Listed Chemicals from consumers. The Industry has done so with a profiteering motive, knowing that full disclosure would lead to significant loss in sales and, even more likely, the removal of talcum powder products from the market.

- 9. Individuals who purchase, handle, or use talcum products are unknowingly exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products. This exposure has and continues to contribute to increased risk of cancer and reproductive toxicity to unsuspecting consumers.
- 10. Tragically, there is a growing body of scientific evidence linking the use of talcum powder to ovarian cancer. In fact, the health risks related to the use of talcum powder and its contribution to an increased risk of ovarian cancer is now well documented and widely accepted within the scientific community. This evidence has been ignored by the Industry, including Defendants herein, who have exposed consumers in California and throughout the nation to toxic and carcinogenic products without first warning consumers of the presence of Listed Chemicals in talcum powder.
- 11. Defendants' conduct violates Proposition 65 and has caused substantial harm to California consumers and the general public. Plaintiff is entitled to relief, including injunctive relief, and civil penalties.

II. <u>JURISDICTION AND VENUE</u>

A. Jurisdiction

- 12. This Court has jurisdiction 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.
- 13. This Court has personal jurisdiction over Defendants because they do business in California and have purposefully availed themselves of the privilege of conducting business activities within the State. Defendants have intentionally availed themselves of the California market through the supply and distribution, sale, marketing, and use of talcum powder products in California and have sufficient minimum contacts with California so as to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

1 2 Proposition 65. This action is commenced more than 60 days from the date that Plaintiff 3 gave notice of alleged violations of Section 25249.6 that are the subject of this private action to the Attorney General and the district attorney, city attorney, or prosecutor in 4 whose jurisdiction the violations are alleged to have occurred, and to Defendants. 5 Plaintiff is informed and believes that neither the Attorney General, any district attorney, 6 any city attorney, nor any prosecutor has commenced and is diligently prosecuting an 7 action against the violations at issue herein. 8

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В. Venue

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Venue is proper in this Court because the cause, or part thereof, arises in 15. Los Angeles County because Defendants' products are sold and consumed in this county. Defendants have violated or threaten to violate California law in Los Angeles County.

Plaintiff has complied with the procedural notice requirements of

III. **PARTIES**

Α. Plaintiff Jan Graham

16. Plaintiff Jan Graham is a citizen of the State of California and a person within the meaning of Health & Safety Code section 25118. Ms. Graham brings this action in the public interest pursuant to California Health & Safety Code section 25249.7(d).

B. **Defendants**

1. **Direct Distributor and Retail Seller Defendants**

Bausch Health a.

17. Defendant Bausch Health Companies Inc. ("Bausch Health") is a multinational pharmaceutical company with its headquarters in Laval, Canada and United Sates headquarters in Bridgewater, New Jersey. Bausch Health develops, manufactures, and markets pharmaceutical products and over-the-counter personal care products. Bausch Health's product line includes talcum powder products under the "Shower to Shower" brand. Bausch Health is a person doing business within the meaning of Health

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COMPLAINT

and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Bausch Health is a business entity with ten or more employees in its business.

- 18. Defendant Bausch Health U.S., LLC ("Bausch U.S.") is a Delaware limited liability company with its principal place of business in Bridgewater, New Jersey. Bausch U.S. is a Bausch Health subsidiary. On information and belief, Bausch U.S. is responsible for the distribution of "Shower to Shower" branded talcum powder products in the United States. Bausch U.S. is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Bausch Health U.S. is a business entity with ten or more employees in its business.
- 19. On information and belief, Bausch Health and Bausch U.S. have authorized the manufacturing, distribution, or sale within the State of California of talcum powder products under the "Shower to Shower" brand name that contain multiple Listed Chemicals without first giving clear and reasonable warning. On information and belief, "Shower to Shower" is a brand that is owned or controlled by Bausch Health, and the "Shower to Shower" trademark is owned by a Bausch Health affiliated entity.

b. CVS Health

- 20. Defendant CVS Health Corporation ("CVS Health") is a Delaware corporation with its principal place of business in Woonsocket, Rhode Island. CVS Health is a health care company that owns and operates CVS Pharmacy, the largest retail pharmacy in the United States. As part of its business, CVS Health markets and sells private label talcum powder products under the "CVS Health" brand. CVS Health is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, CVS Health is a business entity with ten or more employees in its business.
- 21. Defendant CVS Pharmacy, Inc. ("CVS Pharmacy") is a Rhode Island corporation with its principal place of business in Woonsocket, Rhode Island. CVS Pharmacy is a subsidiary of CVS Health. On information and belief, CVS Pharmacy is responsible for the distribution of "CVS Health" branded talcum powder products in the

United States. CVS Pharmacy is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, CVS Pharmacy is a business entity with ten or more employees in its business.

22. On information and belief, CVS Health and CVS Pharmacy have authorized the manufacturing, distribution, or sale within the State of California of talcum powder products under the "CVS Health" brand name that contain multiple Listed Chemicals without first giving clear and reasonable warning. On information and belief, "CVS Health" is a brand that is owned or controlled by CVS Health or CVS Pharmacy, and the "CVS Health" trademark is owned by CVS Pharmacy.

c. Dollar General

- 23. Defendant Dollar General Corporation ("Dollar General") is a Tennessee corporation with its principal place of business in Goodlettsville, Tennessee. Dollar General owns and operates a chain of retail stores throughout the United States. As of February 1, 2019, Dollar General operated 15,370 stores in 44 states, including 216 stores in California. As part of its business, Dollar General sells private label talcum powder products under the "DG" and "Rexall" brands. Dollar General is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Dollar General is a business entity with ten or more employees in its business.
- 24. Defendant Dolgencorp, LLC ("Dolgencorp") is a Kentucky limited liability company with its principal place of business in Goodlettsville, Tennessee. Dolgencorp is a subsidiary of Dollar General. On information and belief, Dolgencorp is responsible for the distribution of "DG" and "Rexall" branded talcum powder products in the United States. Dolgencorp is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, Dolgencorp is a business entity with ten or more employees in its business.

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- 25. Defendant Dolgen California, LLC ("Dolgen California") is a Tennessee limited liability company with its principal place of business in Goodlettsville, Tennessee. Dolgen California is a subsidiary of Dollar General. On information and belief, Dolgen California is responsible for the operation of Dollar General retail stores in California. Dolgen California is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, Dolgen California is a business entity with ten or more employees in its business.
- 26. On information and belief, Dollar General, Dolgencorp, and Dolgen California have authorized the manufacturing, distribution, or sale within the State of California of talcum powder products under the "DG" and "Rexall" brand names that contain multiple Listed Chemicals without first giving clear and reasonable warning. On information and belief, "DG" is a brand that is owned or controlled by Dollar General, and the "DG" trademark is owned by a Dollar General affiliated entity. On information and belief, Dollar General holds an exclusive license to the "Rexall" brand through at least March 5, 2026. Dollar General is the exclusive retailer for "Rexall" branded products in the United States.

d. Johnson & Johnson

- 27. Defendant Johnson & Johnson ("J&J") is a New Jersey Corporation with its principal place of business in New Brunswick, New Jersey. J&J is a multinational corporation that develops, manufactures, and markets personal care products, medical devices, and pharmaceutical products. J&J's consumer product line includes talcum powder products under the "Johnson's Baby" brand. J&J is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, J&J is a business entity with ten or more employees in its business.
- 28. Defendant Johnson & Johnson Consumer, Inc. ("JJCI") is a New Jersey Corporation with its principal place of business in Skillman, New Jersey. JJCI is a subsidiary of J&J. On information and belief, JJCI is responsible for the distribution of

"Johnson's Baby" branded talcum powder products in the United States. JJCI is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, JJCI is a business entity with ten or more employees in its business.

29. On information and belief, J&J and JJCI have authorized the manufacturing, distribution, or sale within the State of California of talcum powder products under the "Johnson's Baby" brand names that contain multiple Listed Chemicals without first giving clear and reasonable warning. On information and belief, "Johnson's Baby" is a brand that is owned or controlled by J&J and JJCI, and the "Johnson's Baby" trademark is owned by J&J.

e. Sanofi

- 30. Defendant Sanofi, S.A. ("Sanofi") is a French company with its principal place of business in Paris, France. Sanofi is a multinational pharmaceutical company that develops, manufactures, and markets pharmaceutical products, over-the-counter ("OTC") medication, and personal care products. Sanofi's consumer product line includes talcum powder products under the "Gold Bond" and "Gold Bond Ultimate" brand names. Sanofi is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Sanofi is a business entity with ten or more employees in its business.
- 31. Defendant Sanofi US Services, Inc. ("Sanofi US") is a Delaware corporation with its principal place of business in Bridgewater, New Jersey. Sanofi US is a subsidiary of Sanofi. Sanofi US is responsible for portions of Sanofi's business in the United States and is comprised of five business units. Sanofi US's OTC product responsibilities include the marketing of "Gold Bond" branded talcum powder products. Sanofi US is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Sanofi US is a business entity with ten or more employees in its business.

32. Defendant Chattem, Inc. ("Chattem") is a Tennessee corporation with its principal place of business in Chattanooga, Tennessee. Chattem is a subsidiary of Sanofi. Chattem is controlled by Sanofi and operates under the Sanofi corporate identity. At all relevant times, Chattem has been responsible for the distribution of "Gold Bond" and "Gold Bond Ultimate" branded talcum powder products in the United States. Chattem is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Chattem is a business entity with ten or more employees in its business.

33. On information and belief, Sanofi, Sanofi US, and Chattem have authorized the manufacturing, distribution, or sale within the State of California of talcum powder products under the "Gold Bond" and "Gold Bond Ultimate" brand names that contain multiple Listed Chemicals without first giving clear and reasonable warning. On information and belief, "Gold Bond" and "Gold Bond Ultimate" are brand names that are owned or controlled by Sanofi or Sanofi US, and the "Gold Bond" and "Gold Bond Ultimate" trademarks are owned by Chattem.

f. Target

- 34. Defendant Target Corporation ("Target") is a Minnesota corporation with its principal place of business in Minneapolis, Minnesota. Target is one of the largest retailers in the United States. Target operates 1,862 retail stores located in all 50 states and the District of Columbia. As part of its business, Target markets and sells private label talcum powder products under the "Up&Up" brand. Target is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Target is a business entity with ten or more employees in its business.
- 35. Defendant Target Brands, Inc. ("Target Brands") is a Minnesota corporation with its principal place of business in Minneapolis, Minnesota. Target Brands is a subsidiary of Target. On information and belief, Target Brands is responsible for the distribution of "Up&Up" branded talcum powder products in the United States. Target

Brands is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Target Brands is a business entity with ten or more employees in its business.

36. On information and belief, Target and Target Brands have authorized the manufacturing, distribution, or sale within the State of California of talcum powder products under the "Up&Up" brand name that contain multiple Listed Chemicals without first giving clear and reasonable warning. On information and belief, "Up&Up" is a brand that is owned or controlled by Target, and the "Up&Up" trademark is owned by Target Brands.

g. Walgreens

- 37. Defendant Walgreen Co. ("Walgreens") is an Illinois corporation with its principal place of business in Deerfield, Illinois. Walgreens operates as the second-largest pharmacy store chain in the United States. As part of its business, Walgreens markets and sells private label talcum powder products under the "Walgreens" and "Well Beginnings" brands. Walgreens is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Walgreens is a business entity with ten or more employees in its business.
- 38. On information and belief, and based on investigation of counsel, Walgreens has authorized the manufacturing, distribution, or sale within the State of California of talcum powder products under the "Walgreens" and "Well Beginnings" brand names that contain multiple Listed Chemicals without first giving clear and reasonable warning. On information and belief, "Walgreens" and "Well Beginnings" are brands and trademarks that are owned or controlled by Walgreens.

h. Walmart

39. Defendant Walmart Inc. ("Walmart") is a Delaware corporation with its principal place of business in Bentonville, Arkansas. Walmart operates the largest retail store chain in the United States and the world by revenue. As of July 31, 2019, Walmart operates 5,362 stores in the United States, including 310 stores in California. As part of

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its business, Walmart markets and sells private label talcum powder products under the "Equate" brand. Walmart is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Walmart is a business entity with ten or more employees in its business.

40. On information and belief, Walmart has authorized the manufacturing, distribution, or sale within the State of California of talcum powder products under the "Equate" brand name that contain multiple Listed Chemicals without first giving clear and reasonable warning. On information and belief, "Equate" is a brand that is owned or controlled by Walmart, and the "Equate" trademark is owned by a Walmart affiliated entity.

2. Supplier Defendants

a. Davion

- 41. Defendant Davion, Inc. ("Davion") is a New Jersey corporation with its principal place of business in New Brunswick, New Jersey. Davion is one of the largest private label and contract manufacturers of personal care products in the United States. Davion develops, manufactures, or distributes numerous private label products, including talcum powder products, to its clients in both domestic and international markets. Davion's clients include CVS, Dollar General, and Walgreens.
- 42. Davion is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Davion is a business entity with ten or more employees in its business.

b. Garcoa

43. Defendant Garcoa, Inc. ("Garcoa") is an Ohio corporation with its principal place of business in Calabasas, California. Garcoa is a private label, controlled label, and contract manufacturer of personal care products in the United States. Garcoa develops, manufactures, or distributes numerous private label products, including talcum powder products, to its clients. Davion's clients include Walgreens.

44. Garcoa is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Garcoa is a business entity with ten or more employees in its business.

c. Personal Care Products and Stone Arch Capital

- 45. Defendant Personal Care Products, LLC ("Personal Care Products") is a Delaware limited liability company with its principal place of business in Troy, Michigan. Personal Care Products is a supplier of private label and branded products within the health and beauty and household products segments. Personal Care Products' clients include Walmart. At all relevant times, Personal Care Products has been a supplier of an "Equate" branded medicated body powder products to Walmart.
- 46. Personal Care Products is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, during relevant times Personal Care Products has been a business entity with ten or more employees in its business.
- 47. Defendant Stone Arch Capital, LLC ("Stone Arch") is a Delaware limited liability company with its principal place of business in Minneapolis, Minnesota. Stone Arch is Minneapolis-based private equity firm that is the majority and controlling member of Personal Care Products. Since December 2010, Stone Arch has been actively involved in management and control of Personal Care Products. Stone Arch's founder and partner Charles Lannin, former senior advisor Andrew Herring, and former managing director Scott T. Loe have been actively and directly involved in the management and corporate control of Personal Care Products. In addition to managing Personal Care Products, Stone Arch has operated or assisted in the operation of phantom business entities for purposes of importing and distributing the talcum powder products at issue herein.
- 48. Stone Arch is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of

counsel, at all relevant times Stone Arch has been a business entity with ten or more employees in its business.

d. Premier Brands

- 49. Defendant Premier Brands of America Inc. ("Premier Brands") is a New York corporation with its principal place of business in White Plains, New York. Premier Brands is a private label manufacturer and marketer of personal care products. Premier Brands develops, manufactures, or distributes numerous private label products, including talcum powder products, to its clients. Premier Brands' clients include Target and Walmart.
- 50. Premier Brands is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Premier Brands is a business entity with ten or more employees in its business.

e. Thornton Industries

- 51. Defendant Thornton Industries, Inc. ("Thornton") is an Illinois corporation with its principal place of business in Morris, Illinois. Thornton is a private label manufacturer of talcum powder products. Thornton's "powder division" specializes in the custom blending and filling of both talc and cornstarch-based baby powder products for over 130 different private label and national brands. Thornton's clients include Dollar General.
- 52. Thornton is a person doing business within the meaning of Health and Safety Code section 25249.11. On information and belief, and based on investigation of counsel, Thornton is a business entity with ten or more employees in its business.

3. Doe Defendants

53. Plaintiff is ignorant of the true names or capacities of Defendants sued herein as Doe 1 through Doe 50, and therefore sues these Defendants by such fictitious names. Plaintiff further alleges that each fictitious Doe Defendant is in some manner responsible for the acts and occurrences set forth in the Complaint. Plaintiff will amend

this Complaint to show their true names and capacities when the same are ascertained, as well as the manner in which each fictitious Defendant is responsible for the damages sustained by Plaintiff.

IV. FACTUAL BACKGROUND

A. About Talc

- 54. Talc is a clay mineral that is mined from underground deposits. Talc is composed of hydrated magnesium silicate with the chemical formula of Mg₃Si₄O₁₀(OH)₂. Talc is the softest mineral on earth. It is the main ingredient in consumer "talcum powder" products.
- 55. Because talc is mined from underground deposits, it is commonly contaminated with other chemicals found in talc powder deposits. Such chemicals include toxic heavy metals such as arsenic, hexavalent chromium, and lead. Contamination with arsenic, hexavalent chromium, and lead is nearly ubiquitous in talcum powder products. Indeed, the contamination is widely known within the Industry and acknowledged in the Industry's specification for "talc" and "cosmetic talc."
- 56. As a powder, talc absorbs moisture well and helps cut down on friction. It is touted and marketed by the Industry for keeping skin dry and helping to prevent rashes. Talc is widely used in cosmetic products such as baby powder, adult body powder, and foot powder.
- 57. For decades, for example, the talcum powder and cosmetic industries have marketed talcum powder to consumers for use as a feminine hygiene product and for use on babies for prevention or treatment of diaper rash. Images of smiling women and bare-bottomed babies have graced talcum powder advertisements for decades.
- 58. The Industry has marketed and sold talcum powder to unsuspecting consumers despite the Industry having decades of knowledge regarding the presence carcinogens and reproductive toxins (including Listed Chemicals) in talcum powder products.

B. The Industry Has Had Knowledge of the Contamination of Talcum Powder Products with Multiple Carcinogens and Reproductive Toxins.

- 1. The Industry Has Knowingly and Intentionally Utilized a Deceptive and Misleading Definition of Talc that is Designed to Conceal the Presence of Listed Chemicals in Talcum Powder Products.
- 59. The Industry's knowledge regarding the presence of carcinogens in talcum powder products spans several decades, but the Industry has knowingly failed disclose the presence of carcinogens and reproductive toxins in talcum powder products to consumers and the general public.
- 60. The Industry's knowledge regarding the presence of carcinogens in talcum powder dates back to at least 1976, when the Cosmetic, Toiletry, and Fragrance Association ("CTFA") promulgated so-called "purity standards" for "talc." The Industry purity standards and specifications for talc are knowingly and intentionally designed to conceal the presence of carcinogens and reproductive toxins in talcum powder products.
- 61. In 1976, the Industry expressly *redefined* "talc" to consist of a minimum of 90% hydrated magnesium silicate, with the remainder consisting of *naturally associated minerals*. (Ex. A; emphasis added) Unbeknownst to consumers, the Industry specification for "talc" expressly includes arsenic (up to 3 ppm) and lead (up to 20 ppm lead). (Ex. A.)
- 62. The presence of Listed Chemicals and the necessity for Proposition 65 warnings has been well known within the industry since before the enactment of Proposition 65. In fact, the need for Proposition 65 warnings has been acknowledged within Material Safety Data Sheets utilized by talc suppliers. By way of example, a Material Safety Data Sheet utilized by Brenntag, a leading supplier of talc within the Industry, states as follows:

CALIFORNIA PROPOSITION 65: TALC MAY CONTAIN THE FOLLOWING PROPOSITION 65 REGULATED CHEMICALS IN THE FOLLOWING TYPICAL AMOUNTS:

ARSENIC 2 PPM
CADMIUM 2 PPM
CHROMIUM 0.5 PPM
MERCURY 0.5 PPM
LEAD 5 PPM

CRYSTALLINE SILICA 1.0%. MAXIMUM

THESE CHEMICALS ARE PRESENT AS IMPURITIES AND OCCUR AS A RESULT OF THEIR NATURAL PRESENCE IN THE ORE FROM WHICH THE TALC IS PRODUCED.

(Ex. B. at p. 5.)

63. Instead of warning consumer regarding the presence of Proposition 65
Listed Chemicals, CTFA and the Industry has utilized the term "cosmetic talc" and redefined "talc" used in cosmetic products to hide the presence of multiple carcinogens and reproductive toxins in talcum powder products. The Industry has done so in a patent effort to mislead consumers and the general public that the talc used in cosmetics was free of carcinogens or reproductive toxins. On information and belief, all Defendants herein have utilized a deceptive and misleading definition of "talc" in an effort to conceal the presence of multiple Listed Chemicals from end users and the general public.

2. All Defendants Have Knowingly Concealed the Presence of Carcinogens and Reproductive Toxins.

- 64. Plaintiff is informed and believes that the manufacturers and distributors of talcum powder products (including all Defendants herein) have adopted and knowingly benefited from the CTFA's specifications and so-called purity standards. All Defendants have benefited from the Industry specification for "talc," which intentionally conceals the presence of multiple reproductive toxins and carcinogens in the talcum powder products peddled by Defendants.
- 65. On information and belief, all Defendants have knowingly concealed the presence of multiple Listed Chemicals to consumers and the general public by adopting CTFA's specification and definition of "talc" or "cosmetic talc." They have done so with

a profiteering motive, knowing that full disclosure would lead to significant loss in sales and the removal of talcum powder products from the market.

- a. Johnson's Baby Powder Utilizes a Deceptive Ingredients Description that Conceals Presence of Carcinogens and Reproductive Toxins.
- 66. J&J and JJCI deceptively disclosed the following ingredients for Johnson's Baby Powder:

Talc*, Fragrance

*Naturally derived ingredient.

The "ingredients" description on Johnson's Baby Powder product packaging is pictured below:



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67. By way of example, when the Industry's definition of "talc" is more fully spelled out, the true ingredients for Johnson's Baby Powder are revealed as follows:

An essentially white, odorless, fine powder which is ground from naturally occurring rock ore. It consists of a minimum of 90% hydrated magnesium silicate, with the remainder consisting of *naturally associated minerals* such as calcite, chlorite, dolomite, kaolin, and magnesite [and *arsenic (up to 3 ppm) and lead (up to 20 ppm lead)*], and containing no detectable fibrous asbestos minerals*, Fragrance

*Naturally derived ingredient

Other "naturally associated minerals" found in Johnson Baby Powder products commonly include hexavalent chromium.

- 68. On information and belief, J&J and JJCI have knowingly concealed the presence of multiple Listed Chemicals to consumers and the general public by adopting CTFA's specification and definition of "talc" or "cosmetic talc." They have done so with a profiteering motive, knowing that full disclosure would lead to significant loss in sales and the removal of talcum powder products from the market.
 - b. Shower to Shower Products Utilize a Deceptive Ingredients Description that Conceals Presence of Carcinogens and Reproductive Toxins.
- 69. Bausch Health and Bausch U.S. have deceptively disclosed the following ingredients for Shower to Shower Products:

Zea Mays (corn) starch, Tale, Sodium Bicarbonate,

Tricalcium Phosphate, Fragrance, Maltodextrin.

All Shower to Shower Products at issue herein utilize the same "ingredient" description and the ingredients list can be found on the products page available at:

- https://www.showertoshower.com/Products/Original-Fresh;
- https://www.showertoshower.com/Products/Morning-Fresh; and
- https://www.showertoshower.com/Products/Sport.
- 70. When the Industry's definition of "tale" is more fully spelled out, the true ingredients for Shower to Shower products are revealed to include multiple carcinogens

and reproductive toxins, including arsenic (up to 3 ppm) and lead (up to 20 ppm lead). Other "naturally associated minerals" found in Shower to Shower products commonly include hexavalent chromium.

- 71. On information and belief, Bausch Health and Bausch U.S. have knowingly concealed the presence of multiple Listed Chemicals from consumers and the general public by adopting CTFA's specification and definition of "talc" or "cosmetic talc." They have done so with a profiteering motive, knowing that full disclosure would lead to significant loss in sales and the removal of talcum powder products from the market.
 - c. Gold Bond Products Utilize a Deceptive Ingredients Description that Conceals Presence of Carcinogens and Reproductive Toxins.
- 72. Sanofi, Sanofi US, and Chattem have deceptively disclosed the following ingredients for Gold Bond products at issue herein:
 - Gold Bond Medicated Original Strength Body Powder
 Talc, zinc oxide, acacia senegal gum, eucalyptol, methyl salicylate, salicylic acid, thymol, zinc stearate (309-004)
 - Gold Bond Medicated Extra Strength Body Powder
 Talc, zinc oxide, acacia senegal gum, eucalyptol, methyl salicylate, salicylic acid, thymol, zinc stearate (309-006)
 - Gold Bond Ultimate Men's Essential Body Powder
 Talc, zinc oxide, fragrance, sodium bicarbonate, aloe barbadensis leaf extract, tocopheryl acetate, acacia senegal gum, menthol, menthyl lactate, zinc stearate (309-170)
 - Gold Bond Maximum Strength Foot Powder
 Talc, sodium bicarbonate, acacia senegal gum, benzethonium chloride,
 eucalyptus globulus leaf oil, mentha piperita (peppermint) oil (309-167)

- 73. When the Industry's definition of "tale" is more fully spelled out, the true ingredients for Gold Bond products are revealed to include multiple carcinogens and reproductive toxins, including arsenic (up to 3 ppm) and lead (up to 20 ppm lead). Other "naturally associated minerals" found in Gold Bond products commonly include hexavalent chromium.
- 74. On information and belief, Sanofi, Sanofi US, and Chattem have knowingly concealed the presence of multiple Listed Chemicals from consumers and the general public by adopting CTFA's specification and definition of "talc" or "cosmetic talc." They have done so with a profiteering motive, knowing that full disclosure would lead to significant loss in sales and the removal of talcum powder products from the market.
 - d. CVS Health Branded Talcum Powder Products Utilize a Deceptive Ingredients Description that Conceals Presence of Carcinogens and Reproductive Toxins.
- 75. CVS Health and CVS Pharmacy and their supplier, Davion, have deceptively disclosed the following ingredients on the product packaging for CVS Protective Powder Fresh Scent:

Active Ingredients Purpose

Talc 81% Skin Protectant

Zinc Oxide 15% Skin Protectant

...

Inactive Ingredients Calcium Stearate, Fragrance.

76. Notably, CVS's website now appears to intentionally *conceal* references to talc on the product's ingredients description, and CVS's website discloses "Zinc Oxide 15%" as being the only active ingredient:

Ingredients

Active Ingredients: Zinc Oxide (15%). Inactive Ingredients: Calcium Stearate, Fragrance.

See https://www.cvs.com/shop/cvs-health-protective-powder-fresh-scent-prodid-691934.

- 77. When the Industry's definition of "talc" is more fully spelled out on the ingredients listed on the product packaging, the true ingredients for CVS Health branded talcum powder product are revealed to include multiple carcinogens and reproductive toxins, including arsenic (up to 3 ppm) and lead (up to 20 ppm lead). Other "naturally associated minerals" found in CVS Health branded talcum powder products commonly include hexavalent chromium.
- 78. On information and belief, CVS Health and CVS Pharmacy and their supplier, Davion, have knowingly concealed the presence of multiple Listed Chemicals from consumers and the general public by adopting CTFA's specification and definition of "talc" or "cosmetic talc." They have done so with a profiteering motive, knowing that full disclosure would lead to significant loss in sales and the removal of talcum powder products from the market.
 - e. Dollar General and Rexall Branded Talcum Powder Products Utilize a Deceptive Ingredients Description that Conceals Presence of Carcinogens and Reproductive Toxins.
- 79. Dollar General, Dolgencorp, and Dolgen California and their supplier, Davion, deceptively disclosed the following ingredients for Dollar General and Rexall branded products at issue herein:

• DG Body Shower & Bath Body Powder

Talc, zea mays (corn) starch, sodium bicarbonate, tricalcium phosphate, fragrance, maltodextrin, aloe barbadensis leaf extract, anthemis, nobilis flower extract.

• DG Body Medicated Body Powder

Talc, zinc oxide, eucalyptus gum, methyl salicylate, salicylic acid, thymol, zinc stearate.

• Rexall Foot Powder

Talc, Salicylic Acid, Methyl Salicylate

• Rexall Medicated Foot Powder

Talc, sodium bicarbonate, acacia, benzethonium chloride, eucalyptus oil, peppermint oil

80. Dollar General and its supplier, Thornton, deceptively disclosed the following ingredients for Dollar General branded DG Baby Powder issue herein:

Talc, fragrance

- 81. When the Industry's definition of "talc" is more fully spelled out on the ingredients listed on the product packaging, the true ingredients for the DG and Rexall branded talcum powder product are revealed to include multiple carcinogens and reproductive toxins, including arsenic (up to 3 ppm) and lead (up to 20 ppm lead). Other "naturally associated minerals" found in DG and Rexall branded talcum powder products commonly include hexavalent chromium.
- 82. On information and belief, Dollar General, Dolgencorp, and Dolgen California and their suppliers, Davion and Thornton, have knowingly concealed the presence of multiple Listed Chemicals from consumers and the general public by adopting CTFA's specification and definition of "talc" or "cosmetic talc." They have done so with a profiteering motive, knowing that full disclosure would lead to significant loss in sales and the removal of talcum powder products from the market.
 - f. Target Branded Up&Up Foot Powder Products Utilize a Deceptive Ingredients Description that Conceals Presence of Carcinogens and Reproductive Toxins.
- 83. Target, Target Brands, and their supplier, Premier Brands, have deceptively disclosed the following ingredients for Up&Up foot powder products:

Inactive Ingredients

Talc, Sodium Bicarbonate, Acacia, Benzethonium Chloride, Eucalyptus Oil, Peppermint Oil.

Walgreens Medicated Odor Control Foot Powder
 Talc, Salicylic Acid, Methyl Salicylate

87. In addition, Walgreens deceptively disclosed the following ingredients for Well Beginning Baby Powder products at issue herein:

Talc, fragrance

- 88. When the Industry's definition of "tale" is more fully spelled out, the true ingredients for the Walgreens and Well Beginnings branded product are revealed to include multiple carcinogens and reproductive toxins, including arsenic (up to 3 ppm) and lead (up to 20 ppm lead). Other "naturally associated minerals" found in Walgreens and Well Beginnings branded talcum powder products commonly include hexavalent chromium.
- 89. On information and belief, Walgreens and its suppliers, Davion and Garcoa, have knowingly concealed the presence of multiple Listed Chemicals from consumers and the general public by adopting CTFA's specification and definition of "talc" or "cosmetic talc." They have done so with a profiteering motive, knowing that full disclosure would lead to significant loss in sales and the removal of talcum powder products from the market.
 - h. Walmart Branded Talcum Powder Utilize a Deceptive Ingredients Description that Conceals Presence of Carcinogens and Reproductive Toxins.
- 90. Walmart and its respective suppliers and importers, Personal Care Products and Stone Arch, deceptively disclosed the following ingredients for the Equate Medicated Body Powder products at issue herein:

Purpose

Menthol 0.15% External Analgesic

Zinc Oxide 1% External Analgesic

...

Inactive Ingredients

Talc, Acacia, Eucalyptus Oil, Methyl Salicylate, Salicylic Acid, Thymol Zinc, Stearate.

91. Walmart and its supplier, Premier Brands, deceptively disclosed the following ingredients for the Equate Soothing Foot Powder products at issue herein:

Talc, Salicylic Acid, Methyl Salicylate

- 92. When the Industry's definition of "tale" is more fully spelled out, the true ingredients for the Equate branded body powder and foot powder products are revealed to include multiple carcinogens and reproductive toxins, including arsenic (up to 3 ppm) and lead (up to 20 ppm lead). Other "naturally associated minerals" found in Equate branded talcum powder products commonly include hexavalent chromium.
- 93. On information and belief, Walmart and its suppliers and importers, Personal Care Products, Stone Arch, and Premier Brands, have knowingly concealed the presence of multiple Listed Chemicals from consumers and the general public by adopting CTFA's specification and definition of "talc" or "cosmetic talc." They have done so with a profiteering motive, knowing that full disclosure would lead to significant loss in sales and the removal of talcum powder products from the market.
 - C. Defendants Have Had Actual and Constructive Knowledge that Talcum Powder Products Were Unsafe and Unfit for Use In Personal Care.
- 94. For decades, the Industry has peddled talcum powder products to unsuspecting mothers to use on babies for prevention and treatment of diaper rash. They have also marketed talcum powder to women as a feminine hygiene product for use on

their genitals and perineal area, either through direct application or by applying it to sanitary napkins. They have done so despite knowledge of the presence of multiple reproductive toxins and carcinogens in talc products. On information and belief, and based on investigation of counsel, the Industry was aware that talc products were unsafe and unfit for use in personal care and on infants with diaper rash.

- 95. The Industry was aware that talcum powder products were unfit for application on skin when the outer surface of skin or epidermal barrier¹ is damaged, missing, or significantly interrupted. The Industry has been similarly aware that talc-containing baby powder products were unsafe and unfit to use on babies with diaper rash. However, the Industry has marketed baby powder products for prevention of diaper rash. The Industry was similarly aware that the presence of carcinogens and reproductive toxins rendered talcum products unsafe and unfit for use in personal care. Yet, the major personal care companies, including Defendants herein, routinely procure talc that is contaminated with multiple carcinogens and reproductive toxins, and thus unfit for use in personal care. Defendants then continued to manufacture, distribute, or sell talcum powder products that contain multiple carcinogens and reproductive toxins and unfit for use for their intended purpose.
 - D. J&J's Misconduct Is Particularly Egregious Because of its Socioeconomic and Racial Targeting of Underdeveloped Areas and Unsuspecting Minorities Communities.
- 96. One of the most egregious and insidious acts in this case involves J&J and JJCI's response to growing public health concerns regarding the safety of talcum powder products. In 2006, the International Agency for Research on Cancer ("IARC"), an arm of the World Health Organization, began classifying cosmetic talc such as Baby Powder as possibly carcinogenic.
- 97. In response to growing scientific scrutiny, J&J failed to take action to warn consumers about health dangers, including the presence of carcinogens and reproductive

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¹ The outer surface of the skin, the epidermis, along with its outermost layer, the stratum corneum, forms the epidermal barrier.

toxins in their products. Instead, in an effort to offset potential sale declines due to health concerns, J&J engaged in a concerted effort to expand its customer base by targeting underdeveloped areas and unsuspecting minority communities.

- 98. There is now documented and indisputable evidence regarding J&J's socioeconomic and racial targeting. J&J internal documents evidence that in response to public health concerns, J&J specifically target underdeveloped communities and minority groups.
- 99. Plaintiff is informed and believes that according to a 2006 internal J&J marketing presentation, J&J sought to target "high-propensity consumers." J&J determined that the "right place" was: "Under developed geographical areas with hot weather, and higher AA population." The term "AA" as used in the J&J's internal presentation referred to African-Americans. A publicly available excerpt of the marketing presentation is attached at Exhibit C.
- 100. Plaintiff is informed and believes that J&J concluded that "Powder is still considered a relevant product among AA consumers," and that "[t]his could be an opportunity." Plaintiff is further informed and believes that J&J and JJCI similarly targeted Hispanic communities.
- 101. Shockingly, in the ensuing year, J&J and JJCI turned their marketing strategy into action. Plaintiff is informed and believes that internal company documents reveal J&J and JJCI distributed Baby Powder samples through churches and beauty salons in African-American and Hispanic neighborhoods, ran digital and print promotions with weight-loss and wellness company Weight Watchers, and launched a \$300,000 radio advertising campaign in a half-dozen markets aiming to reach "curvy Southern women 18-49 skewing African American."
- 102. J&J's racial targeting has had an undue and tragic impact on unsuspecting minority groups in California, including the African American and Hispanic communities living in California.

103. In recent months there have been multiple media reports regarding J&J targeting minority groups and women of color in response to mounting health concerns about its talcum powder products. Two of these reports are attached as Exhibits D and E and can be found at https://www.reuters.com/investigates/special-report/johnsonandjohnson-marketing/ and https://www.cbc.ca/news/business/johnson-johnson-baby-powder-1.5092089.

E. The Industry's Peddling of Talcum Powder Products Has Resulted in a Public Health Crisis in California and the Nation.

- 104. Talcum powder has been touted and promoted for decades by companies claiming that it helps eliminate friction, is gentle on the skin, and provides a clean, pleasant scent. It has commonly been marketed to unsuspecting mothers for prevention and reduction of babies' diaper rashes and for use by women as a feminine hygiene product.
- 105. Tragically, a growing body of evidence has now established that using talc in the genital area can contribute to or cause ovarian cancer. Medical researchers have raised concerns about the safety of talcum powder for many years, and the link between talcum powder and ovarian cancer is now well documented.

1. Early Pathology and Epidemiological Studies in the 1970s and 1980s Identified a Link Between Talcum Powder Use and Gynecological Cancers.

- 106. In the 1970s, early pathology studies identified talc particles in urogenital tumors. In 1971, for example, researchers published a study discovering particles of talc embedded in ovarian and cervical tumors. *See* Henderson WJ, Joslin CAF, Turnbull AC, Griffiths K. Talc and carcinoma of the ovary and cervix. *J Obstet Gynecol Br Commonw* 1971; 78:266–72.
- 107. In 1982, one of the first epidemiological studies on talcum powder and ovarian cancer was published. This study was conducted by Dr. Daniel Cramer and his colleagues at Harvard School of Public Health and Harvard Medical School. This study found a 92% increased risk in ovarian cancer with women who reported using talcum

 powder. The study further found the greatest risk (an increased risk of 228%) occurred in women who regularly used talc on both the perineum and on sanitary napkins.

108. Since 1982, there have been over twenty additional epidemiologic studies providing data regarding the association of talc and ovarian cancer. Nearly all of these studies have reported an elevated risk for ovarian cancer associated with talc use in women.

2. Epidemiological Studies in the 1980s and 1990s Resulted in Public Health Professionals Calling for Warnings Regarding the Potential Risks of Regular Use of Talc.

- 109. Public health research in the 1980s and 1990s continued to document a causal connection between talcum powder usage and gynecological cancers. The research led public health professionals to call for warnings regarding the potential risks of regular use of talc in the genital area.
- 110. In 1988, for example, in a case control study of 188 women diagnosed with epithelial ovarian cancer and 539 control women, researchers at Stanford University School of Medicine found that 52% of the cancer patients habitually used talcum powder on the genital area before their cancer diagnosis. The study showed a 40% increase in risk of ovarian cancer in women that used talcum powder. *See* Whittemore AS, Wu ML, Paffenbarger RS Jr, Sarles DL, Kampert JB, Grosser S, et al. Personal and environmental characteristics related to epithelial ovarian cancer. II. Exposures to talcum powder, tobacco, alcohol, and coffee. *Am J Epidemiol* 1988; 128:1228–40.
- 111. In 1989, researchers at the London School of Hygiene and Tropical Medicine studied 235 women diagnosed with epithelial ovarian cancer and 451 controls. They reported a 100% increased risk in ovarian cancer with women who reported weekly use of talc on the genital area. Booth M, Beral V, Smith P. Risk factors for ovarian cancer: a case–control study. *Br J Cancer* 1989; 60:592–8.
- 112. In 1992, researchers at Harvard School of Public Health published results from a case control study that found a statistically significant 50% increase in the risk of ovarian cancer for women using talcum powder. Among women with perineal exposure

to tale, the risk was significantly elevated in the subgroups of women who applied it: (1) directly as a body powder (70% increase); (2) on a daily basis (80% increased risk); and (3) for more than 10 years (60% increased risk). The greatest ovarian cancer risk associated with perineal talc use was observed in the subgroup of women estimated to have made more than 10,000 applications during years when they were ovulating and had an intact genital tract (180% increased risk). See Harlow BL, Cramer DW, Bell DA, Welch WR. Perineal exposure to talc and ovarian cancer risk. Obstet Gynecol. 1992; 80:19-26.

113. Also, in 1992, in a case-control study, researchers at the Johns Hopkins School of Public Health reported a statistically significant 70% increased risk from genital talc use and a 379% increased risk of ovarian cancer of women who used talc on sanitary napkins in their genital area. *See* Rosenblatt KA, Szklo M, Rosenshein NB. Mineral fiber exposure and the development of ovarian cancer. *Gynecol Oncol*. 1992;45:20–25.

114. In 1999, researchers at Harvard and Dartmouth-affiliated academic hospitals reported results from a case control study that found a 60% increased risk for ovarian cancer from genital exposure to talcum powder. The study concluded that there was a significant association between the use of talc in genital hygiene and the risk of ovarian cancer that warranted *formal public health warnings*:

Balanced against what are primarily aesthetic reasons for using talc in genital hygiene, the risk benefit decision is not complex. Appropriate warnings should be provided to women about the potential risks of regular use of talc in the genital area.

See Cramer DW, Liberman RF, Titus-Ernstoff L, Welch WR, Greenberg ER, Baron JA, et al. Genital talc exposure and risk of ovarian cancer. *Int J Cancer* 1999;81:351–6 (emphasis added).

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3. There is Ever-growing Scientific Consensus Regarding the Carcinogenicity of Talcum Powder Usage.

- 115. Research in the 2000s and 2010s continued to document causal connection between talcum powder usage and gynecological cancer, and has resulted in a consensus regarding the carcinogenicity of talc.
- 116. In 2000, for example, researchers at University of Pennsylvania and University of Miami reported that talc use "on all areas of the body elevated ovarian cancer risk, even after adjustment for potentially important confounding factors." The study found that the risk for ovarian cancer was significantly elevated among women who applied talc on (1) feet (40% increased risk); (2) genital/rectal area (50% increased risk); (3) sanitary napkins (60% increased risk); and (4) underwear (70% increased risk). See Ness RB, Grisso JA, Cottreau C, Klapper J, Vergona R, Wheeler JE, et al. Factors related to inflammation of the ovarian epithelium and risk of ovarian cancer. Epidemiology 2000;11:111–7.
- 117. In 2004, researchers at the California Cancer Registry and University of California San Francisco reported a statistically significant 37% increase in risk of ovarian cancer for women who ever used talc in the genital area. Women who were frequent users of talc (4-7 times per week) had the highest increase in risk of ovarian cancer (74% increased risk). *See* Mills PK, Riordan DG, Cress RD, Young HA. Perineal talc exposure and epithelial ovarian cancer risk in the Central Valley of California. *Int J Cancer* 2004;112:458–64.
- 118. In 2008, researchers at the University of Southern California published results from a population-based case-control study in Los Angeles County on the role of talc use and the risk of ovarian cancer. The study reported that ovarian cancer increased significantly with increasing frequency and duration of talc use. Women with long duration (20+ years) and frequent (at least daily) talc exposure had a 108% increased risk for ovarian cancer. Women who were talc users and had a history of endometriosis showed a 212% increased risk for ovarian cancer. See Wu AH, Pearce CL, Tseng CC,

Templeman C, Pike MC. Markers of inflammation and risk of ovarian cancer in Los Angeles County. *Int J Cancer* 2009;124:1409–15.

- 119. In 2011, researchers at Harvard School of Public Health published the results of a cohort study of 66,028 women on the association between talcum powder use and endometrial cancer in the Nurse's Health Study. The study found that perineal talcum powder use was associated with a statistically significant 13% increase in endometrial cancer risk among all women, and a statistically significant 21% increase in risk of endometrial cancer among postmenopausal women. *See* Karageorgi S, Gates MA, Hankinson SE, De Vivo I. Perineal use of talcum powder and endometrial cancer risk. *Cancer Epidemiol Biomarkers Prev* 2010;19:1269–1275.
- 120. In 2013, researchers across multiple academic institutions reported results of a pooled study that analyzed the association between genital powder use and epithelial ovarian cancer risk in eight population-based case—control studies. The study reported that genital talcum powder use was associated with a 24% increased risk of epithelial ovarian cancer relative to women who never used powder. Cancer risks were also elevated for (1) invasive serous tumors (20% increased risk); (2) endometrioid (22% increased risk) and clear cell (24% increased risk) tumors; and (3) for borderline serous tumors (46% increased risk). *See* Terry KL, Karageorgi S, Shvetsov YB, et al; Australian Cancer Study (Ovarian Cancer); Australian Ovarian Cancer Study Group; Ovarian Cancer Association Consortium. Genital powder use and risk of ovarian cancer: a pooled analysis of 8525 cases and 9859 controls. *Cancer Prev Res.* 2013;6(8):811-821.
- 121. In 2016, researchers at Harvard School of Public Health and Harvard Medical School reported results from a case-control study that found genital talc use was associated with a 33% increased risk of ovarian cancer. The published study confirmed scientific *consensus* regarding carcinogenicity of talc use:

Multiple studies of ovarian cancer and genital talc use have led only to *consensus* about possible carcinogenicity.

28 service

See Cramer DW, Vitonis AF, Terry KL, Welch WR, Titus LJ. The association between talc use and ovarian cancer: a retrospective case-control study in two US states. Epidemiology. 2016;27(3):334-346 (emphasis added).

- 122. Most recently, on January 7, 2020, researchers at the National Institute of Environmental Health Sciences and multiple academic institutions reported results of a pooled study regarding the association of genital talcum powder use and ovarian cancer. The researchers calculated an 8% increase in the risk of ovarian cancer among talc users. Although this calculation did not reach statistical significance, the study reported a statistically significant 13% increase in risk of cancer among women with patent reproductive tracts (*i.e.*, having an intact uterus and no tubal ligation). For "frequent" use of powder in the genital area with patent reproductive tracts, the study reported a statistically significant 19% increase in the risk of ovarian cancer. See O'Brien KM, Tworoger SS, Harris HR, et al. Association of powder use in the genital area with risk of ovarian cancer. *JAMA* [published January 7, 2020].
- 123. Despite this scientific evidence, the Industry and Defendants herein marketed talcum powder products as being safe, and they continue to conceal the health risks associated with talc, including the presence of multiple carcinogens and reproductive toxins in talcum powder products. Tragically, the Industry and, more specifically Defendants herein, continue to peddle their products to unsuspecting women (including pregnant women), infants, and children without providing warning that their products result in reproductive toxicity, cancer, and death.
 - F. Following the Service of Plaintiff's Notices of Violation, Multiple Defendants Announced or Began the Process of Instituting Significant Business Practice Changes
- 124. Multiple Defendants have now either instituted or are actively in the process of instituting significant business practice changes, including removing offensive products and reformulating talc-containing talcum powder products to a cornstarch formula. Many of these business practice changes were announced or instituted following service of Plaintiff's Notices of Violation and will contribute a significant public health

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benefit to consumers in California and throughout the United States. The reformulation of talc-containing talcum powder products to a cornstarch formula demonstrates the feasibility of reformulation and injunctive relief.

Bausch Has Announced that It has Begun the Process of Reformulating "Shower to Shower" Branded Body Powder 1.

- On November 6, 2019, approximately six months after Plaintiff served her NOV on Bausch, Bloomberg reported that Bausch had begun the process of reformulating "Shower to Shower" products to replace talc with cornstarch. The planned reformulation of "Shower to Shower" products confers a substantial public health benefit to consumers in California and throughout the country.
- Despite Bausch beginning the process of instituting business practice changes, in the absence of an injunction issued by this Court, there is a substantial probability Proposition 65 violations will continue to occur. Notably, Bausch has sold and continues to sell offensive products even after the expiration of Plaintiff's NOV. Similarly, Bausch's website continued to advertise talc-containing "Shower to Shower" products and provided consumers links to online retailers selling talc-containing "Shower to Shower" products. There is a substantial probability that Bausch will continue the sale of tale-containing body powder products in absence of an injunction.
 - Dollar General Has Begun the Process of Reformulating its DG Branded Baby Powder Product and Instituting Business 2. Practice Changes Related to DG Branded Body Powder
- Based on investigation of counsel, Plaintiff is informed and believes that 127. Dollar General is in the process of implementing major business practice changes with respect to its private label talcum powder products. These changes involve its baby powder, body powder, and foot powder products identified in Plaintiff's NOV.
- 128. Specifically, Dollar General has initiated the process of reformulating its talc-containing DG Baby Powder by replacing talc with cornstarch. On information and belief, and based on investigation of counsel, Dollar General has pulled or is in the

process of removing "DG" branded body powder products from store shelves. These changes confer a significant benefit to consumers and, in particular, unsuspecting infants and women who otherwise have been placed at heightened risk for cancer and reproductive harm through the use body powder products.

- 129. Despite Dollar General beginning the process of instituting business practice changes, in absence of an injunction issued by this Court, there is a substantial probability Proposition 65 violations will continue to occur. Notably, Dollar General has sold offensive products even after the expiration of Plaintiff's NOV and appears to continue to sell "Rexall" branded foot products in California. Moreover, Davion, which supplies talc-containing products at issue to Dollar General, has failed to institute business practice changes and continues to market talcum powder products in California through Dollar General, CVS, and Walgreens. There is substantial probability that Davion and Dollar General will reinstitute the sale of all talcum powder products in the absence of an injunction.
 - 3. Sanofi, Chattem, and Walmart Concede that Gold Bond Products Contain Listed Chemicals Requiring a Proposition 65 Warning.
- 130. Based on investigation of counsel, certain "Gold Bond" branded body products sold by Walmart on walmart.com now contain the following warning:

⚠ WARNING:

This product contains chemicals known to the State of California to cause cancer and birth defects or other reproductive harm. www.p65warnings.ca.gov

The above-warning is provided for Gold Bond Medicated Body Powder and can be found at https://www.walmart.com/ip/Gold-Bond-Body-Powder-Medicated-10-oz/893366.

131. Based on investigation of counsel, the inclusion of the Proposition 65
Warning is limited to Gold Bond Medicated Body Powder products sold on walmart.com.
Sanofi, Sanofi US, and Chattem have yet to provide a warning for other Gold Bond products and for products sold through retailers other than Walmart. The inclusion of a Proposition 65 Warning for Gold Bond Medicated Body Powder products sold on

walmart.com further demonstrates Sanofi, Sanofi US, Chattem, and Walmart's knowledge regarding the presence of Proposition 65 chemicals in talcum powder products.

V. TOLLING OF THE STATUTE OF LIMITATIONS

A. Continuing Violation Doctrine

- violations doctrine. The doctrine's key issue is whether the conduct complained of constitutes a continuing pattern and course of conduct. If there is a pattern, then the suit is timely so long as the action is filed within the limitation period applicable to the most recent violation, and the entire course of conduct is at issue. *Komarova v. Nat'l Credit Acceptance, Inc.*, 175 CA4th 324, 344 (2009) (repeated telephone calls in violation of debt collection law was clearly a continuing course of conduct because the violation occurs only through repetition); *see also Richards v. CH2M Hill, Inc.*, 26 Cal.4th 798, 823 (2001); *Jumaane v. City of L.A.*, 241 Cal.App.4th 1390, 1402 (2015).
- 133. The Defendants' conduct as alleged herein constitutes a continuing pattern and course of conduct that has occurred through repetition. Defendants engaged in an ongoing continuing pattern of conduct that includes repeated and continuous (1) manufacturing, distributing, marketing, and selling of talcum powder products that contain Listed Chemicals; (2) utilizing the Industry definition and specification for talc; and (3) knowingly and intentionally failing to disclose the presence of Listed Chemicals to consumers and the general public.

B. Fraudulent Concealment

134. Defendants had a duty to warn consumers or disclose facts related to the presence of Listed Chemicals in talcum powder products. For many years, however, Defendants have concealed facts related to the presence of Listed Chemicals in talcum powder products from the general public. As discussed herein, Defendants knowingly and intentionally failed to warn consumers and to disclose certain facts that were known only to them and that consumers and the general public could not have discovered.

135. Alternatively, Defendants disclosed some facts related to ingredients in their talcum powder products containing "talc," but intentionally failed to disclose to consumers and the general public facts related Defendants' definition of "talc" or the presence of Listed Chemicals, making the disclosure deceptive.

- Defendants, and Defendants have intended to deceive consumers and the general public. The facts concealed by Defendants (*i.e.*, the presence of carcinogens and reproductive toxins) are of the type that would be relied upon and acted upon by consumers, the general public, and California regulators. Had the omitted information been disclosed, consumers and the general public would have reasonably behaved differently by not purchasing Defendants' talcum powder products. Similarly, California regulators would have behaved differently by taking steps to address the violations herein or requiring the removal of the products at issue from the market.
- 137. Defendants' conduct has caused substantial harm to consumers and the general public. Consumers and the general public have been harmed by virtue of purchasing countless talcum powder products that contain Listed Chemicals, and Defendants' conduct has caused a public health tragedy.
- 138. Defendants' failure to disclose has been with a profiteering motive, knowing the full disclosure would lead to significant loss in sales and the likely removal of talcum powder products from the market.

1. Defendants' Activities Were Inherently Self-Concealing.

139. Defendants concealed facts related to the presence of Listed Chemicals in talcum powder products from consumers and the general public. Such facts are not readily available to consumers and the general public. The Industry's and Defendants' conduct of hiding the presence of multiple carcinogens and reproductive toxins with the Industry definition of "talc" is the quintessential example of an activity that is inherently self-concealing.

- public to conduct significant scientific testing to determine the presence of several undisclosed and unknown carcinogens and reproductive toxins. Consumers and the general public would also be required to engage in substantial guess-work regarding the identity of the specific carcinogens and reproductive toxins at issue. The required scientific testing is cost-prohibitive and not generally available to consumers at or prior to the point of purchase.
- 141. As a result of the inherently self-concealing conduct of hiding the presence of multiple Listed Chemicals, consumers of ordinary ability or intelligence could not have discovered, or with reasonable diligence, could not have discovered Defendants' concealment.
 - 2. In Addition to Engaging in Inherently Self-Concealing Conduct, Defendants Engaged in a Concerted Strategy of Providing Potentially Plausible (But Deceptive) Disclosures Regarding Ingredients in their Products.
- 142. As discussed more fully above, all Defendants herein disclosed the presence of "talc" as an ingredient in their talcum powder products. The disclosure of "talc" as in ingredient creates a potentially plausible (but in fact misleading) impression that the products at issue herein contain pure talc. Defendants, however, failed to disclose the term "talc" as used by the Industry is a highly manipulated and defined term that is designed to conceal the presence of multiple carcinogens and reproductive toxins in the products at issue herein.
- 143. Defendants failed to disclose multiple facts regarding the Industry definition of "talc" to consumers and the general public. Without limitation, such omitted facts include:
 - that the term "tale" is merely defined to mean white, odorless, fine powder that is ground from naturally occurring rock ore that consists of a minimum of 90% hydrated magnesium silicate;
 - that the remaining 10% consists of "naturally associated minerals;"
 - that multiple carcinogens and reproductive toxins are commonly found in talcum powder products;

- that the Industry specification for talc expressly includes arsenic (up to 3 ppm) and lead (up to 20 ppm lead); and
- that other "naturally associated minerals" commonly found in talcum powder products commonly include hexavalent chromium.
- 144. Defendants intentionally failed to make a full disclosure of facts related to the Industry definition of "talc" and the presence of Listed Chemicals to consumers and the general public, making Defendants' ingredients disclosure misleading and deceptive.

VI. <u>STATUTORY BACKGROUND</u>

145. The Safe Drinking Water and Toxic Enforcement Act of 1986 is an initiative statute passed as "Proposition 65" by a vote of the people in November 1986. The warning requirement of Proposition 65 is contained in Health and Safety Code section 25249.6, which provides:

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, except as provided in Section 25249.10.

- 146. An exposure to a chemical in a consumer product is "an exposure that results from a person's acquisition, purchase, storage, consumption, *or any reasonably foreseeable use* of a consumer product, including consumption of a food." (27 CCR § 25600.1 (emphasis added)).
- 147. Proposition 65 establishes a procedure by which the State is to develop a list of chemicals "known to the State to cause cancer or reproductive toxicity." (Health & Saf. Code, § 25249.8.) No warning need be given concerning a listed chemical until one year after the chemical first appears on the list. (Health & Saf. Code, § 25249.10(b).)
- 148. Proposition 65's warning requirements apply to products that are marketed via the internet or catalogs (online or printed). (27 CCR §§ 25600.1(a), (b).) For items marketed on the internet, the website must include either the warning or a clearly-marked hyperlink using the word "WARNING" on the product display page, or by otherwise

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prominently displaying the warning to the purchaser prior to completing the purchase. (27 CCR § 25600.1(a).) A warning is not prominently displayed if the purchaser must search for it in the general content of the website. *Id.* For catalogs, warnings must be clearly associated with corresponding products. (27 CCR § 25600.1(a).)

- The California Office of Environmental Health Hazard Assessment ("OEHHA") has provided guidance on how internet retailers can comply with the internet or catalog regulations. OEHHA has clarified that online and catalog warnings must be provided even if the product is already labeled with a warning. Even out-of-state internet retailers are required to provide a separate internet warning in addition to any warning that is placed on a product.
- To guide businesses in determining whether a warning is necessary or whether discharges of a chemical into drinking water sources are prohibited, OEHHA has developed safe harbor levels. A business has "safe harbor" from Proposition 65 warning requirements or discharge prohibitions if exposure to a chemical occurs at or below these levels. These safe harbor levels consist of No Significant Risk Levels ("NSRL") for chemicals listed as causing cancer and Maximum Allowable Dose Levels ("MADL") for chemicals listed as causing birth defects or other reproductive harm. The burden is on businesses to show that exposure levels are below NSRL and MADL levels. (Health & Saf. Code, § 25249.10(c).)
- If there is no safe harbor level for a chemical, businesses that expose individuals to that chemical would be required to provide a Proposition 65 warning, unless the business can show that the anticipated exposure level will not pose a significant risk of cancer or reproductive harm. OEHHA has adopted regulations that provide guidance for calculating a level in the absence of a safe harbor level. The Regulations are available to businesses, including Defendants herein, at Article 7 and Article 8 of Title 27, California Code of Regulations.
- Any person "violating or threatening to violate" the statute may be enjoined in any court of competent jurisdiction. (Health & Saf. Code, § 25249.7.) To "threaten to

violate" is defined to mean "to create a condition in which there is a substantial probability that a violation will occur." (Health & Saf. Code § 25249.11(e).) In addition, violators are liable for civil penalties of up to \$2,500 per day for each violation, recoverable in a civil action. (Health & Saf. Code § 25249.7(b).)

153. Private parties are given authority to enforce Proposition 65 "in the public interest" if the private party first provides written notice of a violation to the alleged violator, the Attorney General, and every District Attorney in whose jurisdiction the alleged violation occurs. If no public prosecutors commence enforcement within sixty days, the private party may sue. (Health & Saf. Code, § 25249.7(d).)

VII. <u>DEFENDANTS' VIOLATION OF PROPOSITION 65</u>

A. Listed Chemicals in Talcum Powder Products

1. Arsenic

154. Inorganic arsenic oxides are *known to be reproductive toxins* based on sufficient scientific evidence. See Evidence on Developmental and Reproductive Toxicity of Arsenic (OEHHA, 1996), available at https://oehha.ca.gov/media/downloads/proposition-65/chemicals/hid.pdf. In utero exposure to inorganic arsenic has been linked to high levels and increases in mortality from cancer, cardiovascular disease, and respiratory disease. *See*, e.g., Farzan SF, Karagas MR, Chen Y. In utero and early life arsenic exposure in relation to long-term health and disease. Toxicol Appl Pharmacol. 2013;272:384–390, available at https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3783578/.

155. "Arsenic (inorganic oxides)" was placed on the Governor's list of chemicals known to the State of California to cause reproductive toxicity on May 1, 1997. It is specifically identified under "developmental reproductive toxicity," which means harm to the developing fetus.

2. Hexavalent Chromium

156. Chromium hexavalent compounds are *known to be human carcinogens* based on sufficient evidence of carcinogenicity from studies in humans. Epidemiological

studies in various geographical locations have consistently reported increased risks of 1 2 lung cancer associated with chromium hexavalent compounds. See National Toxicology 3 Program, Chromium Hexavalent Compounds, Report on Carcinogens, Fourteenth Edition, available at 4 5

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https://ntp.niehs.nih.gov/ntp/roc/content/profiles/chromiumhexavalentcompounds.pdf.

- Chromium hexavalent compounds are known to be reproductive toxins based on sufficient scientific evidence. See Evidence on the Developmental and Reproductive Toxicity of Chromium (hexavalent compounds) (OEHHA, 2009). Infants exposed to chromium hexavalent compounds in utero have significantly higher risk for a group of chromosomal anomalies, elevated risk for genitourinary anomalies, endometriosis, menstrual irregularities, ovarian cysts, reproductive neoplasms, and cancers. See, e.g., Remy, L.L., Byers, V. & Clay, T. Reproductive outcomes after nonoccupational exposure to hexavalent chromium, Willits California, 1983-2014. Environ Health 16, 18 (2017) doi:10.1186/s12940-017-0222-8, available at https://ehjournal.biomedcentral.com/articles/10.1186/s12940-017-0222-8.
- 158. "Chromium (hexavalent compounds)" was placed on the Governor's list of chemicals known to the State of California to cause cancer on October 27, 1992. (Cal. Code Regs., tit. 27, § 27001(b).)
- 159. "Chromium (hexavalent compounds)" was placed on the Governor's list of chemicals known to the State of California to cause reproductive toxicity on December 19, 2008. It is specifically identified under three subcategories: (1) "developmental reproductive toxicity," which means harm to the developing fetus; (2) "female reproductive toxicity," which means harm to the female reproductive system, and (3) "male reproductive toxicity," which means harm to the male reproductive system. (Cal. Code Regs., tit. 27, § 27001 (c).)

3. **Lead and Lead Compounds**

Lead and lead compounds are similarly known to be human carcinogens based on sufficient evidence of carcinogenicity from studies in humans. Lead exposure

has been associated with increased risk of lung, stomach, and urinary-bladder cancer in diverse human populations. *See* National Toxicology Program, Lead and Lead Compounds, Report on Carcinogens, Fourteenth Edition, available at https://ntp.niehs.nih.gov/ntp/roc/content/profiles/lead.pdf.

- 161. Lead and lead compounds are *known to be reproductive toxins* based on sufficient scientific evidence. Lead exposure is very dangerous to the female reproductive system. It can make women less fertile and can cause abnormal menstrual cycles and affect menopause. *In utero* effects in women include infertility, miscarriage, premature membrane rupture, pre-eclampsia, pregnancy hypertension, and premature delivery.
- 162. "Lead" was placed on the Governor's list of chemicals known to the State of California to cause reproductive toxicity on February 27, 1987. It is specifically identified under three subcategories: (1) "developmental reproductive toxicity," (2) "female reproductive toxicity," and (3), and "male reproductive toxicity." (Cal. Code Regs., tit. 27, § 12000(c).)
- 163. "Lead and lead compounds" were placed on the Governor's list of chemicals known to the State of California to cause cancer on October 1, 1992. (Cal. Code Regs., tit. 27, § 27001(b).)
 - B. Defendants have Knowingly Exposed Individuals in California to Chemicals Known to the State of California to Cause Cancer or Reproductive Toxicity Without First Giving a Clear and Reasonable Warning.
- 164. As set forth more fully below, in the course of doing business, all Defendants have knowingly and intentionally exposed individuals in California to chemicals known to the State of California to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individuals within the meaning of Health and Safety Code section 25249.6.

1. Bausch Health

a. Bausch Health and Bausch U.S.'s Violations of Proposition 65

165. Bausch Health and Bausch U.S. are manufacturers, marketers, distributors, or sellers of talcum powder products under the "Shower to Shower" brand name. Without limitation, such "Shower to Shower" products include Shower to Shower Original Fresh, Shower to Shower Morning Fresh, Shower to Shower Sport products pictured below:





166. Bausch Health and Bausch U.S. have authorized the distribution and sale of "Shower" products through internet and retail store outlets. "Shower to Shower" products are widely marketed and sold on both the internet and in retail stores throughout California and the United States.

167. Bausch Health operates² a website and online product catalog specifically dedicated to "Shower to Shower" products. *See*https://www.showertoshower.com/Products. Bausch Health's "Shower to Shower"
website also contains a "where to buy" page where consumers are provided with links to

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² The terms and conditions page for the Shower to Shower website expressly indicate that the website is operated by Bausch Health Companies, Inc. *See* https://www.bauschhealth.com/terms ("Bausch Health Companies Inc. ... operates this website (the "Site") and may operate other websites").

purchase "Shower to Shower" products online. *See*https://www.showertoshower.com/Where-to-Buy. Bausch also provides consumers with links to the websites for various online and brick and mortar retailers (drugstore.com, Walmart, Walgreens, Dollar General, and Kmart) where consumers may purchase

- 168. The "Shower to Shower" products contain Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use "Shower to Shower" products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 169. At all times material to this complaint, Bausch Health and Bausch U.S. have had knowledge that "Shower to Shower" products contain Listed Chemicals.
- 170. At all times material to this complaint, Bausch Health and Bausch U.S. have had knowledge that California residents purchase "Shower to Shower" products that contain Listed Chemicals.
- 171. At all times material to this complaint, Bausch Health and Bausch U.S. knew that the "Shower to Shower" products were sold throughout the United States and the State of California in large numbers, and they profited from such sales of such products to California consumers.
- 172. At all times material to this complaint, Bausch Health and Bausch U.S. have knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of Bausch Health and Bausch U.S.'s deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.

"Shower to Shower" products.

173. Bausch Health and Bausch U.S. have failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Bausch Health and Bausch U.S. have failed to include clear and reasonable warnings on product labels or on their website and online product catalog.

b. Agency and Joint Operator Allegations

- 174. On information and belief, Bausch Health exercises control over Bausch U.S.'s marketing and sales of "Shower to Shower" talcum powder products such that Bausch U.S.'s violations set forth herein can be attributed to Bausch Health's management, personnel, policies, directives, and other controls.
- 175. At all relevant times, Bausch U.S. was an agent of Bausch Health and engaged in the acts alleged herein within the course and scope of such agency. On information and belief, Bausch Health ratified and/or authorized business decisions concerning the wrongful acts of Bausch U.S. related to marketing and sale of "Shower to Shower" talcum powder products.
- 176. Among other things, Bausch Health is the operator of the website and online product catalogs specifically dedicated to "Shower to Shower" products. The terms and conditions link on www.showertoshower.com links to the legal notice page operated by Bausch Health, which states: "Bausch Health Companies Inc. ("Bausch Health," "we," "us," or "our") operates this website (the "Site") and may operate other websites, mobile or desktop applications, and/or additional online services (together with the Site, the "Services") for your personal information and education." See www.bauschhealth.com/terms. Thus, Plaintiff is further informed and believes that Bausch Health has authorized the marketing and distributions of Shower to Shower" products.

2. CVS Health

177. CVS Health and CVS Pharmacy are marketers, distributors, or sellers of talcum powder products sold under the "CVS Health" brand name. Without limitation, such "CVS Health" branded talcum powder products include CVS Health Protective Powder pictured below:



178. CVS Health and CVS Pharmacy authorized the distribution and sale of "CVS Health" branded talcum powder products through internet and retail store outlets. "CVS Health" talcum powder products are widely marketed and sold on both the internet and in retail stores throughout California and the United States.

179. CVS Health and CVS Pharmacy operate a website and online product catalog specifically through which they sell "CVS Health" branded products, including CVS Health Protective Powder. *See* https://www.cvs.com/shop/cvs-health-protective-

powder-fresh-scent-prodid-691934. CVS's website provides consumers the option to purchase CVS Health Protective Powder directly on the internet. *Id.* It also provides consumers the ability to check store availability at CVS Pharmacy retail locations throughout California and the United States. *Id.*

- 180. The CVS Health Protective Powder products contain Listed Chemicals: (1) chromium (hexavalent compounds); and (2) lead and lead compounds. Individuals who purchase, handle, or use the products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 181. At all times material to this complaint, CVS Health and CVS Pharmacy have had knowledge that the CVS Health Protective Powder products contain Listed Chemicals.
- 182. At all times material to this complaint, CVS Health and CVS Pharmacy have had knowledge that California residents purchase CVS Health Protective Powder products that contain Listed Chemicals.
- 183. At all times material to this complaint, CVS Health and CVS Pharmacy knew that the CVS Health Protective Powder products were sold throughout the United States and the State of California in large numbers, and they profited from such sales of such products to California consumers.
- 184. At all times material to this complaint, CVS Health and CVS Pharmacy have knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of the CVS Health and CVS Pharmacy's deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.
- 185. CVS Health and CVS Pharmacy have failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to

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chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, CVS Health and CVS Pharmacy have failed to include clear and reasonable warnings on product labels or on their website and online product catalog.

3. Dollar General

186. Dollar General, Dolgencorp, and Dolgen California are marketers, distributors, or sellers of talcum powder products sold under the "DG" and "Rexall" brand names. Without limitation, such "DG" and "Rexall" branded talcum powder products include DG Baby Powder, DG Body Shower & Bath Body Powder, DG Body Medicated Body Powder, Rexall Foot Powder, and Rexall Medicated Foot Powder. The Dollar General products are pictured below:





Compare to the active ingredient of Goldson's Body powder

Medicated Body Powder

Coods - Absorbs - Relayes Itching

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COMPLAINT

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- 187. Dollar General, Dolgencorp, and Dolgen California have authorized the distribution and sale of "DG" and "Rexall" branded talcum powder products through internet and retail store outlets. "DG" and "Rexall" branded talcum powder products are widely marketed and sold on both the internet and in retail stores throughout California and the United States.
- 188. Dollar General operates a website and online product catalog specifically through which it markets "DG" and "Rexall" branded talcum powder products. *See*, e.g., https://www.dollargeneral.com/rexall-foot-powder-medicated-10-oz.html. Dollar General provides consumers the ability to check store availability at Dollar General retail locations throughout California and the United States. *Id*.
- 189. "DG" and "Rexall" branded talcum powder products contain Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use the products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 190. At all times material to this complaint, Dollar General, Dolgencorp, and Dolgen California have had knowledge that the "DG" and "Rexall" branded talcum powder products contain Listed Chemicals.
- 191. At all times material to this complaint, Dollar General, Dolgencorp, and Dolgen California have had knowledge that California residents purchase "DG" and "Rexall" branded talcum powder products that contain Listed Chemicals.
- 192. At all times material to this complaint, Dollar General, Dolgencorp, and Dolgen California knew that the "DG" and "Rexall" branded talcum powder products were sold throughout the United States and the State of California in large numbers, and they profited from such sales of such products to California consumers.
- 193. At all times material to this complaint, Dollar General, Dolgencorp, and Dolgen California have knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is

the result of the Dollar General, Dolgencorp, and Dolgen California's deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.

194. Dollar General, Dolgencorp, and Dolgen California have failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Dollar General, Dolgencorp, and Dolgen California have failed to include clear and reasonable warnings on product labels or on their website and online product catalog.

4. Johnson & Johnson

a. J&J and JJCI's Violations of Proposition 65

195. J&J and JJCI are manufacturers, marketers, distributors, or sellers of talccontaining Johnson's Baby Powder products pictured below:



COMPLAINT





196. J&J and JJCI have authorized the distribution and sale of Johnson's Baby Powder products through internet and retail store outlets. Johnson's Baby Powder products are widely marketed and sold on both the internet and in retail stores throughout California and the United States.

J&J operates a website and online product catalog specifically dedicated to 1 2 3 4 5 6 7 8 9

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Johnson's Baby Powder See https://www.jnj.com/tag/johnsons-baby-powder. J&J uses this website to mislead consumers in California and throughout the United States by disseminating false and misleading propaganda regarding the purported safety of talc. Notably, J&J's CEO has ratified and has been personally involved in the dissemination of false and misleading propaganda, and he has included a personal video message regarding the purported safety of Johnson's Baby Powder. See https://www.jnj.com/latest-news/a-message-from-johnson-johnson-ceo-alex-gorskyabout-talc-safety.

- 198. JJCI also operates a website and online product catalog specifically dedicated to Johnson's Baby Powder products. See https://www.johnsonsbaby.com/babyproducts/johnsons-baby-powder?upcean=381370030010#find-in-store. The website also contains a "where to buy" button where consumers are directed to links to the websites for various online and brick and mortar retailers (Walmart, Target, Amazon, Walgreens, Rite Aid, CVS, and Jet) where consumers may purchase Johnson's Baby Powder products.
- Johnson's Baby Powder products contain Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use Johnson's Baby Powder products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- At all times material to this complaint, J&J and JJCI have had knowledge that Johnson's Baby Powder products contain Listed Chemicals.
- 201. At all times material to this complaint, J&J and JJCI have had knowledge that California residents purchase Johnson's Baby Powder products that contain Listed Chemicals.
- 202. At all times material to this complaint, Johnson & Johnson and JJCI knew that the Johnson's Baby Powder products were sold throughout the United States and the

State of California in large numbers, and they profited from such sales of such products to California consumers.

- 203. At all times material to this complaint, J&J and JJCI have knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of J&J and JJCI's deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.
- 204. J&J and JJCI have failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, J&J and JJCI have failed to include clear and reasonable warnings on product labels or on their website and online product catalog.

b. Agency and Joint Operator Allegations

- 205. On information and belief, J&J exercises control of JJCI's marketing and sales of "Johnson's Baby" talcum powder products, such that JJCI's violations set forth herein can be attributed to J&J's management, personnel, policies, directives, and other controls.
- 206. Additionally, JJCI is an agent of J&J and engaged in the acts alleged herein within the course and scope of such agency. On information and belief, J&J ratified and/or authorized business decisions concerning the wrongful acts of JJCI related to marketing and sale of "Johnson's Baby" talcum powder products.
- 207. Among other things, J&J has been a joint operator and has actively participated in the dissemination of misleading information to the general public. J&J has misleadingly represented that:

- "Talc, also known as talcum powder, is a naturally occurring mineral that is highly stable [and] chemically inert . . . ;"
- "grade of talc used in cosmetics is of high purity—comparable to that used for pharmaceutical applications—and it's only mined from select deposits in certified locations before being milled into relatively large, non-respirable-sized particles;"
- "talc is accepted as safe for use in cosmetic and personal care products."

See, e.g., https://www.jnj.com/our-products/5-important-facts-about-the-safety-of-talc.

- 208. Notably, J&J's Chief Executive Officer, Alex Gorsky, has been personally involved in disseminating false and misleading statements certifying that "Johnson's Baby" talcum powder products are safe and do not contain carcinogens:
 - "For over one hundred years, Johnson & Johnson has known that the talc in our baby powder is the purest, safest, pharmaceutical grade talc on earth;"
 - "Very importantly, if we believed our products were unsafe, they would be off the shelves and out of the market immediately;"
 - "Now, as Chairman and CEO of this company, I take this personally and very seriously. ... Now, I want to repeat, reiterate, and reinforce. First, J&J's Baby Powder is safe and does not cause cancer."

See https://www.jnj.com/latest-news/a-message-from-johnson-johnson-ceo-alex-gorsky-about-talc-safety.

209. On information and belief, and contrary to J&J's assertions, J&J and JJCI have authorized the manufacturing, distribution, or sale within the State of California of talcum powder products under the "Johnson's Baby" brand name that are unsafe and contain multiple Listed Chemicals without first giving clear and reasonable warning.

5. Sanofi

- a. Sanofi, Sanofi US, and Chattem's Violations of Proposition 65
- 210. Sanofi, Sanofi US, and Chattern are manufacturers, marketers, distributors, or sellers of talcum powder products under the "Gold Bond" brand name. Without limitation, such "Gold Bond" products include Gold Bond Medicated Original Strength

Body Powder, Gold Bond Medicated Extra Strength Body Powder, Gold Bond Ultimate Men's Essential Body Powder, and Gold Bond Maximum Strength Foot Powder. The Gold Bond Products are pictured below:

ORIGINAL STRENGTH
BODY POWDER
Triple Action Relief
Cooling • Absorbing • Itch Relieving







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- 211. Sanofi, Sanofi US, and Chattem have authorized the distribution and sale of "Gold Bond" products through internet and retail store outlets. "Gold Bond" products are widely marketed and sold on both the internet and in retail stores throughout California and the United States.
- 212. Sanofi, Sanofi US, and Chattem operate a website and online product catalog specifically dedicated to "Gold Bond" products. *See*https://www.goldbond.com/products/?type=powder. The product page for each individual "Gold Bond" product contains a "where to buy" button that directs consumers to a "where to buy" page that provides links to the websites for various online and brick and mortar retailers (Walmart, Walgreens, CVS, Target, drugstore.com, and Rite Aid) where consumers may purchase "Gold Bond" products. *See* https://www.goldbond.com/where-to-buy/.
- 213. The "Gold Bond" products contain Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds.

 Individuals who purchase, handle, or use "Gold Bond" products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 214. At all times material to this complaint Sanofi, Sanofi US, and Chattem have had knowledge that "Gold Bond" products contain Listed Chemicals.
- 215. At all times material to this complaint, Sanofi, Sanofi US, and Chattem have had knowledge that California residents purchase "Gold Bond" products that contain Listed Chemicals.
- 216. At all times material to this complaint, Sanofi, Sanofi US, and Chattem knew that the "Gold Bond" products were sold throughout the United States and the State of California in large numbers, and they profited from such sales of such products to California consumers.
- 217. At all times material to this complaint, Sanofi, Sanofi US, and Chattem have knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of

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products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.

Sanofi, Sanofi US, and Chattem's deliberate act of authorizing the distribution and sale of

218. On information and belief, with the exception of "Gold Bond" branded talcum powder products sold on Walmart's website, Sanofi, Sanofi US, and Chattem have failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Sanofi, Sanofi US, and Chattem have failed to include clear and reasonable warnings on product labels or on their website and online product catalog.

b. Agency and Joint Operator Allegations

- 219. Chattem is a subsidiary of Sanofi and has been fully owned and controlled by Sanofi since 2010. In 2010, Sanofi purchased Chattem in order to gain access to the OTC medication market in the United Sates. On information and belief, Sanofi has exerted control over some of the most important aspects of Chattem's operations, including naming of Chattem's chief executive officer and other human resources decisions.
- 220. Moreover, Chattem has operated under the Sanofi corporate identity since at least 2017. In fact, Sanofi appears to have renamed Chattem to Sanofi. As part of this process, Sanofi has literally ripped out the "Chattem" sign at the company's headquarters and replaced it with a new sign identifying the company as "Sanofi." Sanofi has similarly morphed its corporate identity into the Gold Bond brand by placing the "Sanofi" logo on Gold Bond's website. See https://www.goldbond.com/home/.
- 221. According to an August 2017 Chattanooga Free Press article, the head of North America Consumer Health for Sanofi described unification of Chattem's and

Sanofi's corporate identities as follows: "One name. One corporate identity. That became the focus, and necessary." *See*https://www.timesfreepress.com/news/business/diary/story/2017/aug/27/chattem-changes8230sanofi-new-name-align-loca/445415/.

6. Target

222. Target and Target Brands are marketers, distributors, or sellers of talcum powder products sold under the "Up&Up" brand name. Without limitation, such "Up&Up" branded talcum powder products include Up&Up Maximum Strength Medicated Foot Powder pictured below:



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223. Target and Target Brands authorized the distribution and sale of "Up&Up" branded talcum powder products through internet and retail store outlets. "Up&Up" talcum powder is widely marketed and sold on both the internet and in retail stores throughout California and the United States.

- 224. Target and Target Brands operate a website and online product catalog specifically through which they sell "Up&Up" branded products, including Up&Up Maximum Strength Medicated Foot Powder. *See* https://www.target.com/p/anti-itch-medicated-foot-powder-10oz-up-38-up-8482/-/A-14746105. Target's website provides consumers the option to purchase Up&Up Maximum Strength Medicated Foot Powder directly on the internet. *Id.* It also provides consumers the ability to check store availability at Target retail locations throughout California and the United States. *Id.*
- 225. Up&Up Maximum Strength Medicated Foot Powder products contain Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use the products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 226. At all times material to this complaint, Target and Target Brands have had knowledge that the Up&Up Maximum Strength Medicated Foot Powder contain Listed Chemicals.
- 227. At all times material to this complaint, Target and Target Brands have had knowledge that California residents purchase Up&Up Maximum Strength Medicated Foot Powder products that contain Listed Chemicals.
- 228. At all times material to this complaint, Target and Target Brands knew that the Up&Up Maximum Strength Medicated Foot Powder products were sold throughout the United States and the State of California in large numbers, and they profited from such sales of such products to California consumers.
- 229. At all times material to this complaint, Target and Target Brands have knowingly and intentionally exposed individuals within the State of California to Listed

Chemicals. The exposure is knowing and intentional because it is the result of Target and Target Brands' deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.

230. Target and Target Brands have failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Target and Target Brands have failed to include clear and reasonable warnings on product labels or on their website and online product catalog.

7. Walgreens

231. Walgreens is a marketer, distributor, and seller of talcum powder products sold under the "Walgreens" and "Well Beginnings" brand names. Without limitation, such "Walgreens" and "Well Beginnings" branded talcum powder products include or have included, Walgreens Foot Powder Odor Control, Walgreens Medicated Foot Powder and Well Beginnings Baby Powder pictured below:

Well
Beginnings*
BABY
POWDER
TALCO PARA BEBE
keeps skin
soft, fresh & comfortable
clinically tested





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- 233. Walgreens operates a website and online product catalog specifically through which it sells or has sold "Walgreens" and "Well Beginnings" branded products. *See* https://www.walgreens.com/store/c/walgreens-medicated-foot-powder/ID=prod6067852-product. Walgreens' website, for example, previously provided consumers the option to purchase Walgreens Odor Control Foot Powder directly on the internet. Walgreens provides consumers the ability to check store availability of "Walgreens" and "Well Beginnings" products at retail locations throughout California and the United States. *See*, *e.g.*, https://www.walgreens.com/store/c/walgreens-medicated-foot-powder/ID=prod6067852-product.
- 234. "Walgreens" and "Well Beginnings" branded talcum powder products contain or have contained Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use the products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 235. At all times material to this complaint, Walgreens has had knowledge that "Walgreens" and "Well Beginnings" branded talcum powder products contain Listed Chemicals.
- 236. At all times material to this complaint, Walgreens has had knowledge that California residents purchase "Walgreens" and "Well Beginnings" branded talcum powder products that contain Listed Chemicals.
- 237. At all times material to this complaint, Walgreens knew that "Walgreens" and "Well Beginnings" branded talcum powder products were sold throughout the United

States and the State of California in large numbers, and it profited from such sales of such products to California consumers.

- 238. At all times material to this complaint, Walgreens has knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of Walgreens' deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.
- 239. Walgreens has failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Walgreens has failed to include clear and reasonable warnings on product labels or on its website and online product catalog.

8. Walmart

240. Walmart is a marketer, distributor, and seller of talcum powder products sold under the "Equate" brand name. Without limitation, such "Equate" branded talcum powder products include or have included Equate Medicated Body Powder and Equate Soothing Foot Powder pictured below:





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241. Walmart authorized the distribution and sale of "Equate" branded talcum powder products through internet and retail store outlets. "Equate" branded talcum powder products have been widely marketed and sold on both the internet and in retail stores throughout California and the United States.

242. Walmart operates a website and online product catalog specifically through which it markets or sells "Equate" branded talcum powder products. *See*, *e.g.*, https://www.walmart.com/ip/Equate-Medicated-Body-Powder-10-oz/10532719. At all relevant times, Walmart's website provided consumers the option to purchase "Equate" branded talcum powder products directly on the internet. It also provided consumers the ability to check store availability at Walmart retail locations throughout California and the United States.

243. "Equate" branded talcum powder products contain or have contained Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use the products are

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exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.

- 244. At all times material to this complaint, Walmart has had knowledge that "Equate" branded talcum powder products contain Listed Chemicals.
- 245. At all times material to this complaint, Walmart has had knowledge that California residents purchase "Equate" branded talcum powder products that contain Listed Chemicals.
- 246. At all times material to this complaint, Walmart knew that "Equate" branded talcum powder products were sold throughout the United States and the State of California in large numbers, and it profited from such sales of such products to California consumers.
- 247. At all times material to this complaint, Walmart has knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of Walmart's deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.
- 248. Walmart has failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Walmart has failed to include clear and reasonable warnings on product labels or on its website and online product catalog.

9. Davion

249. Davion is a manufacturer or supplier of private label talcum powder products to nationwide retail stores. Davion's clients include CVS, Dollar General, and

Walgreens. Without limitation, the private talcum powder products manufactured or supplied by Davion have included:

- CVS Health Protective Powder Fresh Scent;
- o DG Body Shower & Bath Body Powder;
- o DG Body Medicated Body Powder;
- o Rexall Foot Powder;
- o Rexall Medicated Foot Powder; and
- Walgreens Medicated Foot Powder.
- 250. The private label talcum powder products manufactured or supplied by Davion have been widely marketed and sold on both the internet and in retail stores throughout California and the United States.
- 251. The private label talcum powder products manufactured or supplied by Davion contain or have contained Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use the products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 252. At all times material to this complaint, Davion has had knowledge that its private label talcum powder products contain Listed Chemicals.
- 253. At all times material to this complaint, Davion has had knowledge that California residents purchase its private label talcum powder products that contain Listed Chemicals.
- 254. At all times material to this complaint, Davion knew that its private label talcum powder products were sold throughout the United States and the State of California in large numbers, and it profited from such sales of such products to California consumers.
- 255. At all times material to this complaint, Davion has knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of Davion's deliberate act of

authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.

256. Davion has failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Davion has failed to include clear and reasonable warnings on the product labels of its private label talcum powder products.

10. Garcoa

- 257. Garcoa is a manufacturer or supplier of private label talcum powder products to nationwide retail stores. Garcoa's clients include Walgreens. Without limitation, the private talcum powder products manufactured or supplied by Garcoa have included:
 - Walgreens Medicated Odor Control Foot Powder.
- 258. The private label talcum powder products manufactured or supplied by Garcoa have been widely marketed and sold on both the internet and in retail stores throughout California and the United States.
- 259. The private label talcum powder products manufactured or supplied by Garcoa contain or have contained Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use the products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 260. At all times material to this complaint, Garcoa has had knowledge that its private label talcum powder products contain Listed Chemicals.

261. At all times material to this complaint, Garcoa has had knowledge that California residents purchase its private label talcum powder products that contain Listed Chemicals.

- 262. At all times material to this complaint, Garcoa knew that its private label talcum powder products were sold throughout the United States and the State of California in large numbers, and it profited from such sales of such products to California consumers.
- 263. At all times material to this complaint, Garcoa has knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of Garcoa's deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.
- 264. Garcoa has failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Garcoa has failed to include clear and reasonable warnings on the product labels of its private label talcum powder products.

11. Personal Care Products and Stone Arch

a. Personal Care Products and Stone Arch's Violations of Proposition 65

265. Personal Care Products is a manufacturer or supplier of private label talcum powder products to nationwide retail stores. At all relevant times, Personal Care Products has been a portfolio company of Stone Arch. Personal Care Products and related phantom business operations owned or controlled by Stone Arch import and supply talcum powder

products to Walmart. Without limitation, the private label talcum powder products supplied by Personal Care Products have included:

- Equate Medicated Body Powder.
- 266. The private label talcum powder products imported or supplied by Personal Care Products and related phantom business operations owned or controlled by Stone Arch have been widely marketed or sold on both the internet and in retail stores throughout California and the United States.
- 267. The private label talcum powder products imported or supplied by Personal Care Products and the related phantom business operations controlled by Stone Arch contain or have contained Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use the products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 268. At all times material to this complaint, Personal Care Products and Stone Arch have had knowledge that their private label talcum powder products contain Listed Chemicals.
- 269. At all times material to this complaint, Personal Care Products and Stone Arch have had knowledge that California residents purchase their private label talcum powder products that contain Listed Chemicals.
- 270. At all times material to this complaint, Personal Care Products and Stone Arch knew that their private label talcum powder products were sold throughout the United States and the State of California in large numbers, and they profited from such sales of such products to California consumers.
- 271. At all times material to this complaint, Personal Care Products and Stone Arch have knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of Personal Care Products and Stone Arch's deliberate act of authorizing the import and distribution of products known to contain Listed Chemicals in a manner whereby these

272. Personal Care Products and Stone Arch have failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Personal Care Products and Stone Arch have failed to include clear and reasonable warnings on the product labels of their private label talcum powder products.

b. Agency, Joint Operator Allegations, and Alter Ego Allegations

- (1) Personal Care Products' History of Failure to Comply with Corporate or Limited Liability Company Formalities
- 273. Personal Care Products' business dates back to 1983. Throughout its history, Personal Care Products and its predecessor companies have failed to comply with the most basic tenets of corporate formality. The current and prior controlling members of Personal Care Products have a history of operating shells or phantom companies and engaging in abusive transfers of assets and goodwill of the business to closely held and affiliated business entities.
- 274. Based on investigation of counsel, current and prior controlling members of Personal Care Products have engaged in a continuing pattern of abuse of corporate formalities. The abusive pattern has involved the (1) the registration of a shell business operation; (2) transferring assets and goodwill of the business to a new entity; and (3) shutting down prior operations.³

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³ Based on investigation of counsel, such entities involved in the chain of business include: (1) American Household Products, Inc.; (2) Personal Care Products, Inc.; (3) Personal Care Products, LLC; (4) GL 360, LLC; and (5) Greenlite 360, LLC.

275. As discussed in more detail below, since late 2017, Stone Arch – the current majority and controlling member of Personal Care Products – has operated the company as a mere instrumentality, while conducting business through shell businesses identified as "GL 360, LLC" and "Greenlite 360, LLC." Based on investigation of counsel, "GL 360, LLC" and "Greenlite 360, LLC" were never formally registered as limited liability companies in any of the fifty states.

276. Most recently, following Plaintiff's service of her Notice of Violation ("NOV") on Walmart and Personal Care Products, the controlling member of Personal Care Products has continued to engage in a pattern of conduct that fails to comply with basic corporate formalities. This failure has manifested itself through an orchestrated shutdown of Personal Care Products.

277. On September 26, 2019, counsel for Personal Care Products sent an email to counsel for Walmart and counsel for Plaintiff indicating that his client would go out of business the next day and would no longer "participate" in the matter. The email provides in pertinent part:

I wish to inform you and all the other counsel that my client *Personal Care products will be closing their business tomorrow* and will no longer be involved in this matter for their company or to participate in this matter with Walmart. Please remove our firm from your circulation list.

- 278. Despite counsel's representation that Personal Care Products would go out of business on September 27, 2019, Personal Care Products has been unable to provide a certificate of cancellation or similar secretary of state filing that reflects that the company has been formally cancelled or dissolved. As of the filing of this Complaint, Personal Care Products and affiliated phantom entities continue to remain in business.
- 279. On information and belief, and based on investigation of counsel, the controlling owners have taken steps to or plan to conduct Personal Care Products' business through shell entities or phantom companies that have yet to be registered.

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280. More disturbingly, Plaintiff is also informed and believes that Personal Care Products and Stone Arch have knowingly failed to institute a litigation hold and do not plan to retain documents.

(2) Stone Arch's Control and Operation of Phantom Business Entities

- 281. Stone Arch is a joint operator of Personal Care Products and other related businesses. Since approximately December 2017, Stone Arch has operated or allowed the operation of phantom companies. Stone Arch has specifically operated or allowed the operation of phantom companies for importing talcum powder products and various "Equate" branded personal care products sold by Walmart.
- 282. Prior to December 2017, Stone Arch's website specifically identified "Personal Care Products, LLC" as a portfolio company and described the business as follows:

Personal Care Products, LLC

Personal Care Products, LLC ("PCP" or the "Company"), headquartered in Bingham Farms, MI, is a leading supplier of value branded and private label health, beauty and household care products. The Company provides a broad portfolio of over 350 products across four categories: 1) health and beauty products, which include hand sanitizers, shampoos & conditioners, shave & hair removal, lotions & creams, soaps and deodorants sold under the "Personal Care Products" brand, 2) household cleaning products, which include air fresheners, aerosol cleaners, liquid cleaners, and carpet care, dish care and toilet care products sold under the "Powerhouse" brand, 3) cooking sprays sold under the "Healthy Way" brand, and 4) select private label products. The Company sells its products to dollar store retailers, discount chains, supermarkets, drug wholesalers, and convenience stores throughout North America.

For more complete information, please visit the Company's website at www.personalcareproducts.org.

283. In or about December 2017 or January 2018, Stone Arch suddenly and inexplicably removed references to "Personal Care Products, LLC" from its website and began identifying "Greenlite 360, LLC" as a portfolio company. Stone Arch's website described the "Greenlite 360, LLC" business as follows:

Greenlite 360, LLC

Greenlite 360, LLC ("GL360" or the "Company"), headquartered in Troy, Michigan and was founded in 1983. Greenlite 360 is a leading supplier of private label and branded solutions within the health & beauty and household products segments. The company strives to provide naturally inspired product solutions by blending a touch of nature in all that we do. Greenlite 360 offers a broad range of core consumer products including skin care, hand soap, body wash, hand sanitizers, air care, and household cleaning. Greenlite 360 maintains a strong commitment to providing high quality product experiences at affordable prices. Our focus on continuous development and the introduction of new products and programs ensures that Greenlite 360 offers the most comprehensive product line while helping our retail partners grow their sales and profits.

For more complete information, please visit the Company's website at http://www.gl360.com/.

- 284. Plaintiff is informed and believes that Stone Arch has used its "Greenlite 360, LLC" portfolio company as a vehicle to import talcum powder and "Equate" branded personal care products.
- 285. In addition to the foregoing, since approximately December 2017, Stone Arch has operated or allowed Personal Care Products to operate as "GL 360, LLC." Plaintiff is informed and believes that Stone Arch has also used or allowed the use of the "GL 360, LLC" business entity as a vehicle to import talcum powder and "Equate" branded personal care products.
- 286. Both "Greenlite 360, LLC" and "GL 360, LLC" are phantom companies that do not exist. Based on investigation of counsel, neither "GL 360, LLC" nor "GL 360, LLC" has been registered as a limited liability company in any of the fifty states.

287. Because Stone Arch has operated or allowed the operation of phantom companies to import talcum powder and "Equate" branded personal care products for Walmart, Stone Arch is directly liable in this action. Stone Arch is not entitled to the protections of corporate or limited liability company shields.

(3) Stone Arch's Failure to Comply with Corporate or Limited Liability Company Formalities

- 288. In addition to the foregoing, Stone Arch has failed to comply with corporate formalities. As set forth in more detail below, Stone Arch's failures in this regard include, but are not limited to:
 - Making a substantial investment in Personal Care Products and subsequently allowing its prior owner to convert Personal Care Products into a personal holding company;
 - Operating or permitting the operation of Personal Care Products as a mere instrumentality;
 - Permitting business operations through shell businesses identified as "GL 360, LLC" and "Greenlite 360, LLC."
 - Holding out "Greenlite 360, LLC" as a portfolio company;
 - Importing or permitting the import of talcum powder and "Equate" branded personal care products through "Greenlite 360, LLC;"
 - In the months prior to the threatened shutdown of Personal Care Products, allowing the import of a significant amount of talc through "GL 360, LLC," so as to allow for continued operations;
 - Threatening to shut down Personal Care Products following Plaintiff's service of NOVs at issue herein; and
 - Taking steps or allowing the key employees of Personal Care Products to take steps for continued business operations following the shutdown of Personal Care Products.
- 289. In addition, Plaintiff is informed and believes that Stone Arch has taken steps to or has allowed the key employees of Personal Care Products to take steps to

allow continued business operation as "Greenlite 360, LLC" or a future company to be determined by Stone Arch.

12. Premier Brands

- 290. Premier Brands is a manufacturer or supplier of private label talcum powder products to nationwide retail stores. Premier Brands' clients include Target and Walmart. Without limitation, the private talcum powder products manufactured or supplied by Premier Brands have included:
 - Equate Soothing Foot Powder; and
 - o Up&Up Maximum Strength Medicated Foot Powder.
- 291. The private label talcum powder products manufactured or supplied by Premier Brands have been widely marketed and sold on both the internet and in retail stores throughout California and the United States.
- 292. The private label talcum powder products manufactured or supplied by Premier Brands contain or have contained Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use the products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 293. At all times material to this complaint, Premier Brands has had knowledge that its private label talcum powder products contain Listed Chemicals.
- 294. At all times material to this complaint, Premier Brands has had knowledge that California residents purchase its private label talcum powder products that contain Listed Chemicals.
- 295. At all times material to this complaint, Premier Brands knew that its private label talcum powder products were sold throughout the United States and the State of California in large numbers, and it profited from such sales of such products to California consumers.
- 296. At all times material to this complaint, Premier Brands has knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The

exposure is knowing and intentional because it is the result of Premier Brands' deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.

297. Premier Brands has failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Premier Brands has failed to include clear and reasonable warnings on the product labels of its private label talcum powder products.

13. Thornton Industries

- 298. Thornton is a manufacturer or supplier of private label talcum powder products to nationwide retail stores. Thornton's clients include Dollar General. Without limitation, the private talcum powder products manufactured or supplied by Thornton have included:
 - DG Baby Powder.
- 299. The private label talcum powder products manufactured or supplied by Thornton have been widely marketed and sold on both the internet and in retail stores throughout California and the United States.
- 300. The private label talcum powder products manufactured or supplied by Thornton contain or have contained Listed Chemicals: (1) arsenic (inorganic oxides); (2) chromium (hexavalent compounds); and (3) lead and lead compounds. Individuals who purchase, handle, or use the products are exposed to Listed Chemicals in the course of the intended and reasonably foreseeable use of the products.
- 301. At all times material to this complaint, Thornton has had knowledge that its private label talcum powder products contain Listed Chemicals.

- 302. At all times material to this complaint, Thornton has had knowledge that California residents purchase its private label talcum powder products that contain Listed Chemicals.
- 303. At all times material to this complaint, Thornton knew that its private label talcum powder products were sold throughout the United States and the State of California in large numbers, and it profited from such sales of such products to California consumers.
- 304. At all times material to this complaint, Thornton has knowingly and intentionally exposed individuals within the State of California to Listed Chemicals. The exposure is knowing and intentional because it is the result of Thornton's deliberate act of authorizing the distribution and sale of products known to contain Listed Chemicals in a manner whereby these products were, and would inevitably be, sold to California residents, and with the knowledge that the intended use of these products will foreseeably result in California consumers being exposed to Listed Chemicals.
- 305. Thornton has failed to provide clear and reasonable warnings that the use of the products in question in California results in exposure to chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm, and no such warning was provided to those individuals by any other person. Among other things, Thornton has failed to include clear and reasonable warnings on the product labels of its private label talcum powder products.

VIII. CAUSES OF ACTION

FIRST CAUSE OF ACTION

(Violation of Proposition 65)

(Against All Defendants)

- 306. Plaintiff incorporates the foregoing paragraphs by reference as though set forth fully herein.
- 307. By committing the acts alleged above, Defendants have, in the course of doing business, knowingly and intentionally exposed individuals in California to

COMPLAINT

chemicals known to the State of California to cause cancer or reproductive toxicity without first giving clear and reasonable warnings to such individuals within the meaning of Health and Safety Code section 25249.6.

- 308. Plaintiff has complied with the procedural pre-requisites of Health and Safety Code section 25249.7(d). This action is commenced more than 60 days from the date that Plaintiff gave notice of alleged violations of Section 25249.6 that are the subject of this private action to the Attorney General and the district attorney, city attorney, or prosecutor in whose jurisdiction the violations are alleged to have occurred, and to Defendants.
- 309. On information and belief, neither the Attorney General, any district attorney, any city attorney, nor any prosecutor has commenced and is diligently prosecuting an action against the violations at issue herein.
- 310. Defendants' violations render them liable to Plaintiff for civil penalties not to exceed \$2,500 per day for each violation, as well as other remedies.

WHEREFORE, Plaintiff prays for relief as set forth below.

SECOND CAUSE OF ACTION

(Injunctive Relief)

(Against All Defendants)

- 311. Plaintiff incorporates the foregoing paragraphs by reference as though set forth fully herein.
- 312. Defendants' business acts and practices have caused substantial ongoing harm to Plaintiff, California consumers, and the general public. All of the wrongful conduct alleged herein continues to occur in the context of Defendants' business.

 Defendants' wrongful conduct is part of a pattern or generalized course of conduct that will continue to be perpetuated unless enjoined by this Court.
- 313. By committing the acts alleged in this Complaint, Defendants have caused or threaten to cause irreparable harm to California consumers and the general public for which there is no plain, speedy, or adequate remedy at law. Defendants' wrongful

conduct is part of a pattern or generalized course of conduct that will continue or threatens to continue unless enjoined by this Court.

- 314. In the absence of equitable relief, Defendants will continue to create a substantial risk of irreparable injury to California consumers and the general public by continuing to cause or threatening to cause consumers, women, and babies to be involuntarily and unwittingly exposed to the Listed Chemicals through the use and/or handling of the talcum powder products at issue.
- 315. Plaintiff seeks preliminary injunctions, permanent injunctions, or other orders mandating that Defendants reformulate their talcum powder products to replace talc with an ingredient that does not contain Listed Chemicals (*e.g.*, cornstarch) or to otherwise remove Listed Chemicals from their talcum powder products, as Plaintiff shall specify in further application to the Court.
- 316. In the alternative, Plaintiff seeks injunctive relief, including preliminary injunctions, permanent injunctions, or other orders prohibiting Defendant from exposing persons within the State of California to Listed Chemicals caused by the use of their products without providing clear and reasonable warnings, as Plaintiff shall specify in further application to the court.

WHEREFORE, Plaintiff prays for relief as set forth below.

IX. PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

- 1. Civil penalties not to exceed \$2,500 per day for each violation;
- 2. Pursuant to Health and Safety Code section 25249.7, such temporary injunctions, preliminary injunctions, permanent injunctions, or other orders, as Plaintiffs shall specify in further application to the court;
 - 3. Costs of the proceedings herein;
- 4. Reasonable attorneys' fees as permitted by law, and pursuant to Code of Civil Procedure section 1021.5 and Health and Safety Code section 25249.7; and
 - 5. All other and further relief as the Court deems just and proper.

1 Respectfully submitted, ABTAHI LAW GROUP LLC 2 Dated: January 29, 2020 3 4 ALI ABTAHI 5 Ali Abtahi (State Bar No. 224688) ali.abtahi@abtahilaw.com 6 ABTAHI LAW GROUP LLC 200 W Madison St | Suite 2100 7 Chicago, IL 60606 Tel: (312) 883-8800 8 Crystal Foley (State Bar No. 224627) 9 cfoley@simmonsfirm.com SIMMONS HANLY CONROY LLC 10 100 N. Pacific Coast Highway | Suite 1350 El Segundo, CA 90245 11 Tel: (310) 322-3555 12 Trent B. Miracle (pro hac pending) tmiracle@simmonsfirm.com 13 SIMMONS HANLY CONROY LLC One Court Street 14 Alton, IL 62002 Tel: (618) 259-2222 15 Mitchell M. Breit (pro hac pending) 16 mbreit@simmonsfirm.com SIMMONS HANLY CONROY LLC 17 112 Madison Avenue, 7th floor New York, NY 10016-7416 18 Tel: (212) 213-5948 19 James L. Ward, Jr. (pro hac pending) iward@mcgowanhood.com 20 MCGOWAN, HOOD & FELDER, LLC 321 Wingo Way | Suite 103 21 Mt. Pleasant, SC 29464 Tel: (843) 388-7202 22 Attorneys for Plaintiff 23 Jan Graham 24 25 26

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DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury on all issues so triable.

Respectfully submitted,

Dated: January 29, 2020 ABTAHI LAW GROUP LLC

<u>(M. WUMU</u> ALI ABTAHI

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Attorneys for Plaintiff Jan Graham

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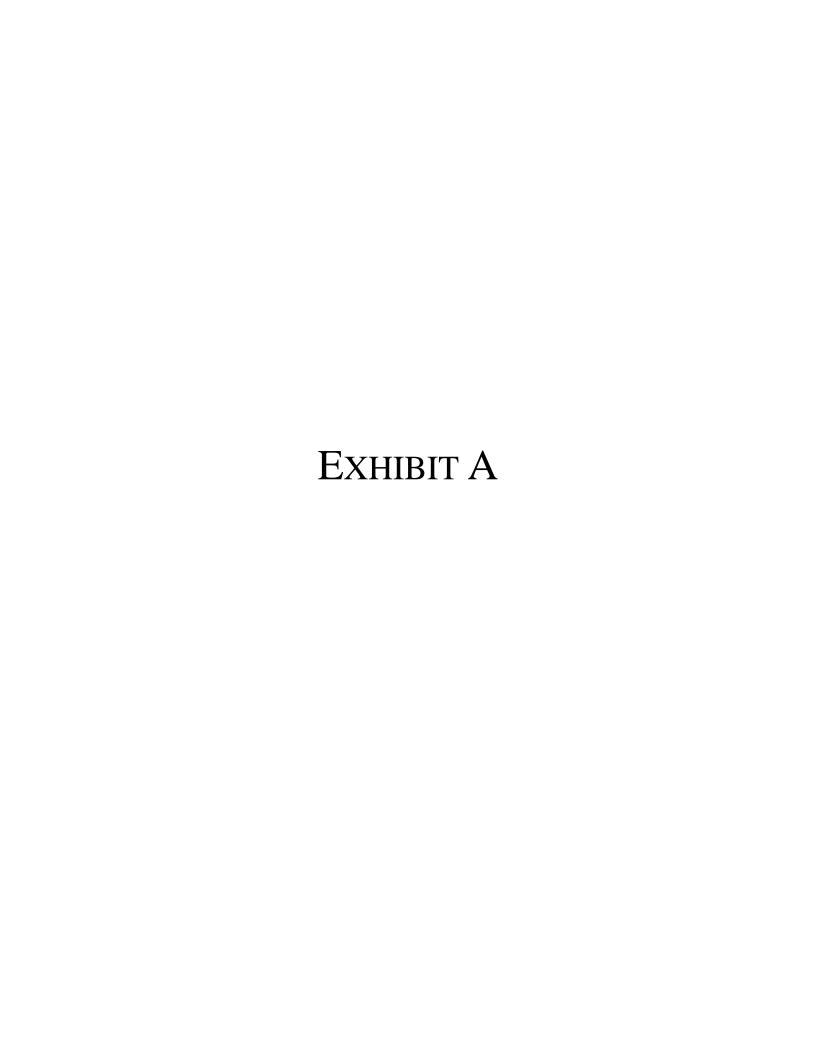
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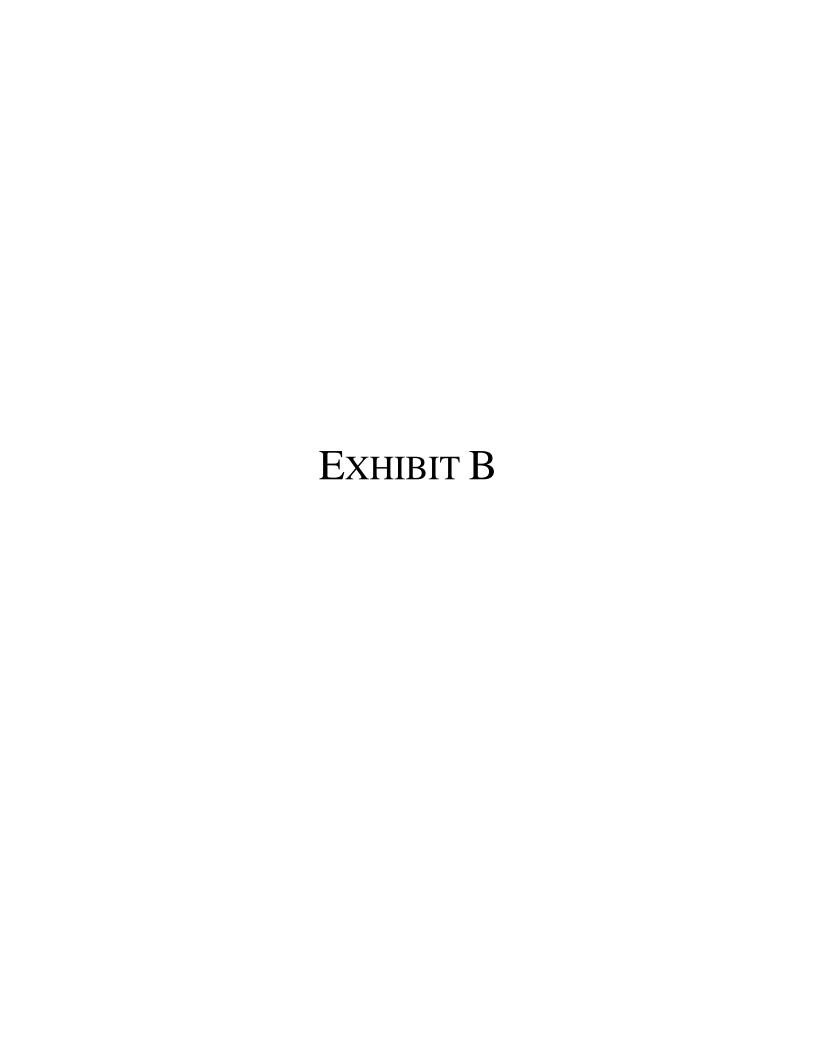


TALC

DEFINITION: Talc is an essentially white, odorless, fine powder which is ground from naturally occurring rock ore. It consists of a minimum of 90% hydrated magnesium silicate, with the remainder consisting of naturally associated minerals such as calcite, chlorite, dolomite, kaolin, and magnesite, and containing no detectable fibrous, asbestos minerals.

TEST	SPECIFICATION	METHOD	
Color	As specified by the buyer and showing no change after heating	Heat 1 to 2 g at 200°C for 5 minutes.	
Odor,	As specified by the buyer		
Identification	Close match to CTFA spectrum-IR with no indication of foreign materials	CTFA G 3-1	
	2. (Alternate) Close match to X-ray Powder Diffraction File No. 19-770, published by ASTM, showing the most intense reflections at d values about 9.35, 1.53, and 4.95°A		
Slip	As specified by the buyer		
Lustre	As specified by the buyer		
Water-Soluble Iron	Passes test	USP (Current)	
Water-Soluble Substances	0.1% maximum	USP (Current) (Reaction and Soluble Substances)	
Acid-Soluble Substances	As specified by the buyer 6.0% maximum	CTFA E 32-1	
Screen Test	100% through 100 mesh 98% minimum through 200 mesh Finer grades: as specified by the buyer	CTFA C 6-1	
Loss on Ignition	6.0% maximum	CTFA E 36-1	
Arsenic (as As)	3 ppm maximum	CTFA E 1-1, Parts I-A and II	
Lead (as Pb)	20 ppm maximum	CTFA E 2-2, Parts I-A and II	
Fibrous Amphibole (Asbestiform Tremolite et al.)	None detected	CTFA J 4-1	
Free Crystalline Silica (Quartz) .	As specified by the buyer	CTFA J 5-1 (DTA) Alternate: CTFA J 6-1 (X-ray)	

The Cosmetic, Toiletry and Fragrance Association



Mineral and Pigment Solutions, Inc.

Material Safety Data Sheet





Talc -

C.A.S. Number: 7727-43-7 / MSDS C.A.S. Code: 0660

PRODUCT/MATERIAL: TALC

MANUFACTURER/DISTRIBUTOR: MINERAL AND PIGMENT SOLUTIONS, INC.

ADDRESS: 1000 COOLIDGE STREET

SOUTH PLAINFIELD, N.J. 07080

EMERGENCY TELEPHONE NO: (908) 561-6100

SECTION I - PRODUCT IDENTIFICATION:

TRADE NAME: TALC

SYNONYM: SOAPSTONE

CHEMICAL FAMILY: MAGNESIUM SILICATE HYDRATE

FORMULA: 3MgO:4SiO₂:H₂O **CAS NUMBER:** 14807-96-6

HMIS RATING: HEALTH 1

FLAMMABILITY 0 REACTIVITY 0

EPA HAZARD CLASSES: IMMEDIATE HEALTH

FIRE 0
REACTIVE 0
DELAYED HEALTH 1
PRESSURE 0

SECTION II - COMPOSITION INFORMATION:

TALC (NON-ASBESTIFORM)

TALC CONTAINS CRYSTALLINE SILICA AT LEVELS GREATER THAN 0.1%, BUT LESS THAN 1%. THESE LEVELS ARE "TYPICAL" AND MAY CHANGE SLIGHTLY WITH DIFFERENT LOTS. IARC HAS DETERMINED SILICA TO BE A CLASS 1 CARCINOGEN, AND NTP HAS CLASSIFIED CRYSTALLINE SILICA AS A SUBSTANCE REASONABLY ANTICIPATED TO BE A CARCINOGEN.

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Information presented herein is believed to be accurate and reliable but is not intended to meet any specification and does not imply any guarantee or warranty by Mineral and Pigment Solutions, Inc. (MPSI). For more information and assistance, contact Technical Services at 1 (908) 561-6100.



SECTION III - HAZARDS IDENTIFICATION:

EMERGENCY OVERVIEW: DUST MAY CAUSE MECHANICAL IRRITATION TO EYES AND RESPIRATORY TRACT. **INHALATION ACUTE EXPOSURE EFFECTS:** INHALATION OF DUSTS MAY CAUSE SNEEZING, COUGHING, AND NOSE IRRITATION.

INHALATION CHRONIC EXPOSURE EFFECTS: LONG-TERM EXCESSIVE EXPOSURES MAY CAUSE TALCOSIS, A PULMONARY FIBROSIS WHICH MAY LEAD TO SEVERE AND PERMANENT DAMAGE TO THE LUNG - POSSIBLY RESULTING IN DISABILITY OR DEATH.

SKIN CONTACT ACUTE EXPOSURE EFFECTS: THE ABRASIVENESS OF TALC MAY CAUSE SKIN IRRITATION. EYE CONTACT ACUTE EXPOSURE EFFECTS: ABRASION MAY CAUSE EYE IRRITATION.

INGESTION ACUTE EXPOSURE EFFECTS: MAY CAUSE MILD IRRITATION OF GASTROINTESTINAL TRACT.

MEDICAL CONDITIONS AGGREVATED BY EXPOSURE: PRE-EXISTING CHRONIC RESPIRATORY, SKIN, OR EYE DISEASES.

SYMPTOMS: INHALATION - EXCESSIVE SNEEZING OR COUGHING. SKIN CONTACT - DRYNESS AND/OR MILD IRRITATION. EYE CONTACT - MILD IRRITATION. INGESTION - MILD IRRITATION.

PRIMPRIMARY ROUTE OF EXPOSURE: INHALATION, INGESTION, SKIN CONTACT, EYE CONTACT.

TARGET ORGANS: EYES, SKIN, AND RESPIRATORY TRACT.

CARCINOGENICITY: NOT LISTED WITH NTP, IARC, OR OSHA AS A KNOWN OR SUSPECTED CARCINOGEN.

SECTION IV - FIRST AID MEASURES:

INHALATION: REMOVE EXPOSED PERSON TO FRESH AIR. IF SYMPTOMS SUCH AS EXCESSIVE SNEEZING OR COUGHING DEVELOP, SEEK MEDICAL ATTENTION.

SKIN CONTACT: WASH FROM SKIN WITH MILD SOAP AND WATER.

EYE CONTACT: FLUSH EYES WITH PLENTY OF WATER FOR AT LEAST 15 MINUTES. IF IRRITATION PERSISTS, SEEK MEDICAL ATTENTION.

INGESTION: INGESTION SHOULD NOT CAUSE SIGNIFICANT HEALTH PROBLEMS. IF THIS MATERIAL IS INGESTED, AND IF THE PERSON IS CONSCIOUS, GIVE LARGE QUANTITIES OF WATER TO INDUCE VOMITING. GET MEDICAL ATTENTION.

NOTE TO PHYSICIAN: ALL TREATMENTS SHOULD HE BASED ON OBSERVED SIGNS AND SYMPTOMS OF DISTRESS IN THE PATIENT. CONSIDERATION SHOULD BE GIVEN TO THE POSSIBILITY THAT OVEREXPOSURE TO MATERIALS OTHER THAN TALC MAY HAVE OCCURRED.

SECTION V - FIRE FIGHTING MEASURES:

FLASH POINT: N/A UPPER EXPLOSION LIMIT: N/A LOWER EXPLOSION LIMIT: N/A

AUTO IGNITION TEMPERATURE: N/A

EXTINGUISHING METHOD: MATERIAL IS NON-COMBUSTIBLE. FOLLOW FIRE EXTINGUISHING PROCEDURES FOR SURROUNDING COMBUSTIBLES.

FIRE FIGHTING PROCEDURES: MATERIAL IS NON-COMBUSTIBLE. FOLLOW FIRE FIGHTING PROCEDURES FOR SURROUNDING MATERIALS.

FIRE AND EXPLOSION HAZARDS: MATERIAL IS NON-COMBUSTIBLE AND IS NOT AN EXPLOSION HAZARD. HAZARDOUS COMBUSTION PRODUCTS: NONE KNOWN.

NFPA CODES: HEALTH

FLAMMABILITY 0 REACTIVITY 0

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SECTION VI - ACCIDENTAL RELEASE MEASURES:

CLEAN-UP: PROVIDE ADEQUATE VENTILATION. CLEANUP PERSONNEL SHOULD USE PROTECTIVE EQUIPMENT TO REDUCE EYE CONTACT, INHALATION OF DUST AND PROLONGED SKIN CONTACT. USE VACUUM SUCTION WITH HEPA FILTERS TO CLEAN UP SPILLED MATERIAL. USE WET SWEEPING OR A DUST SUPPRESSANT WHERE SWEEPING IS NECESSARY. PERSONAL SAFETY, HANDLING AND EXPOSURE RECOMMENDATIONS DESCRIBED ELSEWHERE IN THIS DATA SHEET APPLY TO EXPOSURE DURING CLEAN UP OF SPILLED MATERIAL AND MUST BE FOLLOWED.

SECTION VII - HANDLING AND STORAGE:

STORAGE: STORE TO MINIMIZE OR AVOID DUST GENERATION. STORE IN CLEAN, DRY LOCATIONS.

HANDLING: AVOID DAMAGING CONTAINER.

SECTION VIII - EXPOSURE CONTROLS/PERSONAL PROTECTION:

VENTILATION: PROVIDE ADEQUATE EXHAUST VENTILATION TO MEET EXPOSURE LIMIT REQUIREMENTS. AN EXHAUST FILTER SYSTEM MAY BE REQUIRED TO AVOID ENVIRONMENTAL CONTAMINATION.

RESPIRATORY PROTECTION: WHEN ESTABLISHED AIRBORNE EXPOSURE LIMITS ARE SURPASSED, WEAR NIOSH/MSHA APPROVED RESPIRATORY EQUIPMENT FOR DUST. DETERMINE THE APPROPRIATE TYPE EQUIPMENT FOR SPECIFIC APPLICATIONS BY CONSULTING THE RESPIRATOR MANUFACTURER. OBSERVE THE RESPIRATORY USE LIMITATIONS SPECIFIED BY NIOSM/MSHA OR THE MANUFACTURER. IN ADDITION, RESPIRATORY PROTECTION PROGRAMS MUST COMPLY WITH 29CFR1910.134. ENGINEERING OR ADMINISTRATIVE CONTROLS SHOULD BE IMPLEMENTED TO REDUCE EXPOSURE.

HAND PROTECTION: LEATHER OR OTHER IMPERVIOUS GLOVES.

EYE PROTECTION: SAFETY GLASSES EQUIPPED WITH SIDE SHIELDS OR DUST TIGHT GOGGLES.

OTHER PROTECTION: WEAR LONG SLEEVE CLOTHING TO PREVENT SKIN CONTACT.

EXPOSURE LIMITS:

SUBST	ANCE	PEL(mg/cu.r	m.) TLV(mg/cu.m)	REL(mg/cu.m)
SILICA	OSHA	0.10		
	MSHA	0.10		
	ACGIH		0.10	
	NIOSH			0.05
TALC	OSHA	2.0		
	MSHA	2.0		
	ACGIH NIOSH		2.0	2.0

NOTE: PEL - PERMISSIBLE EXPOSUE LIMIT (8HR. TWA)

TLV - THRESHOLD LIMIT VALUE (8HR. TWA)

REL - RECOMMENDED EXPOSURE LIMIT (8HR. TWA)

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SECTION IX - PHYSICAL AND CHEMICAL PROPERTIES

SPECIFIC GRAVITY: 2.7 (APPROX.) **SOLUBILITY IN WATER:** INSOLUBLE

VOLATILES: N/A

APPEARANCE: WHITE POWDER

ODOR: NONE
EVAPORATION RATE: N/A
PRODUCT STATE: SOLID

SECTION X - STABILITY AND REACTIVITY:

INCOMPATIBILITIES: NONE IN DESIGNED USE.

DECOMPOSITION: NONE KNOWN

POLYMERIZATION: HAZARDOUS POLYMERIZATION WILL NOT OCCUR.

CONDITIONS TO AVOID: WATER AND MOISTURE.

STABILITY: STABLE UNDER NORMAL CONDITIONS.

SECTION XI - TOXICOLOGICAL INFORMATION

INHALATION EFFECTS: RAT INHALATION, TC(LO) = 11 mg/cu.m ADMINISTERED INTERMITTENTLY OVER A YEAR

PRODUCES A TOXIC EFFECT.

DERMAL EFFECTS: RAT, IMPLANT, TD(LO) = 200 mg/cu.m HUMAN, SKIN 300 micrograms ADMINISTERED

INTERMITTENTLY OVER A THREE DAY PERIOD PRODUCES MILD IRRITATION.

EYE EFFECTS: NONE KNOWN NONE KNOWN OTHER EFFECTS: NONE KNOWN NONE KNOWN

SECTION XII - ECOLOGICAL INFORMATION:

NO INFORMATION IS CURRENTLY AVAILABLE ON THIS MATERIAL.

SECTION XIII - DISPOSAL CONSIDERATIONS:

WASTE DISPOSAL: IF THIS MATERIAL BECOMES A WASTE, IT DOES NOT MEET THE CRITERIA OF A HAZARDOUS WASTE AS DEFINED UNDER THE RESOURCE CONSERVATION AND RECOVERY ACT (RCRA) 40 CFR 261, SINCE IT DOES NOT HAVE THE CHARACTERISTICS OF SUBPART C, NOR IS IT LISTED UNDER SUBPART D. STATE OR LOCAL HAZARDOUS WASTE REGULATIONS MAY APPLY IF THEY ARE DIFFERENT FROM THE FEDERAL REGULATIONS. THE USER SHOULD BE AWARE THAT COMBINING THIS MATERIAL WITH ANOTHER MAY ALTER THIS CLASSIFICATION.

SECTION XIV - TRANSPORT INFORMATION:

DOT CLASS: NOT REGULATED BY U.S. DEPARTMENT OF TRANSPORTATION OR ANY OTHER KNOWN

TRANSPORTATION AGENCIES.

DOT SHIPPING NAME: TALC

DOT LABEL:NOT REQUIRED.PACKING GROUP:NOT REQUIRED.UN REGISTER:NOT APPLICABLE.

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MATERIAL SAFETY DATA

ADDITIONAL DOT REQUIREMENTS: NONE.

IMO CLASS: NOT APPLICABLE.
IMO LABEL: NOT REQUIRED.

SECTION XV - REGULATORY INFORMATION:

OSHA HAZARD COMMUNICATION STATUS: THIS PRODUCT IS CONSIDERED HAZARDOUS UNDER THE CRITERIA OF THE FEDERAL OSHA HAZARD COMMUNICATION STANDARD 29 CFR 1910.1200.

ASBESTIFORM MINERAL CONTENT: NO ASBESTIFORM MINERALS HAVE BEEN DETECTED IN THIS PRODUCT.

TSCA STATUS: ALL INGREDIENTS IN THIS PRODUCT ARE EITHER NATURALLY OCCURRING AND EXEMPT FROM REPORTING OR ARE INCLUDED IN EPA'S TOXIC SUBSTANCE CONTROL ACT INVENTORY OF CHEMICAL SUBSTANCES.

SARA 311/312 HAZARD CLASS: THIS PRODUCT CONTAINS SUBSTANCES REGULATED UNDER 29 CFR 1910.1200 (OSHA HAZARD COMMUNICATION) AS IMMEDIATE (ACUTE) HEALTH HAZARDS.

TARIFF CLASSIFICATION: TALC 2526.20

"CONEG" MODEL LEGISLATION: THERE ARE NO CADMIUM, NEXAVALENT CHROMIUM, LEAD, OR MERCURY ADDITIVES. THESE PRODUCTS INCIDENTALLY CONTAIN ONLY TRACE AMOUNTS OF THESE MATELS,

FAR BELOW THE 100 PPM THRESHOLD LEVEL.

INTERNATIONAL CHEMICAL LISTS: ACOIN (AUSTRALIA)

MITI (JAPAN) LECS (KOREA) EINECS (EUROPE) DSL (CANADA)

CLEAN AIR ACT COMPONENTS: THIS PRODUCT DOES NOT CONTAIN NOR HAS IT COME INTO CONTACT WITH OZONE DEPLETING CHEMICALS. FURTHERMORE, NO OZONE DEPLETING CHEMICALS WERE USED IN THE MANUFACTURING PROCESS.

WHMIS CLASSIFICATION: CLASS D, DIVISION 2, SUBDIVISION B.

CALIFORNIA PROPOSITION 65: TALC MAY CONTAIN THE FOLLOWING PROPOSITION 65 REGULATED CHEMICALS IN THE FOLLOWING TYPICAL AMOUNTS:

ARSENIC 2 PPM
CADMIUM 2 PPM
CHROMIUM 0.5 PPM
MERCURY 0.5 PPM
LEAD 5 PPM

CRYSTALLINE SILICA 1.0%. MAXIMUM

THESE CHEMICALS ARE PRESENT AS IMPURITIES AND OCCUR AS A RESULT OF THEIR NATURAL PRESENCE IN THE ORE FROM WHICH THE TALC IS PRODUCED.

SECTION XVI - OTHER INFORMATION:

"Although the information and recommendations set forth herein (hereinafter "Information") are presented in good faith and believed to be correct as of the date hereof, Mineral and Pigment Solutions, Inc. makes no representations as to the completeness or accuracy thereof. Information is supplied upon the condition that the persons receiving same will make their own determination as to its suitability for their purposes prior to use. In no event will Mineral and Pigment Solutions, Inc. be responsible for damages of any nature whatsoever resulting from the use of or reliance upon Information.

NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, THAT THE PRODUCTS TO WHICH THE INFORMATION REFERS MAY BE USED WITHOUT INFRINGING THE INTELLECTUAL PROPERTY RIGHTS OF OTHERS, OR OF ANY OTHER NATURE ARE MADE HEREUNDER WITH RESPECT TO INFORMATION OR THE PRODUCT TO WHICH INFORMATION REFERS. IN

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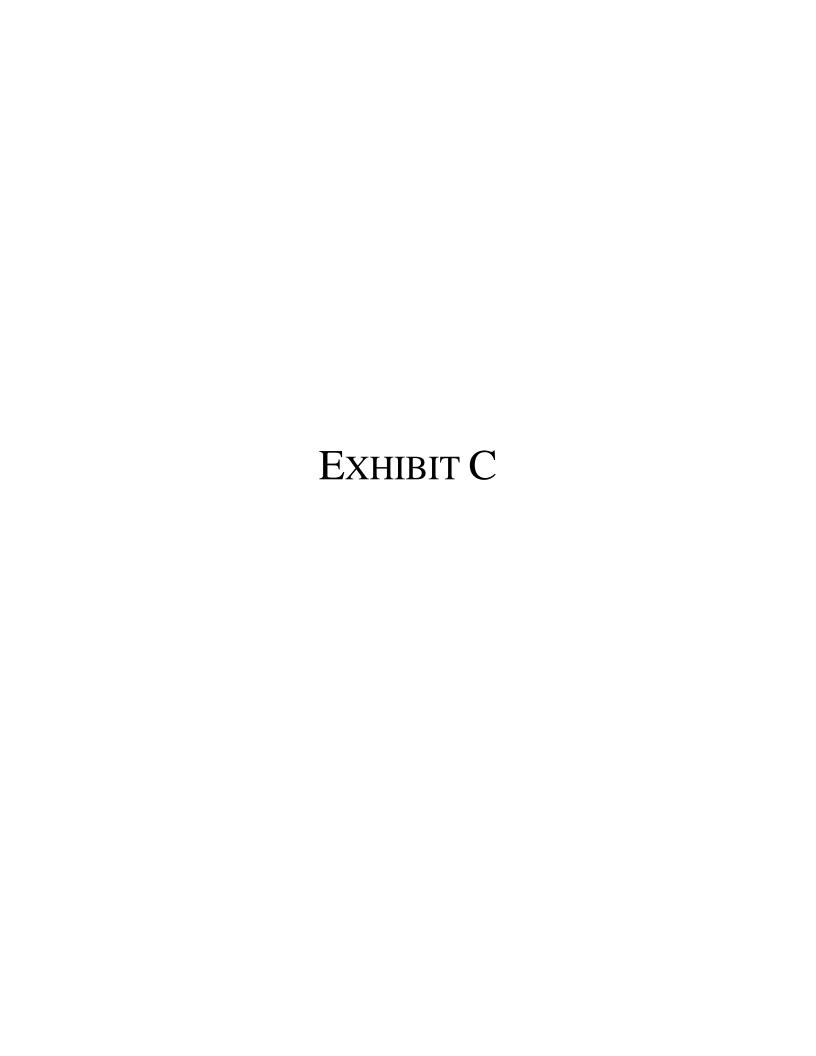
MATERIAL SAFETY DATA

NO CASE SHALL THE INFORMATION BE CONSIDERED A PART OF OUR TERMS AND CONDITIONS OF SALE."

Issued: 4/01 Supercedes: 12/99

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The opportunity – 2007 focus areas message to make powder relevant again, high-propensity consumers of powder with the right The right place

The right time

Focus on summer usage When it is hot and humid

areas with hot weather,

geographical

AA population

and higher

Under developed

- 1. Fitness Conscious
- 2. Overweight

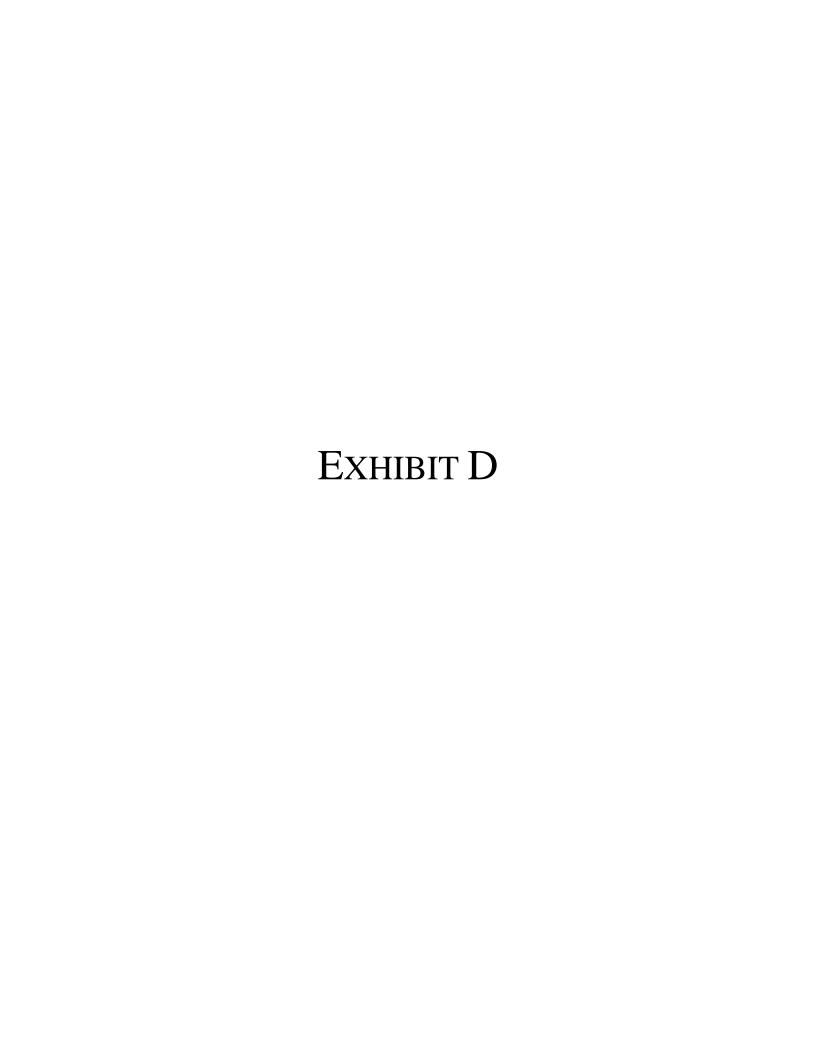
Drive trial

Among high propensity consumers pre-disposed towards benefits of powder

3. African-American

Identify the right message

The right message





The company sought for decades to shore up weakening sales of its iconic talc with ads aimed at specific types of women – many of the same types who today are among those alleging in thousands of lawsuits that J&J powder caused their cancers.

By <u>CHRIS KIRKHAM</u> and <u>LISA GIRION</u> Filed April 9, 2019, 1 p.m. GMT

LOS ANGELES - Pressure was mounting on Johnson & Johnson and its signature Baby Powder.

In 2006, an arm of the World Health Organization began classifying cosmetic talc such as Baby Powder as "possibly carcinogenic" when women used it as a genital antiperspirant and deodorant, as many had been doing for years. Talc supplier Luzenac America Inc started including that information on its shipments to J&J and other customers.

J&J, meanwhile, looked for ways to sell more Baby Powder to two key groups of longtime users: African-American and overweight women. The "right place" to focus, according to a 2006 internal J&J marketing presentation, was "under developed geographical areas with hot weather, and higher AA population," the "AA" referring to African-Americans.

"Powder is still considered a relevant product among AA consumers," the presentation said. "This could be an opportunity."



HOUSEHOLD STAPLE: Krystal Kim says she put Baby Powder "everywhere" after showering when she was growing up. She is among 22 plaintiffs to whom a St. Louis jury awarded \$4.69 billion last year in a lawsuit alleging J&J talc caused their ovarian cancer. REUTERS/Mark Makela

In the following years, J&J turned those proposals into action, internal company documents show. It distributed Baby Powder samples through churches and beauty salons in African-American and Hispanic neighborhoods, ran digital and print promotions with weight-loss and wellness company Weight Watchers and launched a \$300,000 radio advertising campaign in a half-dozen markets aiming to reach "curvy Southern women 18-49 skewing African American."

These are only some of the more recent examples of J&J's decades-long efforts to offset declining Baby Powder sales amid rising concern about the health effects of talc, based on a Reuters review of years of J&J print, radio and digital advertising campaigns and thousands of pages of internal marketing documents and email correspondence.

Adults have been the main users of Johnson's Baby Powder since at least the 1970s, after pediatricians started warning of the danger to infants of inhaling talc. As adults became ever more crucial to the brand – accounting for 91 percent of Baby Powder use by the mid-2000s – J&J honed its powder pitches to court a variety of targeted markets, from teen-focused ads touting the product's "fresh and natural" qualities, to promotions aimed at older minority and overweight women.

Today, women who fall into those categories make up a large number of the 13,000 plaintiffs alleging that J&J's Baby Powder and Shower to Shower, a powder brand the company sold off in 2012, caused their ovarian cancer or mesothelioma.

Many of the ovarian cancer lawsuits have blamed the disease on perineal use of J&J cosmetic talcs – a claim supported by some studies showing an association between such use and increased cancer risk. The most recent cases have alleged that J&J's talc products contained asbestos, long a known carcinogen.

In <u>an investigation published Dec. 14</u>, Reuters revealed that J&J knew for decades that small amounts of asbestos had occasionally been found in its raw talc and in Baby Powder and Shower to Shower, based on test results from the early 1970s to the early 2000s – information it did not disclose to regulators or the public.

J&J challenged the findings of the Reuters report, describing them as inaccurate and misleading.

Krystal Kim, a 53-year-old African-American, was one of 22 plaintiffs whose case in St. Louis resulted in a jury verdict last summer of \$4.69 billion against J&J. Kim said Baby Powder and Shower to Shower were household staples among her family and friends when she was growing up in New Jersey. Kim played baseball as a teenager, she said, and her mother told her to apply Baby Powder to avoid being "the stinky girl."

RELATED CONTENT



J&J knew for decades that asbestos lurked in its Baby Powder



After damaging Reuters report, J&J doubles down on talc safety message

"Every time I took a shower, I put Baby Powder on," recalled Kim, whose ovarian cancer, first diagnosed in 2014, is now in remission. "I put it on my panties, on my clothes, everywhere."

J&J is appealing the St. Louis verdict. The company did not respond to requests for an interview with Chief Executive Officer Alex Gorsky or any other executive to discuss the company's marketing of cosmetic powders.

In an emailed response to questions from Reuters, J&J said its Baby Powder is safe and asbestos-free. It noted that the company's marketing over the years has been directed at many demographics and groups, and that "we're proud pioneers of the

practice of multicultural marketing." It also pointed out that some Baby Powder ads have featured the cornstarch version of Baby Powder, the safety of which isn't questioned.

Reports by Bloomberg News, the New York Times and the Post and Courier of Charleston, South Carolina, have cited some internal J&J documents revealing the company's focus on African-American and overweight women at certain times. But the full timeline and scale of the marketing efforts, particularly those aimed at teenage girls, in minority communities and through organizations such as Weight Watchers, are reported here for the first time.

Most businesses know the demographic profiles of those who buy their products and, as a matter of course, direct their marketing at those groups. Some – fast-food companies and soft-drink makers, for example – have courted minority customers to increase sales among heavy users at times of growing public concern about the possible health effects of their products.

In a lawsuit filed in Mississippi state court in 2014, Mississippi Attorney General Jim Hood alleges that J&J failed to warn consumers of the risks associated with its talc products and accuses the company of implementing a "racially targeted strategy" for selling Baby Powder after J&J became aware of health concerns. The company focused its marketing on "minority communities expected to be more likely to use the talc products," Hood claims in the lawsuit.



STATE ACTION: Jim Hood, attorney general for Mississippi, accuses J&J in a lawsuit filed in 2014 of implementing a "racially targeted strategy" for selling Baby Powder while knowing of the safety concerns about the product. REUTERS/Kyle Carter/Files

J&J denied the allegations and last year filed a motion for summary judgment in the suit, arguing that the case involved matters of federal law, beyond the state's purview. A judge in December denied J&J's motion, a move the company has appealed. The case is scheduled for trial later this year.

In its response to Reuters' questions, J&J said: "Suggesting that Johnson & Johnson targeted a particular group with a potentially harmful product is incredibly offensive and patently false."

"Deep, personal trust"

Sold continuously since 1894, Johnson's Baby Powder accounted for less than 1 percent of J&J's \$81.6 billion in revenue last year, but it is deemed critical to the company's family-friendly image. An internal J&J marketing presentation from 1999 refers to the baby products division, with Baby Powder at the core, as J&J's "#1 Asset," grounded in "deep, personal trust."

Beginning in the 1950s, however, a series of case studies published in medical journals pointed to the dangers of breathing in talc. Pediatricians took notice. By the late 1950s, a third of them were recommending cornstarch or oil to treat diaper rash and chafing "because there is no dangerous dust" in them, according to an internal J&J report.

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By 1974, more than 60 percent of Johnson's Baby Powder sales were "attributable to adults" who used it on themselves, according to a J&J analysis.

Losing the connection to the product's namesake – babies – left J&J eager to cultivate other markets.

Beginning in the 1970s, J&J ran ads clearly intended to woo young women, in addition to its traditional marketing aimed at families with babies. "You start being sexy when you stop trying," was the line from an ad that appeared in Seventeen magazine in 1972. The photo shows a young woman stroking a young man's curly blond hair.

"It's a feeling you never outgrow," is how an ad in Family Circle magazine from the mid-1980s put it, with a photo of a bottle of Baby Powder next to a teddy bear alongside the mirrored reflection of a young woman.





NOT JUST BABIES: In the 1970s, as adults became the main users of Baby Powder, J&J courted young women with ads like these that appeared in Seventeen magazine in 1972.

In 1989, advertising firm Young & Rubicam submitted a plan to J&J to "initiate a high level of usage" among young women to "augment the weakening baby link." Under the plan, ads in style magazines like Seventeen, YM, Glamour and Mademoiselle would try to convince teen girls that Johnson's Baby Powder, "applied daily after showering, is a simple, feminine way to smell clean and fresh during the day." Young & Rubicam, now known as VMLY&R, declined to comment on the document and referred questions to J&J.

Baby Powder sales continued to fall throughout the 1980s and early 1990s. Since health professionals had already recommended against using talc on infants, a 1986 internal report warned, a "last straw" safety concern could lead consumers to abandon the product altogether.

As early as 1992, the company keyed in on the sales potential with minority women. A J&J memo that year mentions "high usage" rates for Baby Powder of 52 percent among African-Americans and 37.6 percent among Hispanic customers – and notes that women of both ethnicities use the product more than the general population.

The memo suggests investigating "ethnic (African American/Hispanic) opportunities to grow the franchise," while referring to "negative publicity from the health community on talc," including "inhalation, dust, negative doctor endorsement, cancer linkage." Portions of that memo were cited in reports from Bloomberg and the New York Times.

"Powder is still considered a relevant product among AA consumers. This could be an opportunity."

Internal J&J marketing presentation

By 2006, the company was recognizing that "consumers do not see a need for powder," according to a sales presentation that year. Baby Powder shipments had been "stagnating" in recent years, the presentation said, and it was essential to "find a new business model" that "strategically and efficiently targets high propensity consumers."

Those groups, according to the presentation: African-Americans, nearly 60 percent of whom used Baby Powder by this time, compared to about 30 percent for the overall population; overweight people; and fitness-conscious people looking to lose weight.

It was also in 2006 that the International Agency for Research on Cancer (IARC), an arm of the World Health Organization, classified perineal use of talc as "possibly carcinogenic," saying available research provided "limited evidence" it caused cancer in humans. That came about 20 years after IARC classified "talc containing asbestiform fibres" as "carcinogenic to humans," its highest-risk classification.

After the IARC's 2006 move, talc supplier Luzenac America started including a note about the agency's latest classification on a chemical safety document accompanying shipments to all customers, including J&J. Under a heading that reads "carcinogenic status," the document says IARC "has concluded that perineal use of talc-based body powder is possibly carcinogenic to humans."

In a deposition for one of the ovarian cancer cases tried in St. Louis, a Luzenac America executive, Shripal Sharma, said the company felt it was important to add what he referred to as a warning to the safety document. Asked whether Luzenac knew that J&J did not pass on this warning, Sharma said: "It is not our job to tell our customers what to do with their products."

In a statement to Reuters, Imerys Talc America Inc, as Luzenac is now known, said: "Talc's safe use has been confirmed by multiple regulatory and scientific bodies," echoing J&J's response.

Through an Imerys spokeswoman, Sharma declined to comment.



CORE CUSTOMERS: J&J's marketing of Baby Powder through ads like this from the early 1980s reflect the historically strong popularity of the product among African-Americans.

Two years after the IARC classification, J&J sought proposals for an "African American agency" to develop marketing campaigns for the company's baby products line. A 2008 document sent to prospective agencies summed up the situation: "Johnson's Baby Oil and Baby Powder products, while traditionally used only on babies, are today primarily consumed by adult AA women for use on themselves." One way to reverse the brand's decline, it said, was by "speaking to AA consumers with a more relevant message with the most effective media vehicles."

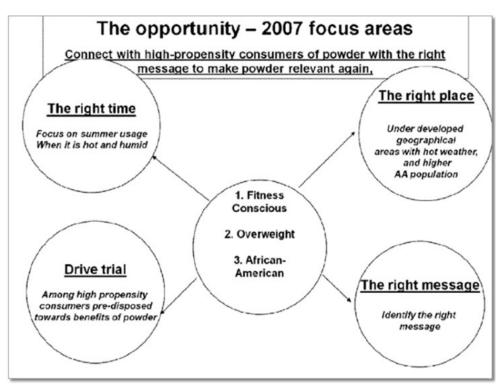
"Ethnic consumers"

That year, the company contracted with a North Carolina marketing firm, Segmented Marketing Services Inc, which says it specializes in targeted promotions to "ethnic consumers." The firm would distribute 100,000 gift bags containing Baby Powder and other Johnson's baby products in African-American and Hispanic neighborhoods in Chicago, according to a contract with J&J.

Run by African-Americans who had been executives at Procter & Gamble Co and Quaker Oats, Segmented Marketing Services has said in past press releases and its own marketing publications that it hands out millions of free product samples and promotional offers through national networks of more than 10,000 African-American and Hispanic churches, and tens of thousands of "beauty salons, barber shops, entertainment venues and healthcare networks."

The company published an advertorial in 2008 prepared for distribution with Johnson's baby products in which the firm's founders, Sandra Miller Jones and Lafayette Jones, said they "welcome" J&J as a partner.

"When caring rituals started in infancy continue through adulthood, a person's self-confidence and even faith in the world are often strengthened," the pamphlet said. "Whether in the gym, at work, at church or at the beach, Johnson's Baby Powder helps grown-ups feel more comfortable in their own skin." It came with a coupon for \$1 off Baby Powder.



THE RIGHT STUFF: An internal J&J marketing presentation suggests that Baby Powder marketing focus on African-Americans in hot climates.

Lafayette Jones and Sandra Miller Jones did not respond to calls, emails and LinkedIn messages seeking comment.

J&J also launched campaigns to boost sales of Baby Powder to "curvy Southern women" and athletic adults who want to smell fresh, according to company documents. It advertised in Weight Watchers magazine and offered promotions

through the Lane Bryant clothing chain for plus-size women and Curves, a women's fitness and weight-loss franchise. Marketing plans also included ads to run in Southern Living magazine and during the Style Network show "Ruby," a reality TV series that documented an obese Georgia woman on a mission to lose weight.

A 2009 presentation laying out the "Powder media plan" highlights that it will reach 31 million people "in the South (hot climates/overweight states)," and that "43% of our plan will focus on the top 10 overweight states in the nation."

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Weight Watchers, now known officially as WW International Inc, declined to comment on the campaign. Lee & Interpublic Group of Companies Inc, which owns the former Lowe New York, didn't respond to requests for comment.



GOING REGIONAL: Ads like these in Weight Watchers magazine were part of a campaign a decade ago in which J&J targeted "curvy Southern women."

The Weight Watchers campaign was successful, according to a 2009 internal J&J recap, which showed that sales of Baby Powder at Wal-Mart shot up as much as 9 percent during the summer months when the ads ran from the same months a year earlier, reversing a decline.

J&J's overall Baby Powder media advertising budget increased to a proposed \$495,000 for 2010, up 71 percent from \$288,000 in 2009, driven by more dedicated spending toward promotions for overweight women.

The company in 2010 launched a radio campaign in the South targeting "Curvy Southern Women 18–49 Skewing African American." A presentation from TMPG, a marketing agency that handles promotions with radio DJs, said the campaign made more than 18 million impressions on the target audience through ads and promotions on "urban adult contemporary" radio stations in Southern markets, including Dallas; Atlanta; Nashville; Mobile, Alabama; and Jackson, Mississippi.

The presentation slides feature some photos of plus-size African-American women holding Baby Powder samples at "targeted station events" that also included spa giveaways and "Baby Powder Stay Cool Cash." TMPG did not respond to requests for comment.

In a 2010 email, Debra DeStasio, a J&J promotions and marketing manager who oversaw the baby products line at the time, gave the green light to two proposed radio stations for the campaign in Dallas, saying "we are good with those general market stations that have good Hispanic reach and good AA reach." In another 2010 email, she said the DJs will be the Baby Powder "brand ambassadors," charged with "communicating our message, encouraging listeners to call in to talk about how they use Baby Powder and driving to retail where appropriate."



PUBLIC OUTREACH: J&J promoted Baby Powder with coupons and other giveaways at radio-station events as part of a 2010 campaign to reach "Curvy Southern Women 18-49 Skewing African American," as shown in this presentation slide from marketing agency TMPG.

All the radio promotions would be "based on the weather," she wrote. "If it's hot and humid, we'll run that week. If it's rainy or colder, we won't."

DeStasio, who now works as a promotions and marketing manager at Bristol-Myers Squibb Co, did not respond to requests for comment.

J&J's spending on Baby Powder promotions – coupons, discounts, and samples – came to about \$1.2 million in 2008 and again in 2010, almost half of it directed at overweight and minority women. By 2011, the company cut back its promotional spending to \$752,000, mostly aimed at the general consumer market.

In 2013, a jury found J&J negligent in the first case ever to claim that regular use of Baby Powder for feminine hygiene caused ovarian cancer. The jury didn't award monetary damages, but the verdict spawned a cascade of similar lawsuits.

Of the eight ovarian cancer cases that have gone to trial so far, four have resulted in verdicts for plaintiffs and one for the company. Three other verdicts against J&J were overturned on appeal.

In 12 trials of cases claiming that asbestos in talc caused plaintiffs' mesothelioma, J&J was cleared of liability in five, and plaintiffs won three, resulting in a total of \$172 million in damages. Four others resulted in hung juries and mistrials.

J&J is appealing all the verdicts against it.

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Meanwhile, J&J has pulled back from marketing specifically to minority and overweight women. A 2015 presentation makes no mention of minorities, suggesting the brand "target adults, with a focus on men."

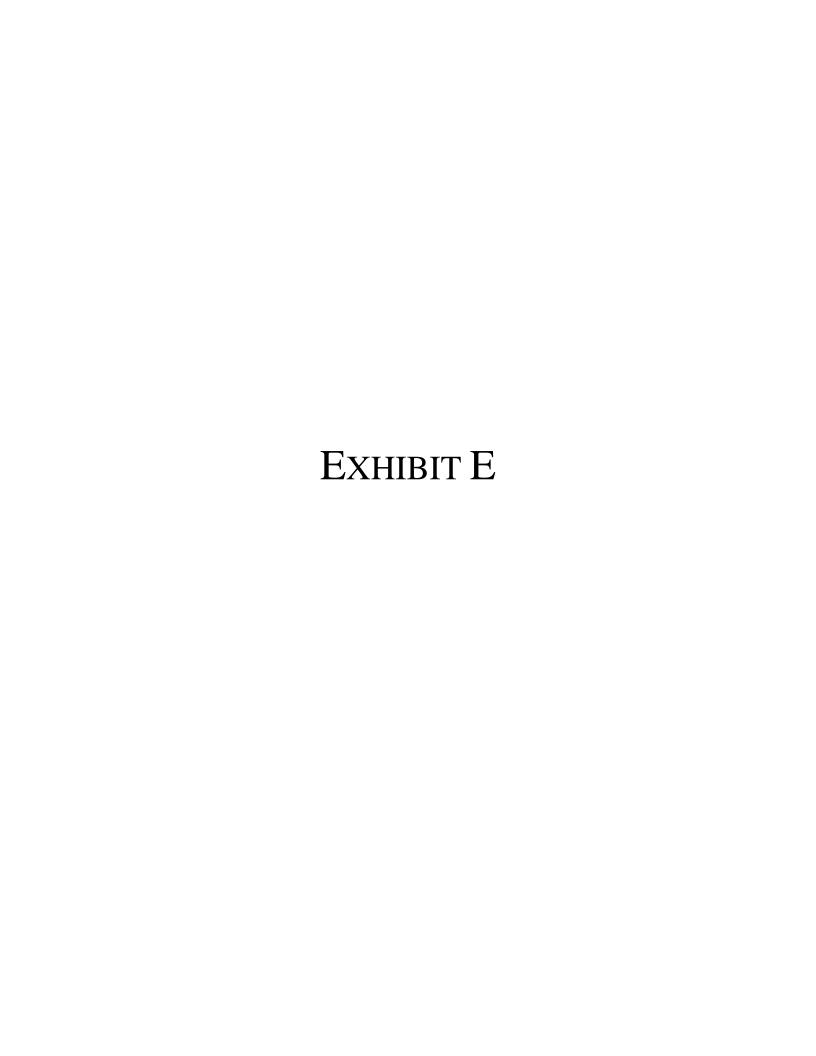
Plaintiffs' lawyers and other advocates have become more vocal in criticizing the targeted marketing campaigns. In its most recent newsletter, the National Council of Negro Women, a women's leadership group with about 30,000 members, drew attention to the issue with an essay penned by civil-rights lawyer Ben Crump, who is representing some Baby Powder plaintiffs.

In an interview, Janice Mathis, the council's executive director, said: "Lots of products target African-Americans. That's marketing 101: Go where our customers are. What has me disturbed about this is that you didn't give any caveat to the customers, once you knew there was a possibility there was some danger."

Powder Keg

By Chris Kirkham and Lisa Girion
Photo editing: Steve McKinley
Design: Pete Hausler
Edited by Vanessa O'Connell and John Blanton







Business

Johnson & Johnson marketed baby powder to people of colour even after safety concerns mounted

Company also targeted overweight women with their product, internal documents suggest

Thomson Reuters · Posted: Apr 10, 2019 11:44 AM ET | Last Updated: April 10, 2019



Krystal Kim says she put Baby Powder "everywhere" after showering when she was growing up. She is among 22 plaintiffs to whom a St. Louis jury awarded \$4.69 billion last year in a lawsuit alleging J&J talc caused their ovarian cancer (Mark Makela/Reuters)

Pressure was mounting on Johnson & Johnson and its signature Baby Powder.

In 2006, an arm of the World Health Organization began classifying cosmetic talc such as Baby Powder as possibly carcinogenic when women used it as a genital antiperspirant and deodorant, as many had been doing for years. Talc supplier Luzenac America Inc started including that information on its shipments to J&J and other customers.

J&J, meanwhile, looked for ways to sell more Baby Powder to two key groups of longtime users: African-American and overweight women. The "right place" to focus, according to a 2006 internal J&J marketing presentation, was "under developed geographical areas with hot weather, and higher AA population," referring to African-Americans.

"Powder is still considered a relevant product among AA consumers," the presentation said. "This could be an opportunity."

• Johnson & Johnson ordered to pay \$55M to family in cancer-talcum powder case

In the following years, J&J turned those proposals into action, internal company documents show. It distributed Baby Powder samples through churches and beauty salons in African-American and Hispanic neighborhoods, ran digital and print promotions with weight-loss and wellness company Weight Watchers and launched a \$300,000 US radio advertising campaign in a half-dozen markets aiming to reach "curvy Southern women 18-49 skewing African American."

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Today, women who fall into those categories make up a large number of the 13,000 plaintiffs alleging that J&J's Baby Powder and Shower to Shower, a powder brand the company sold off in 2012, caused their ovarian cancer or mesothelioma.

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Krystal Kim, a 53-year-old African-American, was one of 22 plaintiffs whose case in St. Louis resulted in a jury verdict last summer of \$4.69 billion against J&J. Kim said Baby Powder and Shower to Shower were household staples among her family and friends when she was growing up in New Jersey. Kim played baseball as a teenager, she said, and her mother told her to apply Baby Powder to avoid being "the stinky girl."

"Every time I took a shower, I put Baby Powder on," recalled Kim, whose ovarian cancer, first diagnosed in 2014, is now in remission. "I put it on my panties, on my clothes, everywhere."

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"Deep, personal trust"

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Beginning in the 1950s, however, a series of case studies published in medical journals pointed to the dangers of breathing in talc. Pediatricians took notice. By the late 1950s, a third of them were recommending cornstarch or oil to treat diaper rash and chafing "because there is no dangerous dust" in them, according to an internal J&J report.

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Baby Powder sales continued to fall throughout the 1980s and early 1990s. Since health professionals had already recommended against using talc on infants, a 1986 internal report warned, a "last straw" safety concern could lead consumers to abandon the product altogether.



Health care giant Johnson & Johnson has been found liable for billions in damages in various talcum powder related lawsuits. (Christian Gooden/St. Louis Post-Dispatch via AP)

As early as 1992, the company keyed in on the sales potential with minority women. A J&J memo that year mentions "high usage" rates for Baby Powder of 52 percent among African-Americans and 37.6 percent among Hispanic customers – and notes that women of both ethnicities use the product more than the general population.

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The Canadian government says breathing in talcum powder could lead to potentially serious respiratory effects, while exposure in the vaginal area may be associated with ovarian cancer. (Matt Rourke/Associated Press)

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Lafayette Jones and Sandra Miller Jones did not respond to calls, emails and LinkedIn messages seeking comment.

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Weight Watchers, now known officially as WW International Inc, declined to comment on the campaign. Lee & Interpublic Group of Companies Inc, which owns the former Lowe New York, didn't respond to requests for comment.

The Weight Watchers campaign was successful, according to a 2009 internal J&J recap, which showed that sales of Baby Powder at Wal-Mart shot up as much as 9 percent during the summer months when the ads ran from the same months a year earlier, reversing a decline.

J&J's overall Baby Powder media advertising budget increased to a proposed \$495,000 for 2010, up 71 percent from \$288,000 in 2009, driven by more dedicated spending toward promotions for overweight women.

The company in 2010 launched a radio campaign in the South targeting "Curvy Southern Women 18-49 Skewing African American." A presentation from TMPG, a marketing agency

that handles promotions with radio DJs, said the campaign made more than 18 million impressions on the target audience through ads and promotions on "urban adult contemporary" radio stations in Southern markets, including Dallas; Atlanta; Nashville; Mobile, Alabama; and Jackson, Mississippi.

The presentation slides feature some photos of plus-size African-American women holding Baby Powder samples at "targeted station events" that also included spa giveaways and "Baby Powder Stay Cool Cash." TMPG did not respond to requests for comment.

In a 2010 email, Debra DeStasio, a J&J promotions and marketing manager who oversaw the baby products line at the time, gave the green light to two proposed radio stations for the campaign in Dallas, saying "we are good with those general market stations that have good Hispanic reach and good AA reach." In another 2010 email, she said the DJs will be the Baby Powder "brand ambassadors," charged with "communicating our message, encouraging listeners to call in to talk about how they use Baby Powder and driving to retail where appropriate."

All the radio promotions would be "based on the weather," she wrote. "If it's hot and humid, we'll run that week. If it's rainy or colder, we won't."

DeStasio, who now works as a promotions and marketing manager at Bristol-Myers Squibb Co, did not respond to requests for comment.

J&J's spending on Baby Powder promotions – coupons, discounts, and samples – came to about \$1.2 million in 2008 and again in 2010, almost half of it directed at overweight and minority women. By 2011, the company cut back its promotional spending to \$752,000, mostly aimed at the general consumer market.

In 2013, a jury found J&J negligent in the first case ever to claim that regular use of Baby Powder for feminine hygiene caused ovarian cancer. The jury didn't award monetary damages, but the verdict spawned a cascade of similar lawsuits.

Of the eight ovarian cancer cases that have gone to trial so far, four have resulted in verdicts for plaintiffs and one for the company. Three other verdicts against J&J were overturned on appeal.

In 12 trials of cases claiming that asbestos in talc caused plaintiffs' mesothelioma, J&J was cleared of liability in five, and plaintiffs won three, resulting in a total of \$172 million in damages. Four others resulted in hung juries and mistrials.

• Talcum powder could pose danger to lungs and ovaries, Health Canada warns

J&J is appealing all the verdicts against it.

Meanwhile, J&J has pulled back from marketing specifically to minority and overweight women. A 2015 presentation makes no mention of minorities, suggesting the brand "target adults, with a focus on men."

Plaintiffs' lawyers and other advocates have become more vocal in criticizing the targeted marketing campaigns. In its most recent newsletter, the National Council of Negro Women, a women's leadership group with about 30,000 members, drew attention to the issue with an essay penned by civil-rights lawyer Ben Crump, who is representing some Baby Powder plaintiffs.

In an interview, Janice Mathis, the council's executive director, said: "Lots of products target African-Americans. That's marketing 101: Go where our customers are. What has me disturbed about this is that you didn't give any caveat to the customers, once you knew there was a possibility there was some danger."

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