Electronically FILED by Superior Court of California, County of Los Angeles on 05/07/2020 11:57 PM Sherri R. Carter, Executive Officer/Clerk of Court, by C. Monroe, Deputy Clerk 20STCV17548 Assigned for all purposes to: Stanley Mosk Courthouse, Judicial Officer: Teresa Beaudet

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CASE NO. 20STCV17548

COMPLAINT FOR PENALTY AND **INJUNCTION**

Violation of Proposition 65, the Safe Drinking Water and Toxic Enforcement Act of 1986 (Health & Safety Code, § 25249.5, et seq.)

ACTION IS AN UNLIMITED CIVIL CASE (exceeds \$25,000)

CONSUMER ADVOCACY GROUP, INC.,

15 H MART, INC. a Delaware Corporation;

Limited Liability Company;

H MART COMPANIES, INC., a New York Corporation;

Defendants.

MAN JUN USA, INC., a California 18

Corporation 19

and DOES 1-20.

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COMPLAINT FOR VIOLATION OF PROPOSITION 65. THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (HEALTH AND SAFETY CODE § 25249.5, ET SEQ.)

Plaintiff CONSUMER ADVOCACY GROUP, INC. alleges two causes of action against defendants H MART, INC.; H MART TORRANCE, LLC; H MART COMPANIES, INC.; MAN JUN USA, INC. and DOES 1-20 as follows:

THE PARTIES

- 1. Plaintiff CONSUMER ADVOCACY GROUP, INC. ("Plaintiff" or "CAG") is an organization qualified to do business in the State of California. CAG is a person within the meaning of Health and Safety Code Section 25249.11, subdivision (a). CAG, acting as a private attorney general, brings this action in the public interest as defined under Health and Safety Code Section 25249.7, subdivision (d).
- 2. Defendant H MART, INC. ("H MART") is a Delaware Corporation doing business in the State of California at all relevant times herein.
- 3. Defendant H MART TORRANCE, LLC ("H MART TORRANCE") is a California Limited Liability Company, authorized to do business in California and doing business in the State of California at all relevant times herein.
- 4. Defendant H MART COMPANIES, INC. ("H MART COMPANIES") is a New York Corporation, doing business in the State of California at all relevant times herein.
- 5. Defendant MAN JUN USA, INC. ("MAN JUN") is a California Corporation, authorized to do business in California and doing business in the State of California at all relevant times herein.
- 6. Plaintiff is presently unaware of the true names and capacities of defendants DOES 1-20, and therefore sues these defendants by such fictitious names. Plaintiff will amend this Complaint to allege their true names and capacities when ascertained. Plaintiff is informed, believes, and thereon alleges that each fictitiously named defendant is responsible in some manner for the occurrences herein alleged and the damages caused thereby.
- 7. At all times mentioned herein, the term "Defendants" includes H MART, H MART TORRANCE, H MART COMPANIES, MAN JUN, and DOES 1-20.

- 8. Plaintiff is informed and believes, and thereon alleges that each of the Defendants at all times mentioned herein have conducted business within the State of California.
- 9. Upon information and belief, at all times relevant to this action, the Defendants, including DOES 1-20, was an agent, servant, or employee of each of the other Defendant. In conducting the activities alleged in this Complaint, each of the Defendants was acting within the course and scope of this agency, service, or employment, and was acting with the consent, permission, and authorization of each of the other Defendants. All actions of each of the Defendants alleged in this Complaint were ratified and approved by every other Defendant or their officers or managing agents. Alternatively, each of the Defendants aided, conspired with and/or facilitated the alleged wrongful conduct of each of the other Defendants.
- 10. Plaintiff is informed, believes, and thereon alleges that at all relevant times, the Defendant was a person doing business within the meaning of Health and Safety Code Section 25249.11, subdivision (b), and that each of the Defendants had ten (10) or more employees at all relevant times.

JURISDICTION

- 11. The Court has jurisdiction over this lawsuit 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. This Court has jurisdiction over this action pursuant to Health and Safety Code Section 25249.7, which allows enforcement of violations of Proposition 65 in any Court of competent jurisdiction.
- 12. This Court has jurisdiction over Defendants named herein because Defendants either reside or are located in this State or are foreign corporations authorized to do business in California, are registered with the California Secretary of State, or who do sufficient business in California, have sufficient minimum contacts with California, or otherwise intentionally avail themselves of the markets within California through their manufacture, distribution, promotion, marketing, or sale of their products within

- California to render the exercise of jurisdiction by the California courts permissible under traditional notions of fair play and substantial justice.
- 13. Venue is proper in the County of Los Angeles because one or more of the instances of wrongful conduct occurred, and continues to occur, in the County of Los Angeles and/or because Defendants conducted, and continue to conduct, business in the County of Los Angeles with respect to the consumer product that is the subject of this action.

BACKGROUND AND PRELIMINARY FACTS

- 14. In 1986, California voters approved an initiative to address growing concerns about exposure to toxic chemicals and declared their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." Ballot Pamp., Proposed Law, Gen. Elec. (Nov. 4, 1986) at p. 3. The initiative, The Safe Drinking Water and Toxic Enforcement Act of 1986, codified at Health and Safety Code Sections 25249.5, et seq. ("Proposition 65"), helps to protect California's drinking water sources from contamination, to allow consumers to make informed choices about the products they buy, and to enable persons to protect themselves from toxic chemicals as they see fit.
- 15. Proposition 65 requires the Governor of California to publish a list of chemicals known to the state to cause cancer, birth defects, or other reproductive harm. *Health & Safety Code* § 25249.8. The list, which the Governor updates at least once a year, contains over 700 chemicals and chemical families. Proposition 65 imposes warning requirements and other controls that apply to Proposition 65-listed chemicals.
- 16. All businesses with ten (10) or more employees that operate or sell products in California must comply with Proposition 65. Under Proposition 65, businesses are: (1) prohibited from knowingly discharging Proposition 65-listed chemicals into sources of drinking water (*Health & Safety Code* § 25249.5), and (2) required to provide "clear and reasonable" warnings before exposing a person, knowingly and intentionally, to a Proposition 65-listed chemical (*Health & Safety Code* § 25249.6).

- 18. Plaintiff identified certain practices of manufacturers and distributors of Dried Seaweed of exposing, knowingly and intentionally, persons in California to Cadmium and Cadmium Compounds ("Cadmium") and Lead and Lead Compounds ("Lead") in such products without first providing clear and reasonable warnings of such to the exposed persons prior to the time of exposure. Plaintiff later discerned that Defendants engaged in such practice.
- 19. On October 1, 1987, the Governor of California added Cadmium to the list of chemicals known to the State to cause cancer (*Cal. Code Regs.* tit. 27, § 27001(b)). Pursuant to Health and Safety Code Sections 25249.9 and 25249.10, twenty (20) months after addition of Cadmium to the list of chemicals known to the State to cause cancer, Cadmium became fully subject to Proposition 65 warning requirements and discharge prohibitions.
- 20. On May 1, 1997, the Governor of California added Cadmium to the list of chemicals known to the State to cause developmental and male reproductive toxicity (*Cal. Code Regs.* tit. 27, § 27001(c)). Cadmium is known to the State to cause developmental, female, and male reproductive toxicity. Pursuant to Health and Safety Code Sections 25249.9 and 25249.10, twenty (20) months after addition of Cadmium to the list of chemicals known to the State to cause reproductive toxicity, Cadmium became fully subject to Proposition 65 warning requirements and discharge prohibitions.
- 21. On October 1, 1992, the Governor of California added Lead to the list of chemicals known to the State to cause cancer (*Cal. Code Regs.* tit. 27, § 27001(b)). Pursuant to

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Health and Safety Code Sections 25249.9 and 25249.10, twenty (20) months after addition of Lead to the list of chemicals known to the State to cause cancer, Lead became fully subject to Proposition 65 warning requirements and discharge prohibitions.

22. On February 27, 1987, the Governor of California added Lead to the list of chemicals known to the State to cause developmental and male reproductive toxicity (*Cal. Code Regs.* tit. 27, § 27001(c)). Lead is known to the State to cause developmental, female, and male reproductive toxicity. Pursuant to Health and Safety Code Sections 25249.9 and 25249.10, twenty (20) months after addition of Lead to the list of chemicals known to the State to cause reproductive toxicity, Lead became fully subject to Proposition 65 warning requirements and discharge prohibitions.

SATISFACTION OF PRIOR NOTICE

- 23. On or about October 11, 2019 Plaintiff gave notice of alleged violations of Health and Safety Code Section 25249.6, concerning consumer products exposures, subject to a private action to H MART, H MART TORRANCE, H MART COMPANIES, MAN JUN and to the California Attorney General, County District Attorneys, and City Attorneys for each city containing a population of at least 750,000 people in whose jurisdictions the violations allegedly occurred, concerning the Dried Laver
- 24. Before sending the notice of alleged violations, Plaintiff investigated the consumer products involved, the likelihood that such products would cause users to suffer significant exposures to Cadmium and Lead, and the corporate structure of each of the Defendants.
- 25. Plaintiff's notice of alleged violation included a Certificate of Merit executed by the attorney for the noticing party, CAG. The Certificate of Merit stated that the attorney for Plaintiff who executed the certificate had consulted with at least one person with relevant and appropriate expertise who reviewed data regarding the exposures to Cadmium, the subject Proposition 65-listed chemical of this action. Based on that

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*An Independent Association of Law Corporations information, the attorney for Plaintiff who executed the Certificate of Merit believed there was a reasonable and meritorious case for this private action. The attorney for Plaintiff attached to the Certificate of Merit served on the Attorney General the confidential factual information sufficient to establish the basis of the Certificate of Merit.

- 26. Plaintiff's notice of alleged violations also included a Certificate of Service and a document entitled "The Safe Drinking Water & Toxic Enforcement Act of 1986 (Proposition 65) A Summary." *Health & Safety Code* § 25249.7(d).
- 27. Plaintiff is commencing this action more than sixty (60) days from the dates that Plaintiff gave notice of the alleged violations to GALLERIA, and the public prosecutors referenced in Paragraph 18 and 19.
- 28. Plaintiff is informed, believes, and thereon alleges that neither the Attorney General, nor any applicable district attorney or city attorney has commenced and is diligently prosecuting an action against the Defendants.

FIRST CAUSE OF ACTION

(By CONSUMER ADVOCACY GROUP, INC. and against H MART, H MART TORRANCE, H MART COMPANIES, MAN JUN, and DOES 1-10 for Violations of Proposition 65, The Safe Drinking Water and Toxic Enforcement Act of 1986 (Health & Safety Code, §§ 25249.5, et seq.))

Seaweed

- 29. Plaintiff repeats and incorporates by reference paragraphs 1 through 28 of this complaint as though fully set forth herein.
- 30. Each of the Defendants is, and at all times mentioned herein was, a manufacturer, distributor, promoter, or retailer of Dried Seaweed ("Seaweed") including but not limited to: "MANJUN;" "DOUBLE ROASTED ONIGIRI SEAWEED;" "20 (Sheets) 24g (0.84 oz), 71 kcal;" "2019.12.17.;" "PRODUCT OF KOREA;" "JL162;" "www.manjun.net;" "DOUBLE ROASTED ONIGIRI SEAWEED.;" "Manufactured by MANJUN FOODS CO., LTD.;" "8 802241 126257;"

- 31. Seaweed contains Cadmium.
- 32. Defendants knew or should have known that Cadmium has been identified by the State of California as a chemical known to cause cancer, developmental, and reproductive toxicity and therefore was subject to Proposition 65 warning requirements. Defendants were also informed of the presence of Cadmium in Seaweed within Plaintiff's notice of alleged violations further discussed above at Paragraph 23.
- 33. Plaintiff's allegations regarding Product concerns "[c]onsumer products exposure[s]," which "is an exposure that results from a person's acquisition, purchase, storage, consumption, or other reasonably foreseeable use of a consumer good, or any exposure that results from receiving a consumer service." *Cal. Code Regs.* tit. 27, § 25602(b). Seaweed is a consumer product, and, as mentioned herein, exposures to Cadmium took place as a result of such normal and foreseeable consumption and use.
- 34. Plaintiff is informed, believes, and thereon alleges that between October 11, 2016 and the present, each of the Defendants knowingly and intentionally exposed California consumers and users of Seaweed, which Defendants manufactured, distributed, or sold as mentioned above, to Cadmium, without first providing any type of clear and reasonable warning of such to the exposed persons before the time of exposure.

 Defendants have distributed and sold Seaweed in California. Defendants know and intend that California consumers will use and consume Seaweed, thereby exposing them to Cadmium. Defendants thereby violated Proposition 65.
- 35. The principal routes of exposure with regard to Seaweed are and were through ingestion, especially direct (oral) ingestion, inhalation, and trans-dermal absorption.

 Persons sustain exposures primarily by eating and consuming Seaweed, and additionally by handling Seaweed without wearing gloves or any other personal protective equipment, or by touching bare skin or mucous membranes with gloves after handling Seaweed as well as through direct and indirect hand to mouth contact, hand to mucous membrane, or even breathing in particulate matter dispersed from Seaweed

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- during use, as well as through environmental mediums that carry the Cadmium once contained within the Seaweed.
- 36. Plaintiff is informed, believes, and thereon alleges that each of Defendants' violations of Proposition 65 as to Seaweed have been ongoing and continuous, as Defendants engaged and continue to engage in conduct which violates Health and Safety Code Section 25249.6, including the manufacture, distribution, promotion, and sale of Seaweed, so that a separate and distinct violation of Proposition 65 occurred each and every time a person was exposed to Cadmium by Seaweed as mentioned herein.
- 37. Plaintiff is informed, believes, and thereon alleges that each violation of Proposition 65 mentioned herein is ever continuing. Plaintiff further alleges and believes that the violations alleged herein will continue to occur into the future.
- 38. Based on the allegations herein, Defendants are liable for civil penalties of up to \$2,500.00 per day per individual exposure to Cadmium from Seaweed, pursuant to Health and Safety Code Section 25249.7(b).
- 39. Plaintiff has engaged in good faith efforts to resolve the claims alleged herein prior to filing this Complaint.

SECOND CAUSE OF ACTION

(By CONSUMER ADVOCACY GROUP, INC. and against GALLERIA, and DOES 11-20 for Violations of Proposition 65, The Safe Drinking Water and Toxic Enforcement Act of 1986 (Health & Safety Code, §§ 25249.5, et seq.))

Seaweed

- 40. Plaintiff repeats and incorporates by reference paragraphs 1 through 39 of this complaint as though fully set forth herein.
- 41. Each of the Defendants is, and at all times mentioned herein was, a manufacturer, distributor, promoter, or retailer of Dried Seaweed ("Seaweed") including but not limited to: "MANJUN;" "DOUBLE ROASTED ONIGIRI SEAWEED;" "20 (Sheets) 24g (0.84 oz), 71 kcal;" "2019.12.17.;" "PRODUCT OF KOREA;" "JL162;"

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"www.manjun.net;"	"DOUBLE ROASTED	ONIGIRI SEAWEED.;"	"Manufactured by
MANJUN FOODS	CO., LTD.;" "8 802241	126257;"	

- 42. Seaweed contains Lead.
- 43. Defendants knew or should have known that Lead has been identified by the State of California as a chemical known to cause cancer, developmental, and reproductive toxicity and therefore was subject to Proposition 65 warning requirements. Defendants were also informed of the presence of Lead in Seaweed within Plaintiff's notice of alleged violations further discussed above at Paragraph 23.
- 44. Plaintiff's allegations regarding Product concerns "[c]onsumer products exposure[s]," which "is an exposure that results from a person's acquisition, purchase, storage, consumption, or other reasonably foreseeable use of a consumer good, or any exposure that results from receiving a consumer service." *Cal. Code Regs.* tit. 27, § 25602(b). Seaweed is a consumer product, and, as mentioned herein, exposures to Lead took place as a result of such normal and foreseeable consumption and use.
- 45. Plaintiff is informed, believes, and thereon alleges that between October 11, 2016 and the present, each of the Defendants knowingly and intentionally exposed California consumers and users of Seaweed, which Defendants manufactured, distributed, or sold as mentioned above, to Lead, without first providing any type of clear and reasonable warning of such to the exposed persons before the time of exposure. Defendants have distributed and sold Seaweed in California. Defendants know and intend that California consumers will use and consume Seaweed, thereby exposing them to Lead. Defendants thereby violated Proposition 65.
- 46. The principal routes of exposure with regard to Seaweed are and were through ingestion, especially direct (oral) ingestion, inhalation, and trans-dermal absorption.

 Persons sustain exposures primarily by eating and consuming Seaweed, and additionally by handling Seaweed without wearing gloves or any other personal protective equipment, or by touching bare skin or mucous membranes with gloves after

handling Seaweed as well as through direct and indirect hand to mouth contact, hand to
mucous membrane, or even breathing in particulate matter dispersed from Seaweed
during use, as well as through environmental mediums that carry the Lead once
contained within the Seaweed.

- 47. Plaintiff is informed, believes, and thereon alleges that each of Defendants' violations of Proposition 65 as to Seaweed have been ongoing and continuous, as Defendants engaged and continue to engage in conduct which violates Health and Safety Code Section 25249.6, including the manufacture, distribution, promotion, and sale of Seaweed, so that a separate and distinct violation of Proposition 65 occurred each and every time a person was exposed to Lead by Seaweed as mentioned herein.
- 48. Plaintiff is informed, believes, and thereon alleges that each violation of Proposition 65 mentioned herein is ever continuing. Plaintiff further alleges and believes that the violations alleged herein will continue to occur into the future.
- 49. Based on the allegations herein, Defendants are liable for civil penalties of up to \$2,500.00 per day per individual exposure to Lead from Seaweed, pursuant to Health and Safety Code Section 25249.7(b).
- 50. Plaintiff has engaged in good faith efforts to resolve the claims alleged herein prior to filing this Complaint.

PRAYER FOR RELIEF

Plaintiff demands against each of the Defendants as follows:

- 1. A permanent injunction mandating Proposition 65-compliant warnings;
- 2. Penalties pursuant to Health and Safety Code Section 25249.7, subdivision (b);
- 3. Costs of suit;
- 4. Reasonable attorney fees and costs; and
- 5. Any further relief that the court may deem just and equitable.

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Dated: May 7, 2020

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Reuben Yeroushalmi Attorneys for Plaintiff, CONSUMER ADVOCACY GROUP, INC.

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