1 Joseph R. Manning, Jr., Esq. (State Bar No. 223381) Babak Hashemi., Esq. (State Bar No. 263494) THE LAW OFFICES OF JOSEPH R. MANNING, JR. A PROFESSIONAL CORPORATION 3 20062 Birch St. Suite 200 Newport Beach, CA 92660 (949) 200-8755 Phone Assigned for All Purposes (866) 843-8308 Fax Judge Glenda Sanders Attorneys for Plaintiff CALSAFE RESEARCH CENTER, INC. CX-101 6 SUPERIOR COURT OF THE STATE OF CALIFORNIA 7 8 COUNTY OF ORANGE-CENTRAL JUDICIAL DISTRICT 9 CASE No.: 30-2021-01187926-CU-TT-CXC 10 CALSAFE RESEARCH CENTER, INC., a California non-profit corporation 11 COMPLAINT FOR PERMANENT INJUNCTION, CIVIL PENALTIES AND Plaintiff, **12** OTHER RELIEF 13 Health & Safety Code §25249.5, et seq. MARY'S GONE CRACKERS, INC, A 14 Delaware Corporation; and DOES 1 to 10, **15** Defendants. **16 17** Plaintiff CALSAFE RESEARCH CENTER, INC. ("PLAINTIFF" or "CRC") brings this 18 action in the interests of the general public and, on information and belief, hereby alleges: 19 INTRODUCTION 20 1. This action seeks to remedy the continuing failure of Defendants MARY'S GONE 21 CRACKERS, INC ("MGC") and DOES 1-10. (hereinafter individually referred to as 22 DEFENDANT" or collectively as "DEFENDANTS") to warn consumers in California that they are 23 being exposed to acrylamide, a chemical which is known to the State of California to cause cancer, 24 birth defects and other reproductive harm. According to the Safe Drinking Water and Toxics 25 Enforcement Act of 1986, Health and Safety Code ("H&S Code") section 25249.5 (also known as **26** and referred to hereinafter as "Proposition 65"), businesses must provide persons with a "clear and 27 28 COMPLAINT FOR DAMAGES

reasonable warning" before exposing individuals to chemicals known to the state to cause cancer or reproductive harm.

- 2. Defendants manufacture, package, distribute, market, and/or sell in California certain Herb Crackers products containing acrylamide (the "SUBJECT PRODUCTS"). The Subject Products include Mary's Gone Crackers Herb Crackers.
- 3. Lead, cadmium and/or acrylamide (hereinafter, the "LISTED CHEMICALS") are chemicals known to the State of California to cause cancer, birth defects and other reproductive harm.
- 4. Consumption of the SUBJECT PRODUCTS causes exposures to the LISTED CHEMICALS at levels requiring a "clear and reasonable warning" under Proposition 65. Defendants exposed consumers to the LISTED CHEMICALS and have failed to provide the health hazard warnings required by Proposition 65.
- 5. Defendants continued manufacturing, packaging, distributing, marketing and/or sales of the SUBJECT PRODUCTS without the required health hazard warnings, causes, or threatens to cause, individuals to be involuntarily, unknowingly and unwittingly exposed to levels of the LISTED CHEMICALS that violate Proposition 65.

PARTIES

- 6. Plaintiff, CRC is a non-profit corporation organized under California law. CRC is dedicated to, among other causes, reducing the use and misuse of hazardous and toxic substances, consumer protection, worker safety, and corporate responsibility.
- 7. CRC is a person within the meaning of H&S Code §25249.11 and brings this enforcement action in the public interest pursuant to H&S Code §25249.7(d). H&S Code § 25249.7 (d) specifies that actions to enforce Proposition 65 may be brought by a person in the public interest, provided certain notice requirements and no other public prosecutor is diligently prosecuting an action for the same violation(s).
- 8. MARY'S GONE CRACKERS, INC ("MGC") is now, and was at all times relevant herein, a Delaware Corporation organized under the laws of Delaware and is doing business within the meaning of H&S Code §25249.11.

9. Defendants own, administer, direct, control and/or operate facilities and/or agents, distributors, sellers, marketers or other retail operations who place their SUBJECT PRODUCTS into the stream of commerce in California (including but not limited to Orange County) under the brand name Mary's Gone Crackers, Inc. and other brand names, which contain the LISTED CHEMICALS without first giving clear and reasonable warnings.

10. Defendants separately and each of them, are or were, at all times relevant to the claims in this Complaint and continuing through the present, legally responsible for compliance with the provisions of Proposition 65. Whenever an allegation regarding any act or omission of a Defendant is made herein, such allegation shall be deemed to mean that Defendant, or its agent, officer, director, manager, supervisor, or employee did, or so authorized, or failed to do, such acts while engaged in the affairs of Defendant's business operations and/or while acting within the course and scope of their employment or while conducting business for Defendant(s) for a commercial purpose.

11. In this Complaint, when reference is made to any act or omission of a Defendant, such allegation shall mean that the owners, officers, directors, agents, employees, contractors, or representatives of Defendant acted or authorized such actions, and/or negligently failed and omitted to act or adequately and properly supervise, control or direct its employees and agents while engaged in the management, direction, operation or control of the affairs of the business organization. Whenever reference is made to any act or omission of any Defendant, such allegation shall be deemed to mean the act or omission of each Defendant acting individually, jointly, and severally as defined by Civil Code Section 1430 *et seq*.

12. Plaintiff does not know the true names, capacities and liabilities of Defendants DOES Nos. 1-10, inclusive, and therefore sues them under fictitious names. Plaintiff will amend this Complaint to allege the true name and capacities of the DOE Defendants upon being ascertained. Each of these Defendants was in some way legally responsible for the acts, omissions, and/or violations alleged herein.

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JURISDICTION AND VENUE

13. This Court has jurisdiction over this action pursuant to California Constitution Article VI, Section 10, which grants the Superior Court "original jurisdiction in all causes except those given by statute to other trial courts." The statute under which this action is brought does not specify any other court with jurisdiction.

14. This Court has jurisdiction over Defendants because they are business entities that do sufficient business, have sufficient minimum contacts in California or otherwise intentionally avail themselves of the California market, through the sale, marketing and use of their SUBJECT PRODUCTS in California, to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

15. Venue in this action is proper in the Orange County Superior Court because the cause, or part thereof, arises in the County of Orange since Defendants' products are marketed, offered for sale, sold, used, and/or consumed in this county.

STATUTORY BACKGROUND

16. On February 27, 1987, the State of California officially listed lead as a chemical known to cause reproductive toxicity. Lead became subject to the warning requirement one year later and was therefore subject to the "clear and reasonable" warning requirements of Proposition 65 beginning on February 27, 1988. (27 California Code of Regulations ("CCR") §25000, et seq.; H&S Code §25249.5, et seq.).

17. On October 1, 1992, the State of California officially listed lead and lead compounds as chemicals known to cause cancer. Lead and lead compounds became subject to the warning requirement one year later and were therefore subject to the "clear and reasonable" warning requirements of Proposition 65 beginning on October 1, 1993. (27 CCR § 25000, et seq.; H&S Code §25249.6, et seq.). Due to the high toxicity of lead, the maximum allowable dose level for lead is 0.5 µg/day (micrograms a day) for reproductive toxicity and the no significant risk level for carcinogens is 15µg/day (oral).

18. On May 1, 1997, the State of California officially listed the chemical cadmium as a chemical known to cause reproductive toxicity. Cadmium became subject to the warning requirement one year later and was therefore subject to the "clear and reasonable" warning requirements of Proposition 65 beginning on May 1, 1998. (27 CCR §25000, *et seq.*; H&S Code §25249.5, *et seq.*). Due to the high toxicity of cadmium, the maximum allowable dose level for cadmium is 4.1 μg/day (micrograms a day) for reproductive toxicity. (27 CCR § 25805(b).)

19. On October 1, 1987, the State of California officially listed the chemicals cadmium and cadmium compounds as chemicals known to cause cancer. Cadmium and cadmium compounds became subject to the warning requirement one year later and were therefore subject to the "clear and reasonable" warning requirements of Proposition 65 beginning on October 1, 1988 (27 CCR §25000, et seq.; H&S Code §25249.6 et seq.).

20. Acrylamide was officially listed as a chemical known to cause cancer on January 1, 1990. On February 25, 2011, the State of California officially listed acrylamide as a chemical known to cause developmental toxicity and male reproductive toxicity. (State of California EPA OEHHA Safe Drinking Water and Toxic Enforcement Act of 1986 Chemicals Known to the State to Cause Cancer and Reproductive Toxicity.) The Maximum Allowable Dose Level ("MADL") for acrylamide as a chemical known to cause reproductive toxicity is 140 micrograms per day. (Cal. Code Regs., tit. 27, §25805, subd. (b).) The No Significant Risk Level ("NSRL") for acrylamide as a chemical known to cause cancer is 0.2 micrograms per day. (Cal. Code Regs., tit. 27, §25705, subd. (b).)

21. To test Defendants' SUBJECT PRODUCTS for lead, cadmium and acrylamide, Plaintiff hired a well-respected and accredited testing laboratory. The results of testing undertaken by Plaintiff of Defendants' SUBJECT PRODUCTS show that the SUBJECT PRODUCTS tested were in violation of the 0.5 μ g/day "safe harbor" daily dose limits set forth for lead, and/or 4.1 μ g/day "safe harbor" daily dose limits for cadmium, and/or 0.2 μ g/day NSRL for acrylamide in Proposition 65's regulations. Very significant is the fact that people are being exposed to lead, cadmium, and/or acrylamide through ingestion as opposed to other not as harmful methods of exposure such as dermal

exposure. Ingestion of lead, cadmium, and/or acrylamide produces much higher exposure levels and health risks than dermal exposure to these chemicals.

- 22. At all times relevant to this action, Defendants, therefore, have knowingly and intentionally exposed the consumers of the SUBJECT PRODUCTS to the LISTED CHEMICALS without first giving a clear and reasonable warning to such individuals.
- 23. The SUBJECT PRODUCTS have allegedly been sold by Defendants for use in California since at least October 29, 2017. The SUBJECT PRODUCTS continue to be distributed and sold in California without the requisite warning information.
- 24. As a proximate result of acts by Defendants, as persons in the course of doing business within the meaning of Health & Safety Code §25249.11, individuals throughout the State of California, including in the County of Orange have been exposed to the LISTED CHEMICALS without a clear and reasonable warning on the SUBJECT PRODUCTS. The individuals subject to the violative exposures include normal and foreseeable users of the SUBJECT PRODUCTS, as well as all other persons exposed to the SUBJECT PRODUCTS.
- 25. On October 29, 2020, CRC served MGC and each of the appropriate public enforcement agencies with documents entitled "Notice of Violations of California Health & Safety Code Section 25249.5" that provided MGC and the public enforcement agencies with notice that MGC was in violation of Proposition 65 for failing to warn purchasers and individuals using the SUBJECT PRODUCTS that the consumption of the SUBJECT PRODUCTS exposes them to lead, cadmium and/or acrylamide, chemicals known to the State of California to cause cancer and/or reproductive toxicity ("Prop. 65 Notices"). True and correct copy of the 60-Day Notice ("NOTICE") is attached hereto as **Exhibit "A"** and is incorporated by reference. The NOTICE is also available on the Attorney General's website located at http://oag.ca.gov/prop65.
- 26. The NOTICE was issued pursuant to, and in compliance with, the requirements of H&S Code §25249.7(d) and the statute's implementing regulations regarding the notice of the violations to be given to certain public enforcement agencies and to the violator. The NOTICE included, *inter alia*, the following information: the name, address, and telephone number of the noticing individual;

the name of the alleged violator(s); the statute violated; the approximate time period during which violations occurred; and descriptions of the violations including the chemicals involved, the routes of toxic exposure, and the specific product or type of product causing the violations.

- 27. MGC was also provided copies of the document with the NOTICE entitled "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," which is also known as Appendix A to Title 27 of CCR §25903, via Certified Mail.
- 28. The California Attorney General was provided copies of the NOTICE and a Certificate of Merit by the attorney for the noticing party, stating that there is a reasonable and meritorious case for this action and attaching factual information sufficient to establish a basis for the certificate, including the identity of the persons consulted with and relied on by the certifier, and the facts, studies, or other data reviewed by those persons, pursuant to H&S Code §25249.7(h) (2) via online submission.
- 29. After expiration of the sixty (60) day notice period, the appropriate public enforcement agencies failed to commence and diligently prosecute a cause of action under H&S Code §25249.5, et seq. against Defendants based on the allegations herein.

FIRST CAUSE OF ACTION

For Injunctive Relief for Violations of Health and Safety Code § 25249.5, et seq. concerning the SUBJECT PRODUCTS described in the October 29, 2020 Prop. 65 NOTICE of Violation (Against Defendants)

- 30. Plaintiff refers to, and incorporates by reference, the allegations of all preceding Paragraphs this Complaint, as though fully set forth herein.
- 31. By committing the acts alleged in this Complaint, Defendants at all times relevant to this action, and continuing through the present, have violated, or threaten to violate, H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals in California to chemicals known to the State of California to cause cancer or reproductive toxicity without first giving clear and reasonable warnings to such persons who consume the SUBJECT PRODUCTS containing the LISTED CHEMICALS, pursuant to H&S Code §§ 25249.6 and 25249.11(f).

- 32. By the above-described acts, Defendants have violated, or threaten to violate, H&S Code §25249.6 and are therefore subject to preliminary and permanent injunctions ordering Defendants to stop violating Proposition 65, to provide warnings to all present and future customers, and to provide warnings to DEFENDANTS' past customers who purchased or used the SUBJECT PRODUCTS without receiving a clear and reasonable warning.
- 33. An action for injunctive relief under Proposition 65 is specifically authorized by H&S Code §25249.7(a).
- 34. Continuing commission by Defendants of the acts alleged above will irreparably harm the citizens of the State of California, for which harm they have no plain, speedy, or adequate remedy at law.
- 35. In the absence of preliminary and then permanent injunctive relief, Defendants will continue to create a substantial risk of irreparable injury by continuing to cause consumers to be involuntarily, unknowingly and unwittingly exposed to the LISTED CHEMICALS through the consumption of the SUBJECT PRODUCTS.

SECOND CAUSE OF ACTION

For Civil Penalties for Violations of Health and Safety Code § 25249.5, et seq. concerning the SUBJECT PRODUCTS described in the October 29, 2020 Prop. 65 NOTICES of Violation (Against Defendants)

- 36. Plaintiff refers to, and incorporates by reference, the allegations of all preceding Paragraphs this Complaint, as though fully set forth herein.
- 37. By committing the acts alleged in this Complaint, Defendants at all times relevant to this action, and continuing through the present, have violated H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals in California to chemicals known to the State of California to cause cancer or reproductive toxicity without first giving clear and reasonable warnings to such persons who consume the SUBJECT PRODUCTS containing the LISTED CHEMICALS, pursuant to H&S Code §§ 25249.6 and 25249.11(f).

38. By the above-described acts, Defendants are liable, pursuant to H&S Code §25249.7(b), for a civil penalty of up to \$2,500 per day per violation for each unlawful exposure to the LISTED CHEMICALS from the SUBJECT PRODUCTS, in an amount in excess of \$1,000,000.00

THE NEED FOR INJUNCTIVE RELIEF

- 39. Plaintiff refers to, and incorporates by reference, the allegations of all preceding Paragraphs this Complaint, as though fully set forth herein.
- 40. By committing the acts alleged in this Complaint, Defendants have caused or threaten to cause irreparable harm for which there is no plain, speedy or adequate remedy at law. In the absence of equitable relief, Defendants will continue to create a substantial risk of irreparable injury by continuing to cause consumers to be involuntarily and unwittingly exposed to the LISTED CHEMICALS through the consumption of the SUBJECT PRODUCTS.

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFF prays for judgment against Defendants, and each of them, and DOES 1 through 10, as follows:

- A. A preliminary and permanent injunction, pursuant to H&S Code §25249.7(b), enjoining Defendants, their agents, employees, assigns and all persons acting in concert or participating with DEFENDANTS, from manufacturing, distributing, marketing or selling the SUBJECT PRODUCTS in California without first providing a clear and reasonable warning, within the meaning of Proposition 65, that the consumers of the SUBJECT PRODUCTS are exposed to the LISTED CHEMICALS;
- B. An injunctive order, pursuant to H&S Code §25249.7(b), compelling DEFENDANTS to identify and locate each individual who has purchased the SUBJECT PRODUCTS since October 29, 2017, and to provide a warning to such person that the consumption of the SUBJECT PRODUCTS will expose the consumer to chemicals known to cause cancer, birth defects, and other reproductive harm;