| 1 2 3 4 | Evan J. Smith, Esquire (SBN 242352) Ryan P. Cardona, Esquire (SBN 302113) BRODSKY SMITH 9595 Wilshire Blvd., Ste. 900 Beverly Hills, CA 90212 Telephone: (877) 534-2590 Facsimile: (310) 247-0160 | | ELECTRONICALLY FILED Superior Court of California, County of San Francisco | |
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| 5 | Attorneys for Plaintiffs | ž. | 09/07/2023 Clerk of the Court | |
| 6 | SUPERIOR COURT OF 7 | SUPERIOR COURT OF THE STATE OF CALIFORNIA BY: WILLIAM TRUPEK Deputy Cler | | |
| 7 | COUNTY OF SAN FRANCISCO | | | |
| 8 | | Case No.: CGC-22-603311 SECOND AMENDED COMPLAINT FOR | | |
| 9 | PRECILA BALABBO, | | | |
| 10 | Plaintiff, | CIVIL PENALTIES AND I RELIEF | | |
| 11 | vs. | (Violation of Health & Safety Code § 25249.5 et | | |
| 12 | JO-ANN STORES, LLC., | seq.) | y Code g 23247.3 ct | |
| 13 | Defendant. | | | |
| 14 15 16 | Plaintiffs Precila Balabbo ("Balabbo") and Ema Bell ("Bell") (collectively, "Plaintiffs"), by and through their attorneys, allege the following cause of action in the public interest of the citizens of the State of California. | | | |
| 17 | BACKGROUND OF THE CASE | | | |
| 18 | 1. Plaintiffs brings this representative action on behalf of all California citizens to | | | |
| 19 | enforce relevant portions of Safe Drinking Water and Toxic Enforcement Act of 1986, codified at | | | |
| 20 | the Health and Safety Code § 25249.5 et seq ("Proposition 65"), which reads, in relevant part, | | | |
| 21 | "[n]o person in the course of doing business shall knowingly and intentionally expose any | | | |
| 22 | individual to a chemical known to the state to cause cancer or reproductive toxicity without first | | | |
| 23 | giving clear and reasonable warning to such individual". Health & Safety Code § 25249.6. | | | |
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| 25 | 1 | | | |
| 26 | the public interest of the citizens of the State of California to enforce the People's right to be informed of the health hazards caused by exposure to di(2-ethylhexyl) phthalate (DEHP), a toxic | | | |
| 27 | informed of the health hazards caused by expo | osure to di(z-ethylnexyl) phtha | iale (DEHP), a toxic | |
| 28 | | | | |
| | | 4 | | |

chemical found in products sold and/or distributed by defendant Jo-Ann Stores, LLC ("Jo-Ann" or "Defendant") in California.

- 3. DEHP is a harmful chemical known to the State of California to cause cancer and birth defects or other reproductive harm. On January 1, 1988, the State of California listed DEHP as a chemical known to the State to cause cancer and it has come under the purview of Proposition 65 regulations since that time. Cal. Code Regs. Tit. 27, § 27001(c); Health & Safety Code §§ 25249.8 & 25249.10(b). On October 24, 2003, the State of California listed DEHP as a chemical known to cause birth defects or other reproductive harm.
- 4. Proposition 65 requires all businesses with ten (10) or more employees that operate within California or sell products therein to comply with Proposition 65 regulations. Included in such regulations is the requirement that businesses must label any product containing a Proposition 65-listed chemical that will create an exposure above safe harbor levels with a "clear and reasonable" warning before "knowingly and intentionally" exposing any person to any such listed chemical.
- 5. Proposition 65 allows for civil penalties of up to \$2,500.00 per day per violation for up to 365 days to be imposed upon defendants in a civil action for violations of Proposition 65. Health & Safety Code § 25249.7(b). Proposition 65 also allows for any court of competent jurisdiction to enjoin the actions of a defendant which "violate or threaten to violate" the statute. Health & Safety Code § 25249.7.
- 6. Plaintiffs allege that Defendant distributes, sells and/or offers for sale in California (a) Webster Fine Art photo album snap-in pouches, UPC # 608807004285, (b) Webster Fine Art photo album cover caddys, UPC # 608807003943, (c) hildie & jo jump ring mandrels, # 7868337868334, (d) Big Twist All-In-One vertical storage totes, UPC # 6972857576073, (e) Place & Time small sun shade cases, # 18622076, (f) Place & Time vases, UPC # 8904383300240, and (g) Top Notch rolling totes, # 400191058406, (collectively, the "Products") without a requisite exposure warning that the Products expose persons to DEHP.
- 7. Defendant's failure to warn consumers and other individuals in California of the health hazards associated with exposure to DEHP in conjunction with the sale and/or distribution

of the Products is a violation of Proposition 65 and subjects Defendant to the enjoinment and civil penalties described herein.

- 8. Plaintiffs seek civil penalties against Defendant for its violations of Proposition 65 in accordance with Health and Safety Code § 25249.7(b).
- 9. Plaintiffs also seek injunctive relief, preliminarily and permanently requiring Defendant to provide purchasers or users of the Products with required warnings related to the dangers and health hazards associated with exposure to the DEHP, pursuant to Health and Safety Code § 25249.7(a).
 - 10. Plaintiffs further seek a reasonable award of attorney's fees and costs.

PARTIES

- Plaintiff Balabbo is a citizen of the State of California acting in the interest of the general public to promote awareness of exposures to toxic chemicals in products sold in California and to improve human health by reducing hazardous substances contained in such items. She brings this action in the public interest pursuant to Health and Safety Code § 25249.7(d).
- 12. Plaintiff Bell is a citizen of the State of California acting in the interest of the general public to promote awareness of exposures to toxic chemicals in products sold in California and to improve human health by reducing hazardous substances contained in such items. She brings this action in the public interest pursuant to Health and Safety Code § 25249.7(d).
- 13. Defendant Jo-Ann, through its business, effectively imports, distributes, sells, and/or offers the Products for sale or use in the State of California, or it implies by its conduct that it imports, distributes, sells, and/or offers the Products for sale or use in the State of California. Plaintiffs allege that defendant Jo-Ann is a "person" in the course of doing business within the meaning of Health & Safety Code sections 25249.6 and 25249.11.

VENUE AND JURISDICTION

14. Venue is proper in the County of San Francisco because one or more of the instances of wrongful conduct occurred and continue to occur in this county and/or because Defendant conducted, and continues to conduct, business in the County of San Francisco with respect to the Products.

- 15. This Court has jurisdiction over this action pursuant to California Constitution Article VI, § 10, which grants the Superior Court original jurisdiction in all causes except those given by statute to other trial courts. Health and Safety Code § 25249.7 allows for the enforcement of violations of Proposition 65 in any Court of competent jurisdiction; therefore, this Court has jurisdiction over this lawsuit.
- 16. This Court has jurisdiction over Defendant because Defendant is either a citizen of the State of California, has sufficient minimum contacts with the State of California, is registered with the California Secretary of State as a foreign corporation authorized to do business in the State of California, and/or has otherwise purposefully availed itself of the California market. Such purposeful availment has rendered the exercise of jurisdiction by California courts consistent and permissible with traditional notions of fair play and substantial justice.

STATUTORY BACKGROUND

- 17. The people of the State of California declared in Proposition 65 their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." (Section 1(b) of Initiative Measure, Proposition 65.)
- 18. To effect this goal, Proposition 65 requires that individuals be provided with a "clear and reasonable warning" before being exposed to substances listed by the State of California as causing cancer and birth defects or other reproductive harm. H&S Code § 25249.6 states, in pertinent part:

No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual...

19. An exposure to a chemical in a consumer product is one "which 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." (27 CCR § 25602, para (b).) H&S Code § 25603(c) states that "a person in the course of doing business ... shall provide a warning to any person to whom the product is sold or transferred unless the product is packaged or labeled with a clear and reasonable warning."

- 20. Pursuant to H&S Code § 25603.1, the warning may be provided by using one or more of the following methods individually or in combination:¹
 - a. A warning that appears on a product's label or other labeling.
 - b. Identification of the product at the retail outlet in a manner which provides a warning. Identification may be through shelf labeling, signs, menus, or a combination thereof.
 - c. The warnings provided pursuant to subparagraphs (a) and (b) shall be prominently placed upon a product's labels or other labeling or displayed at the retail outlet with such conspicuousness, as compared with other words, statements, designs, or devices in the label, labeling or display as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use.
 - d. A system of signs, public advertising identifying the system and toll-free information services, or any other system that provides clear and reasonable warnings.
- 21. Proposition 65 provides that any "person who violates or threatens to violate" the statute may be enjoined in a court of competent jurisdiction. (H&S Code § 25249.7.) The phrase "threaten to violate" is defined to mean creating "a condition in which there is a substantial probability that a violation will occur." (H&S Code § 25249.11(e).) Violators are liable for civil penalties of up to \$2,500.00 per day for each violation of the Act (H&S Code § 25249.7) for up to 365 days.

FACTUAL BACKGROUND

22. DEHP is a harmful chemical known to the State of California to cause cancer and birth defects or other reproductive harm. On January 1, 1988, the State of California listed DEHP as a chemical known to the State to cause cancer and it has come under the purview of Proposition 65 regulations since that time. Cal. Code Regs. Tit. 27, § 27001(c); Health & Safety Code §§

Alternatively, a person in the course of doing business may elect to comply with the warning requirements set out in the amended version of 27 CCR 25601, et.seq. as amended on August 30, 2016, and operative on August 30, 2018.

25249.8 & 25249.10(b). On October 24, 2003, the State of California listed DEHP as a chemical known to cause birth defects or other reproductive harm.

- 23. The exposures that are the subject of the Notices result from the purchase, acquisition, handling and recommended use of the Products. The primary route of exposure to the is through dermal absorption directly through the skin when consumers use, touch, or handle the Products. Exposure through ingestion will occur by touching the Products with subsequent touching of the user's hand to mouth. No clear and reasonable warning is provided with the Products regarding the health hazards of exposure.
- 24. Defendant has manufactured, processed, marketed, distributed, offered to sell and/or sold the Products in California since at least December 7, 2021 with respect to the Webster Fine Art photo album snap-in pouches; since at least December 20, 2021 with respect to the Webster Fine Art photo album cover caddys; since at least February 8, 2022 with respect to the hildie & jo jump ring mandrels; since at least July 5, 2022 with respect to the Big Twist All-In-One vertical storage totes; since at least July 12, 2022 with respect to the Place & Time small sun shade cases; since at least August 24, 2022 with respect to the Place & Time vases; and since at least May 24, 2023 with respect to the Top Notch rolling totes. The Products continue to be distributed and sold in California without the requisite warning information.
- 25. At all times relevant to this action, Defendant has knowingly and intentionally exposed users of the Products to DEHP without first giving a clear and reasonable exposure warning to such individuals.
- 26. As a proximate result of acts by Defendant, as a person in the course of doing business within the meaning of H&S Code § 25249.11, individuals throughout the State of California, including in San Francisco County, have been exposed to DEHP without a clear and reasonable warning on the Products. The individuals subject to the violative exposures include normal and foreseeable users and consumers that use the Products, as well as all others exposed to the Products.

SATISFACTION OF NOTICE REQUIREMNTS

- 27. Plaintiffs purchased the Products from Jo-Ann. At the time of the purchases, Jo-Ann did not provide a Proposition 65 exposure warning for DEHP in a manner consistent with H&S Code § 25603.1 as described *supra*.
- 28. Each Product was sent to a testing laboratory to determine the phthalate content of the Products.
- 29. The results of these analyses determined the Products expose users to DEHP (each, a "Chemical Test Report," collectively, the "Chemical Test Reports").
- 30. Plaintiffs provided the Chemical Test Reports and each Product to an analytical chemist to determine if, based on the findings of the Chemical Test Reports and the reasonable and foreseeable use of the Products, exposure to the DEHP will occur at levels that require Proposition 65 warnings under the Clear and Reasonable Warnings section 25601 of Title 27 of the California Code of Regulations.
- 31. Plaintiffs received from the analytical chemist an exposure assessment report for each Product which concluded that persons in California who use the Products will be exposed to levels of DEHP that require a Proposition 65 exposure warning.
- 32. On December 7, 2021 (Webster Fine Art photo album snap-in pouches), December 20, 2021 (Webster Fine Art photo album cover caddys), February 8, 2022 (hildie & jo jump ring mandrels), July 5, 2022 (Big Twist All-In-One vertical storage totes), July 12, 2022 (Place & Time small sun shade cases), August 24, 2022 (Place & Time vases), and May 24, 2023 (Top Notch rolling totes), Plaintiffs gave notice of alleged violation of Health and Safety Code § 25249.6 (collectively, the "Notices") to Defendant concerning the exposure of California citizens to DEHP from use of the Products without proper warning, subject to a private action to Defendant and to the California Attorney General's office and the offices of the County District attorneys and City Attorneys for each city with a population greater than 750,000 persons wherein the herein violations allegedly occurred. See attached at Exhibits A G a true and correct copy of each Notice.
 - 33. The Notices complied with all procedural requirements of Proposition 65 including

the attachment of a Certificate of Merit affirming that Plaintiffs' counsel had consulted with at least one person with relevant and appropriate expertise who reviewed relevant data regarding DEHP exposure, and that counsel believed there was meritorious and reasonable cause for a private action.

- 34. After receiving the Notices, and to Plaintiffs' best information and belief, none of the noticed appropriate public enforcement agencies have commenced and diligently prosecuted a cause of action against Defendant under Proposition 65 to enforce the alleged violations which are the subject of the Notices.
- 35. Plaintiffs are commencing this action more than sixty (60) days from the date of each Notice to Defendant, as required by law.

FIRST CAUSE OF ACTION

(By Plaintiffs against Defendant for the Violation of Proposition 65)

- 36. Plaintiffs hereby repeat and incorporate by reference paragraphs 1 through 35 of this Second Amended Complaint as though fully set forth herein.
- 37. Defendant has, at all times mentioned herein, acted as distributer, and/or retailer of the Products.
- 38. Use of the Products will expose users and consumers thereof to DEHP, hazardous chemicals found on the Proposition 65 list of chemicals known to be hazardous to human health.
 - 39. The Products do not comply with the Proposition 65 warning requirements.
- 40. Plaintiff, based on their best information and belief, avers that at all relevant times herein, and since at least December 7, 2021 with respect to the Webster Fine Art photo album snap-in pouches; since at least December 20, 2021 with respect to the Webster Fine Art photo album cover caddys; since at least February 8, 2022 with respect to the hildie & jo jump ring mandrels; since at least July 5, 2022 with respect to the Big Twist All-In-One vertical storage totes; since at least July 12, 2022 with respect to the Place & Time small sun shade cases; since at least August 24, 2022 with respect to the Place & Time vases; and since at least May 24, 2023 with respect to the Top Notch rolling tote, continuing until the present, that Defendant has continued to

knowingly and intentionally expose California users and consumers of the Products to DEHP without providing required warnings under Proposition 65.

- 41. The exposures that are the subject of the Notice result from the purchase, acquisition, handling and recommended use of the Products. The primary route of exposure to the is through dermal absorption directly through the skin when consumers use, touch, or handle the Products. Exposure through ingestion will occur by touching the Products with subsequent touching of the user's hand to mouth. No clear and reasonable warning is provided with the Products regarding the health hazards of exposure.
- 42. Plaintiffs, based on their best information and belief, avers that such exposures will continue every day until clear and reasonable warnings are provided to purchasers and users or until this known toxic chemical is removed from the Products.
- 43. Defendant has knowledge that the normal and reasonably foreseeable use of the Products exposes individuals to DEHP, and Defendant intends that exposures to DEHP will occur by its deliberate, non-accidental participation in the importation, distribution, sale and offering of the Products to consumers in California.
- 44. Plaintiffs have engaged in good faith efforts to resolve the herein claims prior to this Second Amended Complaint.
- 45. Pursuant to Health and Safety Code § 25249.7(b), as a consequence of the above described acts, Defendant is liable for a maximum civil penalty of \$2,500 per day per violation.
- 46. Pursuant to Health and Safety Code § 25249.7(a), this Court is specifically authorized to grant injunctive relief in favor of Plaintiffs and against Defendant.

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