

1 Reuben Yeroushalmi (SBN 193981)

reuben@yerausalmi.com

2 **YERUSHALMI & YERUSHALMI***

9100 Wilshire Boulevard, Suite 240W

Beverly Hills, California 90212

Telephone: (310) 623-1926

4 Facsimile: (310) 623-1930

5 Attorneys for Plaintiff,

6 CONSUMER ADVOCACY GROUP, INC.

7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

8 **COUNTY OF LOS ANGELES**

9 CONSUMER ADVOCACY GROUP, INC.,
10 in the public interest,

11 Plaintiff,

12 v.

13 MICHAELS STORES, INC., a Delaware
Corporation;
14 MICHAELS STORES PROCUREMENT
COMPANY, INC., a Delaware Corporation;
15 and DOES 1-10,

16 Defendants.

CASE NO. **26STCV19168**

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 \$35,000)

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22 Plaintiff CONSUMER ADVOCACY GROUP, INC. alleges one cause of action against
23 defendants MICHAELS STORES, INC.; MICHAELS STORES PROCUREMENT
24 COMPANY, INC.; and DOES 1-10 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 MICHAELS STORES, INC. (“MICHAELS”) is a Delaware Corporation, qualified to do business in California, and doing business in the State of California at all relevant times herein.
3. Defendant MICHAELS STORES PROCUREMENT COMPANY, INC. (“MICHAELS PROCUREMENT”) is a Delaware Corporation, qualified to do business in California, and doing business in the State of California at all relevant times herein.
4. Plaintiff is presently unaware of the true names and capacities of defendants DOES 1-10, 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.
5. At all times mentioned herein, the term “Defendants” includes MICHAELS, MICHAELS PROCUREMENT, and DOES 1-10.
6. 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.
7. Upon information and belief, at all times relevant to this action, each of the Defendants, including DOES 1-10, was an agent, servant, or employee of each of the other

1 Defendants. In conducting the activities alleged in this Complaint, each of the
2 Defendants was acting within the course and scope of this agency, service, or
3 employment, and was acting with the consent, permission, and authorization of each of
4 the other Defendants. All actions of each of the Defendants alleged in this Complaint
5 were ratified and approved by every other Defendant or their officers or managing
6 agents. Alternatively, each of the Defendants aided, conspired with and/or facilitated the
7 alleged wrongful conduct of each of the other Defendants.

8 8. Plaintiff is informed, believes, and thereon alleges that at all relevant times, each of the
9 Defendants was a person doing business within the meaning of Health and Safety Code
10 Section 25249.11, subdivision (b), and that each of the Defendants had ten (10) or more
11 employees at all relevant times.

12 JURISDICTION

13 9. The Court has jurisdiction over this lawsuit pursuant to California Constitution Article
14 VI, Section 10, which grants the Superior Court original jurisdiction in all causes except
15 those given by statute to other trial courts. This Court has jurisdiction over this action
16 pursuant to Health and Safety Code Section 25249.7, which allows enforcement of
17 violations of Proposition 65 in any Court of competent jurisdiction.

18 10. This Court has jurisdiction over Defendants named herein because Defendants either
19 reside or are located in this State or are foreign corporations authorized to do business in
20 California, are registered with the California Secretary of State, or who do sufficient
21 business in California, have sufficient minimum contacts with California, or otherwise
22 intentionally avail themselves of the markets within California through their
23 manufacture, distribution, promotion, marketing, or sale of their products within
24

1 California to render the exercise of jurisdiction by the California courts permissible
2 under traditional notions of fair play and substantial justice.

3 11. Venue is proper in the County of Los Angeles because one or more of the instances of
4 wrongful conduct occurred, and continues to occur, in the County of Los Angeles and/or
5 because Defendants conducted, and continue to conduct, business in the County of Los
6 Angeles with respect to the consumer product that is the subject of this action.

7 **BACKGROUND AND PRELIMINARY FACTS**

8 12. In 1986, California voters approved an initiative to address growing concerns about
9 exposure to toxic chemicals and declared their right “[t]o be informed about exposures to
10 chemicals that cause cancer, birth defects, or other reproductive harm.” Ballot Pamp.,
11 Proposed Law, Gen. Elec. (Nov. 4, 1986) at p. 3. The initiative, The Safe Drinking
12 Water and Toxic Enforcement Act of 1986, codified at Health and Safety Code Sections
13 25249.5, *et seq.* (“Proposition 65”), helps to protect California’s drinking water sources
14 from contamination, to allow consumers to make informed choices about the products
15 they buy, and to enable persons to protect themselves from toxic chemicals as they see
16 fit.

17 13. Proposition 65 requires the Governor of California to publish a list of chemicals known
18 to the state to cause cancer, birth defects, or other reproductive harm. *Health & Safety*
19 *Code* § 25249.8. The list, which the Governor updates at least once a year, contains over
20 700 chemicals and chemical families. Proposition 65 imposes warning requirements and
21 other controls that apply to Proposition 65-listed chemicals.

22 14. All businesses with ten (10) or more employees that operate or sell products in California
23 must comply with Proposition 65. Under Proposition 65, businesses are: (1) prohibited
24 from knowingly discharging Proposition 65-listed chemicals into sources of drinking
25

1 water (*Health & Safety Code* § 25249.5), and (2) required to provide “clear and
2 reasonable” warnings before exposing a person, knowingly and intentionally, to a
3 Proposition 65-listed chemical (*Health & Safety Code* § 25249.6).

4 15. Proposition 65 provides that any person "violating or threatening to violate" the statute
5 may be enjoined in any court of competent jurisdiction. *Health & Safety Code* §
6 25249.7. "Threaten to violate" means "to create a condition in which there is a
7 substantial probability that a violation will occur." *Health & Safety Code* § 25249.11(e).
8 Defendants are also liable for civil penalties of up to \$2,500.00 per day per violation,
9 recoverable in a civil action. *Health & Safety Code* § 25249.7(b).

10 16. Plaintiff identified certain practices of manufacturers and distributors of Luggage Tags
11 of exposing, knowingly and intentionally, persons in California to Di (2-ethylhexyl)
12 phthalate (“DEHP”) of such products without first providing clear and reasonable
13 warnings of such to the exposed persons prior to the time of exposure. Plaintiff later
14 discerned that Defendants engaged in such practice.

15 17. On January 1, 1988, the Governor of California added Di (2-ethylhexyl) phthalate
16 (“DEHP”) to the list of chemicals known to the State to cause cancer (*Cal. Code Regs.*
17 tit. 27, § 27001(b)), and on October 24, 2003, the Governor added DEHP to the list of
18 chemicals known to the State to cause developmental male reproductive toxicity (*Cal.*
19 *Code Regs.* tit. 27, § 27001(c)). Pursuant to Health and Safety Code sections 25249.9
20 and 25249.10, twenty (20) months after addition of DEHP to the list of chemicals known
21 to the State to cause reproductive toxicity, DEHP became fully subject to Proposition 65
22 warning requirements and discharge prohibitions.

1 **SATISFACTION OF PRIOR NOTICE**

2 18. Plaintiff served the following notices for alleged violations of Health and Safety Code
3 Section 25249.6, concerning consumer products exposures:

4 a. On or about December 5, 2025, Plaintiff gave notice of alleged violations of
5 Health and Safety Code Section 25249.6, concerning consumer products
6 exposures subject to a private action to MICHAELS, MICHAELS
7 PROCUREMENT, and to the California Attorney General, County District
8 Attorneys, and City Attorneys for each city containing a population of at least
9 750,000 people in whose jurisdictions the violations allegedly occurred,
10 concerning the Luggage Tags.

11 b. On or about January 5, 2026, Plaintiff gave notice of alleged violations of
12 Health and Safety Code Section 25249.6, concerning consumer products
13 exposures subject to a private action to MICHAELS, PROCUREMENT, and to
14 the California Attorney General, County District Attorneys, and City Attorneys
15 for each city containing a population of at least 750,000 people in whose
16 jurisdictions the violations allegedly occurred, concerning the Luggage Tags.

17 19. Before sending the notice of alleged violations, Plaintiff investigated the consumer
18 products involved, the likelihood that such products would cause users to suffer
19 significant exposures to DEHP, and the corporate structure of each of the Defendants.

20 20. Plaintiff's notice of alleged violation included a Certificate of Merit executed by the
21 attorney for the noticing party, CAG. The Certificate of Merit stated that the attorney for
22 Plaintiff who executed the certificate had consulted with at least one person with relevant
23 and appropriate expertise who reviewed data regarding the exposures to DEHP, the
24 subject Proposition 65-listed chemical of this action. Based on that information, the

1 attorney for Plaintiff who executed the Certificate of Merit believed there was a
2 reasonable and meritorious case for this private action. The attorney for Plaintiff
3 attached to the Certificate of Merit served on the Attorney General the confidential
4 factual information sufficient to establish the basis of the Certificate of Merit.

5 21. Plaintiff's notice of alleged violations also included a Certificate of Service and a
6 document entitled "The Safe Drinking Water & Toxic Enforcement Act of 1986
7 (Proposition 65) A Summary." *Health & Safety Code* § 25249.7(d).

8 22. Plaintiff is commencing this action more than sixty (60) days from the dates that Plaintiff
9 gave notice of the alleged violations to MICHAELS, MICHAELS PROCUREMENT.,
10 and the public prosecutors referenced in Paragraph 18.

11 23. Plaintiff is informed, believes, and thereon alleges that neither the Attorney General, nor
12 any applicable district attorney or city attorney has commenced and is diligently
13 prosecuting an action against the Defendants.

14 **FIRST CAUSE OF ACTION**

15 **(By CONSUMER ADVOCACY GROUP, INC. and against MICHAELS,**
16 **MICHAELS PROCUREMENT, and DOES 1-10 for Violations of Proposition 65,**
17 **The Safe Drinking Water and Toxic Enforcement Act of 1986 (*Health & Safety***
18 ***Code, §§ 25249.5, et seq.*))**

19 **Travel Accessories**

20 24. Plaintiff repeats and incorporates by reference paragraphs 1 through 23 of this complaint
21 as though fully set forth herein.

22 25. Each of the Defendants is, and at all times mentioned herein was, a manufacturer,
23 distributor, promoter, or retailer of Luggage Tags ("Luggage Tags"), including but is not
24 limited to: "Michaels"; "fab finds"; "LUGGAGE TAG"; "DISTRIBUTED BY: MSPCI";
25 "UPC 1 95158 31894 4".

26. Luggage Tags contains DEHP.

1 27. Defendants knew or should have known that DEHP has been identified by the State of
2 California as a chemical known to cause cancer, and reproductive toxicity and therefore
3 was subject to Proposition 65 warning requirements. Defendants were also informed of
4 the presence of DEHP in Luggage Tags within Plaintiff's notice of alleged violations
5 further discussed above at Paragraphs 18a, 18b.

6 28. Plaintiff's allegations regarding Luggage Tags concerns "[c]onsumer products
7 exposure[s]," which "is an exposure that results from a person's acquisition, purchase,
8 storage, consumption, or other reasonably foreseeable use of a consumer good, or any
9 exposure that results from receiving a consumer service." *Cal. Code Regs. tit. 27, §*
10 *25602(b)*. Luggage Tags is a consumer product, and, as mentioned herein, exposures to
11 DEHP took place as a result of such normal and foreseeable consumption and use.

12 29. Plaintiff is informed, believes, and thereon alleges that between December 5, 2022 and
13 the present, each of the Defendants knowingly and intentionally exposed California
14 consumers and users of Luggage Tags, which Defendants manufactured, distributed, or
15 sold as mentioned above, to DEHP, without first providing any type of clear and
16 reasonable warning of such to the exposed persons before the time of exposure.
17 Defendants have distributed and sold Luggage Tags in California. Defendants know and
18 intend that California consumers will use and consume Luggage Tags, thereby exposing
19 them to DEHP. Further, Plaintiff is informed, believes, and thereon alleges that
20 Defendants are selling Luggage Tags under a brand or trademark that is owned or
21 licensed by the Defendants or an entity affiliated thereto; have knowingly introduced
22 DEHP into Luggage Tags or knowingly caused DEHP to be created in Luggage Tags;
23 have covered, obscured or altered a warning label that has been affixed to Luggage Tags
24 by the manufacturer, producer, packager, importer, supplier or distributor of Luggage

1 Tags; have received a notice and warning materials for exposure from Luggage Tags
2 without conspicuously posting or displaying the warning materials; and/or have actual
3 knowledge of potential exposure to DEHP from Luggage Tags. Defendants thereby
4 violated Proposition 65.

5 30. The principal routes of exposure are through dermal contact, and inhalation. Persons
6 sustain exposures by handling Luggage Tags. The principal routes of exposure are
7 through dermal contact, ingestion and inhalation. Persons sustain exposures by handling
8 Luggage Tags without wearing gloves or any other personal protective equipment, or by
9 touching bare skin or mucous membranes with gloves after handling Luggage Tags, as
10 well as through direct and indirect hand to mouth contact, hand to mucous membrane, or
11 breathing in particulate matter dispersed from Luggage Tags. And as to Defendants'
12 employees, employees may be exposed to DEHP in the course of their employment by
13 handling, distributing, and selling Luggage Tags.

14 31. Plaintiff is informed, believes, and thereon alleges that each of Defendants' violations of
15 Proposition 65 as to Luggage Tags have been ongoing and continuous, as Defendants
16 engaged and continue to engage in conduct which violates Health and Safety Code
17 Section 25249.6, including the manufacture, distribution, promotion, and sale of
18 Luggage Tags, so that a separate and distinct violation of Proposition 65 occurred each
19 and every time a person was exposed to DEHP by Luggage Tags as mentioned herein.

20 32. Plaintiff is informed, believes, and thereon alleges that each violation of Proposition 65
21 mentioned herein is ever continuing. Plaintiff further alleges and believes that the
22 violations alleged herein will continue to occur into the future.

1 33. Based on the allegations herein, Defendants are liable for civil penalties of up to
2 \$2,500.00 per day per individual exposure to DEHP from Luggage Tags, pursuant to
3 Health and Safety Code Section 25249.7(b).

4 34. Plaintiff has engaged in good faith efforts to resolve the claims alleged herein prior to
5 filing this Complaint.

6
7 **PRAYER FOR RELIEF**

8 Plaintiff demands against each of the Defendants as follows:

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

14
15 Dated: June 16, 2026

YEROUSHALMI & YEROUSHALMI*

16
17 /s/ Reuben Yeroushalmi
18 Reuben Yeroushalmi
19 Attorneys for Plaintiff,
20 CONSUMER ADVOCACY GROUP, INC.