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CLERK OF THE SUPERIOR COURT By R.C. Hughes,

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Attorneys for Plaintiff

ENVIRONMENTAL RESEARCH CENTER

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

ENVIRONMENTAL RESEARCH CENTER, ) Case No. a non-profit California corporation,

RG12649221

Plaintiff,

COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES

v.

YERBA PRIMA, INC., an Oregon Corporation,

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Defendant.

Health & Safety Code §25249.5, et seq.

Plaintiff Environmental Research Center brings this action in the interests of the general public and, on information and belief, hereby alleges:

#### INTRODUCTION

1. This action seeks to remedy Defendant's continuing failure to warn consumers in California that they are being exposed to lead and/or lead compounds, substances known to the State of California to cause cancer, birth defects and other reproductive harm. Defendant manufactures, packages, distributes, markets, and/or sells in California certain products

containing lead and/or lead compounds (the "PRODUCTS") including:

Yerba Prima Great Plains Bentonite Detox Yerba Prima Kalenite Cleansing Herbs Yerba Prima Inc. Herbal Guard Yerba Prima Inc. Daily Fiber Caps Yerba Prima Inc. Colon Care Yerba Prima Inc. Fiber Plus Caps Yerba Prima Inc. Daily Fiber Formula Orange Flavor Yerba Prima Colon Care Formula Yerba Prima Fiber Plus Apple Spice Flavor Yerba Prima Daily Fiber Formula Yerba Prima Inc. Men's Rebuild Yerba Prima Inc. Soluble Fiber Caps Yerba Prima Inc. Psyllium Husks Caps Yerba Prima Inc. Psyllium Husks Veg Caps Yerba Prima Inc. Psyllium Husks Powder Yerba Prima Inc. Soluble Fiber Formula Yerba Prima Inc. Psyllium Whole Husks

- 2. Lead and lead compounds (hereinafter, the "LISTED CHEMICALS") are substances known to the State<sup>1</sup> of California to cause cancer, birth defects, and other reproductive harm.
- 3. The use and/or handling of the PRODUCTS causes exposures to the LISTED CHEMICALS at levels requiring a "clear and reasonable warning" under California's Safe Drinking Water and Toxic Enforcement Act of 1986, Health & Safety Code ("H&S Code") §25249.5, et seq. (also known as "Proposition 65"). Defendant has failed to provide the health hazard warnings required by Proposition 65.
- 4. Defendant's continued manufacturing, packaging, distributing, marketing and/or sales of the PRODUCTS without the required health hazard warnings, causes individuals to be involuntarily and unwittingly exposed to levels of the LISTED CHEMICALS that violate Proposition 65.
- 5. Plaintiff seeks injunctive relief enjoining Defendant from the continued manufacturing, packaging, distributing, marketing and/or sales of the PRODUCTS in

<sup>&</sup>lt;sup>1</sup> All statutory and regulatory references herein are to California law, unless otherwise specified.

California without provision of clear and reasonable warnings regarding the risks of cancer, birth defects and other reproductive harm posed by exposure to the LISTED CHEMICALS through the use and/or handling of the PRODUCTS. Plaintiff seeks an injunctive order compelling Defendant to bring its business practices into compliance with Proposition 65 by providing a clear and reasonable warning to each individual who has been and who in the future may be exposed to LISTED CHEMICALS from the use of the PRODUCTS. Plaintiff also seeks an order compelling Defendant to identify and locate each individual person who in the past has purchased the PRODUCTS, and to provide to each such purchaser a clear and reasonable warning that the use of the PRODUCTS will cause exposures to the LISTED CHEMICALS.

6. In addition to injunctive relief, Plaintiff seeks an assessment of civil penalties in excess of \$15 million to remedy Defendant's failure to provide clear and reasonable warnings regarding exposures to the LISTED CHEMICALS.

## JURISDICTION AND VENUE

- 7. 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 basis for jurisdiction.
- 8. This Court has jurisdiction over Defendant because, based on information and belief, Defendant is a business having sufficient minimum contacts with California, or otherwise intentionally availing itself of the California market through the distribution and sale of the PRODUCTS in the State of California to render the exercise of jurisdiction over it by the California courts consistent with traditional notions of fair play and substantial justice.
- Venue in this action is proper in the Alameda Superior Court because the
   Defendant has violated California law in the County of Alameda.

### **PARTIES**

- 10. PLAINTIFF Environmental Research Center ("PLAINTIFF" or "ERC") is a corporation organized under California's Corporation Law. ERC is dedicated to, among other causes, reducing the use and misuse of hazardous and toxic substances, consumer protection, worker safety and corporate responsibility.
- 11. ERC is a person within the meaning of H&S Code §25118 and brings this enforcement action in the public interest pursuant to H&S Code §25249.7(d).
- 12. Defendant YERBA PRIMA, INC. ("DEFENDANT" or "Yerba Prima") is a corporation organized under Oregon's Corporation Law and is a person doing business within the meaning of H&S Code §25249.11 with an office at 740 Jefferson Avenue, Ashland, OR, 97520.
- 13. DEFENDANT manufactures, packages, distributes, markets and/or sells the PRODUCTS for sale or use in California and in Alameda County.

## STATUTORY BACKGROUND

- 14. The People of the State of California have 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).
- 15. 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 or reproductive toxicity. 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....
- 16. Proposition 65 provides that any person "violating or threatening to violate" the statute may be enjoined in a court of competent jurisdiction. (H&S Code §25249.7). The phrase "threatening to violate" is defined to mean creating "a condition in which there is a substantial

likelihood that a violation will occur." (H&S Code §25249.11(e)). Violators are liable for civil penalties of up to \$2,500 per day for each violation of the Act. (H&S Code §25249.7.)

### FACTUAL BACKGROUND

- 17. On February 27, 1987, the State of California officially listed the chemical 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.).
- 18. On October 1, 1992, the State of California officially listed the chemicals 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 ug/day (micrograms a day) for reproductive toxicity.
- 19. To test Yerba Prima's PRODUCTS for lead, Plaintiff hired a well-respected and accredited testing laboratory that designed the testing protocol used and approved by the California Attorney General years ago for testing heavy metals. The testing results undertaken by PLAINTIFF of Yerba Prima's PRODUCTS show that the PRODUCTS tested were in violation of the 0.5 ug/day "safe harbor" daily dose limit set forth in Proposition 65's regulations. Very significant is the fact that people are being exposed to lead through ingestion as opposed to other not as harmful methods of exposure such as dermal exposure. Ingestion of lead produces much higher exposure levels and health risks than dermal exposure to this chemical.
- 20. At all times relevant to this action, Yerba Prima therefore has knowingly and intentionally exposed the users and/or handlers of the PRODUCTS to LISTED CHEMICALS without first giving a clear and reasonable warning to such individuals.

- 21. The PRODUCTS have allegedly been sold by DEFENDANT for use in California since at least May 9, 2009. The PRODUCTS continue to be distributed and sold in California without the requisite warning information.
- 22. On May 9, 2012 ERC served DEFENDANT and each of the appropriate public enforcement agencies with a document entitled "Notice of Violations of California Health & Safety Code Section 25249.5" that provided DEFENDANT and the public enforcement agencies with notice that DEFENDANT was in violation of Proposition 65 for failing to warn purchasers and individuals using the Products that the use of the Products exposes them to lead, a chemical known to the State of California to cause cancer and/or reproductive toxicity ("Prop. 65 Notice") (a copy of the 60-Day Notice is attached hereto as Exhibit A).
- 24. As a proximate result of acts by Yerba Prima, as a person 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 Alameda, have been exposed to the LISTED CHEMICALS without clear and reasonable warning. The individuals subject to the violative exposures include normal and foreseeable users of the PRODUCTS, as well as all other persons exposed to the PRODUCTS.

### FIRST CAUSE OF ACTION

# (Injunctive Relief for Violations of Health and Safety Code § 25249.5, et seq. concerning the PRODUCTS described in the May 9, 2012 Prop. 65 Notice) Against Yerba Prima

- 25. PLAINTIFF realleges and incorporates by reference Paragraphs 1 through 24, inclusive, as if specifically set forth herein.
- 26. On May 9, 2012, PLAINTIFF sent a 60-Day Notice of Proposition 65 violations to the requisite public enforcement agencies, and to DEFENDANT ("Notice") attached hereto as Exhibit A. 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

given included, *inter alia*, the following information: the name, address, and telephone number of the noticing individual; the name of the alleged violator; 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, and was issued as follows:

- a. DEFENDANT and the California Attorney General were provided copies of the Notice by Certified Mail.
- b. DEFENDANT was provided a copy of a document 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.
- c. The California Attorney General was provided with 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 identify 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).
- 27. The appropriate public enforcement agencies have failed to commence and diligently prosecute a cause of action under H&S Code §25249.5, et seq. against DEFENDANT based on the allegations herein.
- 28. By committing the acts alleged in this Complaint DEFENDANT at all times relevant to this action, and continuing through the present, has violated H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals who use or handle the PRODUCTS set forth in the Notice to the LISTED CHEMICALS, without first providing a clear and reasonable warning to such individuals pursuant to H&S Code §§ 25249.6 and 25249.11(f).

- 29. By the above-described acts, DEFENDANT has violated H&S Code § 25249.6 and is therefore subject to an injunction ordering DEFENDANT to stop violating Proposition 65, to provide warnings to all present and future customers and to provide warnings to DEFENDANT'S past customers who purchased or used the PRODUCTS without receiving a clear and reasonable warning.
- 30. An action for injunctive relief under Proposition 65 is specifically authorized by Health & Safety Code §25249.7(a).
- 31. Continuing commission by DEFENDANT 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.

Wherefore, PLAINTIFF prays judgment against DEFENDANT, as set forth hereafter.

#### SECOND CAUSE OF ACTION

# (Civil Penalties for Violations of Health and Safety Code § 25249.5, et seq. concerning the PRODUCTS described in PLAINTIFF's NOTICE) Against Yerba Prima

- 32. PLAINTIFF realleges and incorporates by reference Paragraphs 1 through 31, inclusive, as if specifically set forth herein.
- 33. By committing the acts alleged in this Complaint, DEFENDANT at all times relevant to this action, and continuing through the present, has violated H&S Code §25249.6 by, in the course of doing business, knowingly and intentionally exposing individuals who use or handle the PRODUCTS set forth in the Notice to the LISTED CHEMICALS, without first providing a clear and reasonable warning to such individuals pursuant to H&S Code §§ 25249.6 and 25249.11(f).
- 34. By the above-described acts, DEFENDANT is liable, pursuant to H&S Code \$25249.7(b), for a civil penalty of \$2,500 per day per violation for each unlawful exposure to a LISTED CHEMICAL from the PRODUCTS, in an amount in excess of \$15 million.

Wherefore, PLAINTIFF prays judgment against DEFENDANT, as set forth hereafter.

# THE NEED FOR INJUNCTIVE RELIEF

- 35. PLAINTIFF realleges and incorporates by this reference Paragraphs 1 through 34, as if set forth below.
- 36. By committing the acts alleged in this Complaint, DEFENDANT has caused irreparable harm for which there is no plain, speedy or adequate remedy at law. In the absence of equitable relief, DEFENDANT 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 use and/or handling of the PRODUCTS.

### PRAYER FOR RELIEF

Wherefore, PLAINTIFF accordingly prays for the following relief:

- A. a preliminary and permanent injunction, pursuant to H&S Code §25249.7(b), enjoining DEFENDANT, its agents, employees, assigns and all persons acting in concert or participating with DEFENDANT, from distributing or selling the PRODUCTS in California without first providing a clear and reasonable warning, within the meaning of Proposition 65, that the users and/or handlers of the PRODUCTS are exposed to the LISTED CHEMICALS.
- B. an injunctive order, pursuant to H&S Code §25249.7(b), compelling DEFENDANT to identify and locate each individual who has purchased the PRODUCTS since May 9, 2012, and to provide a warning to such person that the use of the PRODUCTS will expose the user to chemicals known to cause cancer, birth defects, and other reproductive harm.
- C. an assessment of civil penalties pursuant to Health & Safety Code §25249.7(b), against DEFENDANT in the amount of \$2,500 per day for each violation of Proposition 65, in an amount in excess of \$15 million;
- D. an award to PLAINTIFF of its reasonable attorneys fees and costs of suit pursuant to California Code of Civil Procedure §1021.5, as PLAINTIFF shall specify in further

1	1 application to the Court; and,	
2	E. such other and further relief as may l	pe just and proper.
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