1 LEXINGTON LAW GROUP Eric S. Somers, State Bar No. 139050 **FILED** 2 Joseph Mann, State Bar No. 207968 **ALAMEDA COUNTY** 503 Divisadero Street 3 San Francisco, CA 94117 Telephone: (415) 913-7800 4 Facsimile: (415) 759-4112 ERIOR COURT esomers@lexlawgroup.com 5 jmann@lexlawgroup.com 6 Attorneys for Plaintiff CENTER FOR ENVIRONMENTAL HEALTH 7 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF ALAMEDA 11 12 Case No. <u>R91902 6800</u> CENTER FOR ENVIRONMENTAL HEALTH, 13 a non-profit corporation, 14 Plaintiff, **COMPLAINT FOR INJUNCTIVE** 15 RELIEF AND CIVIL PENALTIES ٧. 16 WHOLE FOODS MARKET CALIFORNIA. Health & Safety Code §25249.6, et seq. 17 INC.; ALLEGRO COFFEE COMPANY; and DOES 1 through 200, inclusive, (Other) 18 Defendants. 19 20 21 22 23 24 25 26 27 28 DOCUMENT PREPARED

COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES

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Plaintiff Center for Environmental Health, in the public interest, based on information and belief and investigation of counsel, except for information based on knowledge, hereby makes the following allegations:

INTRODUCTION

- 1. This Complaint seeks to remedy Defendants' continuing failure to warn individuals in California that they are being exposed to inorganic arsenic oxides and inorganic arsenic compounds (collectively, "Arsenic"), a chemical known to the State of California to cause cancer and birth defects or other reproductive harm. Such exposures have occurred, and continue to occur, when people consume Starkey Spring Water that is sold by Defendants. Consumers, including pregnant women and children, are exposed to Arsenic when they consume Starkey Spring Water.
- 2. Under California's Proposition 65, Health & Safety Code §25249.5, et seq., it is unlawful for businesses to knowingly and intentionally expose individuals in California to chemicals known to the State to cause cancer, birth defects, or other reproductive harm without first providing clear and reasonable warnings to exposed individuals. Defendants introduce Starkey Spring Water containing significant quantities of arsenic into the California marketplace, thereby exposing consumers of Starkey Spring Water, many of whom are pregnant women and children, to Arsenic.
- 3. Despite the fact that Defendants expose pregnant women, children, and other consumers to Arsenic, Defendants provide no warnings whatsoever about the carcinogenic or reproductive hazards associated with Arsenic exposure. Defendants' conduct thus violates the warning provision of Proposition 65. Health & Safety Code §25249.6.

PARTIES

4. Plaintiff CENTER FOR ENVIRONMENTAL HEALTH ("CEH") is a non-profit corporation dedicated to protecting the public from environmental health hazards and toxic exposures. CEH is based in Oakland, California and incorporated under the laws of the State of California. CEH is a "person" within the meaning of Health & Safety Code §25249.11(a) and brings this enforcement action in the public interest pursuant to Health & Safety Code

§25249.7(d). CEH is a nationally recognized non-profit environmental advocacy group that has prosecuted a large number of Proposition 65 cases in the public interest. These cases have resulted in significant public benefit, including the reformulation of thousands of products to remove toxic chemicals and to make them safer. CEH also provides information to Californians about the health risks associated with exposure to hazardous substances, where manufacturers and other responsible parties fail to do so.

- 5. Defendant WHOLE FOODS MARKET CALIFORNIA, INC. is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Defendant WHOLE FOODS MARKET CALIFORNIA, INC. markets, distributes, or sells Starkey Spring Water for sale or use in California.
- 6. Defendant ALLEGRO COFFEE COMPANY is a person in the course of doing business within the meaning of Health & Safety Code §25249.11. Defendant ALLEGRO COFFEE COMPANY markets, distributes, or sells Starkey Spring Water for sale or use in California.
- 7. DOES 1 through 200 are each a person in the course of doing business within the meaning of Health & Safety Code §25249.11. DOES 1 through 200 manufacture, distribute, or sell Starkey Spring Water for sale or use in California.
- 8. The true names of DOES 1 through 200 are either unknown to CEH at this time or the applicable time period before which CEH may file a Proposition 65 action has not run. When their identities are ascertained or the applicable time period before which CEH may file a Proposition 65 action has run, the Complaint shall be amended to reflect their true names.
- 9. The defendants identified in paragraphs 5 and 6 and DOES 1 through 200 are collectively referred to herein as "Defendants."

JURISDICTION AND VENUE

10. The Court has jurisdiction over this action pursuant to Health & Safety Code §25249.7, which allows enforcement in any court of competent jurisdiction, and pursuant to California Constitution Article VI, Section 10, because this case is a cause not given by statute to other trial courts.

- This Court has jurisdiction over Defendants because each is a business entity that does sufficient business, has sufficient minimum contacts in California, or otherwise intentionally avails itself of the California market through the sale, marketing, or use of Starkey Spring Water in California or by having such other contacts with California so as to render the exercise of jurisdiction over it by the California courts consistent with traditional notions of fair play and substantial justice.
- 12. Venue is proper in Alameda County Superior Court because one or more of the violations arise in the County of Alameda.

BACKGROUND FACTS

- 13. The People of the State of California have declared by initiative under Proposition 65 their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." Proposition 65, §1(b).
- 14. To effectuate this goal, Proposition 65 prohibits exposing people to chemicals listed by the State of California as known to cause cancer, birth defects, or other reproductive harm above certain levels without a "clear and reasonable warning" unless the business responsible for the exposure can prove that it fits within a statutory exemption. Health & Safety 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.

- 15. On February 27, 1987, the State of California officially listed arsenic (inorganic arsenic compounds) as a chemical known to cause cancer. 27 California Code of Regulations ("C.C.R.") §27001(b). On February 27, 1988, one year after it was listed as a chemical known to cause cancer, arsenic (inorganic arsenic compounds) became subject to the clear and reasonable warning requirement regarding carcinogens under Proposition 65. Health & Safety Code §25249.10(b).
- 16. On May 1, 1997, the State of California officially listed arsenic (inorganic oxides) as a chemical known to cause reproductive toxicity. Arsenic (inorganic oxides) is specifically

identified as a developmental toxicant, which means it tends to harm the developing fetus. 27 C.C.R. §27001(c). On May 1, 1998, one year after it was listed as a chemical known to cause reproductive toxicity, arsenic (inorganic oxides) became subject to the clear and reasonable warning requirement regarding reproductive toxicants under Proposition 65. Health & Safety Code §25249.10(b).

- 17. There is no safe level of exposure to Arsenic and even minute amounts of Arsenic have been proven harmful. See, e.g., James, K., et al., International Encyclopedia of Public Health (2d ed. 2017), p. 170-175. The U.S. Environmental Protection Agency ("EPA") has set a "maximum contaminant level goal" for Arsenic in water – the level below which there is no known or expected risk to health – at zero. EPA states that exposure to Arsenic is linked to cancer of the skin, bladder, lung, kidney, nasal passages, liver, and prostate. See EPA, Technical Fact Sheet: Final Rule for Arsenic in Drinking Water (January 2001). With respect to reproductive hazards from Arsenic exposures, recent studies have demonstrated reproductive harm at very low exposure levels that continue to drop. See, e.g., Wang, B., et al., "Prenatal exposure to arsenic and neurobehavioral development of newborns in China," 121 Environmental International (2018), p. 421-427.
- Bottled water, such as Starkey Spring Water, is generally believed by consumers 18. to be safer than tap water. This is one reason Starkey Spring Water costs hundreds of times more than tap water. Defendants take affirmative steps to promote this belief, such as by marketing Starkey Spring Water as "pure." Consumers who purchase and drink Starkey Spring Water are thus more likely to care about water safety issues than persons who drink tap water. This makes the failure to warn about Arsenic in Starkey Spring Water even more egregious.
- 19. Starkey Spring Water contains sufficient quantities of Arsenic such that consumers, including pregnant women and children, who consume Starkey Spring Water are exposed to a significant amount of Arsenic. The primary route of exposure for the violations is direct ingestion when consumers drink Starkey Spring Water. These exposures occur in homes, workplaces, and everywhere else throughout California where Starkey Spring Water is consumed.

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- 20. No clear and reasonable warning is provided with Starkey Spring Water regarding the carcinogenic or reproductive hazards of Arsenic.
- 21. Any person acting in the public interest has standing to enforce violations of Proposition 65 provided that such person has supplied the requisite public enforcers with a valid 60-Day Notice of Violation and such public enforcers are not diligently prosecuting the action within such time. Health & Safety Code §25249.7(d).
- 22. More than sixty days prior to naming each Defendant in this lawsuit, CEH provided a 60-Day "Notice of Violation" of Proposition 65 to the California Attorney General, to the District Attorneys of every county in California, to the City Attorneys of every California city with a population greater than 750,000, and to each of the named Defendants. In compliance with Health & Safety Code §25249.7(d) and 27 C.C.R. §25903(b), each Notice included the following information: (1) the name and address of each violator; (2) the statute violated; (3) the time period during which violations occurred; (4) specific descriptions of the violations, including (a) the routes of exposure to Arsenic from Starkey Spring Water, and (b) the specific type of products sold and used in violation of Proposition 65; and (5) the name of the specific Proposition 65-listed chemical that is the subject of the violations described in each Notice.
- 23. CEH also sent a Certificate of Merit for each Notice to the California Attorney General, to the District Attorneys of every county in California, to the City Attorneys of every California city with a population greater than 750,000, and to each of the named Defendants. In compliance with Health & Safety Code §25249.7(d) and 11 C.C.R. §3101, each Certificate certified that CEH's counsel: (1) has consulted with one or more persons with relevant and appropriate experience or expertise who reviewed facts, studies, or other data regarding the exposures to Arsenic alleged in each Notice; and (2) based on the information obtained through such consultations, believes that there is a reasonable and meritorious case for a citizen enforcement action based on the facts alleged in each Notice. In compliance with Health & Safety Code §25249.7(d) and 11 C.C.R. §3102, each Certificate served on the Attorney General included factual information – provided on a confidential basis – sufficient to establish the basis

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for the Certificate, including the identity of the person(s) consulted by CEH's counsel and the facts, studies, or other data reviewed by such persons.

- None of the public prosecutors with the authority to prosecute violations of 24. Proposition 65 has commenced or is diligently prosecuting a cause of action against Defendants under Health & Safety Code §25249.5, et seq., based on the claims asserted in any of CEH's Notices regarding Arsenic in Starkey Spring Water.
- 25. Defendants both know and intend that individuals, including pregnant women and children, will consume Starkey Spring Water, thus exposing them to Arsenic. Specifically, in 2016 and 2017, Defendants issued two separate recalls of more than 2,000 cases of Starkey Spring Water after tests by regulators showed Arsenic levels exceeding the federal drinking water threshold level of 10 parts per billion ("ppb"). In 2019, Consumer Reports published an article reporting that its own testing found Arsenic levels in Starkey Spring Water just under this 10 ppb threshold, which Defendants did not deny despite admitting that they test "every production run of water before it is sold."
- 26. Furthermore, the Starkey Spring Water website displays a "2019 Bottled Water Quality Report" stating that "Arsenic levels above 5 ppb and up to 10 ppb are present" in Starkey Spring Water. That report also contains a test result indicating that a Starkey Spring Water sample tested contained 8 ppb Arsenic. Attached hereto as Exhibit 1 is a true and correct copy of the "2019 Bottled Water Quality Report," downloaded from the Starkey Spring Water website (see https://tinyurl.com/starkeywaterasrenic) on July 10, 2019.
- 27. Nevertheless, Defendants continue to expose consumers, including pregnant women and children, to Arsenic without prior clear and reasonable warnings regarding the carcinogenic or reproductive hazards of Arsenic.
- 28. CEH has engaged in good-faith efforts to resolve the claims alleged herein prior to filing this Complaint.
- 29. Any person "violating or threatening to violate" Proposition 65 may be enjoined in any court of competent jurisdiction. Health & Safety Code §25249.7. "Threaten to violate" is defined to mean "to create a condition in which there is a substantial probability that a violation

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