1 2 3 4 5 6 7	Josh Voorhees, State Bar No. 241436 Troy C. Bailey, State Bar No. 277424 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 Attorneys for Plaintiff PAUL WOZNIAK				
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA				
9	COUNTY OF ALAMEDA				
10	UNLIMITED CIVIL JURISDICTION				
11					
12	PAUL WOZNIAK,) Case No. RG14740779			
13	Plaintiff,)) [PROPOSED] CONSENT JUDGMENT			
14	V.) [I KOI OSED] CONSENT JUDGWENT			
15	JOHNSON OUTDOORS GEAR, INC.; et al.,))			
16	Defendants.	Action Filed: September 16, 2014			
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1. <u>INTRODUCTION</u>

1.1 Paul Wozniak and Johnson Outdoors Gear, Inc.

This Consent Judgment is entered into by and between plaintiff Paul Wozniak ("Wozniak" or "Plaintiff") and defendant Johnson Outdoors Gear, Inc. ("Johnson" or "Defendant") with Plaintiff and Defendant collectively referred to as the "parties."

1.2 Paul Wozniak

Wozniak is an individual residing in the State of California who seeks to promote awareness of exposure to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer and commercial products.

1.3 Johnson Outdoors Gear, Inc.

Wozniak alleges that Defendant employs ten or more persons and is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code § 25249.6, *et seq.* ("Proposition 65").

1.4 General Allegations

Wozniak alleges that Defendant manufactured, imported, distributed and/or sold in the State of California tools with vinyl/PVC grips containing lead. Lead is listed pursuant to Proposition 65 as a chemical known to the State of California to cause birth defects and other reproductive harm.

1.5 Product Description

The products that are covered by this Consent Judgment are defined as tools with vinyl/PVC grips containing lead including, but not limited to, *Eureka! Tent Mallet Accessory, UPC #0 83826 60115 6*, which are manufactured, imported, distributed, sold and/or offered for sale by Defendant in the State of California, hereinafter the "Products."

1.6 Notices of Violation

On February 7, 2014, Wozniak served Johnson Outdoors Inc. and various public enforcement agencies with a document entitled "60-Day Notice of Violation" that provided the recipients with notice that it was in violation of California Health & Safety Code § 25249.6 for failing to warn consumers that their tools with vinyl/PVC grips exposed users in California to lead.

On May 21, 2014, Wozniak served Johnson Outdoors Gear, Inc., Johnson Outdoors Gear LLC and various public enforcement agencies with a document entitled "60-Day Notice of Violation" that provided the recipients with notice that Johnson was in violation of California Health & Safety Code § 25249.6 for failing to warn consumers that its tools with vinyl/PVC grips exposed users in California to lead. Johnson asserts that Johnson Outdoors Inc. never manufactured, imported, distributed or sold any Products, and that Johnson Outdoors LLC is no longer in existence.

The February 7, 2014, Notice and the May 21, 2014, Notice shall be collectively referred to as the "Notices."

1.7 Complaints

On September 16, 2014, Wozniak filed a complaint in the Superior Court in and for the County of Alameda against Johnson Outdoors Inc. and Does 1 through 150, *Wozniak v. Johnson Outdoors Inc.*, et al., Case No. RG14740779 (the "Action"), alleging violations of California Health & Safety Code § 25249.6, based on the alleged exposures to lead contained in certain tools with vinyl/PVC grips sold by Defendant in the State of California. On November 21, 2014, Wozniak filed a *first amended* complaint in the Superior Court in and for the County of Alameda against Johnson and Does 1 through 150, *Wozniak v. Johnson Outdoors, Inc.*, et al., Case No. RG14740779.

1.8 No Admission

Defendant denies the material, factual and legal allegations contained in Wozniak's Notices and Complaint and maintain that all products that they have sold, manufactured, imported and/or distributed in California, including the Products, have been and are in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by Defendant of any fact, finding, issue of law or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission by Defendant of any fact, finding, conclusion, issue of law or violation of law. However, this section shall not diminish or otherwise affect Defendant's obligations, responsibilities and duties under this Consent Judgment.

1.9 Consent to Jurisdiction

For purposes of this Consent Judgment only, the parties stipulate that this Court has jurisdiction over Defendant as to the allegations contained in the Complaint, that venue is proper in the County of Alameda and that this Court has jurisdiction to enter and enforce the provisions of this Consent Judgment.

1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date upon which the Court approves this Consent Judgment, including any unopposed Tentative Ruling.

2. <u>INJUNCTIVE RELIEF: REFORMULATION AND WARNINGS</u>

2.1 Reformulation Standards

"Reformulated Products" are defined as those Products containing a maximum of 100 parts per million ("ppm") of lead by weight in any accessible component (i.e., any component that can be touched or handled during reasonably foreseeable use) when analyzed pursuant to Environmental Protection Agency testing methodologies 3050B and/or 6010B, *and* that yield a result of more than 1.0 micrograms of lead when analyzed pursuant to the NIOSH 9100 testing protocol.

2.2 Reformulation Commitment

As of the Effective Date all Products manufactured for sale and/or purchased for sale in the State of California by Defendant shall be Products that qualify as Reformulated Products as defined in Section 2.1 above or shall carry the Proposition 65 warnings specified in Section 2.3 below.

2.3 **Product Warnings**

As of the Effective Date, Johnson shall provide clear and reasonable warnings for all Products as set forth in subsections 2.3(a) and (b) (as to subsection 2.3(b), only if Johnson sells Products directly to consumers via mail order or the internet) for all Products that do not qualify as Reformulated Products. Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase or use. Each warning shall be provided in a manner such that the consumer or user understands to which *specific* Product the warning applies, so as to minimize the risk of consumer confusion.

1	(a) Product Warning Options.			
2		(i) Prod	uct Labeling.	Johnson shall affix a warning to the packaging,
3	labeling, or directly on each Product provided for sale in retail outlets in California that states (with			
4	use of the bracketed text at Johnson's option):			
5		WARNING: This product contains lead, a chemical known to the State of California to cause		
6				birth defects or other reproductive
7			Or	
8 9		WARNING:	known to the	contains chemicals, including lead, State of California to cause [cancer
10	(L)	M-3 O-4	, -	efects or other reproductive harm
11	(b) Mail Order Catalog and Internet Sales. In the event that Johnson sells			
12	Products via mail order catalog and/or the internet, to end user customers located in California, after			
13	the Effective Date, that are not Reformulated Products, Johnson shall provide warnings for such			
14	Products sold via mail order catalog or the internet to California residents. Warnings given in the			
	mail order catalog or on the internet shall identify the <i>specific</i> Product to which the warning applies			
15	as further specified in Sections 2.3(b)(i) and (ii). Nothing herein shall require Defendant to impose			
16	any requirement on it	any requirement on its retailer customers regarding mail order catalog or internet warnings.		
17	(i) Mail Order Catalog Warning. Any warning provided in a mail			
18	order catalog shall be in the same type size or larger than the Product description text within the			
19	catalog. The following warning (with use of the bracketed text at Johnson's option] shall be			
20	provided on the same page and in the same location as the display and/or description of the Product:			
21		WARNING:	1	contains lead, a chemical State of California to cause
22				birth defects or other reproductive harm.
23			Or	
24		WARNING:	known to the	contains chemicals, including lead, State of California to cause [cancer
25			and,] birth de	efects or other reproductive harm.
26	Where it is impracticable to provide the warning on the same page and in the same location			
27	as the display and/or description of the Product, Johnson may utilize a designated symbol to cross			
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1	reference the applicable warning and shall define the term "designated symbol" with the following			
2	language on the inside of the front cover of the catalog or on the same page as any order form for			
3	the Product(s) (with use of the bracketed text at Johnson's option]:			
4 5	WARNING: Certain products identified with this symbol ▼ and offered for sale in this catalog contain lead, a chemical known to the State of California to cause [cancer and,] birth defects or other reproductive harm.			
6				
7	Or:			
8	WARNING: Certain products identified with this symbol ▼ and offered for sale in this catalog contain chemicals, including lead, known to the State of California to cause			
10	[cancer and,] birth defects or other reproductive harm			
11	The designated symbol must appear on the same page and in close proximity to the display			
12	and/or description of the Product. On each page where the designated symbol appears, Johnson			
13	must provide a header or footer directing the consumer to the warning language and definition of			
	the designated symbol.			
14	(ii) Internet Website Warning. A warning shall be given in conjunction			
15	with the sale of the Products via the internet, which warning shall appear either: (a) on the same			
16	web page on which a Product is displayed; (b) on the same web page as the order form for a			
17	Product; (c) on the same page as the price for any Product; or (d) on one or more web pages			
18	displayed to a purchaser during the checkout process. The following warning statement (with use			
19	of the bracketed text at Johnson's option] shall be used and shall appear in any of the above			
20	instances adjacent to or immediately following the display, description, or price of the Product for			
21	which it is given in the same type size or larger than the Product description text:			
2223	WARNING: This product contains lead, a chemical known to the State of California to cause [cancer and,] birth			
24	defects or other reproductive harm.			
	Or			
2526	WARNING: This product contains chemicals, including lead, known to the State of California to cause [cancer and,] birth defects or other reproductive harm.			
27	Alternatively, the designated symbol may appear adjacent to or immediately following the			
28	display, description, or price of the Product for which a warning is being given, provided that the			

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following warning statement (with use of the bracketed text below at Johnson's option) also appears elsewhere on the same web page, as follows:

WARNING: This product contains lead, a chemical

known to the State of California to cause [cancer and,] birth defects or other reproductive harm.

Or

WARNING: This product contains chemicals, including lead,

known to the State of California to cause [cancer and,] birth defects or other reproductive harm

3. MONETARY PAYMENTS

3.1 <u>Civil Penalty Payments</u>

In settlement of all the claims referred to in this Consent Judgment, Defendant has been assessed a total of \$11,500 in civil penalties in accordance with this Section. Each penalty payment will be allocated in accordance with California Health & Safety Code § 25249.12(c)(1) & (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") by Wozniak. All penalty payments shall be delivered to the address listed in Section 3.3 below.

3.1.1 <u>Initial Civil Penalty</u>

Defendant shall pay an initial civil penalty in the amount of \$4,000 within five days of the Effective Date. Defendant shall issue a check payable to "Paul Wozniak, Client Trust Account" in the amount of \$4,000.

3.1.2 Final Civil Penalty

Defendant shall pay a final civil penalty of \$7,500 on or before May 15, 2015. The final civil penalty shall be waived in its entirety, however, if, no later than May 1, 2015, an officer of Defendant provides Wozniak with written certification that, as of the date of such certification and continuing into the future, all Products manufactured, imported, distributed, sold and offered for sale in California by Defendant qualify as Reformulated Products. Wozniak must receive any such certification on or before May 15, 2015. The certification in lieu of a final civil penalty payment

provided by this Section is a material term, and time is of the essence. Defendant shall issue a check for its final civil penalty payment to "Paul Wozniak, Client Trust Account" in the amount of \$7,500.

3.2 Reimbursement of Fees and Costs

The parties acknowledge that Wozniak and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving this fee issue to be resolved after the material terms of the agreement had been settled. Wozniak then expressed a desire to resolve the fee and cost issue shortly after the other settlement terms had been finalized. The parties then attempted to (and did) reach an accord on the compensation due to Wozniak and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure § 1021.5, for all work performed through the mutual execution of this agreement. Defendant shall pay \$31,000 for fees and costs incurred as a result of investigating, bringing this matter to Defendant's attention, and negotiating a settlement in the public interest. Within five days of the Effective Date, Johnson shall issue a check payable to "The Chanler Group" in the amount of \$31,000 to the address found in Section 3.3 below.

3.3 Payment Procedures

All payments owed to Wozniak and his counsel, pursuant to Sections 3.1 and 3.2, shall be delivered to the following payment address:

The Chanler Group Attn: Proposition 65 Controller 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710

4. <u>CLAIMS COVERED AND RELEASED</u>

4.1 Wozniak's Public Release of Proposition 65 Claims

This Consent Judgment is a full, final and binding resolution of all claims that were or could have been asserted in the Action arising out of Defendant's alleged failure to provide Proposition 65 warnings for the Products. Wozniak, acting on his own behalf and in the public interest, releases defendants Johnson Outdoors Gear, Inc., Johnson Outdoors Gear LLC and

their respective parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees") and each entity to whom they directly or indirectly distribute or sell the Products including, but not limited to, their downstream distributors, wholesalers, customers, retailers (including but not limited to Dick's Sporting Goods), franchisers, cooperative members, licensors and licensees ("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to lead from the Products sold by Defendant prior to the Effective Date, as set forth in the Notice. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with respect to exposures to lead from the Products.

4.2 <u>Wozniak's Individual Release of Claims</u>

Wozniak, in his individual capacity only and *not* in his representative capacity, also provides a release to Defendant, Releasees, and Downstream Releasees which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Wozniak of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to lead in the Products sold or distributed for sale by Defendant before the Effective Date.

4.3 **Johnson's Release of Wozniak**

Defendant on behalf of itself, its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Wozniak, his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Wozniak and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the Products.

5. COURT APPROVAL

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within one year after it has been fully executed by all parties.

6. SEVERABILITY

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If, subsequent to the execution of this Consent Judgment, any of the provisions of this Consent Judgment are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.

7. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed, preempted or is otherwise rendered inapplicable by reason of law generally, or if any of the provisions of this Consent Judgment are rendered inapplicable or no longer required as a result of any such repeal or preemption or rendered inapplicable by reason of law or regulations generally as to the Products, then Defendant shall provide written notice to Wozniak of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Defendant from any obligation to comply with any pertinent state or federal toxics control law.

8. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party by the other party at the following addresses:

To Johnson:

Alisa Swire, Esq. Vice President and General Counsel Johnson Outdoors Inc. 555 Main St. Racine, WI 54303

Proposition 65 Coordinator The Chanler Group 2560 Ninth Street

To Paul Wozniak:

Parker Plaza, Suite 214 Berkeley, CA 94710-2565

Ann G. Grimaldi, Esq. Grimaldi Law Offices 50 California Street #1500 San Francisco, CA 94111

Any party, from time to time, may specify in writing to the other party a change of address to which all notices and other communications shall be sent.

9. COUNTERPARTS; FACSIMILE AND PDF SIGNATURES

This Consent Judgment may be executed in counterparts and by facsimile or pdf signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document. A facsimile or pdf signature shall be as valid as the original.

10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)

Wozniak and his attorneys agree to comply with the reporting form requirements referenced in California Health & Safety Code § 25249.7(f).

11. <u>ADDITIONAL POST EXECUTION ACTIVITIES</u>

Wozniak and Defendant agree to mutually employ their best efforts to support the entry of this agreement as a Consent Judgment and obtain approval of the Consent Judgment by the Court in a timely manner. The parties acknowledge that, pursuant to California Health & Safety Code \$ 25249.7, a noticed motion is required to obtain judicial approval of this Consent Judgment, which Wozniak shall draft and file, and Defendant shall join. If any third party objection to the noticed motion is filed, Wozniak and Defendant shall work together to file a joint reply and appear at any hearing before the Court. This provision is a material component of the Consent Judgment and shall be treated as such in the event of a breach.

13. MODIFICATION

This Consent Judgment may be modified only: (1) by written agreement of the parties and upon entry of a modified Consent Judgment by the Court thereon; or (2) upon a successful motion of any party and entry of a modified Consent Judgment by the Court.

14. **AUTHORIZATION** The undersigned are authorized to execute this Consent Judgment on behalf of their respective parties and have read, understood and agree to all of the terms and conditions of this Consent Judgment. **AGREED TO: AGREED TO:** Date: February 26, 2015 / By: Donald P. Sesterhenn Secretary and Treasurer Johnson Outdoors Gear, Inc.