



Candy Deal Sweetened By Nearly \$1 Million In Penalties, Fees

LITIGATION

By DENNIS PFAFF, July 14, 2006

Attorney General Bill Lockyer, prosecutors in Los Angeles and Alameda County, and two private groups have announced a deal with candy manufacturers to reduce the amount of lead in Mexican-style treats.

Lockyer, in a June 29 statement touting the deal, called the development a tremendous advancement in protecting our children from one of the most dangerous substances in the environment. Lockyer's statement said the deal, among other steps, requires the companies to use new manufacturing processes to substantially reduce lead in the candies and their packaging and to conduct independent audits to make sure the methods are reducing lead contamination.

The attorney general said he would issue a public list of companies that meet the requirements.

Joining with Lockyer in the settlement were Los Angeles City Attorney Rocky Delgadillo, Alameda County District Attorney Tom Orloff, the Environmental Health Coalition, and the Center for Environmental Health.

Statements from the plaintiffs identified the settling companies as Mexican sub-sidiaries of candy giants Mars, Inc. and Hershey Company, as well as the Mexican-based Dulces Vero. Lockyer and the public prosecutors sued these companies and others in 2004 after the private groups issued notices that they intended to sue [see Litigation Report, October 1, 2004].

The settlement in *People v. Alpro Alimento Proteinicos* calls for the defendants to pay a total of \$954,000, including \$100,000 in penalties and \$379,000 to fund consumer education programs. The remainder, \$475,000, was earmarked for fees and costs. Of that amount, CEH gets \$175,000 and Environmental Health Coalition receives \$120,000. Lockyer's office will receive \$90,000; Orloff's \$55,000 and Delgadillo's \$35,000. The deal also includes a penalty schedule for other defendants that may settle later.

Among the attorneys involved in the case were Suzanne Bevash, of Environmental Advocates in Del Mar, representing Environmental Health Coalition and Mark Todzo, of Lexington Law Group in San Francisco, representing CEH. Michele Corash and Robert Falk, of San Francisco's Morrison & Foerster, represented the settling candy companies.