1 2 3 4	LIEFF, CABRASER, HEIMANN & BERNSTEIN, LLP ROBERT J. NELSON, (CSB #132979) RICHARD M. FRANCO, (CSB #170970) 275 Battery Street, 30th Floor San Francisco, California 94111-9333 Telephone: (415) 956-1000		
5 6 7 8 9 10 11 12 13	MILBERG WEISS BERSHAD HYNES & LERACH, LLP WILLIAM S. LERACH, (CSB #68581) FRANK J. JANECEK, JR., (csb #156306) MICHAEL J. DOWD, (csb #135628) STEPHEN P. POLAPINK, (csb #177489) JONAH H. GOLDSTEIN, (csb #193777) 600 West Broadway, suite 1800 san Diego, California 92101 Telephone: (619) 231-1058, and — PATRICK J. COUGHLIN, (CSB #111070) EX KANO S. SAMS, II. (CSB #192936) JASON T. BAKER (CSB #212380) 100 Pine Street, Suite 2600 San Francisco, California 94111 Telephone: (415) 288-4545		
14 15	Attorneys for Plaintiffs (Additional Counsel Appear on Signature Page)		
16 17 18	SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SAN DIEGO		
19 20 21 22 23 24 25 26 27 28	COORDINATION PROCEEDINGS SPECIAL TITLE (RULE 1550(b)), FIREARMS CASES Including Actions: PEOPLE, et al. v. ARCADIA MACHINE & TOOL, et al.; San Francisco Superior Court No. 303753 PEOPLE, et al. v. ARCADIA MACHINE & TOOL, et al.; Los Angeles Superior Court No. BC 210894 [caption continues on next page]	JUDICIAL COUNCIL COORDINATION PROCEEDING NO. 4095 PLAINTIFFS' MEMORANDUM IN OPPOSITION TO DEFENDANT ANDREWS' MOTION TO STRIKE PURSUANT TO CODE OF CIVIL PROCEDURE SECTION 425.16 Date: To Be Determined Time: 8:30 a.m. Judge: Hon. Vincent P. DiFiglia Department: 65	
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PLAINTIFFS' MEMO IN OPP. TO DEF. ANDREWS' MOTION TO STRIKE

PEOPLE, et al. v. ARCADIA MACHINE & TOOL, et al.; Los Angeles Superior Court No. BC 214794

I. INTRODUCTION

This memorandum is filed in opposition to the motion of Andrews Sporting Goods, Inc. dba Turners Outdoorsman ("Andrews") and S.G. Distributing, Inc. ("SGD") (referred to jointly as "defendants") to strike pursuant to the anti-Strategic Lawsuit Against Public Participation ("SLAPP") statute, Code of Civil Procedure section 425.16. Defendants' motion is fatally flawed. First, the anti-SLAPP statute does not even apply to the instant actions because city attorneys and county counsel, as opposed to individuals, are bringing their Business & Professions Code 17500 claims on behalf of the people of the State of California. Because Code of Civil Procedure section 425.16(d) expressly excludes such public enforcement actions from the anti-SLAPP provisions, there is simply no statutory basis for defendants' motion.

Second, plaintiffs' lawsuits are not designed to chill the valid exercise of the defendants' first amendment rights. Rather, plaintiffs have filed a public enforcement action under section 17500 to enjoin commercial advertisements that are inherently misleading and deceptive. Commercial speech that is misleading or deceptive is not protected by the first amendment.

Third, if, as defendants allege, they do not advertise, or do not engage in the kind of commercial speech alleged in the complaints, then their speech, whether commercial or not, whether misleading or not, is not being impacted in any way by the section 17500 claim. As a result, they have failed to make the necessary *prima facie* showing that their first amendment rights are being chilled or impacted by this action. Defendants' proper procedural remedy would have been to seek summary judgment on that issue, not a motion to strike per the anti-SLAPP statute.

Finally, even ignoring these fatal errors, the statutory provision upon which defendants seek to rely makes clear that the motion should be filed within 60 days of the filing of

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the complaints, rather than three and a half years into the litigation, and just months before trial.

Andrews offers no justification or excuse for its delay.

For all these reasons, defendants' motion is utterly without merit. Plaintiffs respectfully request that the Court deny defendants' motion.

II. ARGUMENT

A. The Anti-SLAPP Provisions Do Not Apply to Actions Brought on Behalf of the People of the State of California.

Plaintiffs' claim pursuant to Business & Professions Code section 17500 is brought exclusively by city attorneys and county counsel who have express statutory authority to bring such actions on behalf of the people of the State of California. *See* Bus. & Prof. Code section 17535. These offices can seek injunctive relief, disgorgement of profits, and statutory penalties on behalf of the people of California. The individual persons/officials who are prosecuting these cases on behalf of the general public pursuant to the section 17200 cause of action, e.g., mayors and Board of Supervisor members, are not bringing claims pursuant to section 17500 on behalf of the general public, as their county counsel and city attorneys have express statutory authority to bring such actions on behalf of the people. Because county counsel and city attorneys have express statutory authority to bring claims on behalf of the people, they, unlike private individuals and/or officers, may seek statutory penalties pursuant to section 17536.

The point is that the section 17500 claim is brought exclusively on behalf of the people of the State of California. The anti-SLAPP statute, Code of Civil Procedure section 425.16, expressly provides that it "shall not apply to any enforcement action brought in the name of the people of the State of California..." Code of Civ. Proc. § 425.16(d). This exclusion has been upheld. See, e.g., People v. Health Laboratories of North America (2001) 87 Cal. App. 4th, 442. Because this enforcement action is brought in the name of the people of the State of California, the anti-SLAPP provisions plainly do not apply. As a result, defendants' motion is fatally flawed and must be denied.

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B. Plaintiffs' Suits are Aimed at Deceptive Advertising, Not Protected Speech.

Plaintiffs' claim pursuant to Business & Professions Code section 17500 is limited to allegedly deceptive advertising conducted by defendants. This claim is about nothing more, having nothing to do with what defendants tell public officials or each other. It is a public enforcement action to protect consumers. According to the court of appeals in People v. Health Labs., supra,

SLAPP suits are typically characterized as suits brought not to vindicate a legal right but to interfere with the defendant's ability to pursue his or her interest. (Church of Scientology v. Wollersheim (1996) 42 Cal. App. 4th 628, 645 [49 Cal. Rptr. 2d 620].) SLAPP plaintiffs do not care so much about winning their lawsuits as they care about delaying and distracting the defendant from his or her objective, which is generally economically adverse to those of the SLAPP plaintiff. SLAPP plaintiffs achieve their goal if their suits deplete the defendant's resources and energy. (Ibid., Dixon v. Superior Court (1994) 30 Cal. App. 4th 733, 741 [36 Cal. Rptr. 2d 687].) The legislative history of section 425.16 plainly implies that its purpose was to prevent the harm caused by such plaintiffs.

By contrast, a public prosecutor's enforcement action is not motivated by a retaliatory attempt to gain a personal advantage over a defendant who has challenged his or her economic ambition. The prosecutor's motive derives from the constitutional mandate to assure that the laws of the state are uniformly enforced and to prosecute any violation of these laws, so that order is preserved and the public interest protected. (Cal. Const., art. V, 13; <u>D'Amico v. Board of Medical Examiners</u> (1974) 11 Cal. 3d 1, 14-15 [112 Cal. Rptr. 786, 520 P.2d 10].)

People v. Health Labs., supra, at 450.

This case involves only commercial speech. Commercial speech may be and in fact is regulated to prevent consumer deception. Business & Professions Code section 17500 represents one of the mechanisms by which the Legislature sought to address false and misleading advertising. Certainly, the Legislature did not intend that every false advertising case would prompt an anti-SLAPP motion. Defendants' motion ignores that the plaintiffs' section 17500 claim is a public enforcement action focused exclusively on commercial speech, and nothing else. As such, the anti-SLAPP statute is an improper mechanism to challenge these cases.

C. <u>Defendants Have Not Made a Prima Facie Showing that the anti-SLAPP Provision Should Apply</u>

If defendants are correct that they do not advertise, or do not advertise in the manner alleged in the complaint, then their rights have plainly not been abridged as a result of the false advertising claims. As a result, they have not satisfied their burden that they make a *prima facie* case. To require a substantive response from plaintiffs under the anti-SLAPP statute, defendants must demonstrate that the defendants' acts/statements underlying the plaintiffs' cause of action "must itself have been an act in furtherance of the right of petition or free speech."

Gallimore v. State Farm (2002) 102 Cal. App. 1388, 1396). If defendants did not make the alleged statements, they cannot avail themselves of the anti-SLAPP provisions.

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D. Defendants' Motion is Untimely.

Finally, section 425.16(f) provides that the motion to strike pursuant to this provision be filed within 60 days of the service of the complaint. One goal of the statute was "to eliminate meritless or retaliatory litigation at an early stage in the proceedings." See, e.g., Gallimore v. State Farm (2002) 102 Cal. App. 4th 1388, 1396 (emphasis supplied). There is no right to file an anti-SLAPP motion beyond the 60-day deadline. Lam v. Ngo (2001) 91 Cal. App. 4th 832. While the Court has discretion to determine whether additional time to file an anti-SLAPP suit is warranted, defendants have not offered any reasonable explanation for their delay of well over a thousand days to bring this motion. If defendants' first amendment rights or rights to petition were in fact being suppressed or chilled as a result of this lawsuit, defendants would have brought this motion in a timely manner. In fact, SLAPP motions are typically accompanied by requests for a stay of discovery because of the need to resolve the first amendment issues expeditiously. Here, however, defendants have elected to file the motion only after years of discovery, and just four months prior to trial of the action. Defendants have offered no legitimate basis for their delay. As a result, the Court should, within its discretion, find that the motion is time-barred.

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¹ If the Court disagrees and concludes that defendants have made a *prima facie* case, plaintiffs respectfully request that they be given the opportunity to demonstrate their likelihood of success regarding this claim.

1	III. <u>CONCLUSION</u>		
2	For all the foregoing reasons, plaintiffs respectfully request that the Court deny		
3	defendants' motion to strike.		
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5		Respectfully submitted,	
6			
7	DATED: January 29, 2003	LIEFF, CABRASER, HEIMANN & BERNSTEIN, LLP ROBERT J. NELSON	
8		RICHARD M. FRANCO /s/ Robert J. Nelson	
9		By:Robert J. Nelson	
10		275 Battery Street, 30th Floor	
11		San Francisco, CA 94111-9333 Telephone: 415/956-1000	
12		415/956-1008 (fax)	
13		DENNIS HERRERA San Francisco City Attorney	
14		OWEN J. CLEMENTS Chief of Special Litigation	
15		KRISTINĖ A. POPLAWSKI INGRID M. EVANS	
16		Deputy City Attorneys 1390 Market Street, 6th Floor	
17		San Francisco, CA 94102-5408 Telephone: 415/554-3800	
18		415/554-3837 (fax)	
19		ROCKY DELGADILLO City Attorney	
20		DON KASS Deputy City Attorney	
21		MARK FRANCIS BURTON Deputy City Attorney	
22		200 N. Main Street 1600 City Hall East	
23		Los Angeles, CA 90012 Telephone: 213/485-4515	
24		213/847-3014 (fax)	
25			
26			
27			
28			
	167197.1	5	

1	LLOYD W. PELLMAN Los Angeles County Counsel
2	LAWRENCE LEE HAFETZ JUDY W. WHITEHURST
3	Senior Deputy County Counsel 500 West Temple Street, Suite 648
4	Los Angeles, CA 90012 Telephone: 213/974-1876
5	213/626-2105 (fax)
6 7	SAMUEL L. JACKSON Sacramento City Attorney GLORIA ZARCO
8	Deputy City Attorney 980 9th Street, 10th Floor
9	Sacramento, CA 95814 Telephone: 916/264-5346
10	916/264-7455 (fax)
11	MANUELA ALBUQUERQUE Berkeley City Attorney MATTHEW J. OREBIC
12	Deputy City Attorney 2180 Milvia Street
13	Berkeley, CA 94704 Telephone: 510/981-6950
14	510/981-6960 (fax)
15	THOMAS F. CASEY, III San Mateo County Counsel
16	BRENDA B. CARLSON Deputy County Counsel
17	Office of the County Counsel 400 County Center
18	Redwood City, CA 94063 Telephone: 650/363-4760
19	650/363-4034 (fax)
20	JOHN A. RUSSO Oakland City Attorney
21	RANDOLPH W. HALL Assistant City Attorney
22	JOYCE M. HICKS R. MANUEL FORTES
23	J. PATRICK TANG Deputy City Attorneys
24	One Frank Ogawa Plaza, 6th Floor Oakland, CA 94612
25	Telephone: 510/238-3601 510/238-6500 (fax)
26	3 2 0 0 0 ()
27	
28	

1		THOMPSON, LAWSON LLP
2		MICHAEL S. LAWSON East Palo Alto City Attorney
3		1600 Broadway, Suite 250 Oakland, CA 94612 Telephone: 510/835-1600
4		510/835-2077 (fax)
5		LEGRAND H. CLEGG II
6		Compton City Attorney CELIA FRANCISCO Deputy City Attorney
7		P.O. Box 5118 205 South Willowbrook Avenue
8		Compton, CA 90200
9		Telephone: 310/605-5582 310/763-0895 (fax)
10		CHARLES E. DICKERSON III
11		Inglewood City Attorney One Manchester Blvd., Suite 860 Inglewood, CA 90301
12		Telephone: 310/412-5372
13		310/412-8865 (fax)
14		MILBERG WEISS BERSHAD HYNES & LERACH LLP WILLIAM S. LERACH FRANK J. JANECEK, JR.
15		MICHAEL J. DOWD STEPHEN P. POLAPINK
16		JONAH H. GOLDSTEIN 600 West Broadway, Suite 1800
17		San Diego, CA 92101
18		Telephone: 619/231-1058 619/231-7423 (fax)
19		MILBERG WEISS BERSHAD HYNES & LERACH LLP
20		PATRICK J. COUGHLIN
21		EX KANO S. SAMS II JASON T. BAKER
22		100 Pine Street, Suite 2600 San Francisco, CA 94111
23		Telephone: 415/288-4545 415/288-4534 (fax)
24		EDUCATIONAL FUND TO STOP GUN VIOLENCE
25		SAYRE WEAVER 1023 15th Street N.W., Suite 600
26		Washington, DC 20005 Telephone: 562/266-1831
27		202/408-0062 (fax)
28		
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U	u	
1		ADY CENTER TO PREVENT GUN VIOLENCE NNIS A. HENIGAN
2	JON	NATHAN E. LOWY IAN J. SIEBEL
3	RU Leg	CHI BHOWMIK gal Action Project
4	125 Wa	60 Eye Street, N.W., Suite 802 shington, DC 20005
5	Tele	ephone: 202/289-7319 2/898-0059 (fax)
6		SHNELL, CAPLAN & FIELDING, LLP
7	PH	AN M. CAPLAN ILIP NEUMARK
8	221	UL R. HOEBER Pine Street, Suite 600
9	Tel	n Francisco, CA 94104-2715 ephone: 415/217-3800 5/217-3820 (fax)
11		W OFFICES OF CHARLES T. McCUE
12	СН	ARLES T. McCUE West Broadway, Suite 930
13	San	n Diego, CA 92101 ephone: 619/260-0636
14		0/260-0018 (fax)
15	171	VID KAIRYS, ESQ. 9 North Broad Street
16	Tel	ladelphia, PA 19122 ephone: 215/204-8959
17		5/248-6282 (fax)
18	Att	orneys for Plaintiffs
19		
20		
21		
22		
23		
24		
25		
26		
27		
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