



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

February 13, 2017

DMS NOTICE
QC - 17 - 01
DISCARD: RETAIN

TO: WEIGHTS AND MEASURES OFFICIALS

SUBJECT: Settlement – General Mills, Inc., a Delaware Corporation

Enclosed is a copy of the Final Judgment issued against General Mills, Inc., a Delaware Corporation. The case was filed on January 3, 2017, by the Yolo County District Attorney in conjunction with the Santa Cruz County District Attorney and the Fresno County District Attorney for deceptive packaging, in violation of California Business and Professions Code Sections 12602, 12606.2 (b), 12606.2(c), 12609, and 12611.

The California Department of Food and Agriculture, Division of Measurement Standards, worked with investigators from the District Attorney's offices on this case. The total settlement was for \$375,000. Civil penalties amounted to \$315,000, agency costs were \$50,000, and cy pres in the amount of \$10,000 was placed in the Consumer Protection Prosecution Trust Fund.

Yolo County needs to report these penalties on the County Monthly Report along with their individual investigative cost reimbursements in the appropriate columns.

The Department sincerely appreciates the work performed by the District Attorneys' offices along with the state and county investigators that documented and caused to be prosecuted these violations. If you have any questions, please contact Katherine de Contreras, Supervising Special Investigator, Enforcement Branch at (916) 229-3047, or katherine.decontreras@cdfa.ca.gov.

Sincerely,

Kristin Macey
Director

Enclosure

cc: Gary Leslie, County/State Liaison, CDFA



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LARRY BARLLY, SBN 114456
2 Supervising Deputy District Attorney,
Yolo County District Attorney's Office
3 301 Second Street
Woodland, CA 95695
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5 JEFFREY S. ROSELL, Santa Cruz District Attorney
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Assistant District Attorney
7 Santa Cruz District Attorney's Office
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8 Santa Cruz, California 95060
Telephone: (830) 454-2547

9 Attorneys for the People
10

RECEIVED

JAN 04 2016

Yolo County District Attorney

FILED
YOLO SUPERIOR COURT

JAN 03 2017

BY L. MARTIN
DEPUTY

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA

12 COUNTY OF YOLO

13
14 THE PEOPLE OF THE STATE OF
CALIFORNIA,

15 Plaintiff,

16 v.

17 GENERAL MILLS, INC., a Delaware
18 Corporation,

19 Defendant.

CASE NO. *Culle-2178*

FINAL JUDGMENT

20 Plaintiff, THE PEOPLE OF THE STATE OF CALIFORNIA, having filed its complaint herein,
21 through their attorneys, JEFF REISIG, District Attorney of Yolo County, by LARRY BARLLY,
22 Supervising Deputy District Attorney, and JEFFREY S. ROSELL, District Attorney of Santa Cruz
23 County, by EDWARD T. BROWNE, Assistant District Attorney; and ARNOLD & PORTER LLP, by
24 TRENTON H. NORRIS, a licensed California attorney for defendant General Mills, Inc., a Delaware
25 corporation, having stipulated that this Final Judgment can be entered without the taking of proof,
26 without this stipulated Final Judgment constituting any evidence or any admission by defendant
27 regarding any issue of fact alleged in the Complaint, and without Defendant admitting or denying any
28 liability to any allegation in the Complaint. This court having considered the pleadings and the

1 Stipulation for Entry of Final Judgment, and good cause appearing therefore;

2 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

3 **JURISDICTION**

4 1. This court has jurisdiction over the subject matter hereof and the parties hereto.

5 **APPLICABILITY**

6 2. This Judgment is applicable to each variation of the Defendant's Fiber One streusel
7 and lemon brownie products including but not limited to: Fiber One Streusel Bar Strawberry, Fiber
8 One Streusel Bar Blueberry, Fiber One Lemon Bar, and any successors or variations of those
9 products (the "Fiber One Products").

10 3. This Final Judgment is applicable to Defendant and its officers, representatives,
11 successors, assignees, and all persons, partnerships, corporations, and other entities acting under,
12 by, through, on behalf of, or in concert with Defendant, with actual or constructive knowledge of
13 this Final Judgment. This Final Judgment is also applicable to any and all subsidiaries of the
14 Defendant and its respective officers, representatives, successors, assignees and all persons,
15 partnerships, corporations, and other entities acting under, by, through, on behalf of, or in concert
16 with any such subsidiary with actual or constructive knowledge of this Final Judgment.

17 **INJUNCTION**

18 4. Pursuant to Business and Professions Code sections 17203 and 17535, defendant, and
19 its successor(s), officers, employees, agents, representatives, and all persons acting in concert or
20 participation with any of them, with actual or constructive notice of this Final Judgment, are
21 permanently enjoined and restrained from packaging its Fiber One Products, as described in
22 paragraph 2, above, in containers made, formed or filled as to be misleading to consumers, in
23 violation of California Business and Professions Code sections 12602, 12606.2(b), 12606.2(c),
24 12609, 12611, 17200 and 17500.

25 **COMPLIANCE**

26 5. Defendant shall use good faith efforts to make available and fully and clearly explain
27 the injunctive language of this Final Judgment, including the terms and conditions thereof, to each
28

1 of its officers, employees, contractors and any persons or entities responsible for the design of
2 packaging of goods offered for sale to California consumers.

3 6. Defendant has already initiated changes to its packaging, which require multiple
4 steps, time for implementation, and time for sell-through of existing product in inventory of
5 Defendant and retailers of the Fiber One Products. Within six months of entry of this Final
6 Judgment, Defendant will begin shipping for sale in California Fiber One Products whose
7 packaging has been modified to comply with paragraph 4, above, such that, within one year
8 thereafter, Defendant shall not ship for sale in California any Fiber One Products whose packaging
9 does not comply with paragraph 4, above.

10 **MONETARY PROVISIONS**

11 7. **Settlement Amount.** Defendant shall pay a total of \$375,000.00 in settlement of
12 this matter as set forth below and pursuant to Business and Professions Code sections 12015.5,
13 17206 and 17536:

14 (a) **Costs.** Defendant shall pay the People for investigative and prosecution
15 costs the sum of fifty thousand dollars (\$50,00.00) which shall be made
16 payable in four separate checks as follows:

17 California Department of Food and Agriculture	\$5,000.00
18 Office of the Santa Cruz County District Attorney	\$10,000.00
19 Office of the Yolo County District Attorney	\$15,000.00
20 Office of the Fresno County District Attorney	\$20,000.00
Total Costs	\$50,000.00

21
22 (b) **Civil Penalties.** Defendant is hereby ordered, pursuant to Business and
23 Professions Code sections 17207, 17536, 17503 and 17535, to pay a civil
24 penalty of three hundred fifteen thousand dollars (\$315,000.00) which shall
25 be distributed to the prosecuting agencies bringing this action pursuant to
26 Government Code section 26506 as follows:

- 27 1. One check shall be made payable to the Office of the Santa Cruz
28 County District Attorney in the amount of one hundred fifty

1 thousand dollars (\$150,000.00);

2 2. One check shall be made payable to the Office of the Yolo
3 County District Attorney's Office in the amount of one hundred
4 sixty-five thousand dollars (\$165,000.00);

5 (c) **Cy Pres Restitution.** One check in the sum of ten thousand dollars
6 (\$10,000.00) payable to the Consumer Protection Prosecution Trust Fund,
7 established in the case of *People v. ITT Consumer Financial Corporation*
8 (Alameda Superior Court Case No 656038-0).

9 (d) **Delivery of Settlement Funds.** Delivery of the full amount as set forth in
10 subsections (a), (b), and (c) above shall be made prior to the presentation of
11 this Final Judgment to the Court and is to be held pending Court approval of
12 this settlement. All settlement funds shall be delivered to Larry Barly,
13 Office of the Yolo County District Attorney, 301 Second Street, Woodland,
14 CA 95695.

15 8. The failure of the People to enforce any provision of this Final Judgment shall
16 neither be deemed a waiver of such provision nor shall it in any way affect the validity of this Final
17 Judgment. The failure of the People to enforce any provision shall not preclude it from later
18 enforcing the same or other provisions of this Final Judgment.

19 9. Except as otherwise expressly provided herein, each party shall bear its own
20 attorneys' fees and costs.

21 10. The language used for the obligations set forth in the Final Judgment are solely for
22 the purposes of settlement and compromise and are in no way intended to be an alteration of
23 California law in any other action. If an ambiguity arises regarding any provision of this Final
24 Judgment that requires interpretation, there is no presumption that the document should be
25 interpreted against any party. The presumption set forth in California Civil Code section 1654 is
26 not applicable.

27 11. Jurisdiction is retained for the purpose of enabling any party to the Stipulated Final
28 Judgment to apply to the Court for such further orders and directions as may be necessary and

1 appropriate for the construction and carrying out of the Stipulated Final Judgment, for the
2 modification or dissolution of any injunctive provisions hereof, for enforcement of compliance
3 herewith, or for the punishment of violations hereof.

4 12. This Final Judgment is a final and binding resolution and settlement of all claims,
5 violations, or causes of action that were alleged by the People in the Complaint.

6 13. This Judgment has been reviewed by the Court, and based upon the representations
7 of the parties, the Court finds that it has been entered in good faith and is, in all respects, fair, just,
8 and equitable to protect the public and the individuals who may have been affected by the issues
9 related as more fully described in the Complaint.

10 14. The clerk is directed to enter this stipulated Final Judgment forthwith.

11
12
13 DATED: 1/3/17

SAMUEL T. McADAM

JUDGE OF THE SUPERIOR COURT