



CALIFORNIA DEPARTMENT OF  
FOOD & AGRICULTURE

Karen Ross, Secretary

August 8, 2012

DMS NOTICE  
QC - 12 - 08  
DISCARD: RETAIN

TO: WEIGHTS AND MEASURES OFFICIALS

SUBJECT: Platinum U.S. Distribution, Inc., Global Health Technologies Inc. (SLIMQUICK®)  
Stipulated Final Judgment Pursuant to Stipulation, June 20, 2012

Enclosed is a Stipulated Final Judgment Pursuant to Stipulation issued by the Marin County District Attorney's Office, in conjunction with Riverside County's District Attorney's Office, filed against Platinum U.S. Distribution, Inc., Global Health Technologies Inc. (SLIMQUICK®) on June 20, 2012 for deceptive packaging/non-functional slack fill of SLIMQUICK® products in violation of California Business and Professions Code Section 12606.

The California Department of Food and Agriculture, Division of Measurement Standards (DMS) led the investigation and worked with Riverside County Weights and Measures. The total settlement was for \$200,500. Civil penalties amounted to \$170,000; cy pres restitution amounted to \$24,000; and, agency costs were \$6,500. The DMS Price and Quantity Verification Program received \$3,935 in cost recovery and \$24,000 in cy pres restitution.

Marin County should be sure to report these penalties on the County Monthly Report. All participating counties should separately record their individual investigative cost reimbursements in the appropriate columns on the report.

We appreciate the fine work done by both of the District Attorney's Offices along with the State and county investigators that documented and caused to be prosecuted these violations. If you have any questions, please contact Kathy de Contreras, Supervising Special Investigator, Quantity and Weighmaster Programs, Enforcement Branch at (916) 229-3047, or [katherine.decontreras@cdfa.ca.gov](mailto:katherine.decontreras@cdfa.ca.gov).

Sincerely,

Kristin J. Macey  
Director

Enclosure

cc: Edmund Williams, County/State Liaison, CDFA



FILED

JUN 20 2012

KIM TURNER, Court Executive Officer  
MARIN COUNTY SUPERIOR COURT  
By: C. Lucchesi, Deputy

1 EDWARD S. BERBERIAN, JR.  
2 District Attorney, County of Marin  
3 ANDRES H. PEREZ, State Bar No. 186219  
4 Deputy District Attorney  
5 3501 Civic Center Dr., Rm. 130  
6 San Rafael, CA 94903  
7 Telephone: (415) 499-6450

8 PAUL ZELLERBACH  
9 District Attorney, County of Riverside  
10 ELISE J. FARRELL, State Bar No. 100929  
11 Deputy District Attorney  
12 3960 Orange Street  
13 Riverside, CA 92501  
14 Telephone: (951) 955-5400

15 Attorneys for Plaintiff

16 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
17 COUNTY OF MARIN

18 THE PEOPLE OF THE STATE OF  
19 CALIFORNIA,

20 Plaintiff,

21 v.

22 PLATNIUM U.S. DISTRIBUTION INC.,  
23 GLOBAL HEALTH TECHNOLOGIES INC.,

24 Defendants.

Civil Case No.: CIV 1202827

STIPULATED FINAL JUDGMENT

25 THE PEOPLE OF THE STATE OF CALIFORNIA having filed its Complaint and  
26 appearing through its attorneys EDWARD S. BERBERIAN, JR., District Attorney, County of  
27 Marin, by Andres H. Perez, Deputy District Attorney, and PAUL ZELLERBACH, District  
28 Attorney, County of Riverside, by Elise J. Farrell, Deputy District Attorney; and Defendants  
PLATNIUM U.S. DISTRIBUTION INC., a Delaware corporation, and GLOBAL HEALTH  
TECHNOLOGIES INC., a Canadian corporation, (hereafter referred to as "Defendants"),  
appearing through their attorneys, BESHADA FARNESE LLP by Peter J. Farnese, Esq., having

1 stipulated to the entry of this Final Judgment without Defendants admitting any wrongdoing,  
2 without the court taking evidence, and without this Final Judgment constituting an admission by  
3 any Defendant regarding any issue of law or fact. All parties waive their right of appeal and have  
4 agreed the presumption set forth in Civil Code section 1654 is not applicable and there is no  
5 presumption that documents should be interpreted against any party. The parties have waived  
6 the right to appeal this Judgment both as to form and content. This court having considered the  
7 pleadings and the Stipulation for Entry of Final Judgment and good cause appearing therefore;  
8

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

10 **JURISDICTION**

11 1. This court has jurisdiction of the subject matter hereof and the parties hereto.

12 **APPLICABILITY**

13 2. This Final Judgment is applicable to Defendants and their officers and directors,  
14 including but not limited to Derek Woodgate and John David Bradley Woodgate, their  
15 representatives, successors, and assignees, and all persons, partnerships, corporations, and other  
16 entities acting under, by through, on behalf of, or in concert with Defendants, with actual or  
17 constructive knowledge of this Final Judgment. This Final Judgment is also applicable to any and  
18 all subsidiaries of the Defendants and their respective officers, directors, representatives,  
19 successors, and assignees and all persons, partnerships, corporations, and other entities acting  
20 under, by through, on behalf of, or in concert with any such subsidiary with actual or constructive  
21 knowledge of this Final Judgment.

22 **INJUNCTION**

23 3. Pursuant to Business and Professions Code section 17203 and 17535, Defendants  
24 are permanently enjoined and restrained from doing, directly or indirectly, in or from California  
25 the following:

26 A. Manufacturing, packaging, or distributing any product in a container that  
27 violates Business and Professions Code section 12606.  
28

1 B. Representing directly or by implication that any product offered for sale to the  
2 public is of greater quantity or volume than that which is actually being sold.

3 4. The injunctive provisions of this Final Judgment shall not apply to any  
4 commodities manufactured by Defendants prior to March 15, 2012, for a period of 18 months  
5 from the date of entry of this Final Judgment, to permit Defendants an opportunity to sell through  
6 their existing inventory and produce new items in conforming packaging.

7 **COMPLIANCE**

8 5. Defendants shall specifically advise the following persons of the injunctive  
9 provisions of this Final Judgment: (a) its current members, officers and directors; (b) any  
10 members, officers or directors who are appointed or elected within one year of the date of entry of  
11 this Final Judgment, and (c) any and all persons responsible for package engineering, design or  
12 marketing for Defendants at any time during the three years following the date of entry of this  
13 Final Judgment.

14 6. Defendants shall use good faith efforts to make available and fully and clearly  
15 explain the injunctive language of this Final Judgment, including the terms and conditions  
16 thereof, to each of its officers, employees, contractors, designers of packaging and/or anyone,  
17 including any entity, who may be responsible for the packaging of goods offered to  
18 California consumers.

19 **MONETARY PROVISIONS**

20 7. Defendants shall jointly and severally pay penalties, costs, and *cy pres* relief in the  
21 sum of \$200,500 in total settlement of this matter as set forth below and pursuant to Business and  
22 Professions Code sections 12105, 17206, and 17536. Said penalties, costs, and *cy pres* shall be  
23 distributed as follows:

24 A. \$3,935.00 to the STATE OF CALIFORNIA DEPARTMENT OF FOOD  
25 AND AGRICULTURE DIVISION OF MEASUREMENT STANDARDS, for  
26 costs of investigation.

27 B. \$2565.00 to the RIVERSIDE COUNTY DEPARTMENT OF WEIGHTS  
28 AND MEASURES for costs of investigation.

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C. \$85,000 to the MARIN COUNTY DISTRICT ATTORNEY'S OFFICE for payment of civil penalties pursuant to California Business and Professions Code section 17206 and 17536; and

D. \$85,000 to the RIVERSIDE COUNTY DISTRICT ATTORNEY'S OFFICE for payment of civil penalties pursuant to California Business and Professions Code section 17206 and 17536.

E. \$24,000 shall be paid as restitution pursuant to paragraph 10 below.

8. Said \$200,500 shall be paid as follows:

A. \$100,000 shall be paid forthwith and at no time later than the time of the filing of this Judgment;

B. \$50,500 shall be paid on or before July 20, 2012;

C. \$50,000 shall be paid on or before October 19, 2012.

D. The parties acknowledge and agree that Defendants' timely compliance with each and every provision of Paragraphs 8 A, B and C of this Stipulated Judgment is an important part of the consideration for the stipulation. In the event Defendants fails to timely comply with any provision of Paragraphs 8 A, B and C, the Plaintiff will notify the Defendants and Defendants' counsel in writing specifying the amount overdue ("Default Notice") and will allow Defendants 10 days to remedy the missed payment specified in the Default Notice. If Defendants fail to remedy the missed payment specified in the Default Notice within 10 days after a Default Notice is given, then, because a determination of the resulting damages would be impractical or extremely difficult, and proof thereof costly, the parties agree that the additional sum of FIFTY THOUSAND DOLLARS (\$50,000.00) shall be due and joint and severally payable by Defendants to the Marin and Riverside County District Attorneys' Offices, and that amount, together with the entire unpaid balance, shall become immediately due and joint and severally payable without further notice and without the need to take any additional proof, and shall accrue interest at a rate of ten percent (10%) per annum

1 from the date of the Default Notice until paid in full. Any Default Notice given  
2 hereunder by the Marin County District Attorney's Office shall be sent by both  
3 first class mail, postage prepaid, and by email addressed to Defendants' counsel as  
4 follows:

5 Peter J. Farnese, Esq.,	Donald Beshada, Esq.
6 BESHADA FARNESE LLP	BESHADA FARNESE LLP
7 1999 Ave of the Stars Ste 1100	108 Wanaque Avenue
Los Angeles, CA 90067	Pompton Lakes, NJ 07442
<u><a href="mailto:pjf@beshadafarneselaw.com">pjf@beshadafarneselaw.com</a></u>	<u><a href="mailto:dbeshada@gmail.com">dbeshada@gmail.com</a></u>

8 A Default Notice shall be deemed given on the date that it is both postmarked and  
9 sent by email. Any payment by Defendants shall be deemed made on the date that  
10 it is delivered to the Marin County District Attorney's Office at the address set out  
11 in Paragraph 9, delivered to a private carrier (e.g., Federal Express), or postmarked  
12 for delivery by U.S. Mail. The parties may, from time to time, change the address  
13 to which a payment is to be made or a Default Notice sent, provided that all such  
14 changes of address shall be made in the same manner in which payment is made or  
15 a Default Notice given hereunder.

16 9. All payments required by this Judgment shall be made payable to the Marin  
17 County District Attorney Consumer Trust Account and delivered to Andres H. Perez, Marin  
18 County District Attorney's Office, Consumer & Environmental Protection Division, at 3501 Civic  
19 Center Drive, Room 130, San Rafael, California, 94903, on or before the date designated above.

20 10. The parties having stipulated, and the Court hereby finds, that it is impractical and  
21 impossible to identify or to provide direct restitution to consumers who may have unknowingly  
22 purchased Defendants' products believing that they contained quantities less than represented and  
23 that other forms of direct restitution are too impractical, costly, and would far exceed any benefit  
24 to individual consumers. Thus, Defendants shall jointly and severally pay restitution under the  
25 doctrine of *cy pres* pursuant to Business and Professions Code sections 17203 and 17535 in the  
26 sum of \$24,000.00 to the California Department of Agriculture, Division of Measurement  
27 Standards, to be used for quantity control and/or price verification.

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

**RETENTION OF JURISDICTION**

12. Jurisdiction is retained for the purpose of enabling any party to this Final judgment to apply to the court at any time for such orders and directions as may be necessary and appropriate for the construction of or the carrying out of the injunctive provisions of this Final Judgment, for the modification or termination of any of the injunctive provisions, and for the enforcement of compliance herewith and for punishment of violations hereof.

13. This Judgment shall take effect immediately upon entry thereof.

14. The clerk is ordered to enter this Judgment forthwith.

**ROY O. CHERNUS**

DATED: JUN 20 2012

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JUDGE OF THE SUPERIOR COURT