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11 **UNITED STATES DISTRICT COURT**
12 **CENTRAL DISTRICT OF CALIFORNIA**

13 JOHN DOE I, Individually and on)
14 behalf of Proposed Class Members;)
15 JOHN DOE II, Individually and on)
16 behalf of Proposed Class Members;)
17 and JOHN DOE III, Individually and)
18 on behalf of Proposed Class)
19 Members;)
20 Plaintiffs,)

17 v.

18 NESTLÉ, S. A, NESTLÉ U.S.A.,)
19 NESTLÉ Ivory Coast, ARCHER)
20 DANIELS MIDLAND CO.)
21 CARGILL INCORPORATED)
22 COMPANY, CARGILL COCOA,)
23 CARGILL WEST AFRICA, S.A)
24 Defendants.)

Case No. CV 05-5133-SVW-MRW

DECLARATION OF EQUAL EXCHANGE, INC.

Date: January 9, 2017
Time: 1:30 P.M.
Ctrm: #6, 312 N. Spring St.
Judge: Honorable Stephen V. Wilson

Complaint Filed: July 14, 2005

DECLARATION OF EQUAL EXCHANGE, INC.

I, Robert Everts, declare under penalty of perjury of the laws of the United States of America and the State of California, that:

1. I am the Co-Executive Director and President at Equal Exchange, Inc., which is headquartered in the United States in West Bridgewater, MA.
2. There are many unique aspects to our chocolate company and complete details are available at www.equalexchange.coop.
3. We are a marketer of “fair trade” coffee, tea and chocolate products, and like most fair trade products, we began selling chocolate by competing in the niche markets with other, small chocolate producers.
4. We made a fundamental decision to produce a mainstream chocolate bar to compete with other major brands in the U.S. market. This decision was rooted in the belief that we could not thrive as a small niche product and that the broad consumer market for chocolate bars should offer at least one major product that was produced under the best possible conditions and was not produced with cocoa harvested by child slaves or other forms of child servitude. Our products, now available in stores across the US and on our website, offer this alternative.
5. Our unique approach to business is that we are a worker-owned cooperative, with over 110 employees that own and control the company, and we work with over 40 farmer cooperatives in 25 countries to make trade benefit the farmers so often at the bottom of the chain.
6. Our business is growing and we believe we have created a scalable model for the production of chocolate products that improves the lives of cocoa farmers, rather than enslaves children.
7. Unfortunately, child slavery or other forms of child servitude are still widespread and common in the harvesting of cocoa in Cote D’Ivoire and Ghana. In 2015, Tulane University, in a study funded by the U.S. Department of Labor, published *Survey Results on Child Labor in West African Cocoa Growing Areas*. The study documents the large numbers of

children who are laboring under conditions of servitude and performing hazardous work in harvesting cocoa.

8. Absent a new model, such as ours, the large cocoa producers operating in West Africa are necessarily purchasing cocoa that was harvested by children. In fact, companies like Nestlé, U.S.A., and Cargill, Incorporated admit in their public materials, including on their websites, that child labor remains in their supply chains and they discuss their efforts to try to address it, all the while continuing to sell products in the U.S. that include cocoa harvested by children. See, for example, (http://www.nestle.com/assetlibrary/documents/library/documents/corporate_social_responsibility/nestle-commitment-child-labour.pdf) and <http://www.cargillcocoachocolate.com/wcm/groups/public/@ccc/@all/documents/document/na31657361.pdf>).
9. Until these and other companies stop making future promises and actually stop using child labor, they are enjoying a clear market advantage over our products because our cocoa, produced under good conditions with more fair prices going to the farmers themselves, is more expensive. In every store in the U.S. where our products are side by side with those produced by companies that continue to use cocoa harvested by child labor, they have an unfair price advantage. It does cost more to convert from child slavery to paying farmers a fair and just amount for their products. Until all cocoa companies are required to demonstrate that their supply chain is free from child slavery, those that can't or won't are benefiting from an unfair advantage in the market place here in the U.S. that discourages others from making actual changes to ensure their fair and just production of their cocoa.

Executed this 2nd day of November, at West Bridgewater, MA.



Robert Everts