



AUG 05 2002

STATE OF CALIFORNIA
OFFICE OF THE ATTORNEY GENERAL
BILL LOCKYER
ATTORNEY GENERAL

August 2, 2002

Mr. John H. Sullivan, President
Civil Justice Association of California
1201 K Street, Suite 1960
Sacramento, CA 95814

Dear Mr. Sullivan:

I received your letter requesting a full investigation of private attorney abuse of California's Unfair Competition Law (Business and Professions Code section 17200 et. seq). I am aware that there are several attorneys in this state who have engaged in what I consider extortionist tactics. Because the State Bar is the regulatory body for attorneys in this state, I have reported those attorneys to the State Bar for investigation. Beyond that, I do not see the need for a duplicate investigation.

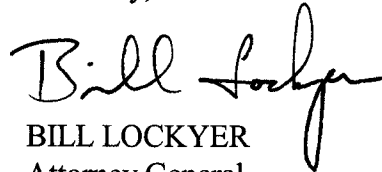
I agree with you, however, that there are significant problems with existing law which allow bad actors to take advantage of business owners who are not guilty of any wrongdoing. As I have suggested to you and other business groups in the past, I am interested in a balanced solution to this problem. I will be happy to be part of the discussion regarding fair limitations on this important consumer protection measure. I am pleased that you do not intend to eliminate the ability of private attorneys to bring 17200 actions and that you will not attempt to restrict public prosecutors from using this section. Both of these provisions have historically contributed to better consumer protection. I hope that when we do meet, you will be willing to discuss all aspects of this provision in the effort to improve the law to best serve Californians.

I share your concern that when section 17200 is abused, there is a perception of unfairness which must be addressed. I am sure that you will include members and relevant staff from the Legislature for what will certainly be a wide-ranging public policy discussion. Finally, I hope that you will initiate this discussion with all relevant viewpoints represented at the table.

Mr. John H. Sullivan, President
Page 2

Thank you for sharing your thoughts on this important issue. I look forward to participating in this discussion.

Sincerely,

A handwritten signature in black ink that reads "Bill Lockyer". The signature is written in a cursive style with a large, looping "B" and a long, sweeping "y" at the end.

BILL LOCKYER
Attorney General