

1 [Settlement of Lawsuit]

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3 **Ordinance authorizing the partial settlement of the lawsuit filed by the San Francisco**
4 **City Attorney against certain manufactures, distributors and dealers of firearms, and**
5 **their trade associations; the settling defendants are Traders Sports, Inc., Southern**
6 **Ohio Gun Distributors, Ellett Brothers Inc., and MKS Supply Inc.; these settling**
7 **defendants agree to the entry of stipulated judgments that will reform their firearm**
8 **distribution practices, and to pay \$70,000; the lawsuit was filed on May 25, 1999 in**
9 **San Francisco Superior Court, Case No. 303-753, and later coordinated with similar**
10 **actions in the San Diego Superior Court as part of J.C.C.P. 4095; entitled People of the**
11 **State of California ex rel Herrera et al. v. Arcadia Machine & Tool Inc. et al.**

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13 Be it ordained by the People of the City and County of San Francisco:

14 Section 1. The City Attorney is hereby authorized to settle the action entitled "People
15 of the State of California ex rel Herrera et al. v. Arcadia Machine & Tool Inc. et al.," San Diego
16 Superior Court, Case No. J.C.C.P. 4095, as that case pertains to Traders Sports, Inc.,
17 Southern Ohio Gun Distributors, Ellett Brothers Inc., and MKS Supply Inc., in consideration for
18 the agreement of those defendants to allow stipulated judgments to be entered against them,
19 which stipulated judgments will require those defendants to reform their gun distribution
20 practices, and the payment by certain defendants of amounts totaling \$70,000.00 to partially
21 reimburse the cities and counties that brought suit for the costs of prosecuting the action and
22 enforcing the stipulated judgments. Copies of the proposed stipulated judgments are on file
23 with the Clerk of the Board in File No. _____, which is incorporated herein and made a
24 part hereof as though fully set forth.

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1 Section 2. The above-named action was filed in San Francisco Superior Court, Case
2 No. 303-753, on May 25, 1999, and later coordinated with similar actions in the San Diego
3 Superior Court as part of J.C.C.P. 4095; the coordinated cases were prosecuted in the name
4 of the People of the State of California by attorneys from the City and County of
5 San Francisco; the Cities of Los Angeles, Sacramento, Berkeley, Oakland, East Palo Alto,
6 Compton, Inglewood, and West Hollywood; and the counties of Los Angeles, Alameda and
7 San Mateo. The following firearm manufacturers, distributors and dealers were named as
8 defendants in the case filed by San Francisco: Arcadia Machine & Tool, Inc.; Bryco Arms,
9 Inc.; Davis Industries, Inc.; Excel Industries, Inc.; Lorcin Engineering Co., Inc.; China North
10 Industries; Phoenix Arms; Sundance Industries, Inc.; Beretta U.S.A. Corp.; Pietro Berretta
11 Sp. A.; Browning Arms Co.; Carl Walther GmbH; CHarter Arms, Inc.; Colt's Manufacturing
12 CO., Inc.; Forjas Taurus, S.A.; Taurus International Manufacturing, Inc.; Glock, Inc.; Glock
13 GmbH; H&R 1871 Inc.; Heckler & Koch, Inc.; Kel-Tec CNC Industries, Inc.; MKS Supply Inc.;
14 Navegar, Inc.; North American Arms, Inc.; Sigarms, Inc.; Smith and Wesson Corp.; S. W.
15 Daniels, Inc.; Strum Ruger & Company, Inc.; American Shooting Sports Council, Inc.; National
16 Shooting Sports Foundation, Inc.; Sporting Arms and Ammunition Manufacturers' Institute,
17 Inc.; B.L. Jennings, Inc.; Ellett Brothers Inc.; International Armament Corp.; RSR Wholesale
18 Guns, Inc.; Southern Ohio Gun Distributors; and Traders Sports, Inc. Most of the non-settling

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1 defendants were granted summary judgment by the San Diego Superior Court, and the cities
2 and counties have appealed that order.

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5 APPROVED AS TO FORM AND
6 RECOMMENDED:

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8 DENNIS J. HERRERA
9 City Attorney

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13 Jesse Smith
14 Chief Assistant City Attorney

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