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NEWSLETTER

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Oil Producers on A Slippery Slope

Since 2010, nationwide sales of olive oil have increased dramatically. In fact, between 2010 and 2014, the industry experienced an annual growth rate of ten percent. This business boom is largely attributed to health and nutritional experts' reports and commentaries recommending that consumers choose olive oil over other oils and butter due to olive oil's health benefits. Olive oil, a staple of the Mediterranean diet, contains monounsaturated fatty acids that are thought to reduce the risk of heart disease.

The olive oil industry, however, has faced a variety of legal attacks about deceptive advertising, the most recent of which involves the labeling of olive oil as "imported from Italy," for which consumers are willing to pay a premium. Several class action lawsuits challenge that labeling and allege that large and well known olive oil manufacturers, importers and distributors misrepresent their products by using this description. In reality, much of the "Italian" olive oil available to consumers contains no oil made from Italian olives! Instead, it is made from olives from other countries, such as Spain, Morocco, Syria, Turkey and Tunisia. The fine print on the back of these bottles or tins reveals that the product is merely "packed" or "processed" in Italy. Deceptive and/or false labeling, false designation of origin, and misbranding is a violation of both state and federal laws and regulations.

A more troublesome claim, and one that has ignited a scandal in Italy as well as in the U.S., is that oil labeled as "olive oil" or "extra virgin olive oil" (EVOO - which is manufactured by mechanical and not chemical means) actually contains a blend of refined and lower grade oils, including seed oils such as soy or canola, and cannot lawfully be called EVOO or olive oil. This problem has existed for decades in the U.S. and has been largely swept under the rug, even by the industry that has been plagued by the

problem.

In 2013 the North American Olive Oil Association ("NAOOA") successfully pursued one of the biggest violators on the east coast, Kangadis Foods. The NAOOA, which regularly tests olive oil imported into the U.S., tested Kangadis olive oil and determined the product was comprised of olive pomace oil, an industrially refined oil processed with solvents and produced from olive pits, skin and pulp bi-products, that cannot lawfully be labeled "olive oil." Kangadis Foods was ultimately forced into bankruptcy and its products removed from the market. This was the first time that the NAOOA took legal action on behalf of its members.

Unfortunately, the Kangadis case has not brought an end to the continued practice of adulterating olive oil with less expensive, lower grade refined oils and calling it "olive oil" or EVOO. The problem in Italy is attributed to the "agro Mafia," which controls most of the olive oil production and marketing. In the U.S., the FDA sparingly detects and enforces these violations in spite of the fact that mislabeling and misbranding may give rise to criminal liability. This "financial crime" has largely gone unprosecuted despite the availability of evidence and chemical tests confirming this unlawful behavior. Earlier this year, the House Agriculture Committee called for the FDA to take steps to address olive oil fraud and test imported olive oil. Lawsuits designed to expose this scheme and hold the perpetrators liable are expensive and complex, whether brought by consumers in class actions or by legitimate purveyors of olive oil and EVOO who are injured in the marketplace.

California is the Nation's largest, almost exclusive producer of olive oil produced in this country. In response to growing concerns and litigation over the quality of allegedly imported olive oil, several years ago the California legislature approved new testing and labeling practices for olive oil producers. These more stringent requirements may provide some assurance to consumers that they are actually getting what they pay for, but the economics of the industry make it unlikely that adulteration will cease.

[Nancy Gray](#) has litigated false advertising, false labeling and misbranding cases, and has decades of experience in matters involving adulterated olive oil. She is here to help you with your business and employment needs.

Call Nancy Gray today for a free consultation at (310) 452-1211 or visit her [online](#).

Meet Nancy Gray



In a diverse legal career that has spanned over three decades, attorney Nancy Gray has represented hundreds of clients in a variety of civil matters, including labor and employment (management/employee); sexual harassment, discrimination, wrongful termination; commercial, contract and business issues.

Among other highlights, Ms. Gray served as Assistant District Attorney in New York, spent seven years with a national law firm working on complex pharmaceutical and medical device cases, and successfully litigated and coordinated cases around the country. She has a unique expertise in matters pertaining to the adulteration of extra virgin olive oil.

Ms. Gray has also lectured and written on a variety of topics, including expert testimony, drug and medical device regulation, sexual harassment, employment practices and child performer issues.

In 1997, she started her own firm, based in Los Angeles.

Having been raised in New York City, Nancy enjoys dramatic, musical and comedy theater as well as pro sports. She is a PADI-certified scuba diver. Among her favorite reading material is Bon Appetit and anything pertaining to criminal behavior and behavioral profiling.

About Gray & Associates P.C.



Attorney Nancy Gray of Gray & Associates, P.C. has more than 30 years of experience providing personalized attention and creative solutions to her clients' legal issues. Whether you need a strong litigator, a labor and employment advocate, or a savvy business law attorney, you can rely on Gray & Associates to provide you with excellent legal representation. Click [here](#) to read more.

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