330 West Broadway San Diego, CA 92101 (619) 531-4040

SanDiegoDA.com

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF SAN DIEGO

DWAIN D. WOODLEY ASSISTANT DISTRICT ATTORNEY

SUMMER STEPHAN DISTRICT ATTORNEY

July 7, 2023 For Immediate Release

Contact: <u>Steve Walker</u> (619) 531-3890 <u>Tanya Sierra</u> (619) 531-3315 *En Español* <u>Barbara Medina</u> (619) 531-3305

PetSmart to Pay \$1.4 Million to Resolve Allegations of Price Overcharges

San Diego County District Attorney <u>Summer Stephan</u> announced today that PetSmart LLC agreed to pay \$1,460,000 to settle a civil law enforcement complaint alleging it engaged in false advertising and unfair competition. The San Diego County DA's Office joined DAs from Alameda, Contra Costa, Los Angeles, Marin, Santa Cruz, and Ventura in filing the lawsuit. The civil complaint, officially filed by prosecutors in Santa Cruz County, alleges that PetSmart unlawfully charged customers higher prices than its lowest advertised price for items.

"We are committed to protecting customers by ensuring businesses charge them accurately and in compliance with California law," DA Stephan said. "This is the latest in a string of prosecutions by our Consumer Protection Unit, which is prominent in a statewide team of DAs bringing pricing accuracy cases against major retailers in California. We urge people to pay attention as their items are being scanned at the register and check receipts to verify that they are being charged the posted sale price."

The judgment includes an injunction that prohibits PetSmart from engaging in false or misleading advertising and charging an amount greater than the lowest price posted for an item. Additionally, the judgment requires PetSmart to implement additional audit and price accuracy procedures in its California stores for a three-year period to ensure compliance with pricing accuracy requirements, including notifying customers of their right to be charged the lowest currently advertised price for any item offered for sale.

The judgment also requires PetSmart to pay \$1,250,000 in civil penalties, \$100,000 in restitution to support future enforcement of consumer protection laws, and \$110,000 in costs to the various county Agricultural Commissioners around the state who conducted the investigation. PetSmart cooperated with inspectors and prosecutors during the investigation and has since instituted new policies and procedures to improve pricing accuracy.

The San Diego County <u>Department of Agriculture/Weights and Measures</u> is the agency that inspected a random sampling of PetSmart stores throughout San Diego County and is instrumental in monitoring retailers to make sure that consumers are being charged the lowest advertised price for items. To report any overcharges, call 1-888-TRUE-SCAN (878-3722) or e-mail <u>wm.awm@sdcounty.ca.gov</u>.

Deputy District Attorney Kathryn Turner with the DA's Consumer Protection Unit prosecuted the case for the San Diego County District Attorney's Office.

###

About the San Diego County District Attorney's Office

The San Diego County DA's Office prosecutes all felony crimes in the county and misdemeanor crimes committed outside the City of San Diego. The office files about 40,000 criminal cases a year and balances prosecution with numerous crime prevention programs. District Attorney Summer Stephan leads the office of more than 1,000 dedicated employees who pursue fair and equal justice, and support victims daily across San Diego County.