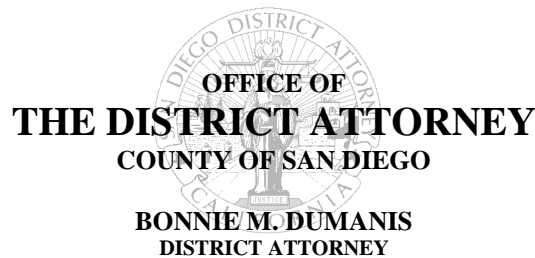


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**For Immediate Release**

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## **DA Announces \$1.75 Million Settlement in Consumer Protection Case with PETCO**

### *Prosecutors Alleged Inadequate Animal Care and Pricing Errors*

San Diego County District Attorney [Bonnie M. Dumanis](#) announced today PETCO Animal Supplies, Inc. ([PETCO](#)) has been ordered to pay penalties in a civil law enforcement case alleging California customers were overcharged and animals were neglected or mistreated in PETCO stores. The company paid \$1.75 million in penalties and costs to resolve the case, which was approved by San Diego Superior Court Judge Richard Whitney today. The company did not admit liability. PETCO paid more than \$850,000 to resolve similar allegations in a 2004 law enforcement case brought by California prosecutors.

“The DA’s Consumer Protection Unit continues to hold corporations accountable when their business practices violate state law,” said DA Dumanis. “It’s unfortunate that the settlement with PETCO six years ago wasn’t a wake-up call for the company.”

The San Diego District Attorney’s Office, together with the San Diego City Attorney’s Office and District Attorneys of Marin, Los Angeles, San Mateo and Santa Barbara Counties prosecuted the case on behalf of the People of the State of California. The case stemmed from state and county inspections of PETCO stores throughout California from 2005 to 2008. Under the terms of the stipulated judgment, PETCO is required to institute more extensive policies and procedures addressing animal care and pricing accuracy.

The case was investigated by the California Department of Agriculture Division of Measurement Standards, [San Diego County Department of Agriculture](#), Weights and Measures, and other weights and measures offices in the state. The investigation into pricing accuracy revealed that PETCO failed to remove some expired price tags from store shelves, resulting in actual or potential customer overcharges. The company also failed to adequately instruct its employees on weighing and charging for bulk sale items such as dog biscuits and other pet treats.

Under the terms of the court order, if a PETCO customer is overcharged, the store must deduct \$3.00 from the lowest advertised or posted price of the item. If the item is \$3.00 or less, the store must give one of the items to the customer for free. This policy will be in effect for five years, and must be posted in every PETCO store in California. The

company must also conduct regular pricing audits in its stores to ensure that customers are charged the correct price.

Inspections of PETCO stores in Marin County by that county's humane society revealed that animal habitats were not adequately cleaned and maintained as required by California's *Pet Store Animal Care Act*. Animal welfare inspectors also found that in some instances, sick animals were not identified and removed from sales floor habitats.

The settlement requires that PETCO initiate and enforce a program to ensure the health of every animal in its stores. Terms of the program include daily animal and habitat inspections, comprehensive employee training, and prompt veterinary care for sick or injured animals.

PETCO cooperated in the investigation and resolution of the case. PETCO'S corporate headquarters are in La Jolla. The company owns and operates 23 stores in San Diego County.

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