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Albertsons, Vons Resolve Allegations of Price Overcharges and False Weight Advertising

Companies to Pay Nearly \$4 Million to Settle Civil Complaint

San Diego County District Attorney <u>Summer Stephan</u> announced today that Albertsons and Vons, entered into a stipulated judgment and will pay \$3,962,500 to settle a civil law enforcement complaint that alleged the grocer engaged in false advertising and unfair competition. Albertsons Companies, Safeway Inc., and The Vons Companies operate 589 stores in California under the brand name banners of Albertsons, Safeway, Vons and others.

The action was filed in Marin County Superior Court by the prosecution team which was comprised of prosecutors from throughout the state including the District Attorneys of Alameda, Los Angeles, Marin, Riverside, San Diego, Sonoma and Ventura counties.

"Consumers should be able to trust that the advertised weight of a food product is accurate," said DA Stephan. "Our Consumer Protection Unit works to hold grocers accountable for meeting their obligations under the law."

The civil complaint filed by the prosecution team alleged that the grocers unlawfully charged customers prices higher than their lowest advertised or posted price. Beyond the scanner violations, Albertsons also had issues with inaccurate weights on the labels of their products. Some items sold by weight such as produce, meats, baked goods and other items had less product in the package than was displayed on the package label. For those items, a grocer may only charge for the product's actual weight, the packaging is not included in the overall weight.

The Judgment includes an injunction that prohibits the grocers from engaging in false or misleading advertising and prohibits fourteen different unfair practices from advertising short weight products to failing to disclose exclusions in its "Just for U" or "Club Card" programs.

The Judgment requires the grocer to implement a Price Accuracy Program which includes a Price Accuracy Guarantee provision that allows a consumer to be compensated up to \$5.00 if they are overcharged. The program is an incentive to encourage consumers to report false advertising to the store directly as soon as it is discovered. The judgment also requires the



grocers to pay \$3,213,000.00 in civil penalties and \$749,500 in costs and restitution to cover investigation costs and support future enforcement of consumer protection laws.

The San Diego County Department of Agriculture, Weights and Measures, is the agency that inspected the Albertsons and Vons stores throughout San Diego County and is instrumental in monitoring retailers to make sure that consumers are being charged the correct price. Consumers may report weight issues to Weights and Measures online by using the <u>General Consumer</u> <u>Complaint Form</u> or by calling 1-888-TRUE-SCAN (878-3722) (toll free) or e-mail <u>wm.awm@sdcounty.ca.gov</u>.

Deputy District Attorney Kathryn Turner was the prosecutor for the San Diego County District Attorney.

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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.

