

San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

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Falsely Advertising "Closing Doors Forever" Costs Store Owners \$25,500 in Criminal Fines

San Diego, CA: The full page newspaper advertisements looked like a sign of the times – the closing of a retail store with "closing doors forever" prices (see attached ad). The store's owners used deceptive advertising to create the false impression the store was going out of business in a matter of days, so consumers had to act quickly. In truth, the company's full page ads in the San Diego Union-Tribune ran every weekend for months, and the company was acting as a liquidator, selling the inventory of other stores.

Jared Berry and Troy Nihart, the owners of *Save Big Liquidators, Inc.*, each pleaded guilty to five misdemeanor counts of false advertising in San Diego Superior Court yesterday. They were fined a total of \$25,500 and placed on three years' probation.

The San Diego City Attorney's Consumer & Environmental Protection Unit filed criminal charges against Berry and Nihart in December 2009 after receiving a consumer complaint about the defendants' advertising. The ads stated "Open 3 Days" and "Doors Close Sunday 6 PM," when in fact the doors reopened the following weekend and every weekend from July through September of 2009. The store, which is now closed, was located at 7803 Othello Avenue in the former *Home Depot Expo Center* in the City of San Diego.

"A 'going out of business' sale creates a sense of urgency and scarcity which draws customers in. Falsely advertising such a sale is misleading to consumers and hurts legitimate businesses that don't make false claims," said Deputy City Attorney Michael Rivo, who prosecuted the case.

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