

San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

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Contact: Gina Coburn, Communications Director: (619) 533-6181

Fresh & Easy Fined for Pricing Errors Consumers paid more than advertised prices at neighborhood market chain

San Diego, CA: Today, San Diego Superior Court Judge Randa Trapp ordered Fresh & Easy Neighborhood Market, Inc., the owner of Fresh & Easy grocery stores to pay \$833,136 in penalties and costs and to institute a "Get it Free" Program to settle a consumer protection case filed by the San Diego City Attorney's Office and San Diego and Riverside District Attorney's Consumer & Environmental Protection Units.

The prosecutors filed a civil complaint alleging that the owners of Fresh & Easy stores posted prices and advertisements in stores of the prices that would be charged for items and then charged more than those prices at the time of checkout. In addition, prosecutors alleged that meat and seafood packages in its meat department were marked a higher price per pound than the shelf prices indicated. The prosecutors allege these actions violated the laws prohibiting false advertising and unfair competition. There are 163 Fresh & Easy stores in California, 17 of those are in San Diego County.

The Court ordered Fresh & Easy not to commit violations in the future and imposed a penalty of \$653,470, costs of \$97,163 and *cy pres* restitution of \$80,000. In addition, for the next three years, shoppers at Fresh & Easy stores throughout California will be entitled to get \$3 off the lowest advertised price of an item when they are overcharged at the register. If the lowest advertised price for the item is \$3 or less, then the customer will receive it for free.

The case was brought to prosecutors by weights and measures officials in 12 counties in California when they documented scanner and package overcharges during 124 inspections of 82 different Fresh & Easy stores.

San Diego City Attorney Jan Goldsmith said "Our citizens need to have confidence when they shop that the price advertised is the one that is charged. Actions like this are important to ensure that businesses deal fairly with their customers and compete fairly in the marketplace."

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"Our Consumer Protection Unit works to make sure San Diegans get what they pay for. In this latest case, our prosecutors did an outstanding job collaborating with the City Attorney and Riverside DA's Office to arrive at today's significant judgment." said DA Bonnie Dumanis

The San Diego County Division of Weights and Measures was the agency that inspected Fresh & Easy stores in San Diego County. The agency takes complaints from members of the public who believe they have been overcharged by businesses, at (858) 694-2778.

The City Attorney's <u>Consumer & Environmental Protection Unit</u> (CEPU) maintains a Consumer Hotline at (619) 533-5600, which consumers can call to report consumer complaints. For consumer tips and information check out consumer news on the City Attorney's webpage, <u>Newsletters/Office of the City Attorney</u>.

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