

1 LORI E. FRUGOLI,
District Attorney of Marin County
2 ANDRES H. PEREZ (SBN 186219)
Deputy District Attorney
3 3501 Civic Center Drive, Room 145
San Rafael, CA 94903
4 Telephone: (415) 473-6450
Facsimile: (415) 473-3095

ELECTRONICALLY FILED
Superior Court of California
County of Marin
09/26/2024
James M. Kim, Clerk of the Court
J. Miller, Deputy

5 Attorneys for Plaintiff
6 (For list of additional Plaintiff's counsel,
See attached Exhibit 1)

8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF MARIN**

10
11 PEOPLE OF THE STATE OF CALIFORNIA,) Civil Case No.: ØX€€€ € F
12 Plaintiff,)
13) COMPLAINT FOR INJUNCTION,
14 vs.) RESTITUTION, CIVIL PENALTIES AND
15) OTHER EQUITABLE RELIEF
16) *Exempt from Filing Fees pursuant to Government*
17) *Code Section 6103*
18)
19)
20)
21)
22)
23)
24)
25)
26)
27)
28)
ALBERTSONS COMPANIES, INC., a)
Delaware Corporation; SAFEWAY, INC., a)
Delaware Corporation; THE VONS)
COMPANIES, INC., a Michigan Corporation,)
Defendant.)

19 Plaintiff, the People of the State of California, appearing through its attorneys, Lori E.
20 Frugoli, District Attorney for the County of Marin, by Andres H. Perez, Deputy District Attorney;
21 Pamela Price, District Attorney for the County of Alameda, by Alexandra Grayner, Deputy District
22 Attorney; George Gascón, District Attorney for the County of Los Angeles, by Steven Wang,
23 Deputy District Attorney; Michael A. Hestrin, District Attorney of the County of Riverside, by Evan
24 Goldsmith, Deputy District Attorney; Summer Stephan, District Attorney for the County of San
25 Diego by Kathryn L. Turner, Deputy District Attorney; Carla Rodriguez, District Attorney for the
26 County of Sonoma, by Matthew T. Cheever, Chief Deputy District Attorney; Erik Nasarenko,
27 District Attorney for the County of Ventura, by Andrew Reid, Senior Deputy District Attorney;
28 (hereinafter collectively "Plaintiff" or "the People") allege on information and belief the following:

JURISDICTION AND VENUE

1
2 1. Defendants, Albertsons Companies, Inc., Safeway Inc., and The Vons Companies
3 Inc, (hereinafter collectively, "Defendants") are and at all times mentioned herein, have been
4 engaged in the retail business of selling food and drug products and has transacted business in the
5 Counties of Alameda, Los Angeles, Marin, Riverside, San Diego, Sonoma, and Ventura and
6 elsewhere throughout the State of California. The violations of law alleged herein have been carried
7 out within the Counties of Alameda, Los Angeles, Marin, Riverside, San Diego, Sonoma, and
8 Ventura and elsewhere throughout the State of California.
9

10 2. Albertsons Companies, Inc., is and was at all times mentioned in this Complaint, a
11 Delaware Corporation, with its principal address at 250 E. Parkcenter Blvd., Boise, ID.
12

13 3. Safeway, Inc. is and was at all times mentioned in this Complaint, a Delaware
14 Corporation, with its principal address at 11555 Dublin Canyon Rd., Pleasanton, CA.

15 4. Vons Companies, Inc., is and was at all times mentioned in this Complaint, a
16 Michigan Corporation, with its principal address at 11555 Dublin Canyon Rd., Pleasanton, CA.

17 5. Whenever a reference is made in this Complaint to any representation, act or
18 transaction of Defendants, such allegation shall be deemed to mean that Defendants, and its
19 principals, officers, directors, employees, agents, and/or representatives, while actively engaged
20 within the actual or ostensible scope of their employment, did or authorized such representation, acts
21 or transactions on behalf of Defendants.
22

23 6. The authority of the Plaintiff to bring this action on behalf of the People of the State
24 of California is derived from statutory law of the state of California, *inter alia* Business and
25 Professions Code Section 17200, 17204, 17206, 17500, 17535, and 17536.
26

27 //

28 //

1 GENERAL ALLEGATIONS

2 7. Defendants own and operate approximately 589 supermarkets and drug stores
3 throughout the State of California under such banner names as Albertsons, Lucky, Safeway, Vons,
4 and Pavilions, among others. Defendants sell commodities manufactured and packaged
5 independently by third parties as well as some of Defendants' own private label commodities.
6

7 8. Defendants sell some commodities by weight (hereinafter "weighed products")
8 including, but not limited to, produce, meats, and baked goods. These weighed products are weighed
9 and packaged by Defendants, either in store or off-site. Defendants weighed products are sold either
10 by weight, i.e., the price is determined by multiplying the net weight of the product by an advertised
11 or stated unit price (e.g., \$1/lb.) or by a fixed price for a fixed weight (e.g., \$2.99 for a 16 oz. bag of
12 tortilla chips.).
13

14 9. Defendant failed to maintain adequate procedures and conduct employee training
15 regarding weighed products to ensure consumers were not overcharged on their purchases based on
16 false weights or that consumers received the actual amount (by weight) of products as advertised by
17 Defendants. For example, Defendants:

18 A. used incorrect and false tares when determining the net weight when the
19 correct tares were known or should have been known by Defendants.
20

21 B. sold weighed products by gross weight by not deducting any tare weight from
22 the weight used to determine the product price charged to consumers. Gross weight is the
23 combination of the tare weight (i.e., the packaging) and actual product or net weight.

24 C. advertised net weights that were false and misleading because the actual net
25 weights were less than represented on Defendants' principal display panels and labels.
26

27 D. advertised and sold meat products other than by weight determined at the time
28 of sale and without a net weight statement thereby preventing the consumer from making a value

1 comparison. For example, Defendants sold roasted chicken for a fixed price without regard to the net
2 weight of the products resulting in different consumers paying the same price for chickens of
3 varying unknown weights.

4
5 10. Defendant failed to maintain adequate procedures and employee training to ensure
6 consumers were charged the lowest advertised price for commodities sold in Defendants' stores
7 resulting in consumer overcharges. For example, sale price tags were left on store shelves past the
8 sale period, misleading consumers as to the current price and causing them to be charged a higher
9 price at the register even though they were entitled to the lowest advertised price by law.

10
11 11. On March 5, 2014, the Marin County Superior Court issued an injunction against
12 Defendants Safeway Inc. and The Vons Companies, Inc. (collectively "Safeway") in case number
13 CIV1400839. The 2014 Injunction (at paragraph 4) ordered Safeway to implement a Price Accuracy
14 Policy which required in pertinent part: "If the price charged for an item is higher than Safeway's
15 lowest applicable advertised price, Safeway shall, upon notice, immediately give the customer the item
16 for free if the lowest applicable advertised price is \$5.00 or less or, if the item's lowest applicable
17 advertised price is over \$5.00, immediately give the customer a \$5.00 Safeway gift card and refund any
18 excess amount collected for the item." The injunction further ordered Safeway to provided training on
19 complying with the Price Accuracy Policy to employees. Safeway failed to honor the Price Accuracy
20 Policy and adequately train employees on the requirements of the Policy resulting in many consumers
21 being overcharged and unable to avail themselves of the Policy's remedies.

22
23 12. The 2014 Injunction also prohibited Safeway from violating the following Business and
24 Professions Code sections: 12024.2, 12024.5, and 17500.

25
26 13. Defendant in the course of conducting its retail business failed to comply with various
27 state laws, including but not limited to those regulating the advertising, packaging, and labeling of
28 food, as more specifically alleged below.

1 **FIRST CAUSE OF ACTION**

2 **(Misleading Statements in Violation of California Business and Professions Code §17500)**

3 14. Plaintiff re-alleges and incorporates herein by reference Paragraphs 1 through 13,
4 inclusive, of this Complaint as though fully set forth herein.

5 15. Beginning at an exact date unknown to Plaintiff, but commencing no later than three
6 years of the date of commencement of this action Defendant, with the intent to induce members of
7 the public to purchase goods at its California stores, made or caused to be made statements about
8 those goods that were untrue or misleading or had the capacity, likelihood, or tendency to deceive or
9 confuse the public, and that were known or by the exercise of reasonable care should have been
10 known to be untrue or misleading or having the capacity, likelihood, or tendency to deceive or
11 confuse the public, in violation of Business and Professions Code section 17500, including but not
12 limited to:
13

14 A. Charging at the point of sale a price greater than the lowest advertised, posted,
15 marked or quoted price for a commodity; and
16

17 B. Misrepresenting the weight of Defendants' weighed products by way of false
18 and inaccurate statements on display panels or labels.
19

20 16. The unlawful conduct, acts, and omissions of Defendant in violation of section 17500
21 of the Business and Professions Code as set forth herein demonstrate the necessity and legal basis for
22 granting injunctive relief, disgorgement and restitution to victims and imposing civil penalties
23 pursuant to sections 17535 and 17536 of the Business and Professions Code.

24 **SECOND CAUSE OF ACTION**

25 **(Unfair Competition in Violation of California Business and Professions Code §17200)**

26 17. Plaintiff re-alleges and incorporates herein by reference Paragraphs 1 through 16,
27 inclusive, of this Complaint as though fully set forth herein.
28

1 18. Beginning at an exact date unknown to Plaintiff, but commencing no later than four
2 years of the date of commencement of this action, Defendant engaged in acts of unfair competition
3 within the meaning of California Business and Professions Code Section 17200 including, but not
4 limited to, the following:
5

6 A. Making untrue or misleading statements in connection with the sale or
7 offering for sale of goods to the public in California, which statements constituted false advertising
8 within the meaning of Business and Professions Code section 17500, and in violation of that
9 provision, as alleged in the First Cause of Action, above;

10 B. Knowingly marking or stamping false or short weight or measure, and
11 knowingly taking false tare, on any container, and knowingly selling any container so marked in
12 violation of Business and Professions Code section 12021;

13 C. Selling commodities by gross weight, in violation of Business and Professions
14 Code section 12023;

15 D. Selling any commodity in less quantity than represented, in violation of
16 Business and Professions Code section 12024;

17 E. At the time of sale of a commodity, charging an amount greater than the price,
18 or computing an amount greater than a true extension of the price per unit, that is then advertised,
19 posted, marked, displayed or quoted for that commodity, in violation of Business and Professions
20 Code section 12024.2(a)(1); and

21 F. At the time of sale of a commodity, charging an amount greater than the
22 lowest price posted on the commodity itself or on a shelf tag that corresponds to the commodity,
23 notwithstanding any limitation of the time period for which the posted price is in effect, in violation
24 of Business and Professions Code section 12024.2(a)(2);

25 G. Selling or advertising for sale fowl, meat or fish other than by weight
26 determined at the time of sale in violation of Business and Professions Code section 12024.5.

27 H. Failing to comply with the injunctive provisions of the 2014 Judgment against
28 Safeway in violation of Business and Professions Code section 17207 and 17535.5.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

7. That Plaintiff be given such other further relief as the nature of this case may require and this Court deems proper to fully and successfully dissipate the effects of the unlawful and unfair acts complained of in this Complaint.

Date: 7-22-24

LORI E. FRUGOLI
DISTRICT ATTORNEY

By: *Andres H. Perez*
Andres H. Perez
Deputy District Attorney

EXHIBIT 1

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

PAMELA PRICE
District Attorney, County of Alameda
Alexandra Grayner, SBN 290591
Assistant District Attorney
7677 Oakport Street, Suite 650
Oakland, CA 94621
(510) 383-8600

GEORGE GASCÓN
District Attorney, County of Los Angeles
Steven Wang, SBN 221950
Deputy District Attorney
211 West Temple Street, Suite 1000
Los Angeles, CA 90012
(213) 257-2450

CARLA RODRIGUEZ
District Attorney, County of Sonoma
Matthew T. Cheever, SBN 191783
Chief Deputy District Attorney
2300 County Center Dr., Suite B-170
Santa Rosa, CA 95403
(707) 565-3161

MICHAEL HESTRIN
District Attorney, County of Riverside
Evan Goldsmith, SBN 297356
Deputy District Attorney
3960 Orange Street
Riverside, CA 92501
(951) 955-5400

SUMMER STEPHAN
District Attorney, County of San Diego
Kathryn L. Turner, SBN 151477
Deputy District Attorney
330 W. Broadway
Ventura, CA 93003
(619) 531-4040

ERIK NASARENKO
District Attorney, County of Ventura
Andrew J. Reid, SBN 268351
Senior Deputy District Attorney
5720 Ralston St, No. 300
San Diego, CA 92101
(805) 662-1750