



## COUNTY OF FRESNO

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District Attorney

# NEWS RELEASE

FOR IMMEDIATE RELEASE

June 26, 2015

## **KOHL'S AGREES TO PAY \$958,686.27 IN CIVIL PENALTIES, COSTS, AND RESTITUTION IN OVERCHARGING CASE**

The Fresno County District Attorney's Office, along with the District Attorney's Office's for Shasta County, Riverside County, and Santa Cruz County, filed a civil law enforcement action against Kohl's Corporation ("Kohl's"). The complaint alleged that Kohl's violated the law by charging customers a higher price than the prices advertised on store shelves and signs. The complaint also alleged that material disclosures relating to the "Kohl's Cash" program were not adequately made in Kohl's advertisements. The stipulated final judgment was filed in Santa Cruz County Superior Court on June 26, 2015.

The case arose from scanner/price inspections by multiple county Weights & Measures units, including the Fresno County Department of Weights & Measures. These inspections revealed numerous occasions where the price charged at the cash register at Kohl's was not the lowest advertised or posted price. Kohl's cooperated with inspectors and the prosecutors' offices during the investigation, and has instituted new policies and procedures to improve pricing accuracy.

Without admitting wrongdoing, Kohl's consented to entry of a judgment that includes injunctive provisions to ensure future compliance, as well as a total payment of \$958,686.27 for civil penalties, costs of investigation, and restitution.

The judgment requires Kohl's to implement additional procedures in its California stores to ensure compliance with price accuracy requirements. Also, as to its "Kohl's Cash" program, Kohl's will be required to display signage at the register which provides how Kohl's Cash is applied when combined with other percent-off discounts. Such material disclosures regarding the application of "Kohl's Cash" are also required to be displayed in a manner that is clear on Kohl's printed advertising.

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The money will be divided between the District Attorneys' Offices that brought the action and the eleven Weights & Measures departments that helped in the investigation. The District Attorneys' Offices will use their shares to fund consumer protection activities, and the Weights & Measures departments will use theirs to recoup the costs of their investigation.

The Fresno County District Attorney's Office brings these types of actions to ensure that customers are charged the correct price when paying at the register. Consumers in Fresno County who believe they are a victim of a price overcharge may contact either the Fresno County District Attorney's Office Consumer Protection Unit at (559) 600-3156, or the Fresno County Department of Weights & Measures at (559) 600-7510.

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