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Superior Court of California
County of Marin

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James M. Kim, Clerk of the Court

J. Miller, Deputy

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

5 Attorneys for Plaintiff
6 (For list of additional Plaintiff's counsel,
See attached Exhibit 1)
7

8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

9 **FOR THE COUNTY OF MARIN**

10 PEOPLE OF THE STATE OF CALIFORNIA,) Civil Case No.: ØX€€€€ € F

11 Plaintiff,) **FINAL JUDGMENT AND PERMANENT**

12 vs.) **INJUNCTION**

13) *Exempt from Filing Fees pursuant to Government*

14 ALBERTSONS COMPANIES, INC., a)
Delaware Corporation; SAFEWAY, INC., a)
15 Delaware Corporation; THE VONS)
COMPANIES, INC., a Michigan Corporation,)
16 Defendant.)

17 _____

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

1 Deputy District Attorney; and Defendants Albertsons Companies Inc., a Delaware Corporation,
2 Safeway, Inc., a Delaware Corporation; The Vons Companies, Inc., a Michigan Corporation
3 (hereinafter, collectively, "Albertsons"), appearing through their attorney, James F. Speyer, Esq., and
4 it appearing to the Court that the parties hereto have stipulated and consented to the entry of this Final
5 Judgment and Permanent Injunction ("Final Judgment") without the taking of proof, and without this
6 Final Judgment being construed as an admission by Defendants of any fact, liability, issue of law,
7 conclusion of law or violation of any statutory or regulatory law, and the Court having considered the
8 matter and the pleadings, and good cause appearing therefor, IT IS HEREBY ORDER ADJUDGED
9 AND DECREED:

10 **JURISDICTION AND VENUE**

11 1. This action is brought under California law, and this Court has jurisdiction of the
12 subject matter and the parties. Venue is proper in the Marin County Superior Court.

13 **APPLICABILITY**

14 2. This Final Judgment is applicable to Albertsons Companies, Inc., a Delaware
15 corporation, Safeway, Inc., a Delaware Corporation, and The Vons Companies, Inc., a Michigan
16 Corporation, and to their respective officers, directors, representatives, successors, assignees, and all
17 persons, partnerships, corporations, and other entities acting under, by, through, on behalf of, or in
18 concert with them as it relates to their business in California, with actual or constructive notice or
19 knowledge of this Final Judgment. This Final Judgment is also applicable to any and all subsidiaries
20 of Defendants doing business in California, including but not limited to those entities doing business
21 as Albertsons, Safeway, Pavilions, Andronico's and/or Vons, and to any stores owned and/or operated
22 by them or any of them, and their respective officers, directors, representatives, successors, assignees
23 and all persons, partnerships, corporations, and other entities acting under, by, through, on behalf of,
24 or in concert with any such subsidiary with actual or constructive knowledge of this Final Judgment.
25 All these defendants, persons and entities shall hereinafter be referred to collectively as "Albertsons."

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1 **INJUNCTION**

2 3. Pursuant to Business and Professions Code §§ 17203 and 17535, Albertsons is
3 permanently enjoined and restrained, with respect to any and all California stores it owns or operates
4 (hereinafter "California Stores"), from committing, directly or indirectly, any or all of the following
5 acts or omissions:

6 A. Violating Business and Professions Code § 17500 by, with the intent directly
7 or indirectly to dispose of real or personal property or to perform services or to induce any member
8 of the public to enter into an obligation relating to such property or services, making or causing to be
9 made any representation concerning that property or those services, or concerning any circumstance
10 or matter of fact connected with the proposed performance thereof, which is untrue or misleading,
11 and which is known to be, or which by the exercise of reasonable care should be known to be, untrue
12 or misleading (as used herein, the term "misleading" includes statements which although true, are
13 either actually misleading, or which have a capacity, likelihood or tendency to deceive or confuse the
14 person to whom they are directed).

15 B. Violating Business and Professions Code § 12021, by knowingly marking or
16 stamping a false or short weight or measure, knowingly taking a false tare, or knowingly selling a
17 container marked with a false or short weight or measure.

18 C. Violating Business and Professions Code § 12023 by selling any commodity
19 according to gross weight except as allowed by law.

20 D. Violating Business and Professions Code § 12024 by selling any commodity
21 in less quantity than it is represented to contain.

22 E. Charging, at the time of sale of a commodity, an amount greater than the
23 advertised, posted, marked, displayed, or quoted price for that commodity, in violation of Business
24 and Professions Code § 12024.2, subdivision (a)(1).

1 F. Computing, at the time of sale of a commodity, an amount greater than a true
2 extension of a price per unit, that is then advertised, posted, marked, displayed, or quoted for that
3 commodity, in violation of Business and Professions Code § 12024.2, subdivision (a)(1).

4 G. Charging, at the time of sale of a commodity, an amount greater than the lowest
5 price posted on the commodity itself or on a shelf tag that corresponds to the commodity,
6 notwithstanding any limitation of the time period for which the posted price is in effect, in violation
7 of Business and Professions Code § 12024.2, subdivision (a)(2).

8 H. Violating any of the provisions of Business & Professions Code § 12024.5.

9 I. Intentionally selling or offering to sell any frozen, partially frozen, or
10 previously frozen item according to weight without determining the net weight by removing the glaze
11 according to NIST Handbook 133, section 2.6.2.

12 J. Advertising a "Buy 1 Get 1 Free" or BOGO offer (e.g., the consumer buys an
13 item and gets a second identical or similar item of equal or lesser value for free) and not giving the
14 consumer the second item free after making the required initial purchase.

15 K. Failing to make the Declaration of Identity and Declaration of Quantity visible
16 on the Principal Display Panel of a consumer package in violation of Business and Professions
17 Code § 12603. For purposes of this provision, the principal Display Panel is that portion of the
18 package label that is most likely to be seen by the consumer at the time of purchase, without
19 manipulation of the package. A separate visible price or hang tag displaying an identity or quantity
20 statement and not directly attached to the packaging shall not be a substitute for the requirements of
21 this provision.

22 L. Violating Business and Professions Code § 12611 by packing, shipping, or
23 selling any commodity in a container which does not conform to the requirements of the California
24 Fair Packaging and Labeling Act, or which is not labeled as required by the Fair Packaging and
25 Labeling Act, or by placing information required by the Fair Packaging and Labeling Act in such a
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1 place on the label or container that it is unlikely to be read or understood by ordinary persons under
2 the customary conditions of sale and purchase.

3 M. Except where otherwise required by law, failing to honor any valid Albertsons
4 coupons, discounts or offers, whether disseminated to the public or individuals, including, but not
5 limited to, any offers, coupons or discounts in the "Just for U", "Club Card" or other Albertsons
6 electronic discount or coupon programs, wherein any eligible customer is overcharged or does not
7 receive the full amount of the valid offered or discounted price.

8 N. Failing to clearly and conspicuously disclose any inclusions, exceptions or
9 limitations to any Albertsons offers, coupons or discounts, including but not limited to any Albertsons
10 offers, coupons, or discounts in the "Just for U", "Club Card" or other Albertsons electronic discount
11 or coupon programs.

12 O. Making or disseminating any false or misleading statement with respect to the
13 price of any item offered for sale.

14 4. Pursuant to Business and Professions Code sections 17203 and 17535, Albertsons is
15 hereby ordered and mandated to implement and adhere to the following Price Accuracy Policy at
16 California Stores:

17 A. If the scanned price on the display at the Point of Sale (i.e., the register) for an
18 item is higher than Albertsons lowest applicable advertised price, Albertsons shall, upon notice,
19 immediately give the customer the item for free if the lowest applicable advertised price is \$5.00 or
20 less or, if the item's lowest applicable advertised price is over \$5.00, immediately give the customer
21 a \$5.00 Albertsons gift card and refund any excess amount collected for the item.

22 B. Albertsons' Price Accuracy Policy shall be subject to the following terms and
23 condition:

24 (i) Albertsons' Price Accuracy Policy shall exclude purchases of fuel,
25 alcoholic beverages, dairy, tobacco, and non-OTC pharmacy products.

1 (ii) As used herein, "lowest applicable advertised price" means the lowest
2 non-retracted, advertised, posted, marked, displayed, or quoted price offered to the public for an
3 item at the store at which the item is scanned, and after any other coupons and discounts are applied.
4 Personalized prices (e.g., Just for U program) offered to an individual are not "offered to the public"
5 for purposes of this definition and shall constitute the lowest applicable advertised price only as to
6 those individuals who have been offered and are otherwise eligible for the personalized price. The
7 price listed on an expired shelf tag that is the lowest displayed price for that product shall still
8 constitute the lowest applicable advertised price. Nothing herein will be construed to mean that a
9 consumer will be eligible for the lowest applicable advertised price if he or she fails to qualify under
10 the applicable terms disclosed in conjunction with the lowest applicable advertised price, so long as
11 said terms are clearly and conspicuously disclosed.

12 (iii) If the consumer is overcharged for two or more items in a single store
13 visit, the policy shall apply only to the higher priced item. Only one such free item or \$5.00 gift card
14 shall be provided per transaction.

15 (iv) Except as set forth herein, Albertsons' Price Accuracy Policy to
16 provide the item free or give a \$5.00 gift card shall not be limited as to the number of times it may
17 apply to any individual customer.

18 (v) Gift cards issued pursuant to the Price Accuracy Policy shall be deemed
19 to be distributed as part of a "promotional program" within the meaning of Civil Code section
20 1749.5(d)(1); however, the gift cards shall not contain an expiration date.

21 (vi) Albertsons shall not place any limits on the number of \$5.00 gift cards
22 that can be issued by any store, cashier, customer service agent, or other Albertsons personnel
23 pursuant to the Price Accuracy Policy. Nor shall any store, cashier, customer service agent, or other
24 Albertsons personnel be penalized for fully complying with or rewarded for not fully complying with
25 the terms of the Price Accuracy Policy. Records detailing how many \$5.00 gift cards were issued per
26 month pursuant to the Price Accuracy Policy shall be maintained at Albertsons' corporate

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1 headquarters (“Corporate”). These records shall be maintained by Corporate for a period of two (2)
2 years.

3 (vii) For purposes of the Price Accuracy Policy an “overcharge” occurs
4 when the scanned price on the display at the Point of Sale (i.e., the register) for an item is higher
5 than Albertsons’ lowest applicable advertised price, whether or not the sale has been completed.

6 C. Any Albertsons cashier, customer service agent or retail management
7 personnel who is aware or is made aware with reasonable certainty of an overcharge, shall take
8 immediate steps to comply with the Price Accuracy Policy whether at the point of sale or if brought
9 to their attention at a later time. If a cashier believes he or she is unable to resolve the issue
10 immediately, the cashier shall immediately summon a customer service agent or Albertsons retail
11 management personnel to the check stand to assist the customer. If the overcharge discrepancy
12 involves an electronic coupon program, Albertsons may at its discretion have the matter exclusively
13 handled immediately by a customer service agent or Albertsons retail store management personnel.
14 In all instances, Albertsons shall act without undue delay in confirming whether an overcharge has
15 occurred.

16 D. Albertsons shall not make any statements or take any actions which would
17 directly or indirectly prevent or discourage the Price Accuracy Policy from being followed, complied
18 with, enforced by, or adhered to by Albertsons employees, nor shall Albertsons employees make any
19 statements or take any actions to discourage or dissuade customers from receiving the benefits of the
20 Price Accuracy Policy.

21 E. Albertsons fuel stations may only be required to comply with the Price
22 Accuracy Policy as it pertains to items at the specific fuel station. Albertsons may require any non-
23 fuel station transaction price discrepancies to be handled in-store.

24 F. Price accuracy discrepancies arising from purchases made at Safeway
25 pharmacies or wellness centers may at Safeway’s discretion be handled exclusively by a customer
26 service agent or Safeway retail store management personnel.

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1 5. Pursuant to Business and Professions Code §§ 17203 and 17535, and by no later than
2 forty-five (45) days after entry of this Final Judgment, Albertsons shall post signs (hereinafter “Price
3 Accuracy Notice”) in the manner and locations described below at all California Stores in the
4 following words:

5 PRICE ACCURACY GUARANTEE

6 If we overcharge you for any item and the lowest applicable advertised price is \$5.00 or less,
7 we will give you the item for free.

8 If the lowest applicable advertised price is over \$5.00, we will give you a \$5.00 gift card and
9 charge the correct price.

10 If you are overcharged for more than one of the same item, the free item or gift card is
11 limited to one of those items.

12 If you are overcharged for two or more different items, the free item or gift card policy
13 applies to the highest priced item.

14 Excludes Tobacco, Alcoholic Beverages, Gas, Dairy & Pharmacy

15 Questions, Comments or Complaints Call: [1-800-283-9535]

16 A. The Price Accuracy Notice shall include a toll-free telephone number
17 dedicated to receiving consumer complaints, questions or comments relating to the Price Accuracy
18 Policy. Albertsons shall maintain records of said complaints, questions, comments and any resolution
19 of alleged price accuracy errors relating to the Price Accuracy Policy. With respect to such records,
20 Albertsons shall record and retain the number and nature of the consumer contacts received for a
21 period of no less than three (3) years from date of the consumer contact. The recorded information
22 shall include all available identifying information for the consumer, along with the date, store number
23 and identity of the item(s) in question.

24 B. The Price Accuracy Notice shall be printed on signs posted in a clear,
25 conspicuous, and unobstructed location at each customer service desk and each place a point-of-sale
26 device is located. Signs located at point-of-sale devices shall be placed in at least one of the three
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1 following locations, as applicable: 1) on the horizontal surface of all check writing pads (i.e. the flat
2 surfaces where customers typically might write checks); 2) on the vertical surfaces in the customer's
3 line of sight while waiting in the check stand lane or while using a self-checkout kiosk; or 3) on the
4 surface fronting the check stand conveyer belt where the customer first enters the check stand line.

5 To ensure readability and comprehension by the consumer, these Price Accuracy Notice signs shall
6 be no smaller than 5" x 8"; words shall be in a font size not less than 16-point font and printed against
7 a contrasting background; and each sentence shall either be bulleted or separated by a blank line.

8 C. The Price Accuracy Notice shall also be printed on both sides of overhead
9 hanging sign(s), in readily legible type, in a font size not less than 96-point, against a contrasting
10 background, and posted clearly and conspicuously so as to be easily read by customers immediately
11 before reaching each check stand, at each California Store and as set forth below:

12 (i) For stores having eight (8) or more check stands, Albertsons shall have
13 one overhead hanging sign for every four (4) check stand lanes.

14 (ii) For stores having fewer than eight (8) check stands, Albertsons shall
15 have no fewer than two overhead hanging signs spaced as evenly as possible among the check stand
16 lanes.

17 (iii) In addition to any overhead hanging signs required by (i) or (ii) above,
18 for stores with self-checkout lanes, Albertsons shall be required to have only a single overhead
19 hanging sign above the self-checkout area, regardless of the number of self-checkout stations.

20 D. Albertsons shall also display the Price Accuracy Notice at additional or
21 different locations agreed to by the parties as designed to meet the compliance objectives described
22 in paragraph 9.

23 E. Fuel stations are only required to display the Price Accuracy Notice at the 1)
24 service glass window facing the customer or 2) the service counter. No overhead signage is required.

25 F. Should a Third-Party Auditor or an Inspector from any County Weights and
26 Measures Department, State of California Department of Food and Agriculture, or any District

1 Attorney's Office, find a violation regarding placement of signage due to a torn, mutilated, or
2 obstructed sign, Safeway shall have seven (7) days from any written notice of the violation to correct
3 the violation without said violation constituting a violation of this injunction.

4 **THIRD-PARTY AUDITOR**

5 6. Albertsons may use either Muscolino Inventory Services, Inc. or Rentokil North
6 America, Inc. d/b/a Steritech Brand Standards as an appropriately qualified independent third-party
7 auditor ("Auditor"), the cost of which shall be paid for by Albertsons. It will be a condition of the
8 Auditor's retention that the Auditor is independent of Albertsons and that no attorney-client
9 relationship will be formed between Albertsons and the Auditor. The Auditor will bill reasonable
10 fees to Albertsons based upon a contract entered into with Albertsons and a budget agreed to by the
11 Auditor and Albertsons. Albertsons will seek the People's consent for any proposal to use a
12 different independent third-party auditor, which consent shall not be unreasonably withheld.

13 7. Beginning no more than one hundred twenty (120) days from entry of this Final
14 Judgment, the Auditor shall conduct audits which shall be detailed in three (3) reports, submitted
15 annually, with each report covering four areas of this Final Judgment: price verification, Price
16 Accuracy Policy compliance, package inspections, and test purchases (the "annual reports"). Each
17 annual report shall include results (from the twelve-month period covered by the report) for: price
18 verification audits conducted at each California store; Price Accuracy Policy compliance audits
19 conducted at each California store; package inspections audits conducted on at least 50% of California
20 stores; and test purchase audits conducted on at least 50% of California stores. The Auditor shall
21 submit simultaneously to Albertsons, Albertsons' counsel of record, and counsel for the People, the
22 three (3) annual reports in electronic format no later than eighteen (18), thirty-six (36) and fifty-four
23 (54) months, respectively, following one hundred twenty (120) days after entry of this Final
24 Judgment. The Auditor shall develop an audit protocol meeting the requirements of this Final
25 Judgment and as set forth below. The Auditor shall submit their proposed audit protocol to the
26 People for review and comment at least thirty (30) days prior to commencing the audits.

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A. The audit protocol shall, at a minimum, provide for the following:

(i) Price Verification Audits: The price verification audits shall be conducted at each Albertsons store in California at least once every twelve months prior to the respective annual report being prepared. The price audits shall include the random selection of at least 150 items (including regular, sale, and specially priced items) in each store. The scanned price of each item shall be compared against the lowest applicable advertised price for that item, as defined in paragraph 4.B.ii. No more than half of the items inspected shall be regular-priced items. The results of each store price audit shall include: the identification of the store inspected; the date of inspection; the number of items inspected; and the number of items (broken down by regular, sale or specialty priced) whose scanned price did not match the lowest applicable advertised price. For purposes of the annual report, the data shall be recorded in a spreadsheet or similar format.

(ii) Price Accuracy Policy Compliance Audits: The Price Accuracy Policy compliance audits shall be conducted at each Albertsons store in California at least once every twelve months prior to the respective annual report being prepared. During each such audit the Auditor shall: verify for each store that the correct Price Accuracy Notices are displayed in all locations as required by this Judgment and confirm the store maintains complete records for all its cashiers, third-party vendor cashiers, customer care and store management personnel showing they have all been trained on the requirements of the Price Accuracy Policy. The Auditor shall record for each inspection: the identification of the store inspected; the date of the inspection; the total number of signs required for the store; the number of signs actually observed in their correct location; the number of employee training records required for the store; the number of employee training records actually observed; and the number of \$5.00 gift cards issued by the store during the relevant time period, as confirmed by Corporate. For purposes of the annual report, the data shall be recorded in a spreadsheet or similar format. The Auditor may conduct these audits simultaneous with the price verification audits in subparagraph (i). For purposes of this Judgment, "third-party vendor" shall not include any vendor

1 who operates a point-of-sale device within an Albertsons retail store only for the sale of the vendor's
2 own products or services (e.g., a financial institution).

3 (iii) Package Inspection Audit: Package inspection audits shall be
4 conducted in at least 50% of all Albertsons stores in California in the twelve-month period covered
5 by each annual inspection report. A package inspection shall consist of the auditor verifying the net
6 weights of items pre-packaged in the store by Albertsons or its employees and using a correct
7 weighing instrument as defined in Business and Professions Code section 12000 et. seq. A package
8 inspection audit conducted at a store shall include at least 5 items in each of the following
9 departments: bakery, deli, and meat. The auditor shall record for each inspection: the store inspected,
10 the date of the inspection, the number of items inspected, the departments the products came from,
11 the stated net weight on the package, and the actual net weight as measured by the auditor. For
12 purposes of the annual report, the data shall be recorded in a spreadsheet or similar format.

13 (iv) Test Purchase Audit: A test purchase audit shall be conducted in at least
14 50% of all Albertsons stores in California in the twelve-month period covered by each annual
15 inspection report. The test purchase audit shall consist of the auditor verifying the net weights of at
16 least 5 items each ordered from both the meat and deli departments where the items are sold by weight
17 and weighed in front of the customer. The auditor shall verify the net weight of the items against the
18 net weight stated on the label produced by the meat and deli department employees and using a correct
19 weighing instrument as defined in Business and Professions Code section 12000 et. seq. The auditor
20 shall also verify that the tare listed on the label is accurate. The auditor shall record for each
21 inspection: the store inspected; the date of the inspection; the number of items inspected; the
22 departments the product came from; the stated net weight on the label printed by the department
23 employee; the actual net weight as measured by the auditor; and whether the stated tare weight on the
24 label was correct. For purposes of the annual report, the data shall be recorded in a spreadsheet or
25 similar format. If a test purchase audit is conducted in conjunction with a price verification audit,

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1 Price Accuracy Policy compliance audit, or package inspection audit, the test purchase audit shall be
2 conducted first and without alerting store employees to ensure uncompromised audit results.

3 B. To maintain the integrity of the audit process, except as described herein, the
4 audits shall be conducted without prior notice to the stores being inspected. The auditor shall notify
5 the store general manager upon arrival who shall not take any measures to compromise the
6 inspection including, by, for example, warning store personnel that the store is being audited. The
7 store manager shall take all steps to accommodate the audit, without interference.

8 C. The annual audit reports shall include the results of each audit (Price
9 Verification, Price Accuracy Policy Compliance, Package Inspection, and Test Purchase) broken
10 down by store as set forth in the protocol requirements in subsections (i)-(iv) above. For each annual
11 audit report, the report shall only contain audit results from the twelve months prior to the date of
12 the report. For each audit report, the results of the individual store audits may be summarized but
13 spreadsheets or similar formats containing the detailed results for each store shall be attached as
14 exhibits to the reports. The reports shall include a complete description and discussion of all audit
15 objectives, scope, criteria, findings, conclusions, and recommendations, and shall identify and
16 discuss all audit evidence considered or relied upon to support the audit conclusions.

17 7. Pursuant to Business and Professions Code sections 17203 and 17535, Albertsons shall
18 maintain a program to minimize pricing discrepancies, which shall include at least the following:

19 A. Albertsons shall designate an employee with responsibility to function as a
20 Price-Accuracy Coordinator ("PAC") at each California store, who shall conduct internal pricing
21 accuracy inspections and audits as described herein. Albertsons shall employ at least one employee
22 in each California store who is specially trained to perform the PAC's job. Each California store shall
23 have a minimum of 40 hours per week allocated to the duties of the PAC. Albertsons may use existing
24 personnel to execute the duties of the PAC.

25 B. Starting no later than 60 (sixty) days after the entry of this Final Judgment, and
26 continuing thereafter, the PAC shall conduct price accuracy inspections/audits of the store to

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1 monitor the accuracy of pricing and removal of all expired sale and price tags. The PAC shall
2 conduct price accuracy inspections/audits of no less than 500 items per week. The PAC shall record
3 results of each inspection/audit and Albertsons shall maintain records of such inspections/audits at
4 its corporate headquarters for a period of three years from the date of creation.

5 C. If Albertsons is aware or on notice that there is any discrepancy between the
6 lowest applicable advertised price (e.g., an advertisement, display sign, shelf price tag, label, or any
7 other expression of price) of an item and the scanned price, and that discrepancy can be corrected at
8 the store, Albertsons shall institute corrective action immediately, and no later than four (4) hours
9 after discovery or, if discovered after 5 p.m., as soon as practicable the next business day. If there is
10 a discrepancy requiring action by Corporate, Albertsons shall institute corrective action as soon as
11 practicable and no later than twenty-four (24) hours, if the discrepancy was first noticed Monday
12 through Friday by 5 p.m., or as soon as practicable the next business day if noticed after 5 p.m. on a
13 Friday. Corporate shall create a log of errors and corrective actions, which shall be maintained for a
14 period of three years after their creation. The time to correct discrepancies provided in this paragraph
15 shall in no way affect Albertsons requirements to immediately comply with the Price Accuracy Policy
16 provisions of this Judgment. Albertsons shall not be required to log errors due to unsubstantiated
17 consumer complaints.

18 D. Albertsons shall make all records required to be maintained by this Judgment
19 available for inspection and copying to any representative of the People, or any authorized
20 representative of the State of California Department of Agriculture, Division of Measurement
21 Standards, or any representative of a County Sealer or Director of a County Agricultural
22 Commissioner, at a reasonable time and place upon reasonable written notice.

23 COMPLIANCE

24 9. For the purpose of securing compliance with the terms of this Final Judgment,
25 Albertsons shall do the following:

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A. Signed Acknowledgments.

During the next annual training cycle following entry of this Final Judgment, provide employees with the job titles identified in Exhibit A-1 with a copy of this Final Judgment or a summary of its terms. Any employees hired thereafter into the job titles identified in Exhibit A-1 shall be provided with a copy of the Final Judgment or a summary of its terms within thirty (30) days of hiring. Albertsons shall require persons listed in Exhibit A-1 to sign an acknowledgement that they have received and read a copy of this Final Judgment or summary. Albertsons shall retain the signed acknowledgements for no less than three (3) years from the date of signature. In lieu of the above, Albertsons may instead incorporate the summary of the Final Judgment and the acknowledgement of same into the training required by Paragraph 9.B(i). Upon written request by the People, Albertsons shall produce copies of the signed acknowledgements within two (2) weeks of the request.

B. Price Accuracy Policy Training.

Within sixty (60) days from the date of entry of this Final Judgment, Albertsons shall provide all current California employees of Albertsons, and any employees of applicable third-party vendors who operate Albertsons point-of-sale registers or devices, or who assist customers at customer service inside an Albertsons store in California (“applicable third-party vendors”), with a copy or summary of the Price Accuracy Policy. Albertsons employees hired in California after the entry of this Final Judgment and employees of applicable third-party vendors hired in California after the entry of this Final Judgment shall be provided with a copy or summary of the Price Accuracy Policy within thirty (30) days of their hire date with Albertsons.

(i) Albertsons shall provide training on complying with the Price Accuracy Policy to current employees and employees of applicable third-party vendors in California within ninety (90) days of the date of entry of this Final Judgment or for employees or employees of applicable third-party vendors hired in California thereafter, within sixty (60) days of their hire date or beginning of service, respectively. Each employee and employee of applicable third-party vendors

1 in California shall sign an acknowledgment that they have received training on and understand the
2 Price Accuracy Policy.

3 (ii) Albertsons shall maintain records of training sessions given to those
4 persons listed in this section for a period of three (3) years from date of training. The records shall
5 include, but are not limited to: attendance and completion records identifying the employees or
6 employees of applicable third-party vendors trained and; a list of training materials used. Albertsons
7 shall produce copies of training records within thirty (30) days of any written request by the People.

8 (iii) Albertsons shall not permit any employee or employee of an applicable
9 third-party vendor to operate any point-of-sale device(s) without proof of the employee's compliance
10 with the training provisions in this section.

11 (iv) Should any District Attorney Investigator, City Attorney Investigator,
12 authorized representative of the State of California Department of Agriculture, Division of
13 Measurement Standards, or representative of the County Sealer or Director of a County Agricultural
14 Commissioner determine that an Albertsons employee or employee of a third party vendor operating
15 a point-of-sale device in California is not familiar with the complete terms of the Price Accuracy
16 Policy, either by admission or actions, and thereafter reports this observation to the store manager in
17 writing, the manager shall prohibit that employee from operating a point-of-sale device until they
18 have completed a new or remedial training on the Price Accuracy Policy.

19 C. Weights and Measures Training

20 During the next annual training cycle following entry of this Final Judgment,
21 Albertsons shall provide all current California employees of Albertsons, and any applicable third-
22 party vendors with job titles identified in Exhibit A-2 with a summary of the Final Judgment as it
23 pertains to weighing requirements. Albertsons employees and employees of applicable third-party
24 vendors in California hired after the entry of this Final Judgment shall be provided the summary
25 within sixty (60) days of their date of hire. In lieu of the above, Albertsons may instead incorporate
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1 the summary of the Final Judgment and the acknowledgement of same into the training required by
2 Paragraph 9.C.(i).

3 (i) Albertsons shall provide formal training to all California employees
4 and/or third-party vendors with job titles identified in Exhibit A-2. The training shall, at a minimum:
5 demonstrate how to determine the net weight of a commodity including placement on the measuring
6 device and taking the proper tare; instruct on compliance with California's Fair Packaging and
7 Labeling Act as it applies to weighed commodities; and instruct on compliance with the Uniform
8 Packaging and Labeling Regulation (NIST Handbook 130) as it applies to weighed commodities.
9 Training shall be provided to current California employees and applicable third-party vendors within
10 ninety (90) days of the date of entry of this Final Judgment and for future employees or applicable
11 third-party vendors, within sixty (60) days of their date of hire or beginning of service, respectively.
12 Each California employee and third-party vendor shall sign an acknowledgment that they have
13 received and understand the training.

14 (ii) Albertsons shall maintain records of training sessions (including
15 individual training records and all training materials used) for a period of three (3) years from date of
16 training. The records shall include, but are not limited to, attendance and completion records as to the
17 employees or applicable third-party vendors who were present, and a list of training materials,
18 presentations or any other instructional material used. Albertsons shall produce copies of these
19 records within two (2) weeks of any written request by the People.

20 (iii) Albertsons shall not permit any employee or applicable third-party
21 vendor to operate any in-store weighing device(s) in California without proof of compliance with the
22 training provisions in this section.

23 (iv) Should any District Attorney Investigator, City Attorney Investigator,
24 any authorized representative of the State of California Department of Agriculture, Division of
25 Measurement Standards, or any representative of the County Sealer or Director of a County
26 Agricultural Commissioner determine that an Albertsons employee or applicable third party vendor

1 is operating an in-store weighing device in California and is not familiar with all aspects covered in
2 the training discussed above, either by admission or actions, and thereafter report this observation to
3 the store manager in writing, the manager shall prohibit that employee or vendor from operating a
4 weighing or measuring device until they have completed a new or remedial training as set forth above.

5 10. Albertsons shall be in compliance with the Price Accuracy and Weights and
6 Measures training requirements of this Final Judgment (set forth in paragraphs 9(B) and (C)) if it
7 has provided such training before the date of this Final Judgment.

8 11. Nothing in this Final Judgment shall in any way prevent Albertsons from developing,
9 testing, or implementing new or different systems or measures regarding the subjects covered by this
10 Final Judgment. At Albertsons' request, prior to implementation or proposed implementation of any
11 such new or different system or measure, the parties agree to meet and confer regarding the viability
12 or continued application of any particular affected provision of this Final Judgment and whether the
13 Final Judgment should be modified, upon consent of the court, to include the implementation of any
14 such new or different system or measure.

15 **MONETARY RELIEF**

16 12. Pursuant to California Business and Professions Code sections 17203, 17206, 17535
17 and 17536, Safeway shall pay the People civil penalties, costs, and restitution in the sum of THREE
18 MILLION NINE HUNDRED SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS
19 (\$3,962,500.00) which shall be allocated as set forth below:

20 A. The total amount of SIX HUNDRED FORTY-NINE THOUSAND FIVE
21 HUNDRED DOLLARS (\$649,500.00) shall be allocated to investigative costs and shall be made
22 payable as follows:

<u>Agency Costs</u>	<u>Amount</u>
CA Dept. of Ag., Div. of Measurement Standards (DMS – CDFA – Reimb 050)	\$ 36,750.00
Alameda County Dept. of Ag., Weights & Measures	\$ 143,005.95
Alameda County District Attorney's Office	\$ 5,000.00

1 C. The parties having so stipulated, the Court hereby finds that it is impractical
2 and impossible to identify or to provide direct restitution to consumers who may have unknowingly
3 been overcharged by Albertsons or misled by Albertsons advertising such that direct restitution is
4 impractical, costly, and would exceed any benefit to individual consumers. Accordingly, Albertsons
5 shall pay restitution under the doctrine of *cypres* pursuant to Business and Professions Code §§ 17203
6 and 17535 payable to the California Agricultural Commissioners and Sealers Association Quantity
7 Control Trust Fund to support the investigation and enforcement of consumer protection laws in
8 California in the amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00).

9 D. The payments required under the terms of this Final Judgment shall be made
10 by separate checks and delivered to the Marin County District Attorney's Office, Attn: Deputy
11 District Attorney Andres Perez, within thirty (30) days of entry of this Final Judgment.

12 **NOTICE AND RETENTION OF JURISDICTION**

13 13. The failure of the People to enforce any provision of this Final Judgment shall neither
14 be deemed a waiver of such provision or its enforceability, nor shall it in any way affect the validity
15 of this Final Judgment. The failure of the People to enforce any provision shall not preclude the People
16 from later enforcing the same or other provisions of this Final Judgment.

17 14. Except as otherwise expressly provided herein, each party shall bear its own attorney's
18 fees and costs.

19 15. Nothing in this Final Judgment constitutes an alteration of, nor does it supersede, any
20 applicable law or regulation.

21 16. The injunctive terms of this Final Judgment are intended by all parties hereto to
22 control in the event of any conflict with the injunctive terms in: (1) *People v. Safeway, Inc.* Sonoma
23 County Superior Court case number 233008 (2003), (2) *People v. Safeway, Inc.*, Napa Superior
24 Court case number 26-42803 (2008), and (3) *People v. Safeway, Inc.*, Marin County Superior Court
25 case number 1400839 (2014), and shall be construed to do so to the fullest extent permitted by law.
26 The parties agree that the injunctive terms in prior orders that conflict with the injunctive terms of

1 this Final Judgment include, but are not limited to, paragraphs 7(d), 8(a) and 8(b) of the Napa
2 County 2008 order (No. 26-42803).

3 17. This Final Judgment will remain in effect for seven (7) years after its entry.

4 18. Jurisdiction is retained for the purpose of enabling any party to this Final Judgment to
5 apply to the Court for such further orders and directions as may be necessary and appropriate for the
6 construction and carrying out of this Final Judgment, for the modification or dissolution of any
7 injunctive provisions hereof, for enforcement of compliance herewith, or for the punishment of
8 violations hereof.

9 19. This Final Judgment has been reviewed by the Court, and based upon the
10 representations of the parties, the Court finds that it has been entered in good faith and is, in all
11 respects, fair, just, and equitable to protect the public and the individuals who may have been affected
12 by the issues alleged in the Complaint.

13 20. The clerk is directed to enter this Final Judgment forthwith.

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16 DATED: 09/26/2024



JUDGE OF THE SUPERIOR COURT

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EXHIBIT 1

1 PAMELA PRICE
2 District Attorney, County of Alameda
3 Alexandra Grayner, SBN 290591
4 7677 Oakport Street, Suite 650
5 Oakland, CA 94621
6 (510) 383-8600

7 GEORGE GASCON
8 District Attorney, County of Los Angeles
9 Steven Wag, SBN 221950
10 Deputy District Attorney
11 211 West Temple Street, Suite 1000
12 Los Angeles, CA 90012
13 (213) 257-2450

14 CARLA RODRIGUEZ
15 District Attorney, County of Sonoma
16 Matthew T. Cheever, SBN 191783
17 Chief Deputy District Attorney
18 2300 County Center Dr., Suite B-170
19 Santa Rosa, CA 95403
20 (707) 565-3161

21 MICHAEL HESTRIN
22 District Attorney, County of Riverside
23 Evan Goldsmith, SBN 297356
24 3960 Orange Street
25 Riverside, CA 92501
26 (951) 955-5400

27 SUMMER STEPHAN
28 District Attorney, County of San Diego
29 Kathryn L. Turner, SBN 151477
30 Deputy District Attorney
31 330 W. Broadway
32 Ventura, CA 93003
33 (619) 531-4040

34 ERIK NASARENKO
35 District Attorney, County of Ventura
36 Andrew J. Reid, SBN 268351
37 Senior Deputy District Attorney
38 5720 Ralston St., No. 300
39 San Diego, CA 92101
40 (805) 662-1750

EXHIBIT A-1

- 1
- 2 Division President
- 3 SVP Operations
- 4 SVP Marketing Merchandising
- 5 Area Vice Presidents
- 6 District Manager
- 7 Store Director
- 8 Persons in Charge
- 9 Assistant Store Director
- 10 Department Specialist
- 11 Assistant Sales Manager
- 12 Sales Manager
- 13 Director of Center Store
- 14 Marketing Pricing Manager
- 15 Marketing Pricing Specialist
- 16 Director of Marketing
- 17 Marketing Promo Manager
- 18 Marketing Pricing Manager
- 19 Marketing Manager
- 20 Marketing Analyst
- 21 Marketing Pricing Specialist
- 22 Retail Integrity Specialist
- 23 Assistant Customer Service Manager
- 24 Customer Service Manager
- 25 Director of Front End
- 26 Director of Fresh
- 27 Sales Director
- 28 Bookkeeper
- GM/HBC Clerk
- Food Clerk
- Managing Clerk
- File Maintenance Clerk
- Scan Coordinator
- Concierge
- Grocery Operations Specialist
- Bakery Operations Specialist
- Starbucks Operations Specialist
- Service Deli Operations Specialist
- Produce Operations Specialist
- Meat Operations Specialist
- Floral Operations Specialist
- Liquor Operations Specialist
- Concierge Operations Specialist
- eCommerce Operations Specialist
- Fuel Operations Specialist

1 Service Operations Specialist
Retail Sales Manager
2 Manager Center Store
3 Night Crew Supervisor
4 Department Managers (e.g. – Bakery, Deli, Meat, Product, Floral, Drug/GM Manager, Starbucks,
Home Shopping Dept Manager, Wall Deli Manager)

5 Quad Marketing Advertising Team:

- 6 • Marketing Director
- 7 • Senior Marketing Manager
- 8 • Coordinator
- 9 • Production Manager
- 10 • Production Artist
- 11 • Senior Production Artist
- 12 • Graphic Designer
- 13 • Senior Graphic Designer
- 14 • Ad Director
- 15 • Creative Manager
- 16 • Ad Coordinator

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EXHIBIT A-2

- 1
- 2 Store Director
- 3 Assistant Store Director
- 4 Person in Charge
- 5 Baker
- 6 Courtesy Clerk
- 7 Food Clerk
- 8 Meat Clerk
- 9 Cake Decorate
- 10 Meat Cutter
- 11 Meat Wrapper
- 12 Deli Manager
- 13 Bakery Manager
- 14 Meat Manager
- 15 Produce Manager
- 16 GM/HBC Clerk
- 17 Deli Manager
- 18 Clerk-Seafood
- 19 Bakers-Helper
- 20 Seafood Supervisor
- 21 Meat Cutter Apprentice
- 22 Cheese Specialist I
- 23 Bakery Manager
- 24 Butcher Block Supervisor
- 25 Butcher Block Clerk
- 26 Bake Off Decorate
- 27 Department Mgr Bakery/Deli
- 28 Fresh Made Lead
- 29 Bakery Operations Specialist
- 30 Service Deli Operations Specialist
- 31 Produce Operations Specialist
- 32 Meat Operations Specialist
- 33 Grocery Operations Specialist

- 21 Field Merchandisers
 - 22 • PMR Processors Marketing & Research
 - 23 • KEHE
 - 24 Focus Filed Group
 - 25 • Horizon Group
 - 26 • Dietz & Watson
 - 27 • Santa Monica Seafood
 - 28 • Bearstone Foods