DCA TAKES SUPERMARKET GIANT GRISTEDES TO TASK -SUES FOR FAILURE TO PAY FINES AND REPEAT VIOLATIONS

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Owes More Than \$50,000 to City for Repeat Short Weight, Improper Pricing, & Other Violations

The New York City Department of Consumer Affairs (DCA) today announced it has filed suit against Namdor, Inc. for failing to pay more than \$50,000 in fines owed to the City for repeat violations. Namdor owns and operates 45 New York City-based grocery retail stores including Gristede's, and former Red Apple and Sloans. The DCA cited Namdor with a combined total of 335 notices over the past three years for repeatedly failing to adhere to City and State consumer protection, weights and measures, item pricing, and perishable foods laws. Of the approximately 200 unresolved violations, 120 notices are for overcharging customers and "short-weighting" their purchases or not having a scale available, nearly 70 are mostly for failing to post prices properly or post restrictions on advertised items, and eight for not posting the expiration date on perishable items.

"The DCA has made every effort to work with Namdor to resolve repeat violations," said DCA Commissioner Gretchen Dykstra. "DCA protects consumers in the marketplace, including the neighborhood grocery store. Our inspectors are out everyday doing routine checks so consumers don't have to worry that scales are not calibrated, packages are short-weighted, items aren't priced correctly, or sales tax is not improperly charged. Gristede's knows the rules and must follow them like everyone else."

Since January 2001, the DCA has cited Namdor, Inc. with multiple violations for:

- "Short-weighting" products charging for more than you get.
- Charging consumers for deli or product container "tare" the extra packaging weight.
- Failing to properly post required prices on items.
- Failing to disclose limitations on advertised items.
- Failing to post expiration date on products.
- Failing to have customer scales available, as required.
- Failing to pay scale inspection fees that allow testing of devices to ensure proper calibration.
- Imposing tax on non-taxable items.

In addition, Namdor will no longer benefit from the DCA's Consolidated Payment Program (CPP), a program designed to streamline the inspection and collection process for large companies operating multiple stores in the City. CPP allows the DCA to report all violations to a business' corporate headquarters in addition to individual stores, making it easier for companies to identify and resolve recidivist problems, as well as ensure efficient record-keeping. Currently there are 23 local businesses participating in the program.

The DCA conducts routine inspections in all five boroughs, where enforcement works closely with City agencies and community groups to coordinate efforts and respond to complaints quickly. DCA inspectors are cross-trained in a number of areas including routine testing of scales, consumer protection violations, license checks, and more. Last year, the DCA conducted more than 40,000 total inspections citywide, including approximately 12,000 scale inspections.

DCA enforces the Consumer Protection Law, as well as other related City and State laws, at thousands of businesses throughout New York City. DCA licenses more than 60,000 businesses in 55 different categories and educates both consumers and businesses alike through free publications, Speaker's Bureau, and other informational materials.

To file a complaint, or for copies of DCA's free consumer and business education guides, call 311 or visit DCA online at <u>www.nyc.gov/consumers</u>