

13:58:12 2/27/2021

FILED
Clerk of the Superior Court

MAR 24 2021

By: C. Beutler, Deputy

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO**

PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

v.

AMAZON.COM, INC., a Delaware corporation,

Defendant.

Case No. **37-2021-00011984-CU-BT-CTL**
FINAL JUDGMENT PURSUANT TO STIPULATION

THE PEOPLE OF THE STATE OF CALIFORNIA, by and through NANCY E. O'MALLEY, District Attorney for the County of Alameda, by Nancy Tung, Deputy District Attorney; JEFFREY S. ROSELL, District Attorney for the County of Santa Cruz, by Douglas Allen and Francisca Allen, Assistant District Attorneys; SUMMER STEPHAN, District Attorney for the County of San Diego, by Stephen Spinella and Colleen E. Huschke, Deputy District Attorneys; MICHAEL A. HESTRIN, District Attorney for the County of Riverside, by Timothy Brown, Deputy District Attorney; JEFF W. REISIG, District Attorney for the County of Yolo, by Larry Barlly, Deputy District Attorney; and JEFFREY F. ROSEN, District Attorney

1 for the County of Santa Clara, by Tiyen Lin, Deputy District Attorney, and AMAZON.COM,
2 INC., a Delaware Corporation, appearing through its attorney, Charles Wright, having stipulated
3 that this Final Judgment Pursuant to Stipulation (“Final Judgment”) may be entered without trial
4 or adjudication of any issue of fact or law, and without any admission of liability or
5 wrongdoing, and good cause appearing,

6 THE COURT NOW HEREBY ORDERS, ADJUDGES and DECREES AS FOLLOWS:

7 1. The Final Judgment has been reviewed by this Court and is found to have been
8 entered in good faith and to be, in all respects, just, reasonable, equitable, and adequate to
9 protect the public from the occurrence in the future of the conduct alleged in the Complaint.

10 2. Unless otherwise stated, all obligations imposed upon Defendants (defined below)
11 by the terms of this Final Judgment are ordered pursuant to sections 17200, et seq., and 17500,
12 et seq., of the California Business and Professions Code, including sections 17203, 17206,
13 17535, and 17536.

14 3. Both Plaintiff and Defendants (“the Parties”) waive the right to appeal from this
15 Final Judgment both as to form and content.

16 **JURISDICTION**

17 4. This civil enforcement action is brought in the public interest under the laws of the
18 State of California. As Defendants have offered for sale and/or sold products over the internet
19 and throughout the State of California, including San Diego County, the San Diego County
20 Superior Court (“Court”) has jurisdiction of the subject matter hereof and of the Parties hereto.

21 **APPLICABILITY**

22 5. This Final Judgment is applicable to AMAZON.COM, INC., a Delaware
23 corporation, and to its agents, servants, employees, representatives, officers, directors, members,
24 managers, subsidiaries, successors and assigns, and to any and all persons, employees,
25 corporations, and other entities who are acting in concert or participating with Defendant, with
26 actual or constructive notice of this Final Judgment (hereinafter referred to collectively as
27 “Defendants”).

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1 6. Nothing in this Final Judgment shall excuse Defendants from meeting any more
2 stringent requirements which may be imposed hereinafter by changes in applicable law and/or
3 legally binding legislation, regulations, ordinances, and/or permits, nor shall this Final Judgment
4 be construed as authorizing or permitting any violation of law existing at the time of entry of
5 judgment or thereafter, including any violation of law not discussed or mentioned herein or in
6 the Complaint.

7
INJUNCTIVE RELIEF

8 7. Pursuant to California Business and Professions Code sections 17203, 17204, and
9 17535, Defendants shall be and are, for a period of three years starting on April 1, 2021, hereby
10 enjoined and restrained from doing, directly or indirectly, anything within California in
11 connection with the advertising of any advertised reference price (“ARP”) based on a formula,
12 algorithm, or other method that results in the ARP being false or misleading in any particular, or
13 results in the ARP having the tendency or capacity to deceive or mislead. For the purposes of
14 this Final Judgment, “false and misleading” and “having the tendency or capacity to deceive or
15 mislead” shall mean:

16 A. Using the ARP nomenclature “List Price” or some other marketing term such as
17 “Retail Price” in order to indicate a price provided to Defendants by a third-party such
18 as a manufacturer, supplier or seller (hereafter, “List Price”), unless (1) a clear and
19 conspicuous hyperlink links to a clear and exact definition of the term, as used by
20 Defendants in their advertising; and (2) said definition includes a statement that the
21 List Price may not be the prevailing market price or regular retail price (or similar
22 verbiage).

23 B. Using the ARP nomenclature “Was Price” or some other marketing term such as
24 “Former Price” in order to indicate a previous price at which the advertised product
25 was sold by Defendants (hereafter “Was Price”), unless a clear and conspicuous
26 hyperlink links to a clear and exact definition of the term, as used by Defendants in
27 their advertising, which shall include a statement as to how Was Prices are
28 determined.

- 1 C. Using a strikethrough or other symbol in order to convey a List Price or Was Price
2 without complying with paragraphs 7(A) or 7(B), above;
- 3 D. Advertising an ARP for longer than the timeframe in the definition of the ARP.
- 4 E. Advertising an ARP unless first verifying that the reference price complies with this
5 order by obtaining and maintaining verifiable data of the product offering and the
6 advertised price relied upon to set the ARP. Such verification data or documentation
7 shall be maintained for two years from the date of the advertisement containing the
8 ARP is initially posted, and the People shall have reasonable access to such data or
9 documentation.

10 8. Any amended statute or regulation, successor statute or regulation or renumbered
11 statute or regulation will have the same force and effect as the statutes and regulations cited in
12 this Final Judgment.

13 MONETARY RELIEF

14 9. Pursuant to Business and Professions Code sections 17203 and 17535, Defendants
15 shall pay \$100,000 in cy pres restitution. The parties, having recognized the impossibility of
16 identifying aggrieved consumers who suffered actual loss, the impracticality of providing direct
17 restitution to said consumers, and that the disproportionate cost of making restitution to
18 individual consumers would far exceed the benefit consumers would gain, agree that Defendants
19 shall pay \$100,000 restitution to the California Consumer Protection Fund, previously created
20 by the Stipulated Final Judgment and Permanent Injunction in the case of *People v. ITT*
21 *Consumer Financial Corporation, et al.* (Alameda Superior Court No. 656038-0 filed on
22 September 21, 1989) for the purpose of enhancing the investigation, prosecution, and
23 enforcement of consumer protection actions brought pursuant to the unfair competition statutes
24 of the State of California (Business and Professions Code §§17200 et seq.) by the California
25 Attorney General, district attorneys, and city attorneys authorized to bring such actions pursuant
26 to Business and Professions Code §17206. Said amount shall be made payable to the
27 "California Consumer Protection Fund," and shall be due within ten (10) days of the entry of
28 this Final Judgment and delivered to the attention of Deputy District Attorney Deputy District

1 Attorney Timothy Brown, Riverside County District Attorney's Office, 3960 Orange Street,
2 First Floor, Riverside, California 92501.

3 10. Defendants are hereby ordered, pursuant to Business and Professions Code
4 sections 17206 and 17536 to pay a civil penalty of \$1,700,000. Said amount shall be made
5 payable to the "Riverside District Attorney's Office", which office shall, pursuant to
6 Government Code section 26506, divide and distribute the penalty equally among the District
7 Attorney's offices appearing in this matter. Such monetary relief is due within ten (10) days of
8 the entry of this Final Judgment and shall be sent to Deputy District Attorney Timothy Brown,
9 Riverside County District Attorney's Office, 3960 Orange Street, First Floor, Riverside,
10 California 92501.

11 11. Defendants are hereby ordered, pursuant to Business and Professions Code
12 sections 17203 and 17535, to pay investigative costs in the stipulated amount of \$200,000. Said
13 amount shall be made payable to the "Riverside County District Attorney's Office," which
14 office shall distribute the payments to the District Attorney offices which incurred the costs,
15 according to agreement among those offices. Such monetary relief is due within ten (10) days
16 of the entry of this Final Judgment and shall be sent to Deputy District Attorney Timothy
17 Brown, Riverside County District Attorney's Office, 3960 Orange Street, First Floor, Riverside,
18 California 92501.

19 **JURISDICTION RETAINED**


20 12. Jurisdiction is retained for the purposes of enabling any Party to this Final
21 Judgment to apply to the Court at any time for such order or directions as may be necessary or
22 appropriate for the construction of or carrying out of this Final Judgment, for the modification or
23 termination of any of the injunctive provisions thereof, for the enforcement of compliance
24 therewith, or for the punishment of violations thereunder.

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EFFECT AND ENTRY

13. This Final Judgment shall take effect immediately upon entry hereof.

DATED: 3/24/21



Judge of the Superior Court

KATHERINE A. BACAL

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