



COUNTY OF YOLO
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FOR IMMEDIATE RELEASE

Date: May 22, 2015

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Wal-Mart to Pay \$820,000 in Consumer-Protection Settlement
Retail giant was accused of misrepresenting treadwear warranties on its tires

(Woodland, CA) – May 22, 2015 - Yolo County District Attorney Jeff Reisig announced today that Wal-Mart Stores, Inc., will pay \$820,000 to settle a consumer-protection action brought by prosecutors in the offices of the Yolo County District Attorney, the Tulare County District Attorney and the City Attorney of San Diego.

The prosecutors alleged that Wal-Mart employees falsely claimed that: Wal-Mart would not honor the treadwear warranty as it was not a Wal-Mart warranty (it was); Goodyear would honor the treadwear warranty (it was not their warranty); Wal-Mart would assume responsibility for the treadwear warranty for Goodyear if an additional road-hazard warranty was purchased from Wal-Mart at \$10 per tire (the additional road-hazard warranty was not required); and, the treadwear warranty was unavailable without the road-hazard warranty.

Wal-Mart admitted no wrongdoing in the settlement. It fully cooperated in the investigation and has revised its practices to comply with applicable law. As part of the stipulated judgment, Wal-Mart agreed to train employees in its Auto Care Centers about the material terms of its tire warranties, including the identity of the warrantor.

The judgment included \$735,000 in civil penalties and prosecution costs, to be divided between the City Attorney of San Diego and the District Attorney Offices of Tulare and Yolo Counties. In addition, restitution of \$85,000 will be paid to two statewide funds: \$50,000 to the Tire Recycling Management Fund, which provides grants to clean up illegally disposed tires; and \$35,000 to the Consumer Protection Prosecution Trust Fund, to aid in the prosecution of consumer protection cases.

District Attorney Reisig praised the settlement. "Warranties are a part of the representations made to consumers to induce them to purchase products and it is vital that consumers be able to rely on those representations should the need arise," said Reisig. "We are gratified that Wal-Mart recognized the issue, cooperated with our prosecutors and changed its practices."

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