



OFFICE OF THE
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COUNTY OF SHASTA

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PRESS RELEASE
WAL-MART SETTLES CONSUMER PROTECTION CASE FOR \$357,800.00
FOR ALLEGED LABELING VIOLATIONS
January 5, 2009

Shasta County District Attorney Jerry Benito announced today that his office joined with the District Attorneys of Monterey, Napa, Solano and Sonoma Counties to settle a consumer protection case filed against Wal-Mart, the makers of “Wal-Mart SuperTech Gear Oil”, and their manufacturer, Warren Distribution. The initial investigation arose out of inspections of Wal-Mart SuperTech Gear Oil by Shasta County Weights and Measures, Petroleum Division officials. Investigators found that the gear oil did not meet the advertised viscosity levels, in violation of California law. The investigation broadened, and the prosecutors joined forces to undertake statewide legal action to eradicate the problem. Wal-Mart’s SuperTech gear oil is made by Warren Distribution, a Nebraska corporation.

Wal-Mart and Warren cooperated with prosecutors during the investigation and agreed to undertake additional testing procedures in order to comply with the law. Under the terms of the settlement, without admitting any wrongdoing, Wal-Mart, Inc., agreed to pay \$257,800.00 in civil penalties, \$75,000.00 to reimburse the costs of the investigation and prosecution, and \$25,000.00 in restitution for a total settlement of \$357,800.00.

Approximately 5000 bottles of the non-compliant oil was sold in California. Gear oil is primarily used in heavy machinery and large trucks. It is unknown if any engines were damaged by the bad oil, but it is likely that, given California’s overall mild climate compared with the rest of the United States, no actual damage was done to any Californian’s machinery, as any damage would likely occur only in extreme hot or cold temperatures.

The Shasta County Department of Weights and Measures routinely monitors local businesses and investigates products to ensure compliance with state law. The District Attorney’s Office brings actions such as this to ensure that local and national businesses comply with their responsibilities under the law.

The counties and cities involved will equally split the civil penalties paid by Wal-Mart and Warren. This means that Shasta County will receive approximately \$65,514.00. The Department of Weights and Measures will be reimbursed for all of the costs of their investigation.

In Shasta County, the case was investigated by Shasta County Department of Weights and Measures and prosecuted by Deputy District Attorney Erin M. Dervin of the Consumer Protection Unit of the District Attorney's Office. The Consumer Protection Unit exists to help consumers with problems they may have with services provided by local businesses or individuals.

For more information about the prosecution, contact District Attorney Jerry Benito or Deputy District Attorney Erin M. Dervin at 245-6310 and for information about the investigation contact Shasta County Agricultural Commissioner/Sealer of Weights & Measures Mary Pfeiffer at 224-4949.