North Carolina Department of Agriculture & Consumer Services

**Standards Division** 

#### **Price Verification Inspections**

Stephen Benjamin, Director April 17, 2018

#### Authority for Inspections

- G.S. 81A-1 authorizes the Commissioner to establish a Weights and Measures Program
- G.S. 81A-23. Misrepresentation of pricing. No person shall misrepresent the price of any commodity or service sold, offered, exposed, or advertised for sale by weight, measure, or count, nor represent the price in any manner calculated or tending to mislead or in any way deceive a person. (1975, c. 544.)

### **Our Mission**

"To ensure equity, safety, and quality in the marketplaces of North Carolina for all consumers, manufacturers, and merchants."

In performing this mission, we also have a role in consumer protection through the variety of inspections we perform, including:

Scales in commercial use

Retail fuel dispensers and other petroleum meters

Fuel quality Net content of packages Price verification

#### **Conducting a Price Verification Inspection**

- Select 50-100 random items, to include various areas, including items from any advertisements on the premises.
- ▶ We duplicate the bar code on each item selected.
- Duplicate bar codes are then scanned at the register, simulating a sale.
- The register receipt is then compared against advertised prices on the shelf or other signage. We use the lowest advertised price.
- Any incorrectly priced items are noted on the inspection. Only overcharges, are considered when calculating a failure rate.

#### Follow-up Inspections

- Once a location has failed, a 300 item follow-up inspection will be conducted in about 30 days.
- Follow-up inspections will continue every 60 days until the store achieves 2% or less overcharged items.
- Civil Penalties are assessed on each failed follow-up inspection. Penalties begin at \$150 plus \$15 per overcharged items that were found available for sale. Maximum penalty is \$5000. The base charge increases by \$500 for each subsequent inspection.

### **Price Verification Inspections**



## Staffing

- 11 Weights and Measures inspectors, in addition to price verifications, also inspect small scales, net content of packages, taxi meters and other scale/scanner related inspections.
- 9 Dual Role inspectors, that perform the above duties in addition to inspection of retail motor fuel devices.
- > 12 Gasoline and Oil inspectors that inspect only retail motor fuel devices

# Thank you

Stephen Benjamin Standards Division Director (919) 707-3226 Steve.Benjamin@ncagr.gov