STATE OF MICHIGAN DEPARTMENT OF ATTORNEY GENERAL



P.O. Box 30736 Lansing, Michigan 48909

DANA NESSEL ATTORNEY GENERAL

April 6, 2020

VIA U.S. Mail & E-Mail



Dear

This letter gives you notice of intended action in accordance with MCL 445.905(2) and directs you to immediately cease and desist from engaging in the unlawful business practices described below.

As background, this Office is responsible for enforcement of the Michigan Consumer Protection Act, MCL 445.901 *et seq*. Under this Act, the Attorney General may bring injunctive actions to protect the interests of consumers.

We have learned that you used an Amazon storefront under the username "Dealz-N-KY" to sell Purell hand sanitizer to the public, including to Michigan consumers, at grossly inflated prices. In particular, this Office received a complaint from a Michigan consumer informing us that you sold a two-pack of 8 oz. Purell hand sanitizer for \$89.00 a pack, plus shipping. The same item (while currently out of stock) typically sells for just \$8.85 on Walmart.com. Given the well-known fears surrounding Coronavirus, it is apparent you were seeking to exploit the current public health emergency for your own financial gain.

The following screenshots—the first provided by the consumer and the second taken from Walmart.com—illustrate this price-gouging:

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Order Details

Shipping Address Karen	Payment Method	d		Order Summary Item(s) Subtotal: Shipping & Handling: Total before tax: Estimated tax to be collected: Grand Total:	\$178.00 \$5.19 \$183.19 \$11.00 \$194.19	
 Transactions 				See tax :	and seller information	
Delivered Mar 10, 202	0			Trac	k package	
	L Advanced Hand Sanitizer, Refre :k of 2) - 9652-06-EC2PK	eshing Gel, 8 fl o	oz Sanitizer Table Top Pump	Return o	r replace items	
Sold by: Dealz-N-KY \$89.00 Condition: Collectible - Like New					Problem with order Share gift receipt	
				1	product review	
				1		
				Arc	hive order	
* ≡	anitizer-Refreshing-Gel-8-Oz-Pump/52516336 All Departments =			۹rc	hive order	
Np/Pack-of-2-PURELL-Advanced-Hand-So The Control of the Control o	All Departments 🕶		(Pack of 2) PUR Gel, 8 Oz Pump	م ELL Advanced Ha		
* ≡	All Departments 🕶	Search	Gel, 8 Oz Pump ***** Browlews PUREL \$8.85 Out of stock City: 1 ~ Get In-	م ELL Advanced Ha	at 8 0	
* ≡	All Departments 🕶	Search	Gel, 8 Oz Pump ***** Breviews PUREL \$8.85 Out of stock City	Q ELL Advanced Ha Walmart # 57639026	at 8 0	

Subsequent to this sale, it appears that you withdrew your Amazon storefront, or your storefront was suspended by Amazon, as it is no longer active. However, we understand that the consumer in the above-referenced order contacted you and requested to return the excessively-priced items, but you refused the request.

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These facts implicate the following unfair trade practices, as identified in Michigan's Consumer Protection Act:

(z) Charging the consumer a price that is grossly in excess of the price at which similar property or services are sold.

(aa) Causing coercion and duress as the result of the time and nature of a sales presentation.

[MCL 445.903(1).]

The purpose of this letter is to put you on notice as required by the MCPA. From this point, this Office has the latitude to either commence a lawsuit after ten days or invoke a judicial process for a formal investigation through subpoenas. While we are prepared to follow one or both of these paths, we are willing to enter into an assurance of voluntary compliance—a device anticipated in the MCPA.

We request your written response to this letter within ten days. To facilitate our evaluation of this case, we are requesting that you provide all of your online sales data related to the sales of Purell hand sanitizer from February 1, 2020 through the present—including, but not limited to, information about the consumers who made the purchases and the prices that they were charged.

We look forward to hearing from you soon.

Sincerely,

<u>/s/ Rebecca Berels</u> Rebecca Berels (P81977) Darrin Fowler (P53464) Assistant Attorneys General Corporate Oversight Division (517) 335-7632