



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

LETITIA JAMES
ATTORNEY GENERAL

JANE M. AZIA
BUREAU CHIEF
CONSUMER FRAUDS & PROTECTION BUREAU

March 9, 2020

VIA HAND DELIVERY

Scheman & Grant Hardware
d/b/a Ace Hardware
545 Eighth Avenue
New York, NY 10018

Re: Price Gouging Related to the Coronavirus

Dear Sir or Madam:

The New York State Office of the Attorney General (“OAG”) recently visited your store and observed for sale hand sanitizers at an unconscionably excessive price during a period of market disruption.

The OAG is tasked with enforcing New York’s price gouging statute, section 396-r of the New York General Business Law (“GBL”), which prohibits the sale of goods and services necessary for the health, safety and welfare of consumers at unconscionably excessive prices during any abnormal disruption of the market.

As you know, the United States, including New York State, is facing the threat of the potential spread of the novel coronavirus (COVID-19), which has infected more than 90,000 people and killed more than 3,000 worldwide. The threat of a potential global pandemic has caused local, state and federal agencies to take measures to address this threat, including issuing consumer advice on preventing the potential spread of the virus. Among other advice, both the Centers for Disease Control and the New York State Department of Health recommend that consumers use an alcohol-based hand sanitizer to clean their hands when soap and water is not available. As a consequence, the demand for hand sanitizer, such as Purell, has skyrocketed and many retail stores are sold out of such products. Thus, the COVID-19 virus has disrupted the supply of hand sanitizer, which can aid in preventing the spread of the disease.

Accordingly, you are hereby directed within five days to cease and desist from selling hand sanitizers in violation of New York’s price gouging statute or to demonstrate to the satisfaction of our office why your recent prices do not violate the law. Please be further advised that the Office

of the Attorney General is authorized pursuant to Executive Law § 63(12) to bring suit to enjoin any illegal acts and practices, including violations of GBL § 396-r, which provides for a civil penalty not to exceed \$25,000, and where appropriate, restitution for aggrieved consumers.

Very truly yours,

A handwritten signature in black ink that reads "Jane M. Azia". The signature is written in a cursive style with a large, stylized initial "J".

Jane M. Azia
Bureau Chief
Consumer Frauds & Protection Bureau