

The Star-Ledger

N.J. companies fined for price gouging, coronavirus violations

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NJ Advance Media for NJ.com and The Star-Ledger

Published Sept. 21, 2020

New Jersey has fined a dozen companies for price gouging, false advertising and other coronavirus-related violations, the state attorney general's office announced Monday.

Officials levied more than \$30,000 in fines overall, and the consumer affairs division says it has sent more than 1,880 cease-and-desist letters and issued 110 subpoenas demanding more information since the pandemic triggered an "unprecedented number of consumer complaints."

"Most businesses are following the law," state Attorney General Gurbir Grewal said in a statement. "For those that are not, these actions are a reminder that the penalties for violations are significant."

Performance Supply LLC was hit with the largest fine of \$12,500, officials said.

In March, the Manalapan-based company offered to sell "3M" N95 masks to the New York City Office of Citywide Procurement for more than \$6 each, according to the violation notice. But the group was not an authorized 3M dealer, and the prices were up to a 500% increase above the listed price.

State law says prices generally cannot increase more than 10% during a state of emergency.

The violation was sent to Ronald Romano, the company's registered agent. When reached by phone, Romano said, "I don't know what you're talking about," and hung up. Romano did not immediately return a follow-up call.

3M also sued the company in April for trademark infringement, according to court records.

Romano's company should not be confused with the similarly named Performance Screen Supply, also in Manalapan, which was not cited Monday but whose owner has reportedly received death threats over the mistake.

The head of another company fined \$3,000 for false advertising apologized for an "honest mistake."

Hudson Drug of Cresskill advertised and sold antibody tests that were not for home use, according to the violation.

“We didn’t know these tests weren’t allowed to be used at home,” President Shreyas Shah told NJ Advance Media. “It’s upsetting that we had to find out the hard way,” but he said they had no intention of misleading customers.

Retro Fitness of Rockaway was fined \$2,000 for a similar violation. The company did not immediately respond to an email seeking comment.

Other companies were fined for allegedly price gouging bottled water, disinfectant spray and other “essential items.”

Residents can report violations online.