



DAVID CHIU
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November 1, 2023

**VIA FIRST CLASS MAIL, EMAIL, AND
PERSONAL SERVICE ON REGISTERED AGENT**

Rachel Brand
Executive Vice President & Chief Legal Officer
Walmart Inc.
702 S.W. 8th Street
Bentonville, AR 72716
rachel.brand@walmart.com

Re: Sales of Illegal License Plate Covers

Dear Ms. Brand:

It has come to my attention that Walmart, Inc. and Wal-mart.com USA LLC (collectively “Walmart”) is selling license plate covers that obscure or are intended to obscure license plate numbers to California residents through its Walmart.com website. The sale of such license plate covers is prohibited by California law—and for good reason. License plate covers that obscure the plate numbers impede the ability of law enforcement to investigate and apprehend individuals engaged in criminal activities, such as sideshows, thefts, and robberies. As such, by this letter, I demand that Walmart cease and desist from offering these illegal license plate covers for sale to residents of California.

California law criminalizes selling any “product or device that obscures, or is intended to obscure, the reading or recognition of a license plate by visual means, or by an electronic device.” Veh. Code § 5201.1(a). Several products for sale on Walmart.com—illustrative examples of which are included in Attachment A—are clearly intended to, and do, obscure the reading and recognition of the license plates they cover. These products include electronic plate covers that hide a license plate at the press of a button and covers with a dark or smoked tint.

Walmart is aware that these license plate covers are illegal and being used to facilitate illegal conduct and evade law enforcement. Walmart has a stated policy prohibiting the sales of illegal products and devices—including a specific policy prohibiting “[p]roducts intended to conceal or obscure a license plate.”¹ Moreover, product descriptions and reviews on Walmart.com openly state that the products are illegal. For example, one electronic license plate cover is advertised as a “Hide-Away Shutter License Plate” and is described as “[a]nti-concealed camera,” “just need 1.5 seconds, can meet your urgent needs.” Attachment A at p. 1. A

¹ *Prohibited Products Policy for Marketplace Sellers*, Walmart.com, https://sellerhelp.walmart.com/seller/s/guide?language=en_US&article=000006005 (last visited Oct. 31, 2023) (click on “Auto and Motor Vehicles” under “Prohibited Product Policy by Category”).

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reviewer for a tinted license plate cover notes that it “[w]orks against speed camera[s]” and is a “hard to read plate,” while other reviews highlight that the product is illegal in states like California that prohibit drivers from obscuring their license plates. *Id.* at p. 3. Nevertheless, these and numerous other illegal license plate covers continue to be available for sale on Walmart.com—despite Walmart’s claim that it removes any product that it determines violates its prohibited products policy.²

The sale of these illegal license plate covers endangers the public welfare in San Francisco and throughout California by promoting illegal conduct and obstructing law enforcement investigations. The San Francisco Police Department routinely encounters license plate covers like the ones Walmart offers for sale on cars involved in illegal sideshows—demonstrations of illegal stunt driving that are frequently accompanied by gun violence and property damage, and which pose serious public safety hazards to the community. Illegal license plate covers have also been affixed to vehicles involved in thefts, robberies, and toll evasion in California. The use of such license plate covers prevents law enforcement from identifying and tracking drivers who participate in these illegal activities and contributes to criminal conduct in San Francisco and throughout California. The sale of each of the kinds of license plate covers identified in this letter and the accompanying Attachment A is illegal under the California Vehicle Code and actionable under California’s Unfair Competition Law (“UCL”), Bus. & Prof. Code §§ 17200 *et seq.*, which prohibits any unlawful, unfair, or fraudulent business act or practice. Under the UCL, my Office is authorized to seek statewide relief for unlawful business practices, including civil penalties of up to \$2,500 per violation.

In an effort to address this unlawful conduct without the need for litigation, please confirm that Walmart will stop selling any license plate covers that obscure or are intended to obscure the reading or recognition of a license plate to California addresses. This includes: (1) electronic license plate covers that flip over, retract, or deploy a drop-down screen to obscure the license plate, (2) kits that facilitate the wrapping of license plates in vinyl, and (3) smoked or tinted license plate covers. Please provide the requested confirmation within twenty-eight (28) days of the date of this letter to Deputy City Attorneys David Louk and Karun Tilak, 1390 Market Street, 7th Floor, San Francisco, CA 94102 (david.louk@sfcityatty.org; karun.tilak@sfcityatty.org). I anticipate that Walmart will stand by its pledge not to sell illegal license plate covers intended to conceal or obscure license plates and will provide the requested confirmation. However, if it does not, we reserve the right to pursue all legal remedies, including enforcement actions, to ensure that Walmart does not continue to sell these illegal products to California residents.

² *Ibid.*

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Should you have any questions, please contact Mr. Louk or Mr. Tilak at 415-554-4700. I appreciate your prompt attention to this matter.

Very truly yours,



DAVID CHIU
City Attorney

Encl.: Attachment A

CC: Wal-mart.com USA LLC
c/o CT Corporation System
330 N. Brand Blvd
Glendale, CA 91203

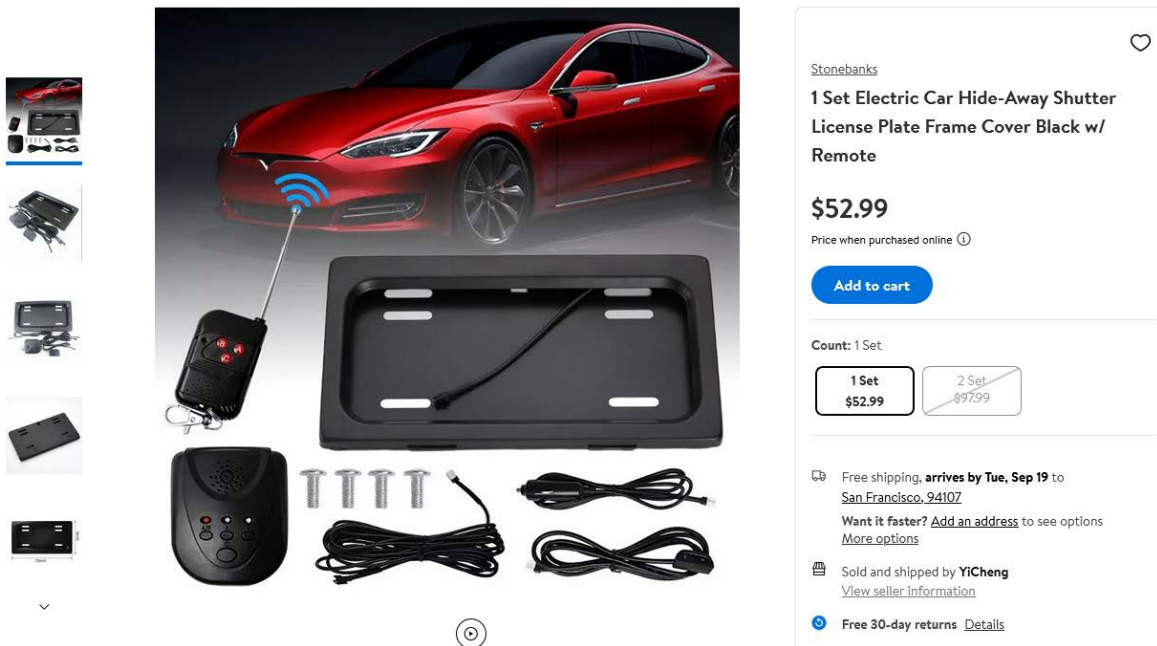
Walmart, Inc.
c/o CT Corporation System
330 N. Brand Blvd
Glendale, CA 91203

Attachment A
Examples of Illegal License Plate Covers Available on Walmart.com

Below are examples of illegal license plate covers available on Walmart.com. This list is not intended to be exhaustive, and we are aware of additional similar products offered for sale on Walmart.com.

I. Electronic License Plate Covers

A. Example 1¹




Features:

- * Anti-concealed camera;
- * Safeguarding the personal privacy;
- * Same as the common car license plate, pretty appearance and covert;
- * Anti-rust, stable quality, for long term use.
- * Fast moves, just need 1.5 seconds, can meet your urgent needs

¹ <https://www.walmart.com/ip/1-Set-Electric-Car-Hide-Away-Shutter-License-Plate-Frame-Cover-Black-w-Remote/1318215178> (last visited Oct. 31, 2023).

B. Example 2²



DERCLIVE
DERCLIVE License Plate Holder Frames
Car License Plate Cover, Universal US Car
Black License Plate Bracket Holder with
Remote
★★★★★ (5.0) 2 reviews
Now \$45.99 ~~\$53.99~~
You save \$8.00
Price when purchased online ⓘ
Add to cart

Free shipping, arrives by Wed, Sep 13 to
San Francisco, 94107
Want it faster? [Add an address](#) to see options

Sold by DERCLIVE Pro Seller
Fulfilled by Walmart
★★★★☆ 8 seller reviews
[View seller information](#)

Free 90-day returns [Details](#)

Roll over image to zoom in

Features:

This is a license plate with remote control rolling shutter.

Fits over any standard US 6x12 Inch license plate.

Made of premium iron and plastic, anti-rust and durable to use.

1. High quality car board material, High intensity, Durable, Anti-rust, can completely afford the sunshine, rain, frost and any high-low temperature or worse environment.

2. Same as the common car license plate, pretty appearance and covert.

² <https://www.walmart.com/ip/DERCLIVE-License-Plate-Holder-Frames-Car-License-Plate-Cover-Universal-US-Car-Black-License-Plate-Bracket-Holder-with-Remote/1383141542> (last visited Oct. 31, 2023).

II. Tinted License Plate Covers

A. Example 1³



Roll over image to zoom in



Best seller



[Auto Drive](#)

Auto Drive Universal Black Smoke Automotive License Plate Frame and Cover

★★★★★ (4.5) 28 reviews

\$9.88

Price when purchased online ⓘ

Add to cart

Shipping, arrives by **Wed, Sep 13** to [San Francisco, 94107](#)
Want it faster? [Add an address](#) to see options

Pickup **not available** at San Leandro Store
[Check availability nearby](#)

Sold and shipped by Walmart.com

Free 90-day returns [Details](#)

This item is gift eligible [Learn more](#)

[Add to list](#)

[Add to registry](#)

★★★★★

2/18/2022

Practical

I love that this comes in a two pack because we have to have a license plate on the front and the back. They look really good on my Yukon but in VA they are illegal to have smoke license plate covers on. But over all they do really well and give the vehicle the extra little touch of class!

JP [Incentivized Review](#) ⓘ

0 0

★★★★★

2/14/2022

Great license shade cover

Works against speed camera's and hard to read plate. I only to have plates at both ends of by cars, so i have them both covered with shaded plastic cover. I had cop pull be over once about 10 years ago fort having a plate cover he couldn't see numbers. Will there is a law in my state that reads i can cover plate with any kind and shade i-of cover so cop lost in court.. All my cars and trucks now have shaded license covers.

Smokeum [Incentivized Review](#) ⓘ

0 0

★★★★★

2/13/2022

Hard to see

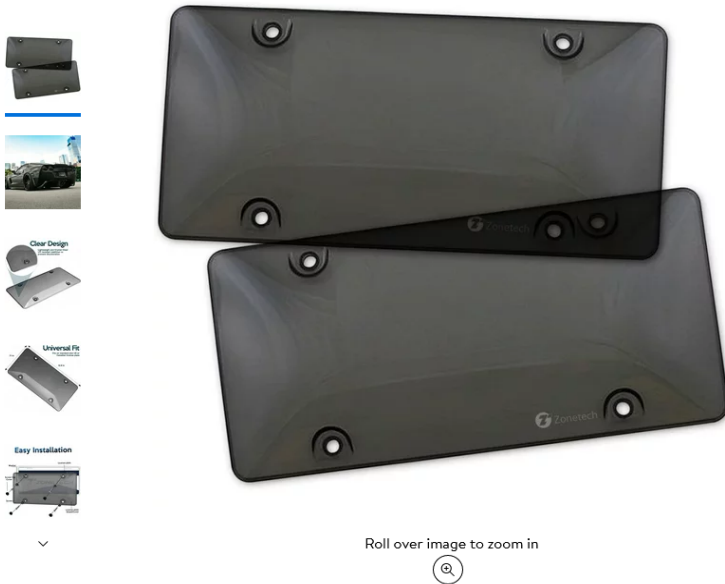
This is illegal in Texas therefore I will not use. Hard to see plate and I don't want to risk a ticket. It looks like is durable and will last . It's hard plastic too.

Gloren [Incentivized Review](#) ⓘ

0 0

³ <https://www.walmart.com/ip/Auto-Drive-Universal-Black-Smoke-Automotive-License-Plate-Frame-and-Cover/856934451> (last visited Oct. 31, 2023).

B. Example 2⁴



Similar items you might like
Based on what customers bought

Best seller ♡

Zone Tech

Zone Tech Standard Fit Clear Frame Smoked License Plate Protector Cover, 2-Pack

★★★★☆ (4.3) [22 reviews](#)

\$11.93

Price when purchased online ⓘ

[Add to cart](#)

Actual Color: Smoked Unbreakable

| | |
|------------------------------|---------------------------------------|
| Clear Unbreakable \$10.95 | Smoked Unbreakable \$11.93 |
|------------------------------|---------------------------------------|

🚚 Shipping, **arrives by Tue, Jul 18** to **San Francisco, 94112**
Want it faster? [Add an address](#) to see options

📦 Sold by **Zone Tech Auto** Pro Seller
Fulfilled by Walmart
★★★★☆ 774 seller reviews
[View seller information](#)

🔄 **Free 90-day returns** [Details](#)

♡ [Add to list](#) 📺 [Add to registry](#)

⁴ <https://www.walmart.com/ip/Zone-Tech-Standard-Fit-Clear-Frame-Smoked-License-Plate-Protector-Cover-2-Pack/358065629> (last visited Oct. 31, 2023).