#### CITY AND COUNTY OF SAN FRANCISCO

# OFFICE OF THE CITY ATTORNEY



Phone: (415) 554-4700 Email: cityattorney@sfcityatty.org

November 1, 2023

### <u>VIA FIRST CLASS MAIL, EMAIL, AND</u> PERSONAL SERVICE ON REGISTERED AGENT

David A. Zapolsky Senior Vice President & General Counsel Amazon.com, Inc. 410 Terry Ave. North Seattle, Washington 98109 david.zapolsky@amazon.com davidz@amazon.com

Re: Sales of Illegal License Plate Covers

Dear Mr. Zapolsky:

It has come to my attention that Amazon.com, Inc. and Amazon.com Services LLC (collectively "Amazon") is selling license plate covers that obscure or are intended to obscure license plate numbers to California residents. 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 Amazon 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 Amazon—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, kits that allow users to wrap their official license plates with vinyl and change the numbering, and covers with a dark or smoked tint.

Amazon is aware that these license plate covers are illegal and being used to facilitate illegal conduct and evade law enforcement. Amazon has a stated policy prohibiting the sales of illegal products and devices—including a specific policy prohibiting "license plate covers intended to obscure the reading or recognition of a license plate." Moreover, product

<sup>&</sup>lt;sup>1</sup> Restricted Products, Amazon.com, https://sellercentral.amazon.com/help/hub/reference/external/200164330 (last visited October 30, 2023); Automotive and powersports, Amazon.com, https://sellercentral.amazon.com/help/hub/reference/external/G200164410 (last visited Oct. 31, 2023).

Letter to David Zapolsky Page 2 November 1, 2023

descriptions and reviews on Amazon's website openly state that the products are illegal. For example, a user of one electronic license plate cover available on Amazon's website boasts that it "[w]orks well for running from cops," while another reviewer notes that they have "gotten out of a lot of tickets nd [sic] red light cameras." Attachment A at p. 1. One electronic license plate cover is described as hiding a license plate in "just . . . 1.5 seconds" to "meet your urgent needs." *Id.* at p. 2. And reviews of tinted plate covers are replete with users noting that the covers are illegal, including in California, because they obscure the vehicle's license plate. *Id.* at pp. 3-4. Nevertheless, these and numerous other illegal license plate covers continue to be available for sale on Amazon's website—despite Amazon's claim that it has systems in place to review and prevent the sales of illegal products.<sup>2</sup>

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 Amazon 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 Amazon 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 Amazon will stand by its pledge not to sell illegal license plate covers intended to 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 Amazon does not continue to sell these illegal products to California residents.

<sup>&</sup>lt;sup>2</sup> Restricted Products, supra n. 1; Additional information and resources for sellers about our Restricted Products Policy, Amazon.com, https://sellercentral.amazon.com/help/hub/reference/external/G201567350 (last visited Oct. 30, 2023).

Letter to David Zapolsky Page 3 November 1, 2023

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 Chin

DAVID CHIU

City Attorney

Encl.: Attachment A

CC: Jennifer Cruickshank

Director, Public Policy & Community Affairs

Amazon.com, Inc. jencrui@amazon.com

Savanna Olson Senior Manager, State & Local Public Policy Amazon.com, Inc. savols@amazon.com

Amazon.com Services LLC c/o CSC-Lawyers Incorporating Service 2710 Gateway Oaks Drive, Suite 150N Sacramento, CA 95833

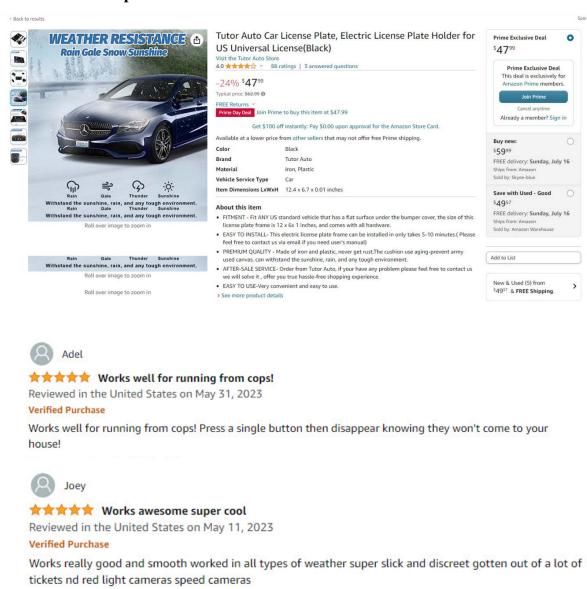
Amazon.com, Inc. c/o Corporation Service Company 300 Deschutes Way SW, Suite 208 MC-CSC1 Tumwater, WA 98501 Attn: Legal Department – Legal Process

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

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

#### I. Electronic License Plate Covers

#### A. Example $1^1$



<sup>&</sup>lt;sup>1</sup> https://www.amazon.com/Tutor-Auto-License-Electric-Universal/dp/B09VX7NPWT/ (last visited Oct. 31, 2023).

#### Example 2<sup>2</sup> В.



SOLRIMANA Auto Car License Plate, 2 Pack Black Car License Plate Cover, Universal US Car Electric License Plate Bracket Holder with Remote Control, Durable Weather-Proof Automatic License Plate, Black

Brand: SOLRIMANA
5.0 ★★★★ 

1 rating

\$12000

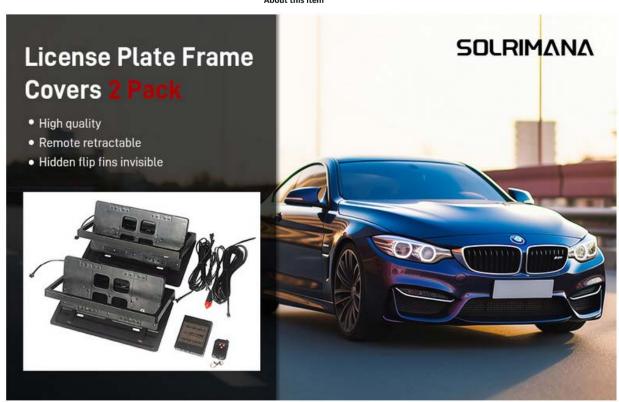
Coupon: Apply \$10 coupon Shop items > | Terms

Get \$60 off instantly: Pay \$60.00 \$120.00 upon approval for the Amazon Store Card. No annual fee.

SOLRIMANA

Vehicle Service Type **Product Dimensions**  Car 6.8"L x 13.4"W

About this item



#### Universal US Car Electric License Plate Bracket Holder with Remote Control

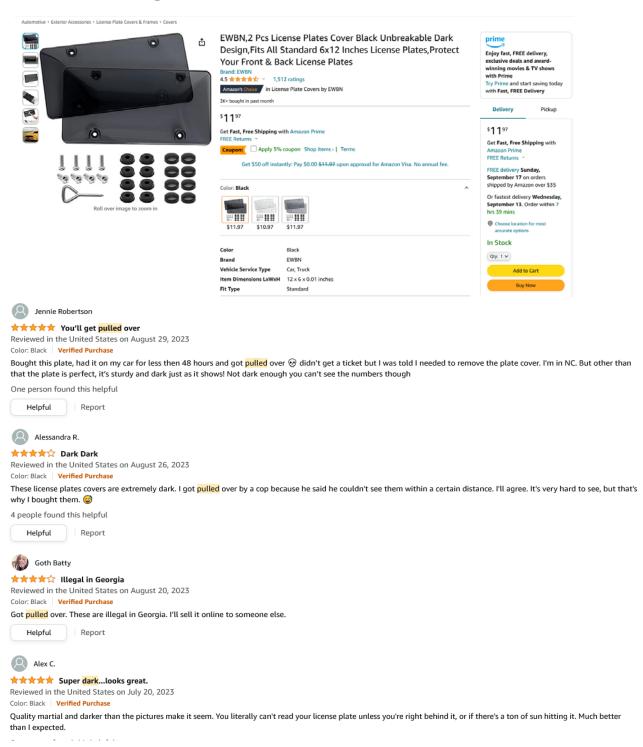
#### Features:

- · Fast moves, just need 2 seconds
- · 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

<sup>&</sup>lt;sup>2</sup> https://www.amazon.com/SOLRIMANA-Universal-Electric-Weather-Proof-Automatic/dp/B0CG5V78TS/ (last visited Oct. 31, 2023).

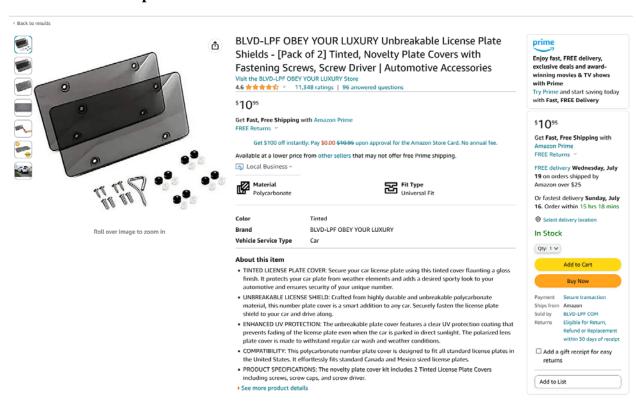
#### **II.** Tinted License Plate Covers

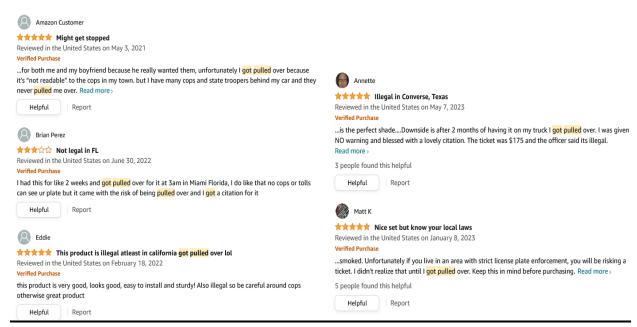
## A. Example $1^3$



<sup>&</sup>lt;sup>3</sup> https://www.amazon.com/License-Plates-Unbreakable-Standard-Protect/dp/B0B8NRBZ13/ (last visited Oct. 31, 2023).

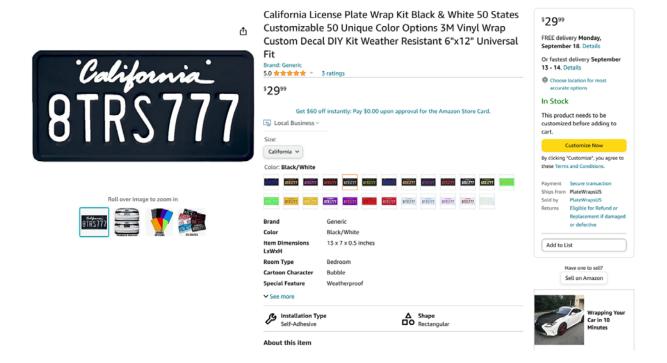
#### B. Example $2^4$





<sup>&</sup>lt;sup>4</sup> https://www.amazon.com/BLVD-LPF-OBEY-YOUR-LUXURY-Unbreakable/dp/B07RYJK4W9 (last visited Oct. 31, 2023).

## III. Vinyl Wrap License Plate Covers<sup>5</sup>



<sup>&</sup>lt;sup>5</sup> https://www.amazon.com/California-License-Customizable-Resistant-Universal/dp/B0CDKGR192/ (last visited Oct. 31, 2023).

#### CITY AND COUNTY OF SAN FRANCISCO

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Email: cityattorney@sfcityatty.org

November 1, 2023

### <u>VIA FIRST CLASS MAIL, EMAIL, AND</u> <u>PERSONAL SERVICE ON REGISTERED AGENT</u>

Marie Oh Huber Senior Vice President & Chief Legal Officer eBay, Inc. 2025 Hamilton Ave. San José, California 95125 mhuber@ebay.com

Re: Sales of Illegal License Plate Covers

Dear Ms. Huber:

It has come to my attention that eBay, Inc. ("eBay") is selling license plate covers that obscure or are intended to obscure license plate numbers to California residents. 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 eBay 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 eBay—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, kits that allow users to wrap their official license plates with vinyl and change the numbering, and covers with a dark or smoked tint.

eBay should already be aware that these license plate covers are illegal and being used to facilitate illegal conduct and evade law enforcement, because product descriptions and reviews on its website openly state so. For example, electronic license plate covers available on eBay are described as "license plate hider[s]," as providing a "[r]olling shutter [that] helps hide your license plate numbers," and as "covert" and needing "just . . . 1.5 seconds" to deploy. Attachment A at pp. 1-2. Several tinted license plates are explicitly advertised as evading red light, speed, and toll cameras. See, e.g., *id.* at p. 4. Yet despite eBay's stated policy prohibiting the sales of illegal products and devices—including products that "might enable or encourage

FOX PLAZA • 1390 MARKET STREET, 6TH FLOOR • SAN FRANCISCO, CALIFORNIA 94102-5408 RECEPTION: (415) 554-4700 • FACSIMILE: (415) 437-4644 Letter to Marie Oh Huber Page 2 November 1, 2023

illegal activity"—and the company's policy of removing listings it determines to be illegal, these and numerous other illegal license plate covers continue to be available for sale on its website.<sup>1</sup>

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 eBay 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 eBay 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 eBay will stand by its pledge not to sell products that enable or encourage illegal activity 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 eBay does not continue to sell these illegal products to California residents.

<sup>&</sup>lt;sup>1</sup> Encouraging Illegal Activity Policy, eBay.com, https://www.ebay.com/help/policies/prohibited-restricted-items/encouraging-illegal-activity-policy?id=4339 (last visited Oct. 31, 2023); *User Agreement*, eBay.com, https://www.ebay.com/help/policies/member-behaviour-policies/user-agreement?id=4259 (last visited Oct. 30, 2023).

# CITY AND COUNTY OF SAN FRANCISCO

# OFFICE OF THE CITY ATTORNEY

Letter to Marie Oh Huber Page 3 November 1, 2023

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 Chin

DAVID CHIU City Attorney

Encl.: Attachment A

CC: eBay, Inc.

c/o CT Corporation System

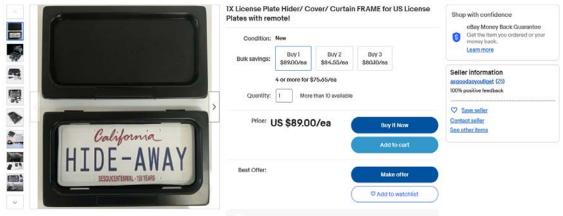
330 N. Brand Blvd Glendale, CA 91203

# <u>Attachment A</u> <u>Examples of Illegal License Plate Covers Available on eBay.com</u>

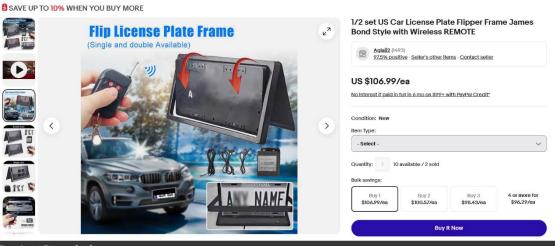
Below are examples of illegal license plate covers available on eBay.com. This list is not intended to be exhaustive, and we are aware of additional similar products offered for sale on eBay.

#### T. **Electronic License Plate Covers**

#### Example 1<sup>1</sup> A.



#### Example 2<sup>2</sup> B.



#### **Product Description**

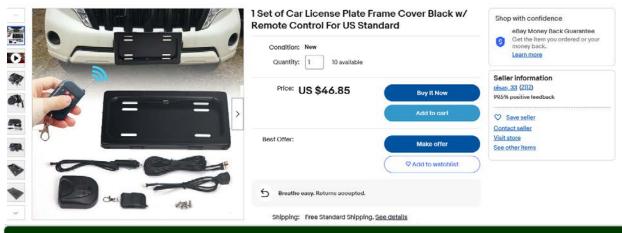
Description:

1. [Electric License Plate] This electric license plate contains shutters, which can quickly cover your license plate and protect your personal privacy.

2. [Remote Control Function] Equipped with a remote control, it is very convenient to control the shutter switch of the license plate with a single touch from a distance.

<sup>&</sup>lt;sup>1</sup> https://www.ebay.com/itm/314674601481 (last visited Oct. 30, 2023). <sup>2</sup> https://www.ebay.com/itm/364489231406 (last visited Oct. 30, 2023).

#### C. Example 3<sup>3</sup>



#### **Product Highlights**

This is a license plate with remote control rolling shutter.

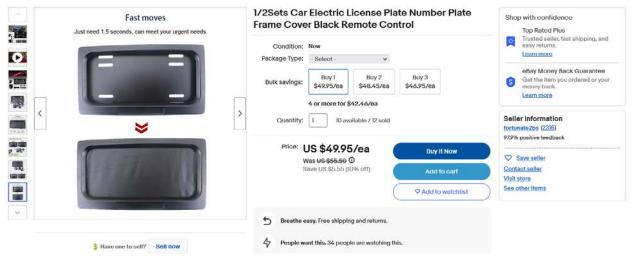
Fits over any standard US 6x12 Inch license plate.

Rolling shutter helps hide your license plate numbers and is easily controlled by included remote.

|Fast moves in seconds, designed for safeguarding personal privacy.

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

#### D. Example 4<sup>4</sup>



#### 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.

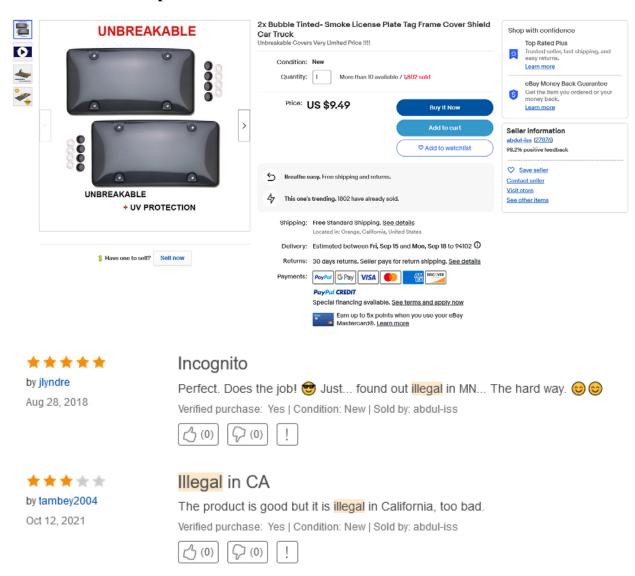
Fast moves, just need 1.5 seconds, can meet your urgent needs

The license frame was made by high quality car board material, high intensity, never get rust. The cushion use aging-prevent army used canvas, can completely afford the sunshine, rain, frost and any high-low temperature or worse environment.

https://www.ebay.com/itm/204471892082 (last visited Oct. 30, 2023).
 https://www.ebay.com/itm/334956096294 (last visited Oct. 30, 2023).

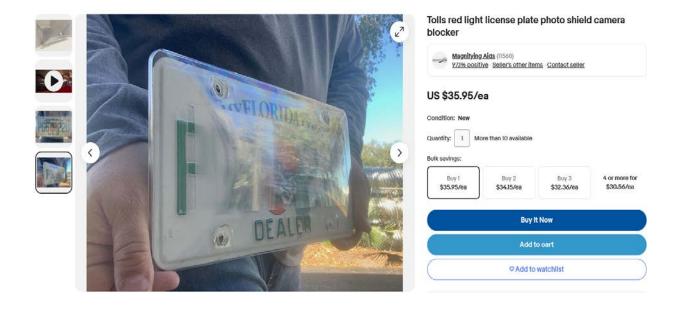
#### **II.** Tinted License Plate Covers

## A. Example 1<sup>5</sup>

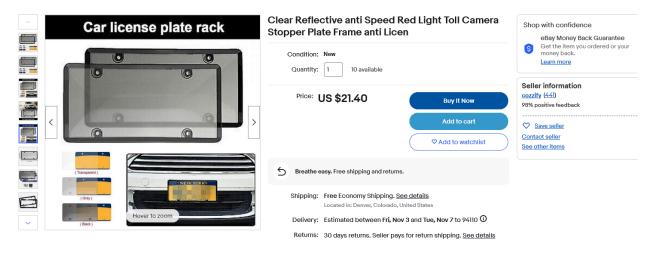


<sup>&</sup>lt;sup>5</sup> https://www.ebay.com/itm/2x-Bubble-Tinted-Smoke-License-Plate-Tag-Frame-Cover-Shield-Car-Truck/302719501217 (last visited Oct. 30, 2023).

#### Example 26 B.



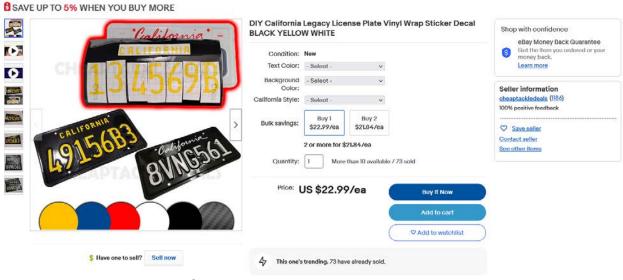
#### Example 3<sup>7</sup> C.



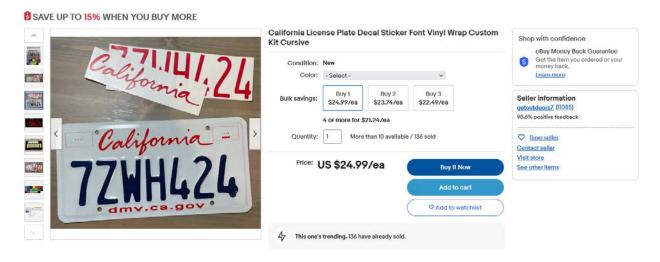
https://www.ebay.com/itm/115959196512 (last visited Oct. 30, 2023).
 https://www.ebay.com/itm/225782000612 (last visited Oct. 30, 2023).

#### III. **Vinyl Wrap License Plate Covers**

# Example 18



#### Example 29 B.



https://www.ebay.com/itm/175621043141 (last visited Oct. 30, 2023).
 https://www.ebay.com/itm/275361686033 (last visited Oct. 30, 2023).

### CITY AND COUNTY OF SAN FRANCISCO





Phone: (415) 554-4700 Email: cityattorney@sfcityatty.org

November 1, 2023

### <u>VIA FIRST CLASS MAIL, EMAIL, AND</u> PERSONAL SERVICE ON REGISTERED AGENT

Colin Stretch Chief Legal Officer Etsy, Inc. 117 Adams Street Brooklyn, NY 11201 cstretch@etsy.com

Re: Sales of Illegal License Plate Covers

Dear Mr. Stretch:

It has come to my attention that Etsy, Inc. ("Etsy") is selling license plate covers that obscure or are intended to obscure license plate numbers to California residents. 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 Etsy 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 Etsy—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, kits that allow users to wrap their official license plates with vinyl and change the numbering, and covers with a dark or smoked tint.

Etsy is aware that these license plate covers are illegal and being used to facilitate illegal conduct and evade law enforcement. Etsy has a stated policy prohibiting the sales of illegal products and devices—including specifically "license plate covers" that "are intended to evade the detection of illegal activity." Moreover, product descriptions and reviews on Etsy's website openly state that the products are illegal. For example, one electronic license plate cover is advertised as allowing the user to "be extra stealth[y]... with the police," while another claims that it can "Hide[] Your License Plate in seconds." Attachment A at pp. 2-3. Several tinted

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<sup>&</sup>lt;sup>1</sup> Prohibited Items Policy, Etsy.com, https://www.etsy.com/legal/prohibited/#Q5 (last visited Oct. 31, 2023).

Letter to Colin Stretch Page 2 November 1, 2023

covers are described as being effective at evading red light, speed, and toll cameras. *Id.* at pp. 4-5. Nevertheless, these and numerous other illegal license plate covers continue to be available for sale on Etsy's website—despite Etsy's stated policy of removing content it has reason to believe is unlawful.<sup>2</sup>

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 Etsy 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 Etsy 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 Etsy will stand by its pledge not to sell illegal license plate covers intended to evade the detection of illegal activity 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 Etsy does not continue to sell these illegal products to California residents.

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# CITY AND COUNTY OF SAN FRANCISCO

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Letter to Colin Stretch Page 3 November 1, 2023

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 Chin

DAVID CHIU City Attorney

Encl.: Attachment A

CC: Etsy, Inc.

c/o CSC-Lawyers Incorporating Service 2710 Gateway Oaks Drive, Suite 150N

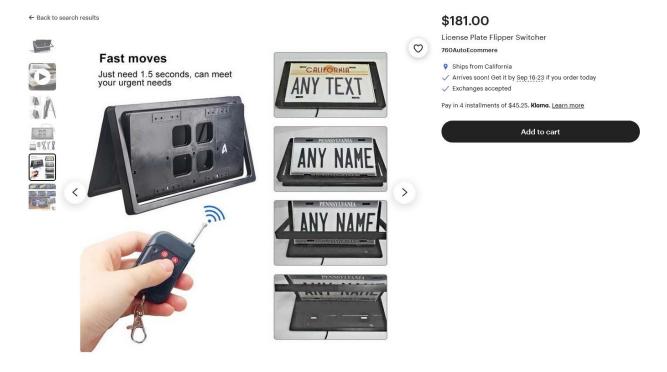
Sacramento, CA 95833

# <u>Attachment A</u> <u>Examples of Illegal License Plate Covers Available on Etsy.com</u>

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

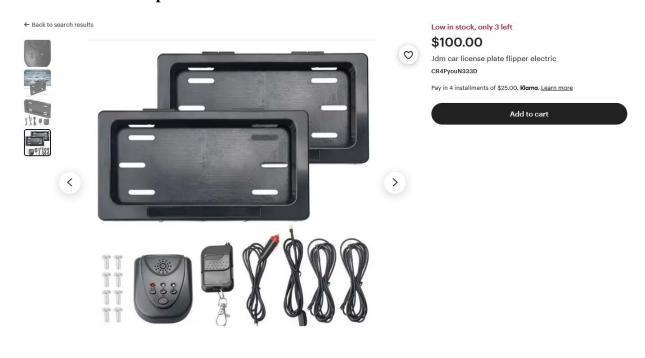
#### I. Electronic License Plate Covers

# A. Example 1<sup>1</sup>



<sup>&</sup>lt;sup>1</sup> https://www.etsy.com/listing/1505322633/license-plate-flipper-switcher (last visited Oct. 31, 2023)

# B. Example 2<sup>2</sup>



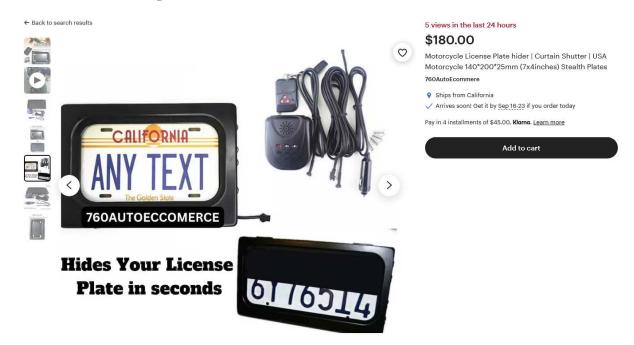
Item details

W Handmade

 ${\it Plate flipper!}\ Now\ u\ can\ be\ extra\ stealth\ and\ fuck\ with\ the\ police\ and\ confuse\ people\ on\ the\ road$ 

https://www.etsy.com/listing/1531471295/jdm-car-license-plate-flipper-electric (last visited Oct. 31, 2023).

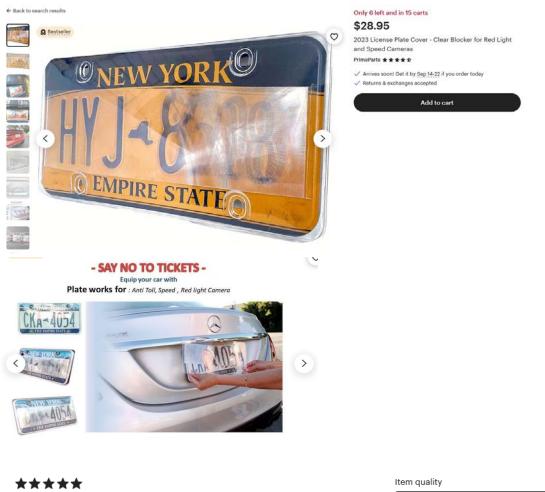
# C. Example $3^3$



<sup>&</sup>lt;sup>3</sup> https://www.etsy.com/listing/1545820742/motorcycle-license-plate-hider-curtain (last visited Oct. 31, 2023).

#### **II.** Tinted License Plate Covers

# A. Example 1<sup>4</sup>



I bought twice from this seller is legit No more paid tollways or speed cameras Satisfied with my order. Received my package early and fast.



Response from Collin

That's wonderful you have found our camerastopper cover/lens system so useful to protect against those annoying speed cameras! We aim to provide an exceptional product and an equally exceptional customer experience. Best Wishes!

Purchased item: 2023 License Plate Cover - Clear Blocker for R...

Item quality
5.0
Shipping
5.0
Customer service
5.0

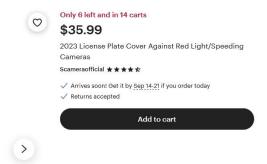
•••

 $<sup>^4</sup>$  https://www.etsy.com/listing/1475556437/2023-license-plate-cover-clear-blocker (last visited Oct. 31, 2023).

### B. Example 2<sup>5</sup>







#### Item details



Please note, this listing is for 1 cover. Should you need for 2 license plates, please order quantity 2.

Our product will protect you from red-light cameras and speeding cameras.

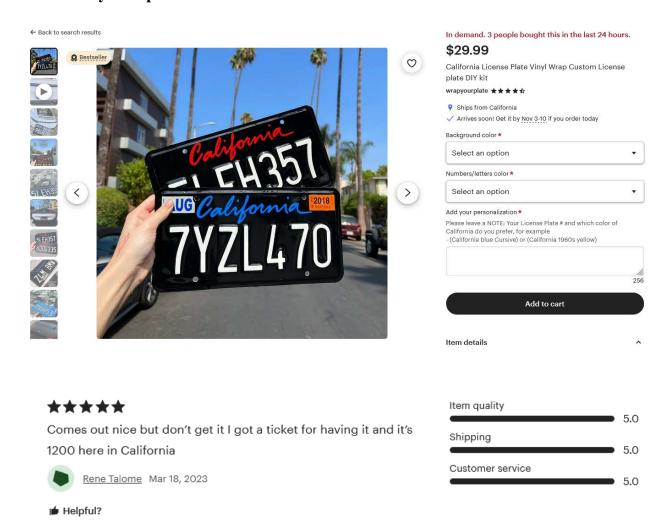
We have put a lot of time into testing our product to make sure it stands up for what it claims. So rest assured you will be receiving a product that works.

Some things to understand before buying; this is a plastic license plate cover with a lens inside, it will be seen a bit when it is attached to your license plate. If it were completely see through then it would not work, it has distorting properties so it is visible to a minimal extent. However, we have designed it and placed it in a way that when you look at it directly it is relatively hard to notice it. (If you have any issues or questions about this, reach out to us so we can avoid confusion)

However when your license plate is viewed from directly behind it is clear and legible.

<sup>&</sup>lt;sup>5</sup> https://www.etsy.com/listing/1436230028/2023-license-plate-cover-against-red (last visited Oct. 31, 2023).

## III. Vinyl Wrap License Plate Covers<sup>6</sup>



<sup>&</sup>lt;sup>6</sup> https://www.etsy.com/listing/1317205851/california-license-plate-vinyl-wrap (last visited Oct. 31, 2023).

#### CITY AND COUNTY OF SAN FRANCISCO



#### OFFICE OF THE CITY ATTORNEY

Phone: (415) 554-4700

Email: cityattorney@sfcityatty.org

November 1, 2023

### <u>VIA FIRST CLASS MAIL, EMAIL, AND</u> 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." 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

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<sup>&</sup>lt;sup>1</sup> 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.<sup>2</sup>

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.

<sup>2</sup> 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 Chin

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

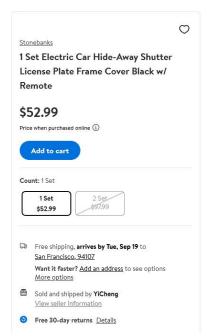
## <u>Attachment A</u> Examples of Illegal License Plate Covers Available on Walmart.com

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 $1^1$





#### 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

<sup>&</sup>lt;sup>1</sup> 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 $2^2$





#### 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.

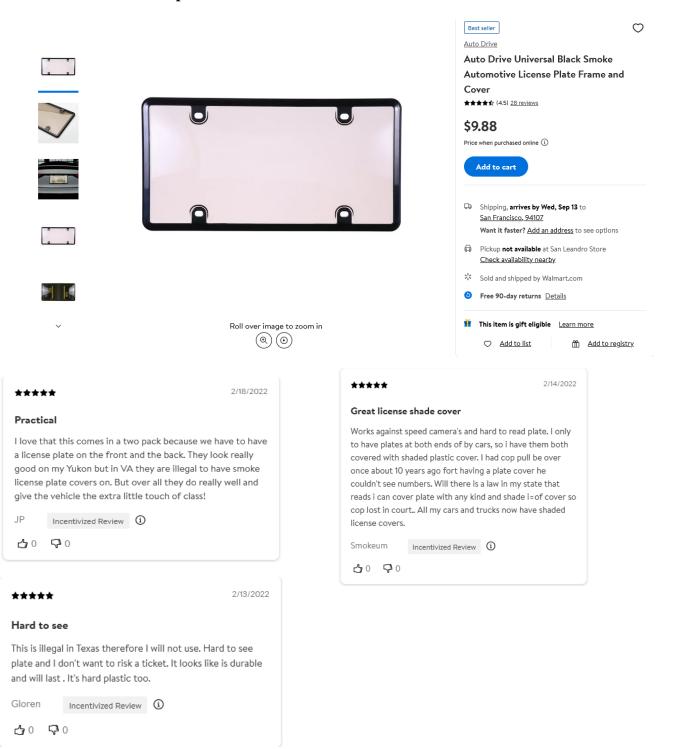
2. Same as the common car license plate, pretty appearance and covert.

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<sup>&</sup>lt;sup>2</sup> 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 1<sup>3</sup>



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

# B. Example 2<sup>4</sup>



Best seller  $\bigcirc$ 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 ① 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 O Add to list Add to registry

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