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ATTORNEY GENERAL HERRING SECURES PRICE GOUGING SETTLEMENT

~ Arlington-based Joule Wellness Pharmacy allegedly charged unconscionable prices on rubbing alcohol during the COVID pandemic, will have to pay \$2,500 as part of settlement ~

RICHMOND (January 12, 2021) – Attorney General Mark R. Herring has secured a [settlement](#) with Arlington-based Joule Wellness Pharmacy, for alleged violations of the Virginia Post-Disaster Anti-Price Gouging Act. The settlement resolves allegations that Joule Wellness Pharmacy charged unconscionable prices on rubbing alcohol, a necessary good after Governor Northam [declared a state of emergency](#) on March 12, 2020 in response to the impending COVID-19 pandemic.

“During an international public health crisis, the last thing a Virginian should have to worry about when they are trying to take care of their families are scams or paying exorbitant prices for needed goods or services,” **said Attorney General Herring**. “The COVID-19 pandemic has created unprecedented economic hardships for so many Virginians, but unfortunately there are still individuals out there who have taken advantage of this public health crisis to make more money. My team has been closely monitoring and investigating any complaints of alleged price gouging in the Commonwealth and I’m proud of the work they have done in this and other situations to put a stop to illegal price gouging. I hope this settlement sends a message to any other businesses that price gouging will not be tolerated in Virginia.”

[Attorney General Herring’s complaint](#) alleges that, during the period from March 20, 2020 to March 25, 2020, Joule Wellness Pharmacy charged \$22 per bottle for 16-oz bottles of rubbing alcohol, a price level that greatly exceeded the price level at which the same or similar products were offered for sale in the business’s trade area during the 10-day period before the state of emergency was declared. Joule Wellness Pharmacy allegedly purchased the bottles of rubbing alcohol from its supplier for \$12.75, and Attorney General Herring contended that this cost did not justify the price levels charged by the business. A violation of Virginia’s price gouging law is also a violation of the Virginia Consumer Protection Act.

Under the terms of the settlement, Joule Wellness Pharmacy agrees to cease any price gouging practices and has also agreed to pay \$2,500 in civil penalties and attorneys’ fees and has also disgorged all profits made from the offending sales. Consumers who purchased rubbing alcohol from Joule Wellness Pharmacy during the period from March 20,

2020 to March 25, 2020 should contact the Attorney General's Consumer Protection Section for reimbursement of excess charges they paid.

During the COVID-19 emergency, the Virginia Attorney General's Office has received more than 500 complaints and e-mails alleging possible price gouging activity and has sent more than 150 investigative letters to businesses. Investigation of these complaints has largely revealed that many price increases occurred further up the supply chain with manufacturers or distributors that were beyond the reach of the state's price gouging laws, and this prompted Attorney General Herring to [successfully seek amendments to the state's price gouging law during the 2020 General Assembly special session](#).

Additionally, in April, [Attorney General Herring led a national effort to address price gouging in the PPE supply chain](#), urging 3M as one of the largest manufacturers of PPE, particularly masks, to do more to address price gouging within its supply and distribution chains that was causing hospitals and healthcare providers to pay exorbitant prices for PPE.

During Attorney General Herring's administration, the Attorney General's Consumer Protection Section has recovered more than \$355 million in relief for consumers and payments from violators.

The settlement, in the form of an [Assurance of Voluntary Compliance](#), has been filed for approval with the Arlington County Circuit Court.