



Department of Planning & Development
Inspection Unit

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THE BASICS OF SCANNERS

Who regulates scanners?

Scanners are regulated by weights and measures officials under the authority of Chapter 22 of the City of Madison and Chapter 98 Wis Stats.

What does the law say about price discrepancies?

The law specifies that it is illegal for a person to represent a false quantity or price in connection with the purchase, sale or advertising of any commodity, thing or service. **Therefore, the price charged by a POS or point of sale system must agree with the price that is advertised or displayed for that item.**

What is the appropriate way for store management to implement price changes?

Price changing procedures must ensure that the customer is never required to pay more for an item than the amount that is advertised or displayed. **Thus, when an item is going down in price the price must be reduced in the POS system before it is reduced in any advertisement or display. Likewise, when an item is going up in price, the price must be increased in the advertisement or display before it is increased in the POS system.**

What if there is a discrepancy between the price charged and the price advertised or displayed?

If the price charged is more than the price advertised or displayed the store management must refund the customer the difference between the amounts. If the price charged is less than the price advertised or displayed, the customer must only pay the lesser of the two. In all cases store management must take whatever steps are necessary to permanently correct the pricing error.

What must store management do to inform customers of their right to a refund?

By law a person who sells a commodity or thing and uses an electronic scanner to record the price must display appropriate signage in a conspicuous locale. The sign should state that if a customer is charged a price that is higher than that which is advertised or displayed the customer has the right to a refund of the difference between the amounts. Obvious and visible signage would include but not be limited to large signs readable from all checkout locations or individual signs at each register or pod including service counter areas.

What steps should store management take to ensure that the price charged matches the price advertised or displayed?

Store management should ensure that all signs indicating price changes are placed and/or removed in a timely manner. Management should make certain that store personnel are posting price reduction signs in the correct locations and for the correct products. Steps should be taken to ensure that items are stocked in correct locations and a procedure developed to monitor merchandise that may have been placed in the wrong location by customers. In addition, it is recommended that store management implement a self-inspection program whereby advertised and displayed prices are compared to scanned prices at the checkout.

What if price changes are entered into the system by outside vendors?

Store management is accountable for all pricing errors. Procedures should be developed to monitor vendor price changes to ensure accuracy and timeliness.

Is there additional information available on this subject?

The Food Marketing Institute has developed a publication on price verification for stores. This may be ordered through their research department at:

The Research Department
Food Marketing Institute
655 15th Street NW, Suite 700
Washington DC 20005

Questions?

Additional questions or concerns about the material addressed in this brochure can be referred to the municipal weights and measures inspection unit whose numbers are listed below.

City of Madison Weights and Measures Program

(608) 246-4514 or (608) 246-4515

Sample signage to comply with 98.08 posting recommendation:

PRICE REFUNDS: PRICE INFORMATION.

“In accordance with Ch. 98, Wis. Stats., should the electronic scanner price be higher than the posted or advertised price, the customer shall at least be refunded the difference.”