

District Court Finds Store ZIP Code Requests Comply with D.C. Laws

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The U.S. District Court for the District of Columbia recently dismissed a consumer complaint that two clothing stores, Urban Outfitters Inc. and Anthropologie Inc., violated several D.C. consumer protection statutes by asking shoppers for their ZIP code in connection with a credit card transaction at the point of sale.

Plaintiffs alleged that this practice violates the D.C. Use of Consumer Identification Information Act (CIIA), which prohibits requesting an address on a credit card transaction form as a condition of accepting a credit card as payment for a sale of goods. The court disagreed, finding that a ZIP code is not an “address” under the CIIA, the stores did not condition the sale on collecting the ZIP code information, and the ZIP code was not printed on the credit card form. In fact, the court found, the CIIA was primarily concerned with the privacy threat caused by merchants requesting and recording consumer addresses, telephone numbers, and drivers’ license numbers on credit card sales slips or personal checks. Moreover, given that plaintiffs failed to allege an affirmative misrepresentation or omission of any material fact and failed to state a violation of the CIIA, the court further found no violation of the D.C. Consumer Protection Procedures Act. Plaintiffs’ complaint was dismissed with prejudice.

Tip: This case is a reminder that class-action attorneys are looking to bring “ZIP code cases” outside of just California. Although the outcome was positive in this case, it serves as a reminder for national retailers about these types of claims, and they may want to review their in-store information collection practices.

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