

**Vermont S.207 – An Act Relating to Prohibiting Surveillance Pricing
February 2026**

Dear Chair and Members of the Committee,

My name is Jessica Vittorio, and I serve as Senior Vice President for Legal, Risk, and Compliance at VusionGroup Inc., a global retail technology company that provides electronic shelf label technology to a wide variety of retail stores across the United States.

While S207 does not specifically reference electronic pricing systems, certain systems may be incorporated under the definition of Electronic Surveillance Technology, as currently incorporated into the bill. I am appearing today to provide technical context on Vusion's electronic pricing systems, how modern electronic pricing systems operate, and how they do not operate.

Electronic pricing systems are not surveillance technology.

Vusion's electronic shelf labels and the pricing systems that support them are display tools. They improve how price information is displayed on shelves, but they do not actively collect data on shoppers, observe consumer behavior, or make individualized pricing decisions.

Specifically:

- ESLs do not use cameras, facial recognition, or biometric identifiers.
- They do not ingest personal data or demographic information.

Prices displayed are uniform for all customers at the same time, just as with paper labels.

Surge pricing is not a feature of electronic pricing systems.

Retail prices are typically set in advance, often days or weeks ahead, based on inventory cycles, supplier contracts, and promotional calendars. Prices change infrequently, not dynamically, and electronic pricing systems were designed from a hardware or software perspective with these pricing cycles in mind.

A 2025 study by researchers from the University of Texas at Austin, the University of California San Diego, and Northwestern University examined more than 380 million grocery transactions across more than 100 stores and found no statistically or economically meaningful increase in temporary price increases following the adoption of electronic shelf labels. The observed effect was effectively zero.¹

Additional peer-reviewed research reaches the same conclusion:

A 2025 study published in *Marketing Science* found that digital pricing tools primarily increase markdowns for perishable goods, leading to lower food waste and more frequent discounts.²

Earlier research from Harvard Business School published in *Management Science* found that these systems reduce pricing errors and operational costs, with price changes skewing downward rather than upward.³

These studies were independently conducted by academic institutions using real transaction data. They were not funded or directed by any ESL industry trade association.

Federal standards and state input endorse electronic pricing systems.

Federal technical standards recognize electronic pricing systems as a compliant and consumer-friendly pricing tool.

In 2025, the National Institute of Standards and Technology published its Unit Pricing Guide, which explicitly recognizes electronic shelf labels as an acceptable and recommended method for displaying unit pricing when implemented properly.⁴

That guidance was developed through a multi-year process with input from state regulators and consumer advocacy organizations. Participating states included California, Connecticut, Hawaii, Massachusetts, New Jersey, and Vermont. Consumer groups involved in the process included Consumer Reports, Consumer World, the National Consumers League, and the Queensland Consumers Association of Australia.⁴

The guidance establishes best practices for readability, consistency, visibility, and accuracy and directly addresses concerns related to price transparency and consumer protection.

Digital pricing systems improve price accuracy, reduce mismatches between shelves and register prices, and make it easier for retailers to comply with existing consumer protections and laws.

Addressing concerns about labor and job impacts.

Some labor organizations have raised concerns that retail pricing technology could reduce jobs or displace workers. However it is important to recognize that electronic shelf labels do not automate core retail jobs. They replace a manual task: repeatedly printing, cutting, and taping paper price tags.

Retail operations research has long documented the burden of this work. In an empirical study published in the *Quarterly Journal of Economics*, researchers analyzed store-level data from five large U.S. supermarket chains and found that the total annual labor and related costs of changing shelf prices average over \$100,000 per store, with each price change requiring dozens of steps involving labor, printing, delivery, verification, and supervisory oversight.⁵

In practice, retailers that adopt digital pricing systems have employees spend less time on ladders changing tags and more time assisting customers on the floor. Digital pricing tools support workers on the ground by reducing repetitive manual tasks and improving day-to-day operations.

S207 raises legitimate questions about surveillance and algorithmic decision-making, and we support those inquiries. However it is important to recognize that digital pricing systems used in Vermont today are not an example of those practices.

Our products do not surveil consumers. They do not personalize prices. They do not encourage surge pricing.

As Vermont considers this legislation, it is important to distinguish between speculative risks and technologies that have been empirically studied in real-world retail environments.

Thank you for the opportunity to provide technical expertise. I am happy to serve as a resource to the Committee.

Respectfully submitted,

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Footnotes

¹ University of Texas at Austin, University of California San Diego, and Northwestern University, 2025 study analyzing over 380 million grocery transactions across more than 100 U.S. stores.

² Chen et al., *Marketing Science* (2025), University of Texas at Austin, Washington University in St. Louis, and University of California San Diego.

³ Harvard Business School researchers, *Management Science*, findings on pricing errors and menu costs.

⁴ National Institute of Standards and Technology, *Unit Pricing Guide (SP 1181-2025)*.

⁵ Levy, D., Bergen, M., Dutta, S., & Venable, R., *The Magnitude of Menu Costs: Direct Evidence from Large U.S. Supermarket Chains*, *Quarterly Journal of Economics* (1997). SSRN: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=671790