TRADE PRACTICES ACT 1974 ("THE ACT")

Undertaking given to the Australian Competition and Consumer Commission ("the Commission") for the purpose of section 87B of the Act

By

HPM Industries Pty Ltd ("HPM") ACN 000 102 661

Background

- 1. HPM sells at wholesale throughout Australia a wide range of electrical equipment, including a range of fluorescent tube starters.
- 2. HPM's DF40, 40 watt fluorescent starter ("the starter"), is imported from India, and between September 1998 and March 2000 was packaged and sold by HPM in packaging bearing the following representations:
 - A. a logo containing an image of a kangaroo and the words "Australian Made"; and,
 - B. the words "Made in India".
- 3. A photocopy of the packaging bearing the representations referred to above ("the misleading packaging") forms annexure 2 to this undertaking.
- 4. HPM distributed the starter in the misleading packaging, directly or indirectly, to retailers around Australia for retail sale to consumers.
- 5. In March 2000 the Commission received a complaint from a consumer and subsequently raised the complaint with HPM, as the representations were likely to constitute conduct by HPM that is misleading or deceptive, or is likely to mislead or deceive, in contravention of section 52 of the Act; and, constitutes, in connection with the supply or possible supply of goods, or in connection with the promotion by any means of the supply of goods, a false or misleading representations concerning the place of origin of goods, in breach section 53(eb) of the Act.
- 6. HPM admits that the representations were made in trade or commerce and constitute conduct that contravenes section 52 of the Act, and breaches section 53(eb) of the Act.
- 7. In April 2000, HPM requested that the Commission accept, pursuant to section 87B of the Act, the following court enforceable written undertakings from HPM in connection with the matter.

Undertakings

- 8. In consequence of the matters referred to above, HPM undertakes to the Commission pursuant to section 87B of the Act, that HPM:
 - A. as of the date of acceptance by the Commission of this undertaking ("the acceptance date"), has ceased to distribute the starter in the misleading packaging;
 - B. has used its best efforts to ensure, and considers that it has so ensured, that the misleading packaging held by resellers no longer bear a representation that the starter is made in Australia;
 - C. within either one of the first two Saturday editions of the Australian newspaper published after the acceptance date, will cause the advertisement that forms annexure 1 of this undertaking to be published within the general news section of either such edition of the Australian newspaper;
 - D. prior to the publication of the advertisement referred to in paragraph C above, has implemented a process whereby HPM will provide a refund of the purchase price to those consumers that purchase, or have purchased, the starter in the misleading packaging;
 - E. pursuant to its ISO9002 certified processes, has implemented a procedure to aid in the control of the design of new, and modification of existing, packaging, including the identification of representations contained therein that are, or are likely to, constitute false or misleading representations.

Acknowledgments

- 9. HPM acknowledges and accepts:
 - A. the Commission's right to make this undertaking available to the public, including by placing it on a public register, publishing it and allowing third parties to publish it;
 - B. that the Commission may issue media releases about his undertaking and the matters referred to therein, and may, from time to time, publicly refer to the undertaking;
 - C. that this undertaking in no way derogates from the rights and remedies available to any other person arising from the alleged conduct.

The common seal of **HPM Industries Pty Ltd**ACN 000 102 661 is affixed in accordance
with its Articles of Association in the
presence of:



Director

Director

This day of May 2000

Accepted by the **Australian Competition and Consumer Commission** pursuant to section 87B of the Trade Practices Act 1974

(Professor Allan Fels)

Chairperson

This $2 \sqrt{3}$ day of May 2000

Annexure 1

CORRECTIVE ADVERTISEMENT

An apology from HPM Industries Pty. Ltd. ("HPM"), supplier for over 70 years of electrical products, Including fluorescent starters.





The Australian Competition and Consumer Commission ("ACCC"), has brought to HPM's attention that the retail plastic and cardboard packaging of its DF40, 2 pack, 40 watt fluorescent starters is marked both "Australian Made" and "Made in India". These starters are made in India as indicated on the product itself and HPM accepts that this packaging error may misrepresent its country of origin.

As part of HPM's desire to remedy the situation, under the guidance of the ACCC, HPM has corrected all of the packaging in stores across Australia and Is also offering a refund of the purchase price to those consumers who purchased this product in packaging bearing the words "Australian Made". To claim a refund, simply return

DF40 packaging bearing the phrase "Australian Made" to HPM and include your name and return address with proof of purchase.

Please mail to: HPM - DF40 Locked Bag 7 Beaconsfield NSW 2014

ANNEXURE 2



