

UNDERTAKINGS TO THE TRADE PRACTICES COMMISSION GIVEN PURSUANT TO SECTION 87B OF THE TRADE PRACTICES ACT 1974

GIVEN BY

AN-ZA PTY LTD (ACN 056 530 575) of 137 Sandgate Road, Albion, Brisbane in the State of Queensland

BACKGROUND

- AN-ZA Pty Ltd, ACN 056 530 575 (the Company) is a retailer of both digital and analogue mobile phones handsets and accessories and is an approved dealer for Telecom Mobilenet, retailing Telecom telephone network services on behalf of Telecom Mobilenet.
- 2. Following an investigation by the Brisbane office of the Trade Practices Commission (the Commission), staff considered that the Company was engaging in conduct in contravention of section 47(6) of the Trade Practices Act (the Act). This opinion was based on the following conduct:
 - (a) On 7 September 1994 a Commission staff member telephoned the Company's premises at Sandgate Road, Albion and was advised that the prices quoted only applied if the phone was purchased and connected to Telecom Mobilenet. If the mobile phone was purchased unconnected, then there would be a \$50 additional charge;
 - (b) On 13 September the Company sent by facsimile to the Commission a price list of mobile phones at the bottom of which appear the words "prices apply to Telecom connections only"; and
 - (c) On 7 November 1994 a Commission staff member attended the Company's premises at Sandgate Road, Albion and was advised by a member of the Company's staff that "We connect all the phones we sell to Telecom as we are a Telecom dealer..."
- 3. The Commission contends and the Company concedes that it supplied or offered to supply mobile telephones at a particular price on condition that persons to whom the Company supplied or offered to supply the mobile telephone/s would acquire mobile telephone network services from Telecom Mobilenet in contravention of section 47 of the Act.
- 4. The Company states that during the period 1 July 1993 to 8 December 1994, it sold only one mobile phone that was not connected to the service provider nominated by the Company, the purchaser being untraceable.

UNDERTAKINGS

- 5. The Company on behalf of itself and any subsidiaries, agents, or employees gives the following undertakings to the Commission for the purposes of section 87B of the Act:
 - (a) in respect of all future mobile phone sales, the Company will not;
 - (i) supply or offer to supply; or
 - (ii) supply or offer to supply at a particular price; or
 - (iii) give or allow or offer to give or allow any discount, allowance, rebate or credit:

to persons on condition that the person also acquire the services of any mobile phone service provider nominated by the Company; and

- (b) the Company will remove any signs or notices which may mislead a person into the belief that he or she is required to obtain or will receive a benefit from the Company if he or she obtains the services of any mobile phone service provider nominated by the Company; and
- (c) within 30 days of the date of acceptance of these undertakings by the TPC, notify all agents and employees of Company of the terms of these undertakings; and
- (d) the Company further undertakes that within 45 days of the date of acceptance of these undertakings by the TPC, it will advise the Commission as to all actions it has taken and what procedures it has implemented to comply with these undertakings and the results thereof.

<u>ACKNOWLEDGMENTS</u>

- 6. The Company acknowledges that the Commission will make these undertakings available for public inspection.
- 7. The Company acknowledges that the Commission may publicly refer to these undertakings.
- 8. The Company acknowledges and accepts that these undertakings in no way derogates from the rights and remedies available to any other person arising from the alleged conduct.

IN WITNESS OF THESE UNDERTAKINGS

THE COMMON SEAL OF AN-ZA PTY LTD (ACN 056 530 575) was hereunto affixed by authority of the Board of Directors)) *))
previously given in the presence of: AN-ZAC PIY. LTD. A.C.M. 056 530 575 DIRECTOR		D. fulf
This day of 24H. MARCH	^{. *} 1995.	

ACCEPTED BY THE TRADE PRACTICES COMMISSION PURSUANT TO SECTION 87B OF THE TRADE PRACTICES ACT 1974

CHAIRMAN
This Zeday of MM 1995.