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TRADE PRACTICES ACT 1974

**UNDERTAKING TO THE AUSTRALIAN COMPETITION AND CONSUMER
COMMISSION GIVEN FOR THE PURPOSES OF SECTION 87B**

BY

MR WON MO YOON

PERSON GIVING UNDERTAKING

This undertaking is given to the Australian Competition and Consumer Commission ("the Commission") by Mr Won Mo Yoon of 7 Ruby Street, Burwood East, in the State of Victoria, under section 87B of the Trade Practices Act 1974 ("the Act").

BACKGROUND

1. Mr Won Mo Yoon is the sole director of CGS Trading Australia Pty Ltd ("CGS"), ACN 113 782 773 and one of three directors of H&Y Trading Pty Ltd ("H&Y"), ACN 069 335 164, both companies being incorporated in Victoria. Mr Yoon also runs a number of other corporate entities in both Australia and New Zealand
2. CGS's core activity is the importation and distribution of socks. CGS currently supplies in Australia, in trade or commerce, a range of socks, including the "Aussiesox" brand of socks. H&Y was the previous retailer of these socks.
3. Mr Won Mo Yoon is the owner of the Trade Mark 735518. The Trade Mark is represented by the wording "Aussie Sox for Cool Feet" and the image of toes over the A.
4. Section 52 of the Act prohibits a corporation, in trade or commerce, from engaging in conduct that is misleading or deceptive or is likely to mislead or deceive. Section 53(a) of the Act prohibits a corporation, in trade or commerce, from falsely representing that goods or services are of a particular composition. Section 55 of the Act prohibits a person from engaging in conduct which is liable to mislead the public as to the nature, the characteristics or the suitability for their purpose or quantity of any goods.
5. The Commission received a number of complaints during 2005 regarding the labelling of a range of "Aussiesox" branded socks ("the socks") available in the market place and labelled as "Pure Cotton" and "Cotton Rich". The Commission investigated the matter and had some of the socks tested for their fibre content. Test results indicated that the socks tested were composed of 84.4% cotton and elastane and 15.6% nylon. CGS had represented that the socks were composed entirely of cotton and/or variously composed of 98% or 95% cotton.
6. The Commission assessed that, as the fibre content of the socks was not as represented by CGS, in its view CGS had contravened of sections 52, 53(a) and 55 of the Act. In particular, the Commission was of the view that the pure cotton

representations were false and/or misleading or deceptive in that they falsely represented that the “Pure Cotton” socks were entirely composed of cotton when they were not. The Commission was also of the view that the ‘Cotton Rich’ representations were false and/or misleading or deceptive in that they falsely represented the socks as being composed of 98% cotton.

7. Mr Won Mo Yoon admits to the incorrect labelling of the socks by CGS. Given his role as director of CGS and of the previous retailer of “Aussiesox” branded socks, H&Y, and given his direct involvement in the day to day management of the business of each company, Mr Won Mo Yoon acknowledges that he was knowingly concerned in contraventions of sections 52, 53(a) and 55 of the Act in relation to the sale of “Aussiesox” branded socks.

COMMENCEMENT OF UNDERTAKING

8. This Undertaking comes into effect when:
 - (a) The Undertaking is executed by Mr Won Mo Yoon; and
 - (b) Mr Won Mo Yoon receives written notification from the Commission that the Commission accepts the Undertaking so executed.

UNDERTAKINGS

9. Mr Won Mo Yoon undertakes, for a period of 2 years from the commencement of the Undertaking to the Commission for the purposes of section 87B of the Act that he will, in his capacity as a director or office holder of any corporate entity he is involved with, refrain from supplying or offering to supply socks in the future that carry false or misleading fibre content labelling and/or any other representation contrary to Part V of the Act, particularly sections 52, 53(a) and 55.

Trade Practices Compliance Program

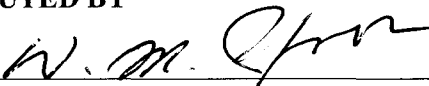
10. Within three months of the date of this Undertaking coming into effect, Mr Won Mo Yoon, in his capacity as director or office holder of any corporate entity he is involved with, will ensure that these corporate entities establish a trade practices compliance program (the compliance program), in accordance with the requirements set out below:
 - (a) Within 3 months of the commencement of the Undertaking, all relevant staff will attend practical trade practices training focusing on sections 52, 53(a) and 55 of Part V of the Act.
 - (b) Mr Won Mo Yoon will ensure that the training referred to in paragraph (a) above is administered by a suitably qualified compliance professional or legal practitioner with expertise in trade practices law.
 - (c) Mr Won Mo Yoon will procure a written statement or certificate from the trade practices professional who conducts the training referred to in paragraph (a) above certifying that such training has occurred and provide such statement or certificate to the Commission within 14 days of completion of the training.

- (d) Mr Won Mo Yoon will develop procedures for recording, storing and responding to trade practices complaints within two months of the Undertaking coming into effect (the "Complaints Handling System").
 - (e) Mr Won Mo Yoon will provide the Commission with an outline of the Complaints Handling System within two months of the Undertaking coming into effect.
11. If requested by the Commission, Mr Won Mo Yoon will provide, at his own expense, copies of any other documents or information in respect of matters which are the subject of the Compliance Program procedures and/or the design of its Complaints Handling System; and
12. Mr Won Mo Yoon will ensure that the corporate entities will implement and administer the Compliance Program for a period of 2 years from the date it is established.

ACKNOWLEDGEMENTS

13. Mr Won Mo Yoon acknowledges that the Commission will make this Undertaking available for public inspection.
14. Mr Won Mo Yoon acknowledges that the Commission will, from time to time, publicly refer to this Undertaking.
15. Mr Won Mo Yoon acknowledges and accepts that this Undertaking in no way derogates from the rights and remedies available to any person arising from the conduct described in this Undertaking.


EXECUTED BY



Mr Won Mo Yoon

This 12 day of May 2006

**ACCEPTED BY THE AUSTRALIAN COMPETITION AND CONSUMER
COMMISSION PURSUANT TO SECTION 87B OF THE TRADE PRACTICES ACT
1974**



Graeme Julian Samuel
Chairman

This 16 date of May 2006