

# NATIONAL CONSUMER AGENCY ANNUAL REPORT 2008



**national consumer agency**  
gníomhaireacht náisiúnta tomhaltóirí

putting consumers first

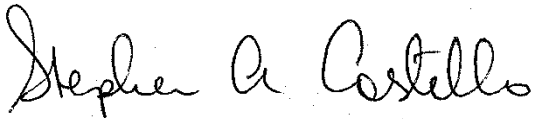
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# Introduction

The National Consumer Agency was set up on 1<sup>st</sup> May 2007. This Annual Report sets out the activities of the Agency for the period from 1<sup>st</sup> January to 31<sup>st</sup> December 2008.

The Board is pleased to submit to the Minister for Enterprise, Trade and Employment the 2008 Annual Report in accordance with Section 22 of the Consumer Protection Act 2007.



**Stephen Costello**  
Chairman



**Ann Fitzgerald**  
Chief Executive

# Chairman's Statement

Ireland is experiencing unprecedented challenges which are impacting severely on us all. In such an environment, we should strive for a fair deal for all.

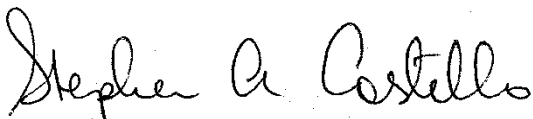
In these difficult economic circumstances, it is imperative that consumers have a strong advocate to defend their interests and that they are well informed of their consumer rights. The National Consumer Agency has an important role to play in this regard.

The Agency has encountered a particularly challenging year in 2008. A senior management team was recruited to lead the organisation forward and deliver decentralisation to Cork city by mid 2009. Plans were being finalised to recruit permanent Agency personnel and manage the transition of staff currently on secondment to the Agency from the Department of Enterprise, Trade & Employment. However, work on recruitment was suspended in mid 2008 due to the Government announcement regarding budgets and rationalisation of State agencies.

In the October budget, the Government announced rationalisation of a number of State agencies including the amalgamation of the Agency and the Competition Authority. The Agency is committed to ensuring that the new merged entity works in the best interests of consumers and has been working with the Competition Authority with a view to making early progress. Progressing the amalgamation will be a key priority in the coming year.

The Agency's remit, encompassing enforcement, advocacy, research, information, education and awareness is more extensive than that which applied to the Office of the Director of Consumer Affairs (ODCA). Consumers are much more vulnerable at a time of recession and the need for a strong consumer protection agency is more important than ever. To carry out its work effectively, however, the Agency needs staff and is currently suffering from a major shortfall in this area. Redeployment of staff with the appropriate skills from other parts of the public service to the Agency is a priority.

I would like to record my thanks to the Board, Chief Executive and staff of the Agency for their support, endeavour and commitment during the year.



**Stephen Costello**

**Chairman**

**National Consumer Agency**

# Chief Executive's Statement

## Introduction

The Agency has been in transition since being set up in May 2007. The past year was always going to be challenging with preparations intensifying for relocation to Cork city and considerable staff turnover arising. In addition, we were growing into the much expanded remit provided to us by the Consumer Protection Act, 2007 which was the most far reaching and comprehensive consumer legislation in over 30 years. Good progress has been made in 2008 bearing in mind the constraints under which we operated.

Arising from decisions taken by Government regarding decentralisation and Agency rationalisation, we are facing into a new set of challenges in the coming year. I look forward to working with colleagues in the Competition Authority and the Department of Enterprise, Trade and Employment to make early progress on amalgamation.

## Consumer Protection

The Consumer Protection Act updated and modernised consumer law; provided for significantly greater protection for consumers, with the availability of additional and powerful enforcement options; and also provided for significant penalties for businesses found guilty of offences.

The Agency's remit, encompassing enforcement, advocacy, research, information, education and awareness, is structured in such a way that all aspects of our business work to deliver the best possible outcomes for consumers. For example, requests for advice from consumers can lead us to take enforcement actions where breaches of consumer law occur. They also give us an invaluable insight into issues which are of concern to consumers. They enable us to identify the emergence of particular trends which left unchecked could be detrimental to consumer interests. They also feed into our advocacy and research activities. This integration of functions within the one organisation means that we make the most effective use of our resources.

Our approach to enforcement of consumer protection legislation continues to evolve and we have developed a risk based approach in order to maximise effective utilisation of our resources. Enforcement action has been taken against over 70 businesses ranging from Fixed Payment Notices ("on the spot" fines), Undertakings, Compliance Notices, to Prosecutions in the Courts. We also published our first Consumer Protection list in July, which details these enforcement actions.

We put particular emphasis on engaging with business. In this regard, we published Guidelines for the leisure industry following a public consultation. We are close to finalising Guidelines on price promotions following an even more extensive public consultation.

## Grocery Sector

The retail sector has been an area of particular focus in the current difficult economic environment. We have moved very quickly from a sustained period of economic boom to a period of unprecedented challenge. Fundamental change is required to practices and to mindsets. Consumers have been becoming more discerning, demanding, and price conscious for some time but we have seen a particular shift to price sensitivity since the latter part of 2008.

The Agency conducts regular price comparison surveys in the Groceries Sector. We published 2 major surveys in 2008. These surveys look at baskets of both branded and own-brand goods. A feature in the branded area in previous surveys was the level of price matching across the multiples with minimal differences on the overall basket cost. The situation was noticeably different when looking at own-brand goods where there was evidence of greater competition, due in no small part to competition from the discounters, Aldi and Lidl.

Consumers are demanding value and are prepared to vote with their feet and wallets when they perceive that they are not getting this. There is also a growing trend towards shopping around with consumers splitting their basket and breaking from previous loyalties and shopping habits. Furthermore there is an increasing shift from branded to own-brand goods. Strong competition and fair pricing will prove to be a "win win" for consumers and business.

Market research conducted on behalf of the Agency shows an increasing proportion of consumers who are interested in and willing to switch product and service providers in search of better value. In the grocery market in particular, 51% of all consumers state that they have changed their shopping habits, in the year since January 2008. Of those who changed their shopping behaviour, 34% have spread their shopping over different supermarkets and stores to get the best value and 17% switched their main grocery shopping to another retailer. In deciding on a particular grocery store 60% of consumers cite price as the key reason for doing so. Historically, Irish consumers' number one reason for this choice was convenience; this is a recent switch and is a very significant change. Of those who have changed their behavior, 37% are now starting to use coupons, vouchers and to chase special offers

There is evidence of greater price competition across the multiples based on the results of our most recent survey, published in early February 2009. The main players have been engaging in advertising and promotional wars for some time – while there is clearly a place for promotions and special offers, the Agency considers that the main focus should be on long term price reductions across the staple grocery items.

Fundamentally, the purpose of our price survey work is to empower consumers. Armed with price comparison information, consumers are then in a position to shop around for best value. Our ongoing work in this area will continue to strive to provide consumers with fair analysis, thereby enabling them to maximise their considerable buying power and effect further competitive improvements in the grocery market.

## Euro/Sterling

An area of particular concern in the past year has been the pricing of goods originating in the sterling area. By early 2009, the Euro has appreciated by over 39% against sterling over the period from September 2007. In the first few months, the Agency met with all of the

major grocery retailers and a variety of explanations were put forward (hedging, advance ordering, benefits being offset by increasing in world commodity prices, Euro invoicing by UK suppliers, raw materials originating in the Euro zone). It is recognised that there are many complex, interconnected issues at play but after almost 18 months of a strengthening euro, it is clear that the explanations do not fully explain the lack of progress in this area.

While it would be simplistic to expect that the full Euro appreciation would directly result in price reductions of a similar level, it is clear that the timeliness and extent of the benefits accruing from the very favourable exchange rates have been hugely disappointing.

The Agency is of the view that business has been pricing according to what the RoI market could bear – however, in current challenging times and with cash strapped consumers, businesses will have to rethink their pricing strategies and offer Irish consumers a fairer deal.

### **Advocacy & Research**

Research into Petrol & Diesel Price Movements was commissioned by the Tánaiste in autumn 2008. It sought to establish the facts behind consumer concerns that petrol and diesel price decreases were not being passed on in Ireland in a timely manner. The report identified little evidence of a failure to reflect international price fluctuations at the pumps, but underscored that refined product prices and not crude oil prices are the appropriate comparator for consumers looking to track fuel price fluctuations over time. The Tánaiste has requested more frequent fuel price data collection and monitoring, an action now falling on the Department of Communications, Energy & Natural Resources.

Twenty-five recommendations arising from the Report into the Home Construction Industry and the Consumer in Ireland, published in November 2008, are now being reviewed with a view to implementation during 2009. Further, the report of the Forum on Multi-Unit Development was published during 2008 and a dedicated website, [www.consumerproperty.ie](http://www.consumerproperty.ie) has been established to provide relevant and up to date information and guidance to consumers affected by multi-unit development related issues.

The programme of market research initiated during 2007 continued through 2008. A notable trend over this period is the sustained growth in consumers' declared confidence, knowledge and feeling of protection in the area of consumer rights – indicators against each of these three key headings are now at 69% or above.

### **Information & Awareness**

The principal role of the Agency's Information & Awareness function is to provide timely, relevant rights information and general guidance to consumers. The Agency's Contact Centre received almost 80,000 calls during 2008, an increase of almost 15% on 2007 levels, while the Agency's websites<sup>1</sup> recorded over 250,000 visits and over a million page views. Timely updates were made available through these channels on matters as diverse as December's pig meat recall and the Aer Lingus €5 flights issue in April 2008, whilst both radio and TV advertising were undertaken to support wider Agency initiatives.

Attendance at public outreach events and interface with schools and colleges will be a focus for the Agency in the coming year –successful participation at the National Ploughing Championships and the Over 50s Show during 2008 have demonstrated the

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<sup>1</sup> [www.consumerconnect.ie](http://www.consumerconnect.ie), [www.nca.ie](http://www.nca.ie), [www.consumerproperty.ie](http://www.consumerproperty.ie)

value of a presence at high profile public events, affording the public the opportunity of direct contact with the Agency and with specialist staff from its constituent units. This contributes both to public recognition of the Agency and offers a valuable opportunity to take guidance from consumers as to topical issues of concern to them and pointers on outreach and information materials and activities they find most valuable.

### **European Consumer Centre**

During 2008, the Agency continued to jointly fund the European Consumer Centre (ECC), together with the European Commission. The ECC provides information and assistance to Irish consumers experiencing difficulties abroad and to consumers from other EU member states having difficulties with retailers in Ireland.

### **Conclusion**

The year 2009 will throw up many challenges for the Agency. I am confident that the new entity, arising from the amalgamation of the Agency and the Competition Authority, will be well placed to continue our work on behalf of consumers.

I would like to express my appreciation and thanks to the Chairman and Board of the Agency for their support throughout the year. My thanks are also due to the staff of the Agency who display considerable flexibility in continually changing times. I would also like to thank the Tánaiste and staff of the Department of Enterprise, Trade and Employment for their assistance and support during the year.



**Ann Fitzgerald**

**Chief Executive**

**National Consumer Agency**



# Board Members And Senior Executives

## **BOARD MEMBERS**

Stephen Costello – Chairperson  
Ann Fitzgerald – Chief Executive Officer  
Inez Bailey  
Marie Barry-Ring  
Pat Desmond  
Eddie Hobbs  
Celia Larkin  
Deirdre McDonnell  
Neilus Moriarty  
Robin O’Sullivan  
Bill Prasifka  
Edward Shinnick  
Alex Schuster

## **SENIOR EXECUTIVES**

Ann Fitzgerald – Chief Executive Officer  
Sean Murphy – Legal Advisor  
John Shine – Director Commercial Practices  
Maria Hurley – Director Research, Advocacy & Communications  
Seán A. O’Sullivan – Head of Corporate Services  
Thomas Bourke – Secretary to the Board & Asst. Director Corporate Services  
Catherine Lenihan – Asst. Director Commercial Practices  
Catherine Courage – Asst. Director Advocacy & Communications  
Fergal O’Leary – Senior Research Officer

# PILLAR ONE ENFORCEMENT

## CONSUMER PROTECTION ACT

The Consumer Protection Act, 2007, updated and modernised consumer law; provided for significantly greater protection for consumers, with the availability of additional and powerful enforcement options; and also provided for significant penalties for businesses found guilty of offences.

## RISK-BASED ENFORCEMENT

Our approach to enforcement of consumer protection legislation has been developing to reflect the increased powers and enforcement tools available under the Consumer Protection Act, 2007. Our enforcement efforts are concentrated on those areas where there is the greatest potential for consumer loss or detriment, while not losing sight of other areas which impact on consumers' welfare.

Historically, our predecessor, The Office of The Director of Consumer Affairs (ODCA), devoted considerable resources to the enforcement of price display and misleading pricing breaches. While we continue to take such breaches very seriously we now deal with complaints on a risk basis, using a combination of written procedures and follow up visits. We also carry out a number of proactive visits to traders over a year to assess compliance and take whatever enforcement actions might be warranted. This risk based approach enables us to maximise effective utilisation of our resources and ensure that we can tackle the many areas where there is large consumer detriment, for example, the need for fair contract terms in consumer contracts or the problem of car clocking.

We expect businesses to comply fully with consumer law and to treat consumers fairly, as they themselves would wish to be treated in their personal lives as consumers. We do not hesitate to take a robust approach to enforcement when necessary and we are now able to use the wide range of enforcement tools contained in the Consumer Protection Act in addition to the option of pursuing prosecutions through the Courts. These tools include the ability to impose Fixed Payment Notices (on-the-spot fines) in the case of breaches of price display legislation.

The Agency can also seek undertakings from traders; issue compliance notices and seek prohibition orders from the Courts. The NCA can 'name and shame' businesses with the publication of a consumer protection list. We have begun to use these additional tools and expect that they will be of invaluable assistance in the future as we continue to target businesses that break consumer law.

## ENGAGEMENT WITH BUSINESS

As an Agency, we have an obligation to engage with business to ensure that the legal requirements in relation to consumer protection are fully understood. We are anxious to promote best practice to ensure that consumers are treated fairly. We are happy to work with representative bodies and directly with retailers to ensure that they are fully aware of their legal obligations.

We have also considerably strengthened our 'fast track' access to large individual retailers and have liaison arrangements with 37 retailers. Most of these are in the grocery business, but traders operating in the electrical /electronic, furniture and DIY sectors are also included. We use this access arrangement to bring compliance issues to the attention of senior management in these businesses in a speedy manner. Increasingly it also serves to raise with these businesses, service, pricing and other issues, which come to our attention. In this way, we can resolve practices or problems which have impacted on consumers who have contacted us and which, without NCA intervention, may affect other consumers. This access arrangement is also an opportunity for retailers to seek advice from Agency staff on aspects of consumer law.

During 2008, the Agency published a consultation document on draft guidelines for the retail sector on price discounts and related matters (see paragraph 5). Final Guidelines are nearing completion and are expected to be published in mid 2009. The Agency also published guidelines for the leisure and fitness sector on drawing up fairer and terms and conditions to be used in the context of club membership agreements. (See paragraph 5).

The Agency held a seminar in April 2008 for toy retailers/distributors to advise them of their obligations in relation to toy safety and to provide briefing on the proposed changes envisaged under forthcoming EU product safety legislation.

### **APPEARANCE BEFORE OIREACTHAS JOINT COMMITTEE ON ENTERPRISE, TRADE AND EMPLOYMENT**

In May 2008, the Agency made a presentation to the Joint Committee on the role of the Agency and work undertaken since it was formally established on 1<sup>st</sup> May 2007. A copy of the presentation is available on our website at the following link:

[http://www.nca.ie/eng/Research\\_Zone/Consultation/Oireachtas/Oireachtas\\_Joint\\_Committee\\_1.html](http://www.nca.ie/eng/Research_Zone/Consultation/Oireachtas/Oireachtas_Joint_Committee_1.html)

## ENFORCEMENT TOOLS

### UNDERTAKINGS

If the Agency has reason to believe that a trader is involved in a prohibited act or practice, the Agency may seek and obtain a formal written Undertaking that the trader will comply with the requirements of the Act. This usually involves the trader giving a commitment to cease an offending practice and to compensate consumers who have been adversely affected. If the trader fails to provide an Undertaking or reneges on the terms, the Agency has the powers to take legal action, which could entail either, applying to the circuit court for a prohibition order or taking a prosecution.

A total of 8 Undertakings were received during 2008 relating to the motor trade, furniture retailers and an internet-based magazine subscription service.

### PROHIBITION ORDERS

Under Section 71 of the Consumer Protection Act 2007 any person including the National Consumer Agency may apply either to the Circuit or High Courts for an order prohibiting a trader or person from committing or engaging in a prohibited commercial act or practice. In making the Prohibition Order, the Court may impose terms and conditions which it considers appropriate, including a requirement on the trader to publish corrective statements at his own expense.

No Prohibition Orders were obtained by the Agency during 2008. However, in late 2008, the Agency initiated the process of seeking Prohibition Orders against a number of traders. These proceedings are expected before the Courts in early 2009.

### COMPLIANCE NOTICES

An authorised officer of the Agency is empowered under the Act to issue a Compliance Notice to a trader (who in his/her opinion is committing/engaging in or has committed/engaged in a prohibited act or practice), directing the trader to remedy the contravention. The trader has 14 days to appeal the notice to the district court. If no appeal is made the notice is deemed to have come into effect.

Failure to comply with a compliance notice is an offence under the Act. During 2008 the Agency issued 28 Compliance Notices to retailers who were in breach of the Act by charging prices higher than the display prices for consumer products, mostly grocery items. One trader was successfully prosecuted in 2008 for breaching the conditions of a compliance notice.

### FIXED PAYMENT NOTICES (“ON THE SPOT” FINES)

The Agency has power under section 85 of the Act to issue Fixed Payment Notices to traders for breaches of price display legislation. A fixed penalty of €300 applies for each notice issued and this must be paid within 28 days. If the trader fails to pay the penalty within the statutory time limit, the NCA can initiate prosecution proceedings. Fixed Payment Notices were issued in cases where the Agency considered that traders were not in compliance with the price display legislation. During 2008, payment in respect of 35 Fixed Payment Notices was received by the Agency.

## **CONSUMER PROTECTION LIST**

Section 86 of the Act requires the Agency to maintain a “Consumer Protection List” with details of traders against whom enforcement actions have been taken. The Agency may publish details of this list in any form that it considers appropriate. In July 2008 the Agency published a list of the enforcement actions taken between 1<sup>st</sup> May 2007, (when the Consumer Protection Act came into effect), and 30<sup>th</sup> June 2008.

This list is available on our website:

[http://www.consumerconnect.ie/eng/News + Research/Press%20Releases/Consumer\\_Protection\\_List\\_published.html](http://www.consumerconnect.ie/eng/News + Research/Press%20Releases/Consumer_Protection_List_published.html)

## **PROSECUTIONS**

In addition to the aforementioned enforcement tools, the Agency continues to have the power to initiate prosecutions through the Courts. The Agency successfully prosecuted five retailers during 2008 for pricing offences. Four of these related to price display infringements and the fifth related to misleading price indication and non-adherence to the terms of a previously issued Compliance Notice. The Agency also successfully prosecuted a car dealer for selling a clocked car. One of the four price display cases arose as a consequence of a retailer failing to pay the Fixed Payment Notice.

Details of enforcement actions taken in the calendar year 2008 are set out in appendix 1.

## **ENFORCEMENT ACTIVITY**

The approach to enforcement is largely concentrated on those areas where there is potential for significant consumer detriment while not losing sight of a wide range of other areas which impact on consumers' welfare. In addition to the aforementioned Consumer Protection Act, the Agency has a remit across over 50 pieces of consumer legislation including retail pricing; car clocking; e-commerce; unfair terms imposed by business; product safety; misleading practices and aspects relating to consumer credit. The main enforcement actions of the Agency in 2008 are summarised below.

### **RETAIL SECTOR - PRICING**

The risk-based approach to both price display (where products are not adequately priced) and misleading indication of price (charging a price for a product that is higher than the displayed price) ensures all complaints are pursued via written contact with the trader. During 2008, 572 complaints were followed up in this fashion.

This was supported by three compliance blitzes throughout the year where risk areas were selected for on-site visits to trader premises across the retail sector. Proactive checks were also undertaken as part of this activity. In total, 572 trader premises were visited and details of enforcement action arising is set out in the appendix.

The three risk-based blitzes carried out in 2008 have indicated the success of the risk-based approach to enforcement. There has been no deterioration in the level of compliance despite significantly less resources being devoted to this area of activity.

### **ADVERTISING GUIDELINES FOR THE RETAIL SECTOR**

The Consumer Protection Act provides for the Agency to draw up guidance for traders in relation to commercial practices. These Guidelines, while not compulsory, may be admitted as evidence in court proceedings. During 2008 the Agency drew up draft guidelines for the retail sector, aimed at assisting the sector to provide clearer information to consumers on price discounts and sales advertising. Among other issues dealt with are concerns relating to the issuing of vouchers / credit notes and the pressure selling of extended guarantees. A public consultation was initiated in September, via the Agency website, advertisements in the daily newspapers and direct contact with over 100 companies and 16 representative bodies. Detailed responses were received from a number of quarters, which were being assessed at year-end. It is expected that the final Guidelines will be published before mid 2009.

### **UNFAIR TERMS IN THE FITNESS AND LEISURE SECTOR**

The European Communities Unfair Terms in Consumer Contracts Regulations, 1995-2000, apply a test of fairness to standard terms (terms that have not been individually negotiated in contracts by businesses with consumers). The test of fairness takes into account how a term could be used. A term is open to challenge if it is drafted so loosely that it could be used in a way that harms consumers. Terms of contracts must be fair and must not be weighted against consumers.

#### **A) REVIEW OF SPECIFIC AGREEMENTS**

Since 2007 the Agency has been examining the membership agreements of a number of the larger Gyms and leisure and fitness clubs, to assess their compatibility with the

requirements of the Regulations. Complaints received indicated issues in a number of areas including the following:

- Lack of clarity relating to the minimum membership period, and the notice period for cancellation;
- Lack of clarity in relation to cancellation charges;
- Clubs retaining the right to make unrestricted changes to the services during the term of the contract, and
- Clubs seeking to exclude a club's liability for death or personal injury.

Following negotiations, revised contracts were agreed with Ben Dunne Fitness Group in 2007 and in 2008 with Jackie Skelly Fitness and Source Health and Fitness (Cork). This will facilitate prospective customers having a better understanding of the membership agreement, with greater clarity on conditions relating to duration of contracts, cancellation, transfer of membership etc.

#### **B) PUBLICATION OF GUIDELINES FOR FAIRER CONTRACT AGREEMENTS**

In parallel with this review and in light of the significant number of gyms and fitness clubs (approx 600), the Agency decided to draw up guidelines for the sector on membership agreements, which would provide a balance of fairness and take into account the other requirements of the Unfair Terms Regulations. These guidelines, which were drawn up following public consultation and engagement with sectoral representative bodies – ILAM and the Irish Hotels Federation- were published in October 2008.

In addition to the guidelines, the Agency, in consultation with the representative bodies, drew up a voluntary best practice code for leisure clubs in the context of their contractual commitments to members.

The reduction in complaints during 2008 to 6 compared with over 40 during 2007, suggests that the initiatives undertaken by the Agency have brought about significant improvements in respect of consumer protection in this sector.

#### **FAIR COMMERCIAL PRACTICES IN FURNITURE RETAILING**

Arising from complaints to the Agency and proactive monitoring of advertising practices, the Agency carried out an initial scoping exercise during 2007 to assess if the practices used in the retail sector complied with the requirements of the Consumer Protection Act 2007. A more focused investigation was carried out during 2008. The investigation targeted 15 major outlets including Irish registered chains, independent traders and manufacturing/retail operators. The issues examined included advertising, delivery issues, product description, guarantees and extended warranties, and consumer credit. The most significant issues identified were in respect of:

- **Advertising:** encouraging consumers to take hasty decisions by giving the impression that limited stocks are available or that the offer is only available for a very limited period e.g. one day sales. As the limited offers are, in practice, often extended, the Agency has concerns that this type of advertising could be misleading;
- **Product descriptions:** furniture that contains synthetic material is described as "leather match", "faux leather" or other similar descriptions. The Agency feels that

while the information is factually correct some consumers could be misled into believing that they were buying 100% leather products;

- **Extended warranties**- applying what could be regarded as pressure selling to get consumers to take out multi-year insurance plans, to cover possible problems or faults with the product. The need for extended warranties is debatable, as consumers have rights under the Sale of Goods and Supply of Services Act 1980 if the products were faulty or not fit for their intended purpose without the need to take out additional insurance protection;
- **Price delivery issues**. A large proportion of complaints received by the NCA referred to delivery problems, delivery charges and delays in delivery of items where payment had been made, possibly several months in advance;
- **Post - Promotion or "After Promotion Pricing"**: This type of promotion involves a trader advertising an item at a relatively low price for a limited period - say a week - after which it is implied that the cost of the item would significantly increase. At the end of the promotion period the offer is extended. (E.g. suite of furniture advertised at €500 - post-promotion price €2000: the offer is supposed to run for a week but the promotion continues). The Agency has concerns at the tendency by some traders to extend these offers beyond the original promotion period, often for indefinite periods. This form of promotion could be regarded as misleading as it is designed to encourage consumers to make impulsive purchases in order to avail of what is represented as a substantial saving during the period of the promotion.

The draft Guidelines for the retail sector being finalised by the Agency address these practices and make recommendations for adoption by the sector. The Agency obtained undertakings from two furniture retailers relating to misleading advertising practices. The Agency also commenced proceedings to seek a Prohibition Order against one furniture dealer. Two other furniture companies, which were the subject of Agency investigations, ceased trading. Other furniture operators contacted by the Agency in the context of their misleading practices complied with the Agency request to cease the practices.

### **INVESTIGATION INTO INTERNET BASED MAGAZINE SUBSCRIPTION COMPANY**

The National Consumer Agency investigated a company, which provides an internet-based subscription service to a variety of magazines. Issues investigated by the Agency included inadequate procedures for dealing with complaints from customers; failure to refund customers when magazines were not delivered and inviting subscriptions for magazines which were either no longer available or not for sale to the general public.

Arising from this investigation and examination of documentation on the company's premises, the Agency formed the view that the company had been engaging in unfair and misleading commercial practices, which are prohibited by the Consumer Protection Act 2007. The Agency has sought and obtained a formal undertaking from the company to address such practices and to compensate consumers prejudiced by such practices.

### **INVESTIGATION INTO ADULTERATED DRINK**

During 2008 the Agency received a number of consumer complaints alleging that certain licensed premises were adulterating (i.e. "watering down") their alcoholic drinks. This is a misleading practice prohibited by the Consumer Protection Act 2007. In November 2008, the Agency surveyed 13 premises and took random samples, which were referred to the



State Laboratory for analysis. Full results were not available at year-end but it is likely that the Agency will be taking enforcement action against a number of licensed premises.

### **INVESTIGATION INTO ALLEGED MISLEADING ADVERTISING REGARDING THE ACCREDITATION OF A SEWAGE TREATMENT SYSTEM**

In July the Agency received a complaint alleging that a company was misleading consumers by falsely claiming that the system was Irish Agrément Board approved when it had failed to comply with the conditions attached to the certification.

Following investigation, and working closely with the NSAI, the Agency received an undertaking from the company that the misleading advertising would cease and that affected consumers would be compensated.

### **CAR CLOCKING**

The Agency has continued to focus on the area of "car clocking" (i.e. changing the odometer reading) in the past year. During 2008 the Agency received 112 complaints from consumers. A considerable number of cases remained under investigation at year-end and enforcement action is likely in a number of these cases. Of those concluded, enforcement action was taken against 5 traders.

Undertakings were received from four traders to cease the practice of selling clocked cars and to compensate consumers affected by the practice. In addition one dealer was prosecuted for selling clocked cars.

At the end of 2008 the Agency commenced proceedings for the seeking of a Prohibition Order against one dealer who did not comply with the terms of the Undertaking provided by failing to compensate a consumer who purchased a clocked car.

### **E-COMMERCE "SWEEP"**

The Agency has completed a "mystery shopping" exercise involving a variety of websites offering mobile phone ringtones, games, entry into prize draws etc. The analysis of the mobile phone bills and phone logs is now nearing completion with a view to determining any misleading practices by the content providers. The relevant websites are also being examined to ensure that the terms and conditions are clear and do not contain any unfair terms.

### **AIRLINE SECTOR**

The Agency has been examining a number of issues including price transparency, non-refunding of taxes / fees / charges, automatic "opt in" to optional services etc. Some progress has been made, particularly in relation to "up front" pricing where unavoidable taxes / fees are indicated at the start of the booking process. With effect from 1st November 2008, a new EU aviation regulation has come into force. The Agency will have responsibility for elements of the Regulation but, as yet, has not been given the legal basis to enforce in this area. The Agency is also participating in an examination, in conjunction with a number of other Member States, of various fees and charges, imposed by airlines.

# PRODUCT SAFETY

## MARKET SURVEILLANCE

The Agency has responsibility for market surveillance in respect of the safety of products which come within the scope of a number of European Product Safety Directives. These are:

- Low Voltage Directive (most electrical devices in domestic use);
- Personal Protective Equipment (bicycle helmets, lifejackets etc);
- Gas Burning Appliances (gas cookers, heaters, BBQs etc);
- Toy Safety Directive;
- General Product Safety Directive (all consumer products not covered by specific Directives).

The General Product Safety Directive (GPSD) covers all non-food consumer products and places the primary responsibility for product safety on manufacturers, importers, distributors and retailers of the product. They must ensure that they place only safe products on the market. If any operator becomes aware that it has placed a product on the market that could pose a risk to consumers, it must take appropriate action, up to and including recall of the product, to make the item safe. Details of any measures must be notified to the Agency who in turn must advise the European Commission. The placing of the primary onus on the operators is a significant change to product safety market surveillance and is proving very effective.

## PRODUCT RECALLS/RAPEX

All EU Member States are required to notify the Commission of any actions taken in respect of potentially hazardous products placed on their market. This in turn is sent to all other Member States using an EU-wide rapid exchange of information system known as RAPEX. The receiving Member States are required to check if the item is on sale on their markets and take appropriate remedial action. A "reaction" must then be made to the Commission, giving details of the action taken. During 2008, 1,872 notifications from across the EU were processed through the system, an increase of 17% on the previous year. The Agency is the RAPEX contact point for Ireland. Following examination of the notifications, and liaison with traders and representative bodies, it transpired that 86 of the notifications in 2008 related to products found on the Irish market. The Agency subsequently liaised with the traders affected regarding the appropriate actions that should be taken. In addition to responding to notifications from elsewhere in the EU, the Agency also initiated 32 notifications in relation to products found on the Irish market that gave rise to safety concerns (see appendix 2). Recall notices were placed on the website and press releases/advertisements were issued as appropriate.

## TOY SAFETY

Toy safety continued to be an area of considerable activity during 2008. In the run up to Christmas, the Agency provided advice and safety tips for consumers and relaunched a consumer booklet on toy safety. In April 2008 the Agency held a seminar for the toy sector to provide a briefing on their product safety obligations and discuss forthcoming EU legislation including new requirements on the packaging of magnetic toys.

In May 2008, the Oireachtas Joint Committee on European Scrutiny ("the Joint Committee") invited representatives from the National Consumer Agency, the

Department of Enterprise, Trade and Employment and the Toy sector to discuss the new draft Toy Safety Directive, which is being negotiated at EU level. The proposed Directive aims to enhance safety requirements to cope with recently identified hazards including chemicals in toys, choking hazards and toys associated with food.

### **CLOSER LINKS WITH CUSTOMS AUTHORITIES**

During 2008 the Agency established closer links with the Customs Authorities. As part of this closer relationship, it was possible for the Agency to take action at point of entry to preempt the placing of potentially hazardous products imported directly from 3<sup>rd</sup> countries, on to the Irish market.

### **PRODUCT SAFETY INVESTIGATIONS**

The Agency has also received a substantial number of queries / complaints in relation to a variety of product safety issues. All complaints are investigated and appropriate action taken to ensure that the product would not present a safety hazard to consumers. The types of actions taken include assessment of technical documentation to determine compliance with relevant standards, referral of items for testing, requiring operators to attach appropriate warnings/safety instructions, placing consumer alerts and safety tips on the Agency's website and in certain cases withdrawal and recall of the item. Examples of the types of product safety issues are set out below (A-E).

#### **A) DETENTION OF DECORATIVE ELECTRICAL LANTERNS AT DUBLIN PORT**

In November 2008, following contacts from the Customs Authorities, the Agency inspected a consignment of goods imported from China. Following preliminary investigation, the Agency placed a temporary suspension on a consignment of electrical lamps while it arranged for tests to be carried out. The test reports subsequently established that the products had failed the safety requirements and the Agency requested the Customs authorities to detain the products. The importer was informed and Customs made arrangements to have the items destroyed. As a means of ensuring that similar products were not imported into other EU Member States the Agency notified the Commission via the RAPEX system.

A temporary suspension was also placed on other items listed in the shipping manifest, including toys, pending receipt of supporting technical safety documentation. The Agency received a formal commitment from the importer that the items would not be removed until cleared by the Agency. This matter is ongoing at year-end.

#### **B) HURLING HELMETS**

At the request of the then Director of Consumer Affairs, the NSAI developed a new Irish Standard for hurling and camogie helmets. The standard (I.S. 355) was formally launched by the NSAI and the GAA in November 2006. As part of its role in overseeing compliance with the safety requirements of the EC (Personal Protective Equipment) Directive, the Agency has powers to take action if hurling helmets fail to meet the essential safety requirements of the Directive.

In March 2008, the Agency became aware of allegations that a retailer had been selling helmets that did not meet the required safety protection standards. The Agency arranged for an independent UK laboratory to test a number of helmets against the new Irish Standard. These tests established that the helmets failed to meet the required standard. The retailer, at the request of the Agency, recalled the helmets and refunded the cost to consumers.

**C) TRAVEL BASIC CAR SEAT**

In May 2008 the Agency was made aware that a car seat that was on the Irish market had inadequate installation instructions regarding the restraint. The Agency raised its concern with the retailer who arranged for the instructions to be amended. In October 2008, as a precautionary measure, the retailer advised the Agency that it was recalling the product as it had received further consumer complaints relating to the use of the restraint. The Agency informed the European Commission of the retailer's decision and placed a notice on its website.

**D) REFIT OF "GEMINOX" IMMERSION WATER HEATER**

During 2008 the Agency was advised that an immersion heater manufactured by a French company could present a potential fire hazard. It was estimated that approximately 700 units were imported between 2001 and early 2008. Four fires have been attributed to this type of immersion heater overheating. The manufacturer arranged for an Irish company to carry out a refit to the immersion heaters. The Agency has made considerable efforts to track down these products including placing safety notices in the national newspapers, issuing a statement warning consumers of the potential risk and writing directly to plumbers, retail outlets etc. Nevertheless, the response has been disappointing and the Agency urges the plumbing/heating trade, retailers and consumers with knowledge of the whereabouts of these units to arrange a refit. Details are available on our website:

[http://www.consumerconnect.ie/eng/News + Research/Product Recalls/Immersion\\_water\\_heater\\_may\\_over\\_heat.html](http://www.consumerconnect.ie/eng/News + Research/Product Recalls/Immersion_water_heater_may_over_heat.html)

**E) GAS LPG COOKER**

In November 2008, the Agency became aware of a fatality due to carbon monoxide poisoning, which was most likely caused by the incorrect use of a gas cooker grill. The Agency, in conjunction with the Commission for Energy Regulation (CER), NSAI and the gas technical advisory committee, carried out an extensive investigation to establish if the particular model of cooker presented a risk to the public. Following testing by an independent test house, the UK supplier (Glen Dimplex Home Appliances) issued a refit notice in respect of the particular model of New World LPG cooker. Approximately 330 cookers of the particular model had been placed on the Irish market and efforts are ongoing to contact consumers and arrange a refit. Details are available on our website:

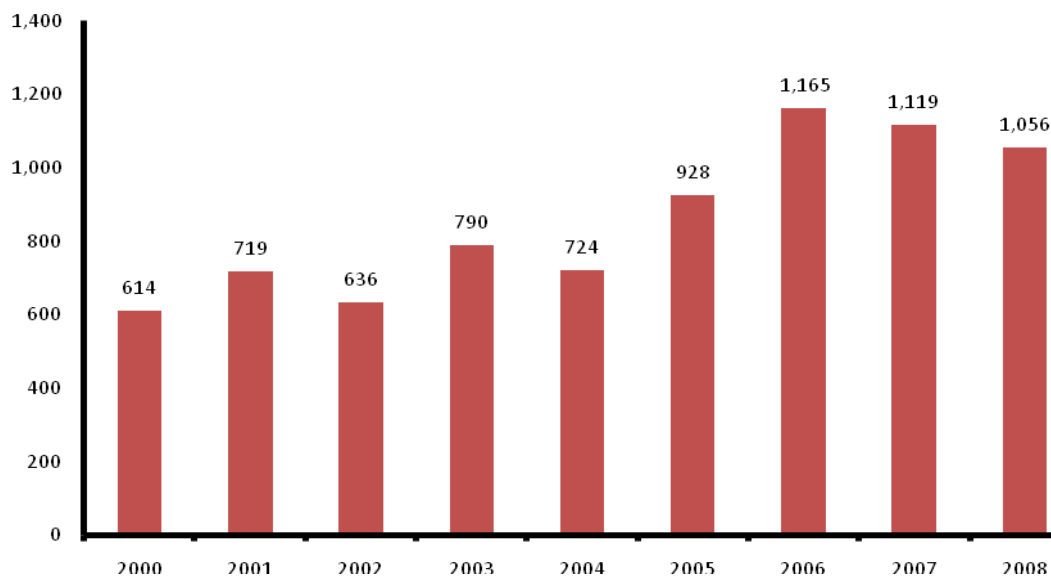
[http://www.consumerconnect.ie/eng/News + Research/Product Recalls/New World\\_gas\\_cookers.html](http://www.consumerconnect.ie/eng/News + Research/Product Recalls/New World_gas_cookers.html)

## CREDIT INTERMEDIARIES

Under the Consumer Credit Act, 1995 (as amended) all credit intermediaries require to be authorised by the Agency in order to provide credit facilities to the public. Credit intermediaries are persons who, in the course of their business, arrange credit for consumers in return for a payment or consideration of any kind. The majority of credit intermediaries are engaged in car sales with some involved in other retail sectors, notably furniture and electrical appliances. Credit intermediaries are required to display their authorisations publicly in their premises, and, before any agreement is signed, must give consumers written details of the agreement and of the financial institution on whose behalf they act. They must also inform the consumer that they are paid for their services. Consumers are advised to deal only with authorised credit intermediaries.

The Agency received 1056 applications for a credit intermediary authorisation in 2008 compared to 1119 in 2007. This is a decrease of 5.6% on the number of applications received in 2007. A total of € 620,649.35 was received in fee income during the year. Details of applications received each year since the year 2000 are set out below.

### Credit intermediary authorization applications



## PUBLIC REGISTERS

The Agency maintains a public register of all those who are authorised to operate as credit intermediaries. The register is accessed by the financial institutions and may be inspected by members of the public on our corporate website ([www.nca.ie](http://www.nca.ie)). The register was redeveloped during the year and can now be easily searched by garage/business name and by county. Consumers are encouraged prior to organising credit through such intermediaries to consult the public register to ensure that the intermediary they are dealing with is authorised.

## PAWNBROKERS

The Agency is also responsible for issuing pawnbroker licences. Three licences were issued to pawnbrokers in 2008.

# PILLAR TWO

## RESEARCH AND ADVOCACY

## RESEARCH

### MARKET RESEARCH

Since 2004, the Agency and its forerunner the Consumer Strategy Group, has been periodically tracking consumer sentiment, to ascertain levels of consumer confidence, knowledge and empowerment in the Irish economy. This work continued in 2008.

Over time, the surveys have expanded to collect information in respect of consumers' experience and changing behaviours when purchasing goods and services in key areas of the economy. These insights are meaningful in directing the research activities of the Agency. The 2008 research focused on assessing Consumer Rights and Empowerment, Complaints, Switching and Shopping Habits. The research was carried out using the following methodology:

- Quantitative research in the form of two nationally representative surveys of 1,000 adults, aged 15 – 74 across 101 sampling points in Ireland conducted in July/August and November/December 2008, and;
- Qualitative research in the form of 8 focus groups conducted in November 2008.

Results during 2008 show evidence of increased confidence and awareness amongst consumers of their rights in the period since the Agency was established on a statutory footing in May 2007:

- The percentage of consumers who consider themselves as confident about their consumer rights has increased from 66% in March 2007 to 75% in late 2008, with those describing themselves as not confident of their rights falling from 21% to 12% over the same period;
- Similarly, the percentage of consumers who consider themselves knowledgeable of their rights has increased from 59% to 69% with a corresponding fall in the 26% to 15%;
- The research indicates an evolution in the perception of protection in terms of consumer rights. Those considering themselves protected increasing from 61% in March 2007 to 70% in late 2008.

Regarding "Complaints", Irish consumers remain proactive:

- 83%<sup>2</sup> are prepared to complain, where they have cause to do so;
- For consumers who made a complaint in the previous 12 months, the most frequent cause of complaint related to faulty products or services;
- The satisfactory handling of a complaint benefits both consumers and retailers. Evidence of this is that 69% of consumers, who have had a positive complaints experience, said that they would buy from that business again.

"Awareness" of the Agency as the body responsible for promoting and protecting consumer rights in Ireland continues to increase, with the level of consumer recognition increasing from 26% in 2007 to 40% in 2008.

Perhaps the most telling results from market research during 2008 arose in the areas of changing shopping behaviours. The Price Comparison surveys carried out by the Agency during 2007 and 2008 threw a spotlight on price differentials between various players in the Irish grocery market. This, perhaps in tandem with the economic slowdown, seems to have given a fresh impetus to consumers in Ireland to review their grocery shopping habits.

By November 2008, some 51% of respondents confirmed that they had changed the way they do their grocery shopping since the start of the year. Within this, there was strong evidence of bargain hunting, with 37% of respondents seeking out special offers or using coupons etc and 34% spreading their shop across different stores to get best value. Perhaps most tellingly of all, by the end of 2008 price (60%), rather than convenience (47%), had taken the lead as the principal reason for choice of grocery shop.

A report detailing the findings of the 2008 market research will be issued to coincide with International Consumer Day in March 2009, building on a report in similar vein published at the same time in 2008. These reports mark a further contribution to profiling the evolving state of consumer sentiment in Ireland and identify future policy interventions to support consumers.

## GROCERY SURVEYS

The Agency published a survey in February 2008, which covered a range of branded and own brand goods, meat and fresh fruit & vegetables across the multiples (Tesco, Dunnes, Superquinn), discounters (Aldi and Lidl), symbol group retailers (SuperValu, Centra, Spar and Eurospar) and a range of independent outlets. The survey found that there were minor differences on branded goods between the multiples - this repeated the results of a pilot survey undertaken in mid 2007. In terms of own brand products, Aldi and Lidl products were positioned against the mid range own brand products of the major multiples; the survey showed that there were significant price differences between discount stores and the multiples. Independent butchers and fruit/veg shops fared well, in general, against the multiples. Symbol group retailers were, as expected, more expensive given their positioning as convenience stores. There was, however, a considerable pricing difference within the symbol groups surveyed.

In September 2008 the Agency published a further survey. The most compelling finding from this survey was that competition was being concentrated on the own-brand sector,

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<sup>2</sup> Unless otherwise specified figures in this section refer to the latest survey in November/December 2008.

with the difference in prices between the multiples and discounters narrowing. Again, there was minimal difference between the multiples on a basket of branded goods. Full details of the surveys were published on our website [www.consumerconnect.ie](http://www.consumerconnect.ie)

Our strong advice to consumers, following publication of the survey results, was to split their shopping basket and to obtain real savings through using the variety of grocery outlets available to them. We also urged consumers not to be unduly influenced by the plethora of special offers and promotions available and to only consider purchasing such items if already on the shopping list.

Fundamentally, the purpose of our price survey work is to empower consumers. Armed with price comparison information, consumers are then in a position to shop around for best value. Our ongoing work in this area will continue to strive to provide consumers with fair analysis, thereby enabling them to maximise their considerable buying power and effect further competitive improvements in the grocery market.

### **CHANGE IS UNDERWAY**

Market research conducted on behalf of the Agency shows an increasing proportion of consumers who are interested in and willing to switch product and service providers in search of better value. In the grocery market in particular, 51% of all consumers state that they have changed their shopping habits, in the year since January 2008. Of those who changed their shopping behaviour, 34% have spread their shopping over different supermarkets and stores to get the best value and 17% switched their main grocery shopping to another retailer. In deciding on a particular grocery store 60% of consumers cite price as the key reason for doing so. Historically, Irish consumers' number one reason for this choice was convenience; this is a recent switch and is a very significant change. Of those consumers who have changed their behaviour 37% are now starting to use coupons, vouchers and to chase special offers

There is some evidence of greater price competition across the multiples based on preliminary results from our most recent survey. The main players have been engaging in advertising and promotional wars for some time – while there is clearly a place for promotions and special offers, the main focus should be on long term price reductions across the staple grocery items.

Our work in relation to grocery surveys has been confined to price surveys. As indicated, price is now the main determining factor influencing consumer choice. However, there are many other factors that may have varying degrees of influence on consumer decisions ranging from convenience, customer service, and variety to buying Irish, supporting traders in the local community, traceability, food miles etc. These issues have varying degrees of importance for consumers who are now increasingly empowered to spend their money where they consider their requirements are best met and who are prepared to go elsewhere if necessary.

### **GROCERY PRICE DIFFERENTIALS WITH NORTHERN IRELAND**

In June 2008 the Agency published details of a comparison exercise undertaken in Tesco, Dunnes Stores and Lidl in the Republic of Ireland and Northern Ireland. On a basket of 42 branded items, there was a differential of between 28% and 31% between prices on either side of the border. Interestingly, on a basket of own-brand goods, there was a much smaller price differential – 17% for Tesco; 16% for Lidl and 11% for Dunnes. The survey also found evidence of greater competition in the Northern Ireland grocery market with less

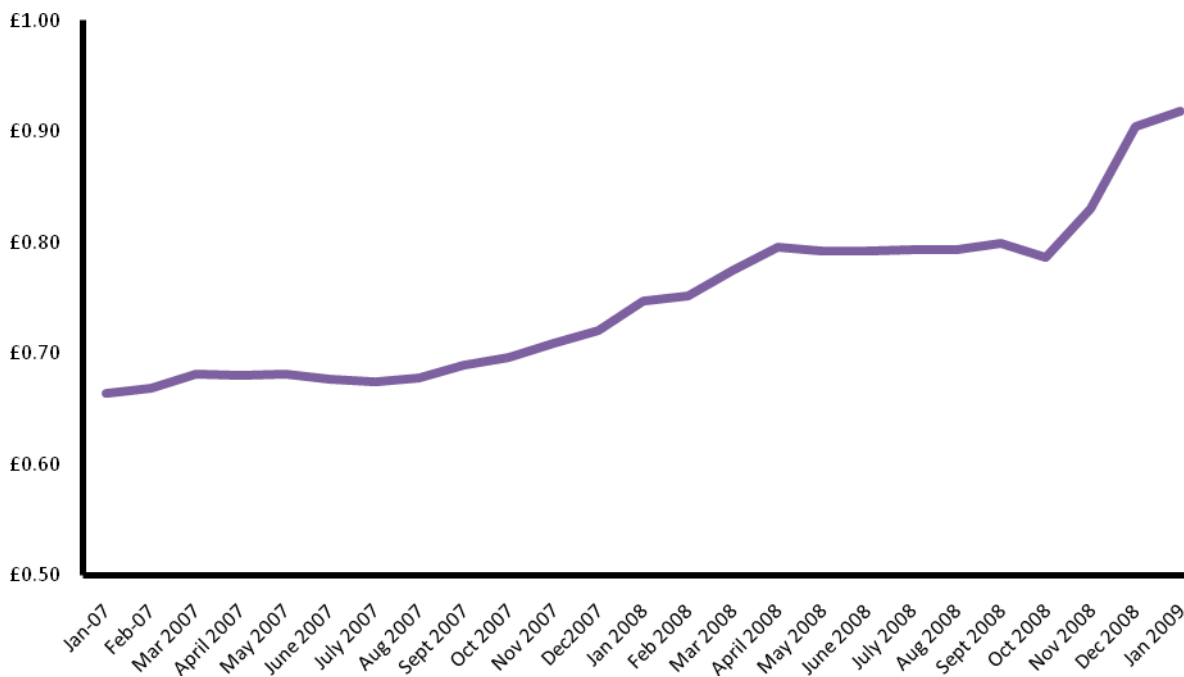


identical pricing than was in evidence in the Republic. There is little reason to conclude that the situation has improved in the interim – in fact, anecdotal evidence suggests that, if anything, the differentials have increased.

## EURO / STERLING PRICING

Euro/Sterling pricing is a long running issue but has come into sharper focus in 2008, and particularly at year end, with the significant further strengthening of the Euro against Sterling. It also goes to the heart of the Agency's point about consumers getting a fair deal.

### Euro/Sterling Exchange Rate Appreciation 2007-2008



Source: Central Bank of Ireland

There are a number of aspects to this issue. The first relates to dual pricing tickets. Irish consumer law requires the € price to be displayed. It is a matter for the retailer to decide whether, and how prominently, sterling or any other currency is displayed.

As we have seen, particularly in the non-groceries sector, many retailers are going to great lengths to try and disguise the sterling component of ticket prices. The second aspect relates to a common misconception that the currency differential is merely a function of the exchange rate. This is not the case, as other costs have to be taken into account including the costs of doing business. However, we do not believe that the costs of doing business in Ireland can account for the vast differential in prices that we see for both grocery and non-grocery products.

In relation to the costs of doing business in Ireland, the Forfás report commissioned by the Tánaiste concluded that the differential accounted for 5-6% of the final product price. That is a long way away from the differentials we are seeing between Sterling and Euro prices. Our view is that, for too many years, we in Ireland were charged prices on the basis of "what the market can bear". There is now a need for a fundamental readjustment of that

approach, as the Irish economy comes under strain and consumers themselves are now alert to their need for good value at the right price.

### **PETROL & DIESEL PRICE SURVEY**

At the request of the Tánaiste and Minister for Enterprise, Trade and Employment, Ms. Mary Coughlan, T.D, a major piece of research into the price of fuel (petrol and diesel) in Ireland was conducted by the in house research function of the Agency during the period September to December 2008.

In the course of the investigation, the Agency:

- Held discussions with oil companies, distributors, retailers and other relevant parties;
- Conducted extensive surveys of petrol and diesel prices at the pump and;
- Analysed wholesale and retail prices in Ireland and compared these with prices for refined product at international level.

The report was submitted to the Tánaiste in December. Key conclusions included:

- There is little evidence to suggest unwarranted delays in the passing on of wholesale price changes to the consumer at the pump;
- Direct comparison between fluctuations in crude oil prices and petrol and diesel pump prices is inappropriate and does not reflect the reality of the petrol and diesel supply chain. To more accurately assess flow through of price changes in refined oil products (such as petrol and diesel) to the consumer, it is necessary to compare fluctuations in Platts prices, these being the prices for refined oil products such as petrol and diesel paid by wholesalers, and prices at the forecourt pump;
- Overall, Ireland's service station/retail petrol and diesel supply market would appear to be competitive by international standards. The density of outlets per capita (1 outlet per 2,020 people) in Ireland compares favourably against corresponding statistics for Northern Ireland (1 outlet per 3,113 inhabitants) and for Great Britain (1 outlet per 9,539 inhabitants). Data is required at the local level to make a definitive statement in this regard;
- A number of gaps exist in the manner in which information on petrol and diesel prices in Ireland is collected, analysed and made available. There is clearly scope for enhancement in analysis and reporting, and improvements in this area could serve to better inform consumers of general trends in petrol and diesel prices and to place a sustained spotlight on the competitive environment in this important sector.

Responding to the report, the Tánaiste indicated that she would work in conjunction with her colleague, the Minister for Communications, Energy and Natural Resources, Mr Eamon Ryan, T.D., with a view to addressing the information gaps identified.

### **THE HOME CONSTRUCTION INDUSTRY AND THE CONSUMER IN IRELAND REPORT**

During 2007, the Agency initiated a large-scale research project to evaluate the Home Construction sector from a consumer perspective and to present findings and conclusions as regards its relative strengths, weaknesses and potential areas for improvement. Given the relatively high proportion of consumers' income typically invested in home purchase/maintenance and/or upgrading, the research focused on the potential for

consumer detriment arising from information gaps, regulatory issues and other considerations.

The study was published in November 2008. Conducted for the Agency by Grant Thornton, it provides the first comprehensive overview of the home construction industry in Ireland from a consumer perspective. It reviews, compares and evaluates international standards in this sector and identifies best practice appropriate to Irish conditions. Summary findings of the research are presented in an overview document, supported by six reports, reviewing existing practices in the industry and evaluating the Irish situation relative to international best practice. The detailed research reports examine insurance, information provision, legal and conveyancing matters, building regulations and professional services, with the sixth module presenting measures of consumer detriment in the area. The reports contain 25 recommendations in total and propose that the Agency establish an Implementation Forum involving all relevant stakeholders, to progress and implement the recommendations swiftly and efficiently. The work of the Implementation Forum commenced in February 2009. Amongst the key recommendations are:

- The existing system of Opinions of Compliance with the Building Regulations should be replaced by a statutory backed system of Certificates of Compliance. Under the proposed new system, all sub-contractors on a particular project would be required to sign off that they had completed their work on the project in accordance with the building regulations, thus enabling the contractor to sign a Certificate of Compliance. This proposal brings the residential sector into line with the approach adopted for commercial buildings. It is proposed that this system would be underpinned by a rigorous audit process carried out by Building Control Authorities;
- Industry bodies, along with the Agency, should develop a simple, standardised contract for small domestic building works; consumers should ensure that their rights are protected by having a contract in place when carrying out refurbishments;
- Industry bodies, along with the Agency, should develop improved dispute resolution procedures that take consumers' interests into account;
- The Agency should support the provision of easily accessible and accurate online information on the home construction industry to consumers.

It is intended that the implementation of recommendations, to the extent that it can be achieved through voluntary measures, will be concluded as early as possible during 2009. Where more complex actions are required, the Agency will work with the relevant bodies or with Government to achieve appropriate changes in the interests of consumers.

## **MULTI UNIT DEVELOPMENT STAKEHOLDER FORUM**

The 2007 Annual Report of the National Consumer Agency reported on the work of the Multi-Unit Development Stakeholder Forum. The Forum completed its work in mid 2008, the key outputs arising from the Forum included:

- **A Consumer Information Guide** "*Buying and Living in a Multi-Unit Development Property in Ireland*". The guide is available as a booklet or as a download from the website and is a fully comprehensive information resource. It contains information on legal terms, management companies and agents, service charges, sinking funds, the function of developers, snagging, insurance and fire safety. It also deals with the responsibilities and administration of management companies, particularly

in relation to their obligations under law, as well as issues in terms of the administration of their budget and banking arrangements;

- **A Code of Practice** for Irish Home Builders Association members. The code became effective in September 2008;
- **A checklist** specifying the manner and nature of common services for which management companies wish to contract with Managing Agents;
- **Financial planning documents** which will assist consumers as regards understanding expenditure on day-to-day management and maintenance and longer-term upkeep and improvement of their development;
- **A dedicated website**, [www.consumerproperty.ie](http://www.consumerproperty.ie), contains practical and easily understood tips, guides, checklists, quizzes and frequently asked questions. It also contains sample financial reporting documents for download to assist consumers understand the management company's finances.

By year-end 2008, the consumerproperty website had registered more than 11,000 visits. It is intended to enhance the information on this microsite on an ongoing basis and to follow up with intermittent promotional activity to maintain public awareness of the existence of this important resource.

## ADVOCACY

Consumer advocacy can play an integral role in the development and implementation of robust policy and good legislation. Through its Research and Advocacy function, the Agency has sought to promote and protect consumers' interests through greater advocacy on their behalf. In addition to responding to requests by the Department of Enterprise, Trade and Employment and the European Commission, during 2008, the Agency has participated in a number of public consultation process, including:

- Law Reform Commission consultation on Alternative Dispute Resolution;
- Dublin Transportation Office Transport Strategy 2030 Vision;
- Department of Justice, Equality Law Reform High Level Interdepartmental Committee on Multi-unit Developments;
- Commission for Aviation Regulation consultation on the Review of the Travel Trade Regime;
- Commission for Aviation Regulation consultation on the Regulatory Approach taken towards Quality of Service at Dublin Airport;
- Department of Environment, Heritage and Local Government Waste Management Consultation;
- Health Service Executive Elderly Elder Abuse Campaign.

# PILLAR THREE INFORMATION AND AWARENESS

## INFORMATION

Consumer communication is central to the work of the Agency and a particular focus is dedicated to developing and supporting consumer outreach and awareness raising activities.

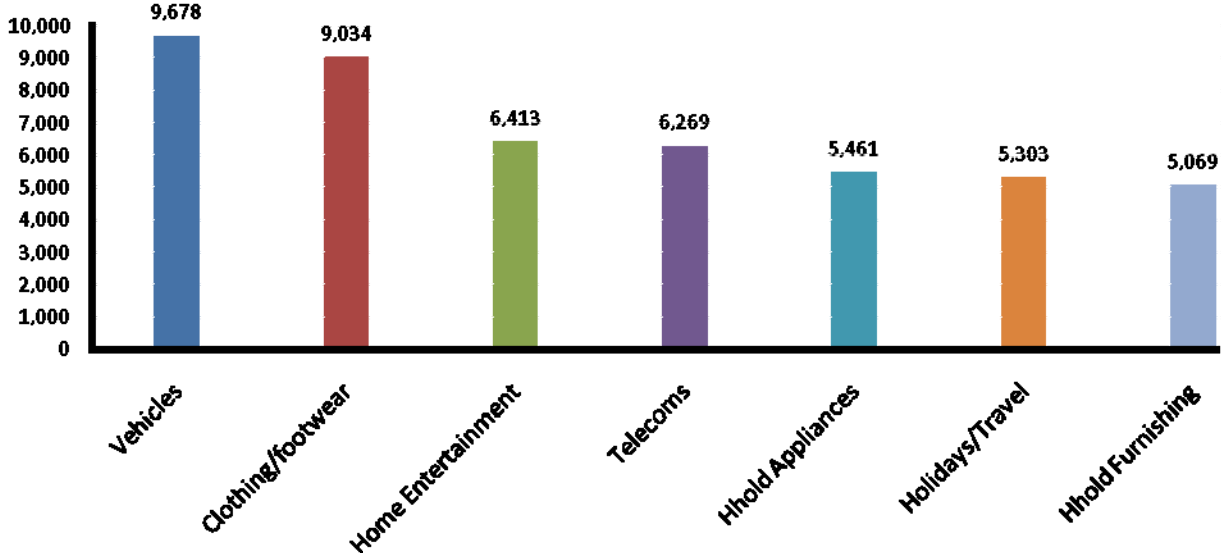
### CONSUMER HELPLINE

The National Consumer Agency Consumer Helpline handled 80,429 calls during 2008. This marked an increase of almost 10,000 over the previous year. Following a period of development during 2007, details of all calls received during 2008 were logged in a proprietary database and staff of the Agency can now use this important information resource to track consumer trends, to flag problem areas as they emerge and to address important issues swiftly and effectively.

The majority of calls to the Consumer Helpline relate to requests for information relating to the purchase of goods and services, as covered by the Sale of Goods and Supply of Services Act 1980. Other high volume issues include price displays (non display or misleading) and dual pricing (Sterling/Euro differentials). In terms of call volumes, the top sectors in relation to which enquiries or complaints were received were as follows:

- Vehicles 12%
- Clothing/footwear/Accessories 11.2%
- Household appliances 8.15%
- Telecoms 7.8%
- Home Entertainment 6.6%
- Holiday/Travel 6.6%

### QUERIES DISAGGREGATED BY MAIN SECTOR



Two particular trends became apparent towards the very end of 2008. An increasing proportion of complaints were received in respect of Sterling/Euro price differentials on dual price display price tags, as consumers became frustrated with what they perceived as the failure to pass through benefits from the Euro € strength against £ Sterling.

At the very end of the year and in the earliest weeks of 2009, a significant upsurge of calls was received in respect of consumers with fears about firms going out of business. This is seen as indicative of the mood for 2009, as the economic slowdown begins to impact more heavily on consumers.

In addition to call handling, the Agency Consumer Helpline processes emailed enquiries, some 6,000 of which were received during 2008.

The Consumer Protection Act came into force on May 1<sup>st</sup> 2007 and included the transposition into Irish Law of the Unfair Commercial Practices Directive. The new Act is intended to give consumers protection against unfair practices and rogue traders and equips the NCA with an exciting new range of powers extending beyond its historic remit and better suited to the experiences of modern consumers. Over time, as consumers become aware of the Agency's enforcement remit in these new areas, it is expected the number of complaints to the call centre in areas covered by this legislation will increase. This will be driven in part by the impact of consumer awareness initiatives to be spearheaded by the Agency.

## WEBSITES

During 2008, the two principal National Consumer Agency websites performed strongly and continued to experience traffic growth.

### CONSUMERCONNECT

[www.consumerconnect.ie](http://www.consumerconnect.ie) was developed to meet the needs of the “consumer” and contains comprehensive information on topics of concern or interest to the target audience. The site is updated as frequently as is needed (but at least weekly) and therefore is well placed to raise awareness of topics of urgency such as product recalls or rights in specific areas. The site also includes a section on FAQs, helpful guides and fun quizzes.

In late 2008 the Agency reviewed the site and designed a major overhaul of its content and structure including reorganisation of pages, pruning or removal of content. The concepts for the “new look” were designed in consultation with staff internally and with the Agency’s Helpline staff, website, advertising and PR consultants. The new design of the website went “live” in early January 2009 and early traffic volumes indicate that the enhancements are being very well received, providing for facilitated access to key information, guides and tips. The website remains a central plank in the Agency’s communications strategy and further sustained efforts to enhance its content and functionality are planned during 2009.

### NCA

Alongside [consumerconnect.ie](http://consumerconnect.ie), the corporate website [www.nca.ie](http://www.nca.ie) was launched in July 2007 and continues to experience growth. The site is designed to meet the needs of businesses, researchers and the media and contains the latest research undertaken by the Agency and guides for businesses. Although proportionally smaller in footfall terms than the consumer site, [nca.ie](http://nca.ie) is likely to grow in importance as a communications channel to the retail community, as the Agency’s enforcement activities expand into new areas requiring fresh and innovative means of communication to retailers around their role and responsibilities.

### CONSUMERPROPERTY

Alongside the two principal sites, in September 2008 the Agency launched a new site [www.consumerproperty.ie](http://www.consumerproperty.ie) designed to provide information on issues associated with buying or living in a multi-unit development. This “micro-site” arose on foot of the work of the Multi-Unit Development Stakeholder Forum. Analysis of the content being viewed indicates that those reaching the site are using it to source information specific to their needs, with most popular content heavily concentrated on the Your Issues section, which answers questions in relation to various specific aspects of living in a multi-unit development and dealing with management companies etc. The new site also incorporates extensive links to other relevant sites.

During 2009, once the refresh of [www.consumerconnect.ie](http://www.consumerconnect.ie) is complete, it is intended to develop a strong focus on the frequent publication of Consumer Alerts along with a periodic “newsletter” type publication, highlighting topical consumer issues and tips.



## PUBLICATIONS

A series of consumer booklets provide helpful information on topics of interest to consumers and compliment the information contained on the Agency's websites. In line with obligations under the Official Languages Act 2003 Irish Language versions of Agency consumer publications have been developed and can be downloaded from [www.consumerconnect.ie](http://www.consumerconnect.ie)

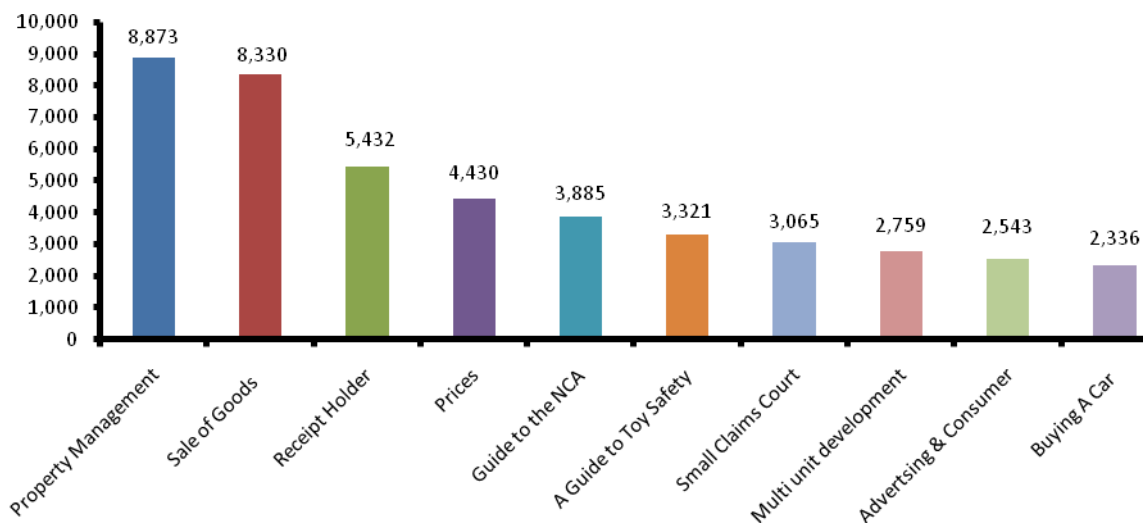
The guide to Buying and Living In A Multi-Unit Development Property in Ireland was developed through the work of the Multi-Unit Development Forum and highlights key issues which might be considered with regard to multi-unit development living.

The current full list of NCA Publications includes:

- A Guide to the National Consumer Agency
- A Guide to the Sale of Goods and Supply of Services Act 1980
- A Guide to the Small Claims Court
- A Guide to Package Holidays
- A Guide to Advertising and the Consumer
- A Guide to Consumer Law and Prices
- A Guide to Toy Safety
- A Guide to Buying a Car
- Property Management Companies and You
- Buying and Living In A Multi-Unit development Property in Ireland

During 2008 in excess of 200,000 copies of NCA publications and Shoppers Rights Cards were distributed.

### Distribution of NCA Publications



## AWARENESS

Since its inception, the National Consumer Agency has undertaken a range of publicity campaigns designed to bring consumer rights to the forefront of peoples' minds. These campaigns have used multiple media and their impact is tracked via the Agency's periodic market research.

In the latter part of 2007, a comprehensive awareness campaign was undertaken to raise awareness of individual consumer rights and of the Agency itself. Research undertaken following the conclusion of the campaign indicated that levels of awareness of consumer rights and consumer issues generally amongst consumers had increased. Capitalising on this elevated awareness level, the Agency restricted its advertising during 2008 to a series of "short bursts" throughout the year, targeted at key shopping periods, such as the post-Christmas sales, Summer sales, Back-to-School etc.

As the economy has slowed, consumer priorities appear to be shifting once more and awareness activities in the coming period are likely to focus principally on assisting consumers in managing changing economic circumstances, seeking value and managing their resources wisely.

Alongside conventional advertising, the Agency is active in promoting consumer awareness and shoppers' rights through:

- Continued distribution of the Shoppers Rights Cards (+ 120,000 distributed in 2008);
- Participation at the National Ploughing Championship and Over 50's exhibitions;
- 2 short campaigns on the Agency BEBO page on SCAMS and Christmas Tips targeting young adults;
- One off advertisements at selected venues such as the Cork Film Festival etc;
- Responding to requests for training and other supports to organisations such as the European Consumer Centre, citizens information etc;
- Responding to ad hoc media queries for press comment, radio & television interviews etc. This aspect of the work of the Awareness function can be very high volume, depending on seasonal and news-related factors.

## OTHER ISSUES

### BUDGET 2009

It was announced by the Minister for Finance in his Budget 2009 statement in October 2008 that the National Consumer Agency would merge with the Competition Authority. Whilst no definitive timeline has been outlined for this amalgamation to be completed, discussions are already underway to identify savings and synergies which may be achieved and to set out a project plan to complete the merger. There will be clear communications issues in connection with this amalgamation and ensuring that both the public and business community are made aware of the changes, how they will affect them and what this will mean for the improvement of the consumer and competition environment in Ireland, will be a key deliverable for the Communications and Awareness function of the National Consumer Agency during 2009.

### NCA INITIATIVES TO HELP CONSUMERS

During the year, the Agency became involved in a series of consumer issues where consumers faced a loss or detriment as a result of unexpected events:

- In April 2008, a problem with the Aer Lingus website resulted in a series of consumers being able to book flights to the US for €5. When the error came to light, Aer Lingus attempted to cancel the bookings unilaterally, leaving many consumers furious. Following discussions with the Agency, a compromise proposal was put to disappointed consumers who had made bookings at that fare and affected travellers were ultimately offered economy class seats on their chosen flights, instead of the business class fares they thought they had booked.
- Habitat announced in May 2008 that its Irish operations would cease trading. Many Irish consumers faced the loss of deposits paid for goods on order, holding wedding lists at the stores or being unable to use gift vouchers purchased for use in the Irish outlets. Following the intervention of the Agency, Habitat UK stepped in to offer to conclude transactions with affected consumers for a limited period. This intervention benefited many consumers who may otherwise have ended up out of pocket.

# CORPORATE GOVERNANCE

The National Consumer Agency was established on 1 May 2007 under the Consumer Protection Act, 2007 and operates in accordance with the provisions of that Act and under the aegis of the Minister for Enterprise, Trade and Employment. The Agency has put in place procedures to ensure compliance with the following specific requirements:

## **BOARD MEMBERS – DISCLOSURE OF INTEREST**

The Board adopted procedures in accordance with the Code of Practice for the Governance of State Bodies, in relation to the disclosure of interests by Board Members and these procedures have been adhered to in the year. The Agency has applied to the Department of Enterprise, Trade & Employment to be recognised as a public body under the Ethics in Public Office Acts, 1995 and 2001. In the meantime the members of the Board and staff members holding designated positions are complying on a voluntary basis with the terms of that legislation. Since January 1, 2009 the Agency has been designated as a Public Body and consequently is subject to the Ethics in Public Office legislation from that date.

## **OTHER OBLIGATIONS UNDER CODE OF PRACTICE FOR THE GOVERNANCE OF STATE BODIES**

The Agency has put in place procedures to ensure that it complies with the provisions of the Code of Practice for the Governance of State Bodies.

## **FREEDOM OF INFORMATION (FOI)**

The Agency is covered by the provisions of the Freedom of Information (FOI) Acts. These Acts established three new statutory rights

- A legal right for each person to access information held by public bodies;
- A legal right for each person to have official information held by a public body relating to him/herself; amended where it is incomplete, incorrect or misleading;
- A legal right to obtain reasons for decisions affecting oneself taken by a public body.

## **SAFETY, HEALTH AND WELFARE ACT, 1989**

In accordance with the Safety, Health and Welfare Act (1989), the Agency has prepared a safety statement that encompasses all the aspects affecting staff and visitor welfare.

## **ENERGY EFFICIENCY**

In each area relevant to energy usage and services to its buildings, the Agency endeavours to employ the most energy efficient and environmentally friendly means available.

## **AUDIT COMMITTEE**

The Board appointed an audit committee in 2007. The role of the committee is to review, monitor and advise on the robustness and effectiveness of the arrangements and status of the corporate governance, financial management, risk management and internal audit functions of the NCA.

## **INTERNAL AUDIT**

The Agency has appointed external consultants to act as internal auditor who have prepared an audit plan, which is being implemented over the period 2008 to 2010. In 2008 internal audits were conducted in the following areas:

- Credit Intermediaries;
- Purchasing & Creditors;
- Budgetary Control;
- Travel & Subsistence;
- Corporate Governance.

In all of the subject areas audited, the Agency received a substantial (medium) level of assurance that the processes and procedures in place are efficient and effective, which is the 2<sup>nd</sup> highest level rating achievable.

## **REMUNERATION COMMITTEE**

The Board appointed a remuneration committee to examine the Chief Executive's performance annually and to set performance criteria consistent with the corporate plans.

## **STANDING ORDERS**

The Board has adopted standing orders to ensure the orderly and effective conduct of the meetings of the Board of the Agency and they have been drawn up as stipulated in Section 12. (7) of the Consumer Protection Act 2007.

## **FINANCE**

The National Consumer Agency is funded by way of annual grant from the Department of Enterprise Trade and Employment. In 2008 the Agency's grant was €9.5 million. The Agency's accounts are subject to audit by the Comptroller & Auditor General and the audit of the 2008 financial statements is underway and is scheduled to be completed early in the 2<sup>nd</sup> quarter of 2009. At the time of writing, the provisional, unaudited financial statements show an actual expenditure of €7.4 million for 2008. The significant underspend arose due to lower than planned staffing levels, non spending on decentralisation, due to the deferment of the Agency's decentralisation plans and reduced spending in most other operational areas due to the current challenging budgetary climate.

**MEMBERSHIP OF THE BOARD**

In accordance with Section 10 (7) of the Consumer Protection Act 2007, two Board members, namely Mr. Bill Prasifka and Dr. Ed Shinnick retired from office. Both were subsequently re-appointed to the Board by the Minister.

# APPENDICIES

## APPENDIX 1

### ENFORCEMENT ACTIVITY IN 2008

#### PROHIBITION ORDERS

Preparations were initiated in 2008 to seek prohibition orders in a number of cases. However, as of 31<sup>st</sup> December 2008, these proceedings had not yet come before the Courts.

#### UNDERTAKINGS OBTAINED BY THE AGENCY

##### **AIRPORT USED CAR CENTRE LTD. AIRPORT RD. SWORDS, CO. DUBLIN**

In August 2008 Airport Used Car Centre Ltd. undertook to comply with Section 42 and Section 43 of the Consumer Protection Act 2007 by refraining from selling “clocked” cars and undertook to compensate consumers affected by the misleading commercial practice within 4 weeks of an application for such compensation by an affected consumer.

##### **ORANGE MOTORS LTD. 60 KEANE ST. KILLALEE, CO. LIMERICK**

In March 2008 Orange Motors gave an undertaking to comply with the prohibition on misleading commercial practices imposed by Section 42 and Section 43 of the Consumer Protection Act 2007 by refraining from altering the reading of car odometers, selling or offering for sale, cars with altered odometer readings and to compensate consumers prejudiced by such misleading commercial practices.

##### **ARCH MOTORS LTD. WESTSIDE, CO. GALWAY**

In June 2008 Arch Motors Ltd. gave an undertaking to comply with the prohibition on misleading commercial practices imposed by Section 42 and Section 43 of the Consumer Protection Act 2007 by refraining from selling or offering for sale, cars with altered odometer readings and to compensate consumers prejudiced by the misleading commercial practices within four weeks of an application by the consumer.

**BANNERTON MOTORS LTD. BALLINASLOE, CO. GALWAY**

In November 2008 Bannerton Motors Ltd. undertook to comply with the prohibition on misleading commercial practices imposed by Section 42 and Section 43 of the Consumer Protection Act 2007 by refraining from selling "clocked" cars and undertook to compensate consumers affected by the misleading commercial practice within 4 weeks of an application for such compensation by an affected consumer.

**NATIONWIDE CAR GLASS LTD. T/A ALLIED IRISH WINDSCREENS, 39/41 CRUMLIN RD. DUBLIN 12**

In April 2008, Nationwide Car Glass Ltd. gave an undertaking to comply with the provisions of Section 43 (1) and Section 55 (1)(h) of the Consumer Protection Act 2007 by refraining from carrying a misleading representation in their advertising which could give consumers the impression that a windscreen repair service would be "free".

**MAGAZINES 365 LTD. T/A MAGAZINES 365.COM, GENOA HOUSE, 1A DRUMMARTIN RD. DUBLIN 14**

In October 2008, Magazines 365 Ltd. undertook to comply with the general prohibition on misleading commercial practices imposed by Section 42 and Section 43 of the Consumer Protection Act 2007 by having adequate procedures in place for dealing with customers complaints, refunding customers for non delivery of magazines and refraining from taking subscriptions for magazines which were not available to the general public. They also undertook to compensate consumers prejudiced by the unfair and misleading commercial practices in which it had engaged.

In addition to the above, undertakings were obtained from two furniture retailers to refrain from misleading advertising practices. Given that the businesses in question were small, local operations and considering the nature of the advertising in question, the Agency took the view that publication of the undertakings was not warranted in these cases.



## COMPLIANCE NOTICES

### TRADERS WHO CHARGED MORE FOR CONSUMER GOODS THAN THE PRICE DISPLAYED.

#### NUMBER OF BUSINESSES: 28

- Supervalu, 83 Tullow St. Carlow
- Newsplus Ltd. t/a Donohoe's, 13 Farnham Rd. Cavan
- Sean Sharkey t/a Sharkeys Service Station, Farnham Rd. Cavan
- Jimmar Ltd. t/a Argue's Londis, Railway Rd. Cavan
- Drumacon Retail Enterprise Ltd. t/a Fitzpatrick's Gala, Creeny, Belturbet, Co. Cavan
- Finchwood Retail Ltd. t/a Londis Marble Arch, Main St. Blacklion, Co. Cavan
- Donal Hayes, Gala Shop, O'Connell St. Kilkee, Co. Clare
- Haugh's Central Stores Ltd. t/a Mace, O'Curry St. Kilkee, Co. Clare
- Anthony Fallon, Eurospar, Main St. Corofin, Co. Clare
- Peadar Aspel, Aspel's Centra, Killeagh Rd. Youghal Co. Cork
- Gerry Fagan, Gerrys Supermarket, 31 Strand St. Skerries Co. Dublin.
- Ireland Roc Ltd. t/a Manor Service Station, St Peters Road, Walkinstown Dublin 12
- Woodie's D.I.Y. Ltd. t/a Woodies DIY, The Park, Carrickmines, Dublin 18
- DSG Retail Ireland Ltd. t/a Curry's, Unit 9(a), The Park, Carrickmines, Dublin 18
- Knockcullen Retail Ltd. t/a Daybreak, 4 Lower Georges St. Dun Laoghaire Co. Dublin
- Joyces Supermarket Knocknacarra Ltd. Church Rd. Headford, Co. Galway
- TJN Ltd. t/a Nestors Supervalu Orantown Centre Oranmore Co. Galway
- Harvey Norman Holdings Ireland Ltd. t/a Harvey Norman, Manor West Retail Park, Tralee, Co. Kerry
- Peleton Ltd. t/a Supervalu Supermarket, Thomastown, Co. Kilkenny
- Kevin Keane, Costcutters Express, Main St. Rathdowney, Co. Laois
- A.S. Watson (Health and Beauty Ireland) t/a Superdrug, 11-12 William St. Limerick
- Tesco Ireland Ltd. t/a Tesco, Dundalk Shopping Centre. Dundalk, Co. Louth
- Derek Moran, Moran's Eurospar, Bredin St. Drogheda, Co. Louth
- Southbeg Malt Ltd. t/a Conlon's, Londis, Dublin Rd. Dundalk, Co Louth
- JV Cummins (Supermarkets) Ltd. Supervalu, New St. Ballinrobe, Co. Mayo
- Palos Hills Ltd. t/a Eason, Tone St. Ballina, Co. Mayo
- Connolly's Ltd. t/a Connolly's Service Station, Mall Rd. Monaghan
- Peter McMahon, McMahon Centra Supermarket, The Glencairn Centre, Main St. Castleblaney, Co. Monaghan

## FIXED PAYMENT NOTICES

### EC (REQUIREMENT TO INDICATE PRODUCT PRICES) REGULATIONS, 2002.

#### FIXED PAYMENT NOTICES PAID TO THE AGENCY: 35

- Jimmar Ltd. t/a Argue's, Londis, Railway Rd. Cavan
- Blue Island Ltd. t/a Liddy's Gala, Supermarket Tulla Rd. Ennis, Co. Clare
- Carmac Ltd. t/a Spar, Esso Service Station, Cork Rd. Skibbereen, Co. Cork
- Maol Rua, Catering Ltd. t/a McGettigans Bakery, Main St. Milford, Co. Donegal
- Lanabus Ltd. t/a Londis, 45 Thomas Hand St. Skerries, Co. Dublin
- Knockcullen Retail Ltd. t/a Daybreak, 4 Georges St. Dun Laoghaire, Co. Dublin
- Eason & Son Ltd. 80 Middle Abbey St. Dublin 1
- Michael Dawson, Spar 21-24, Capel St. Dublin 1
- Michael Feeney, Grange Service Station, Grange Rd. Dublin 13
- Eileen Lawless, The Corner Shop, 1 Dodder Terrace Irishtown, Dublin 14
- DSG Retail Ireland Ltd. t/a Currys, Unit 7, The Park, Carrickmines, Dublin 1
- Carleismo Ltd. t/a Londis, 5 College Green, Dublin 2  
(Total Fixed Payments Notices Issued: 2)
- Marcon Retail Ltd. t/a Number 1 Shop, 25/26 Dominick St. Galway
- Joyces Supermarket Ltd. Church Rd. Headford, Co. Galway
- Wolseley Ireland Ltd. t/a Brooks Racecourse Rd. Parkmore, Ballybrit, Galway  
(Total Fixed Payments Notices Issued: 4)
- TJN Ltd. t/a Nestor's, Supervalu, Orantown Centre, Oranmore, Co. Galway
- P & T Fitzgerald (Tralee) Ltd. Main Street, Dingle, Co. Kerry
- Eddie Daniels/ Kevin Kelly, Costcutters, Main St. Derrinturn, Co. Kildare
- Kevin Keane, Costcutters Express, Main St. Rathdowney, Co. Laois
- Dermot Daniels t/a Centra Main St. Portarlinton, Co. Laois
- Richard Slevin, The Cottage, Bracklone St. Portarlinton, Co. Laois.
- P.J. Kelly Ltd. Castlebar Rd. Westport, Co. Mayo
- J.V. Cummins (Supermarkets) Ltd. Supervalu, New St. Ballinrobe, Co. Mayo
- Heiton Buckley Ltd. Industrial Estate, Castlebar, Co. Mayo
- Tir Chonaill Service Station Ltd. Ardee Rd. Carrickmacross, Co. Monaghan
- Fergus Byrne, Byrnes Discount Fuels t/a Byrnes Gala, Geashill, Co. Offaly
- Allen Stores Ltd. t/a Quinns, Centra Main St. Daingain, Co. Offaly
- Gerry Mc Inerney, Gala, Ferry Service Station, Lorrha, Nenagh, Co. Tipperary
- Lyndcliffe Ltd. Flannagans Foodstore, Londis, Castlebridge, Co. Wexford
- C & P Enterprise Ltd. Maxol /Mace Ardavan, Co. Wexford
- Tommy Hyland, Gorey Motor Factors, Railway Rd. Gorey, Co. Wexford

## PROSECUTIONS

### EC (REQUIREMENT TO INDICATE PRODUCT PRICES) REGULATIONS, 2002

- Tesco Ireland Ltd, in respect of offences at Tesco, Dundrum Town Centre, Dundrum, Dublin 14.  
**Fined €1500. Costs €2000 plus VAT**
- Thomas Welby, in respect of offences at Gala Welbys, Main St, Oughtarard, Co Galway.  
**Fined €300. Costs €1500 plus VAT. Expenses €250**
- AKS Foods Ltd, in respect of offences at Corbitts, 13 Meath St, Dublin 8.  
**Fined €300. Costs €500 plus VAT.**
- Mark Power, in respect of offences at Powers Londis Supermarket, Edenmore Shopping Centre, Dublin 5.  
**Fined €800. Costs €500 plus VAT.**

### MERCHANDISING MARKS ACT 1887 (AMENDED BY SECTION 4 CONSUMER INFORMATION ACT 1978)

- Kevin McGann t/a Kilgarve Cars, in respect of offences at Kilgarve Cars, Dolans Service Station, Kilgarve, Ballinasloe, Co Galway. (Selling a car with a false odometer reading). **Fined €2000.**

### CONSUMER PROTECTION ACT 2007

- Sean Sharkey t/a Sharkeys Service Station, in respect of offences at Sharkeys Service Station, Farnham Road, Cavan, Co Cavan - (a) misleading indication of the price of a grocery product and (b) failure to comply with the direction of a compliance notice.  
**Fined €250. Costs €990 plus VAT.**

## Appendix 2

# Recalls submitted to the European Commission by Ireland 2008

	Organsation conducting recall	Product
1	Argos Ltd & Homebase Ltd	Lighting: Floor Standing Halogen Uplighter.
2	Banaghans & Company Limited	Toys: Colored Growing Pets & Growing Pet Hatch'Em Egg.
3	Cathay Product Sourcing Ltd.	Toys: Remote Control Toy Battle Tank.
4	Dept. of Health & Children	Cosmetics: Clear Essence Advanced Complex Fade Gel with Sunscreen.
5	Dept. of Health & Children	Cosmetics: Clear Essence Medicated Fade Crème with Sunscreen.
6	Dept. of Health & Children	Cosmetics: Clear-N-Smooth Skin Toning Cream with Vitamin E and Sunscreen.
7	Dept. of Health & Children	Children's make up: Dasini Perfect Face Paint Make Up set.
8	Dept. of Health & Children	Children's make up: Fantasy Girl & the Pegasus Children's Cosmetic Set.
9	Dept. of Health & Children	Children's make up: Girlz Cosmetic Sets for Children.
10	Dept. of Health & Children	Children's make up: Girlz Super Compact Cosmetic Case.
11	Dept. of Health & Children	Children's make up: Girlz Vanity Organiser Children's Cosmetic Set.
12	Dept. of Health & Children	Cosmetics: G&G Lightening Beauty Crème.
13	Dept. of Health & Children	Children's make up: Its Girl Stuff Make Up box.
14	Dept. of Health & Children	Cosmetics: Kimyon Gives you Freshness Lip Gloss & Eye shadow Set.

15	Dept. of Health & Children	Cosmetics: Kimyon Tracy Happy Hour Glamour Make Up Set.
16	Dept. of Health & Children	Cosmetics: Peau Claire Lightening Body Oil with Vitamin E.
17	Dept. of Health & Children	Cosmetics: Laboratoire Pharmaplus QEI+ Paris Moisturising Lightening Body Lotion.
18	Dunnes Stores	Clothing: Baby Velcro Jogger.
19	Dunnes Stores	Homeware: Magnolia Centerpiece Candle Holder.
20	Dunnes Stores	Car seat: Remi 2 Travel basic Car Seat.
21	Dunnes Stores	Homeware: Three Stand Candle Holder.
22	Early Learning Centre Ltd.	Cosmetics: Face Painting Kit.
23	Fen Fong Chinese Restaurant, Dunmanway, Co. Cork.	Lighting: Chinese Hurricane Lantern.
24	Heatons Retail Ltd. Ireland	Clothing: Baby Girl Denim Jeans.
25	Heatons Retail Ltd. Ireland	Clothing: Baby Girl Denim Skirt & leggings.
26	Jaguar Cars Ireland	Vehicle: Jaguar XK Coupe and Convertible models – Software problem leading to incorrect deployment of airbags.
27	Jaguar Cars Ireland	Vehicle: Jaguar XF Models – Software problem affecting driver warning lights.
28	Nirvana, Dublin	Lighting: Coconut Animal Lamps.
29	Royal County Products Ltd. Co. Meath	Toys: Wild World Magic Grow Reptile and Dinosaur Eggs.
30	TK Maxx	Clothing: Joufflu Dee, Doodle Dee and Dormouse Collection of Babygrows and two-piece sets.
31	Toyota Ireland	Vehicle: Toyota Auris – Possible braking defect.
32	Volkswagen Group Ireland	Vehicle: Volkswagen Tiguan 2.L TDI – Faulty earth connection.

