

# Nailed!

## Marque Lawyers' semi-regular wrap up of who's been sprung by the ACCC and how much it cost them

### Harvey Norman ordered to pay \$1.25 million for misleading advertising

Roll up, roll up! See how Harvey Norman got slammed by the ACCC for misleading advertising! Now in 3D!

Get those 3D glasses on – actually you probably won't need them since Harvey Norman isn't selling nearly as many 3D TVs as advertised in its "3D Finals Fever" catalogue campaign last year.

The Federal Court said Harvey Norman had falsely represented that 3D TVs to watch the 2010 AFL and NRL grand finals were available everywhere that they distributed their catalogue.

Turns out that although the catalogues were distributed Australia wide, the 3D broadcast was limited to only some metropolitan cities across the country. So, the Court demanded the retailer "go Harvey, go!" – all the way to the bank and cough up a fine of \$1.25 million.

### ACCC accepts undertaking for formaldehyde misrepresentations in hair product

If there is one thing that women living in a humid town like Sydney will tell you – it's that frizzy, unmanageable hair is worse than coal in your Christmas stocking. You can imagine the excitement that ensued when the new Organix Ever Straight Brazilian Keratin Therapy products hit town. Word is they'll make your hair as straight as the bristles on a new broom.

The Australian distributor of this wonder product faced some curly questions from the ACCC when they failed to mention that the products contained formaldehyde and other nasties.

The distributor admitted that the representations were untrue and has provided an undertaking to the ACCC that it will not make any future misleading representations and will establish a refund and product exchange program for affected customers.

Phew, that was a close shave.

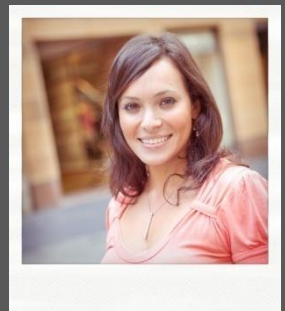
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## **Wicked Campers pays infringement notices**

When you think campervans – you probably think family holidays – and then naturally you think of the Griswolds from the National Lampoon movies.

But when the ACCC thinks campervans, it thinks “Wicked Campers” – who made a number of misleading representations on its website and in a national backpacker magazine. The ACCC said that Wicked’s ads failed to identify the single total price for the campervans, as well as failing to disclose certain fees and charges.

The fact these ads were largely targeted at back-packers, who are always skint, probably didn’t help.

The ACCC issued four infringement notices totalling \$26,400. These notices are a relatively new ACCC power. They’re a kind of on-the-spot-fine – like if you get caught shoplifting or vomiting in heritage listed houses. Totally wicked dude? Not so much.

## **Court finds TPG broadband advertisements false and misleading**

Looks like the ACCC has its eyes on the telco and internet providers. In our last update we reported on how naughty Optus had been in making various misleading representations in one of its broadband campaigns.

Now TPG Internet Pty Ltd is on the chopping block for the exact same thing. Its “\$29.99 Unlimited ADSL2+” campaign misled customers into thinking they could sign up without acquiring any additional service or paying any additional monthly fee.

Turns out the internet plan was in fact \$59.99 per month because the ADSL2+ service was only available when purchased with home line rental costing \$30 per month. The Court will hand down its penalty order soon, putting the entire telco industry on hold, with elevator music on constant loop.

## **Korean Air Lines penalised \$5.5 million for price fixing cartel**

The ACCC continues its slaughter of various international airlines found price fixing on their cargo flights. Korean Air Lines is the eighth airline to be fed to the lions, ahem, ACCC.

Like Japan Airlines before it, the Federal Court has ordered Korean Air Lines to cough up \$5.5 million for its participation in the cartel. The orders reflected a settlement with the ACCC after Korean Air Lines admitted doing the dodge.

This penalty, combined with those already ordered against other airlines, amounts to a whopping \$52 million, being the highest total penalty in Australia for a single investigation. We’ve already boycotted hand towels and complimentary peanuts in protest.

Now we’re boycotting those free headsets and toothbrushes too.