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12 November 2014

Feature Article

Deceptive Conduct

Part II

They say, *looks can be deceiving*.

Day in and day out, many buyers of the second hand vehicles suffer at false or misleading information furnished to them by used-vehicle traders. This leads them to buy a vehicle, which may look new and has done low mileage.

One can easily be deceived by an extreme cosmetic makeover and a hyped up advertisement. The gimmick used by some second hand vehicle traders, promising a *quality* vehicle, which sometimes is far from reality.

As highlighted last week, to curb misinformation and misrepresentation, the Fiji Commerce Commission has formulated a Self Regulating Guideline(SRG) for sale of Second Hand Motor Vehicle in Fiji.

A key point in the SRG is that a trader must not furnish false or misleading information to a consumer that deceives or is likely to deceive a consumer.

In any circumstance, the trader must not engage in the following misleading or deceptive conduct:

- any form of deceptive conduct that will adversely affect the consumers' choice and decision;
- providing any kind of misleading information either verbally, written or visually;
- providing any misleading information verbally while discussing or in the course of discussion prior to the sale of the vehicle;
- misrepresenting the specification or history of the vehicle, for example by making; misleading statements about the service history, any previous accident damage, number of previous owners, the technical specification, mileage records and other essential information about the vehicle;

- falsely claiming that a vehicle history check has been carried out with the relevant Authorities.

The SRG also stresses on creating a misleading impression about the previous usage of a vehicle. For example, giving the impression that a vehicle had one previous user, through the use of statements “one previous owner”, when in fact, the vehicle was used by multiple owners for business purpose (such as an ex-rental, driving school vehicle or taxi)

A trader must provide consumer with all the information about the vehicle that a consumer needs to make an informed decision. The trader must not omit or hide any information about the motor vehicle that could adversely affect the decision of the consumer.

The SRG further places emphasis on the *misleading advertisements*. The second hand vehicle traders should refrain from misleading advertisements about the used-vehicles available for sale in the market place.

Traders must provide true, correct and consistent information on the advertisement of the vehicle. This is applicable in showrooms, newspapers, on websites, emails, texts, or other types of documentation provided to the prospective buyer.

The price of the vehicle must be advertised must be the same regardless of whatever advertising medium is used. All prices of the motor vehicle in the advertisements must be stated as a **Vat Inclusive Price (VIP)**.

Also, traders must not sell a vehicle at a price, which is more than the advertised price of the vehicle.

Any advertisement of the second hand motor vehicle must not falsely state: the age of the vehicle, mileage, value of the vehicle, previous usage and the number of owners, the accident records, manufacturing detail, model or any other information that could adversely affect the consumer. Advertisements must disclose all the **fees and charges** that are required to be paid by the consumer. All advertisements irrespective of the medium used, must have a commencement and closure date.

The Council encourages all second hand vehicle traders to read the SRG, so they conduct their business in a forthright manner.

Next Week, read on *Checklist* which the second hand vehicle dealers must provide to the consumers when selling used vehicles.