

19 January



“Stop Now” letter issued to suspected pyramid scheme

The New Zealand Commerce Commission (NZCC) issued a “Stop Now” letter to a promoter of Lion’s Share, a cryptocurrency operation. This was part of its ongoing investigation into the operation, which it suspected may be an illegal pyramid scheme under the Fair Trading Act.

28 April



District Court finds Vodafone guilty in relation to FibreX

The NZCC brought successful proceedings against Vodafone in relation to its “FibreX” broadband services. The District Court found that the branding and promotion of FibreX was liable to mislead consumers into believing that the service was a fibre-to-the-home service when it was not. [Read more...](#)

20 July



Kmart gives undertaking to improve toy safety procedures

The NZCC closed its investigation into Kmart following the receipt of court enforceable undertakings that the retailer would improve its toy safety procedures. The NZCC considered that labelling a toy as unsuitable for children under three would not absolve a supplier of its safety obligations to those under the age of three.

16 August

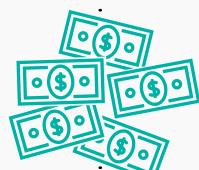


Fair Trading Amendment Bill receives Royal Assent

Key changes to the Fair Trading Act, which have yet to come into force, include:

- the application of the unfair contract terms regime to small trade contracts,
- a prohibition on unconscionable conduct in trade, and;
- amendments to the uninvited direct sales provisions. [Read more...](#)

8 September



Warning letter issued for Aotea Square cash drop

The NZCC issued a warning to The Safety Warehouse for engaging in conduct likely to mislead following the retailer’s promotion of “The Drop” event held in Aotea Square, Auckland. The PR event had promised a \$100k cash drop from the sky, but only \$3,600 of real money was given away.

15 September



Is your disposable coffee cup recyclable?

Following the release of its 2020 Environmental Claims Guidelines, the NZCC issued a warning to Glopac NZ Limited for representations that its hot drink cups were “recyclable”. It considered the claim misleading given that hot drink cups cannot be recycled in NZ kerbside recycling. [Read more...](#)

22 September



When lowest prices don’t have to be the lowest

The District Court dismissed proceedings brought by the NZCC which had alleged that Bunning’s “lowest price guaranteed” representations were liable to mislead the public. The Court concluded that “consumers can be trusted to use their common sense”. [Read more...](#)

18 November



New Financial Advertising Code Implemented

Following consultation, the Advertising Standards Authority has implemented the new Financial Advertising Code which is to be effective from 1 March 2022 for new financial advertising, and 1 June 2022 for all financial advertising. The new Code substantially expands the definition of “financial product or service” and requires advertisers to observe an increased level of social responsibility when advertising. [Read more...](#)

On the horizon for the new year...

Significant reforms to NZ consumer law

Outlined below are the key things you and your business should look out for under the new Fair Trading Amendment Act 2021 (Amendment Act). The Amendment Act introduces significant new protections against unfair commercial practices, which come into force on 16 August 2022.

Unfair contract terms regime extension to small trade contracts

About the reform:

The unfair contract terms regime will be applied to small trade contracts.

What it means for you:

If you are engaged in trade under a standard form business to business contract with an annual value less than \$250,000, we recommend reviewing whether the terms could be considered to cause a significant imbalance in parties rights and obligations, detriment to a party, or whether it is reasonably necessary to protect legitimate interests.

A prohibition on unconscionable conduct in trade

About the reform:

The reform introduces a new prohibition on unconscionable conduct in trade, modelled on the Australian prohibition.

What it means for you:

To avoid the risk of falling into the broad scope of unconscionable conduct, we recommend businesses ensure their conduct is justifiable, adhering to the relevant industry codes and societal norms, and is in line with accepted business practices in their specific industry.

Any questions? Talk to one of our experts



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