

## Consumer Alert

14 August 2009

### **HIGH COURT STANDS BY DECISION TO GRANT INTERIM INJUNCTION AGAINST GARRAWAY**

The Consumers Association of Singapore (CASE) has commenced declaration / injunction proceedings against Garraway Enterprises Limited Singapore Branch ("Garraway") on 4 February 2009 for breaching the Consumer Protection (Fair Trading) Act (CPFTA), namely, by exerting undue pressure on its consumers, misleading and/or false claims and/or representing that a price benefit or advantage exists in respect of a good or service where it does not, and sought injunction against all three unfair practices.

On 22 April 2009, District Judge Ong Chin Rhu ordered an injunction to be granted with effect from 29 April 2009 to restrain Garraway, whether by themselves, their employees or agents, from representing that a price benefit or advantage exists in respect of the purchase or booking of flight tickets or tour packages by members of the Concepts Vacation Club through Garraway, their employees or agents, other than stating that Garraway give these members a price guarantee in that Garraway would match or beat any lower prices quoted by other suppliers, until the trial of DC Suit No 380/2009/P.

CASE appealed against the decision of the District Judge on 4 May 2009 for refusing to order that Garraway, whether by themselves, their directors, officers, servants, employees and / or agents, be restrained, pending the trial of the action, from offering gifts, prizes or other free items to induce a customer to attend a sales presentation where Garraway know or ought to know that the said gift, prize or item will not be provided or provided as offered, and taking advantage of a consumer by exerting undue pressure and / or undue influence on a consumer to enter into a transaction to buy Garraway's Concepts Vacation Club membership or any other goods or services offered.

Garraway appealed against the decision of the District Judge on 5 May 2009 for ordering that an injunction be granted with effect from 29 April 2009 to restrain Garraway, whether by themselves, their employees or agents, from representing that a price benefit or advantage exists in respect of the purchase or booking of flight tickets or tour packages by members of the Concepts Vacation Club through Garraway, their employees or agents, other than stating that Garraway give these members a price guarantee in that Garraway would match or beat any lower prices quoted by other suppliers, until the trial of DC Suit No 380/2009/P.

The appeal was heard before Justice Tay Yong Kwang in the High Court on 6 August 2009. Justice Tay dismissed both appeals but made a slight addition to the District Judge's order. The order now reads "an injunction be granted with effect from 29 April 2009 to restrain the Defendants (Garraway), whether by themselves, their employees or agents, from representing that a price benefit or advantage exists in respect of the purchase or booking of flight tickets or tour packages by members of the Concepts Vacation Club through the Defendants (Garraway), their employees or agents, other than stating that the Defendants (Garraway) give these members a price guarantee in that the Defendants' prices are competitive and that the Defendants (Garraway) would match or beat any lower prices quoted by other suppliers, until the trial of DC Suit No 380/2009/P".

CASE accepts the decision of Justice Tay and would not be filing an appeal.