

DIY department store chain misleading consumers

The Competition Council of the Hungarian Competition Authority (GVH) established in its decision that a behaviour of Bricostore Hungaria Beszerzési Kft. (Bricostore Hungaria Purchasing Ltd.) and Bricostore Hungaria Barkácsáruház Kereskedelmi Kft. (Bricostore Hungaria DIY [do-it-yourself] Department Store Commercial Ltd.) was suitable for deceiving consumers. The two undertakings did not appropriately inform their consumers about the price of some products in its leaflets published last year, therefore they have been fined HUF 2 million each.

During the competition supervision proceeding, the GVH established that the two undertakings deceived their consumers several times last year. The discount prices of the Hauraton Recyfix lawn grid and the Adria Kombi pool indicated in the leaflet "May Market" were more favourable as they were in fact between 26 April and 15 May 2006. It was promised in the same issue with reference to a promise made in the leaflet "Kert, szabadidő 124 oldalon" ("Garden, free time on 124 pages"), that the discount price of the pool would be valid from 22 March till 31 July. In the leaflet "Fűtés Magazin" (Magazine of Heating) the two undertakings gave the impression that the advertised price of the Tangara fireplace (the price was valid from 13 September till 16 October) included not only the price of the stone cover, but also that of the furnace chamber. For these infringements Bricostore Hungaria Beszerzési Kft. and Bricostore Hungaria Barkácsáruház Kereskedelmi Kft. had to pay a fine HUF 2 million each.

The basis for calculating the amount of the fine was the cost of the advertisement. The GVH regarded as mitigating circumstances, that in the department store in Győr the lawn grid was sold at the advertised price although only in a limited amount, i.e. they accepted the complaint of consumers and treated them in a suitable way. However, the GVH has not considered as a mitigating circumstance that on the backside of the leaflets the following sentence was printed: "We did not take any responsibility for possible misprints". The parties could namely not be exempted from the consequences under competition law by making such a statement. All the undertakings can be expected to check their respective printed leaflets before dissemination. The GVH already fined Bricostore Kereskedelmi Kft. in 2000, but it did not consider that as an aggravating circumstance. After the latest infringement more than 5 years passed.

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