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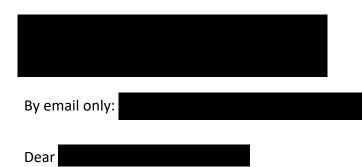
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14 September 2020



Official Information Act #20.007 - Unsubstantiated Environmental Claims

- 1. Further to our letter of 5 August 2020, the information you have requested is outlined below.
- 2. Section 12A of the Fair Trading Act 1986 (FTA) deals with unsubstantiated representations.¹ The section came into force on 17 June 2014.²
- 3. The Commission has had two section 12A FTA matters dealing with unsubstantiated representations relating to environmental claims which resulted in a fine or warning.

Unsubstantiated environmental claims - fine

- 4. The section 12A FTA matter resulting in a fine relates to Kiwipure Limited (Kiwipure). Kiwipure was fined \$162,000 for making unsubstantiated claims about the benefits and effectiveness of its magnetic water filtration system, including (relevant to environmental claims) that it:³
 - 4.1 saves electricity;
 - 4.2 uses less washing powder;
 - 4.3 invigorates your garden; and
 - 4.4 uses less concentration when spraying weeds.

¹ <u>http://www.legislation.govt.nz/act/public/1986/0121/latest/DLM6156605.html</u>

² We have treated the relevant time period for your request as 17 June 2014 - 8 July 2020.

³ Commerce Commission v Kiwipure Limited [2019] NZDC 12149 at [7].

5. You can access the Kiwipure judgment and sentencing notes in the Case Register on our website.⁴

Unsubstantiated environmental claims - warning

- The section 12A matter resulting in a warning relates to Auckland Commercial Solar Limited, trading as Supercharged Energy. The warning letter (dated 3 June 2020) will be published in the Case Register on our website shortly.⁵
- 7. We found that Supercharged was likely to have breached section 12A of the FTA by (relevant to environmental claims) making unsubstantiated claims on its website at <u>www.superchargedenergy.co.nz</u> about the total carbon emissions saved as a result of its installations.
- 8. A warning is not a finding of non-compliance; only Courts can decide whether a breach of the law has occurred.

Further information

- 9. There are 13 other matters relevant to unsubstantiated representations (but not relevant to environmental claims); you can access these in the Case Register on our website by filtering to section 12A of the FTA.
- 10. Please note the Commission will be publishing this response to your request in the OIA Register on our website.⁶ Your personal details will be redacted from the published response.
- 11. Please do not hesitate to contact us at <u>oia@comcom.govt.nz</u> if you have any questions about this request.

Yours sincerely

Mary Sheppard OIA Coordinator

⁴ <u>https://comcom.govt.nz/case-register/case-register-entries/kiwipure-limited</u>

⁵ <u>https://comcom.govt.nz/case-register</u>

⁶ <u>https://comcom.govt.nz/about-us/requesting-official-information/oia-register</u>