



# Trading Standards BUSINESS MATTERS

January 2008

Up-to-date news for Businesses

## New Trading Laws on the way

From April 2008 a major change to Trading Laws will take place. The Consumer Protection from Unfair Trading Regulations (CPRs) will introduce, for the first time into UK law, a general duty on all businesses not to trade unfairly with consumers.

This will be the most significant change in consumer protection legislation since the introduction of the Trade Descriptions Act in 1968. The Government states that it believes the simplification and modernisation of the existing framework will also make the law easier for businesses, consumers and enforcers to understand and apply. As this arises from an EU Directive it will also lead to harmonisation for businesses trading across the EU.

The CPRs broad scope means that it inevitably overlaps with existing laws, the Government therefore intends to repeal provisions in 22 laws, including pricing, descriptions and credit advertising.

The CPRs will mean businesses must not mislead consumers through acts or omissions, or subject them to aggressive commercial practices such as high pressure selling techniques. The Regulations also provide additional protections for

vulnerable consumers. Some of these protections broadly replicate existing legislation, but others are new.

The Regulations set out tests to decide whether a commercial practice is unfair, whether an action or omission is misleading, and whether an action is aggressive. The tests focus on the nature and content of the practices and their likely impacts on typical consumers.

Also a list of 31 practices will be prohibited at all times, including refusing to leave a consumer's house when requested to do so, false closing down sales, persistent sales calls, adverts with direct exhortation to children to buy products, and misleading prize draws.

Businesses, as a minimum, will need to review existing practices to analyse their fairness, and to ensure that none fall within the 31 practices banned in all circumstances.

In addition there are new rules for Business to Business transactions, the Business Protection from Misleading Marketing Regulations seek to protect businesses from misleading advertising.

Now is the time for businesses to review their working practices to ensure compliance with both Regulations. If you have queries please contact our free Business Advice Line on **0116 305 8000**





# Watch out for **scammers**

Con merchants do not only target consumers. There is 'good' money to be made from businesses. Usually the scammer relies on careful phrasing to trick businesses, here are some examples:-

## one

A form arrives from a city guide or directory. It asks you to update your details, cost free & implies that you will be included in their directory or guide. If you send the form off, signed as requested, you will receive an invoice for hundreds of pounds.

The small print reveals that – whilst updating your details is free – entry in the directory most certainly is not. They claim that signing the form comprises an order for an entry. The European Parliament is hoping to outlaw this type of misleading practice. In the meanwhile TAKE CARE.

## two

A telephone caller tells your receptionist that your order for an item of stationary is ready for delivery. Where should it be delivered? Often the receptionist gives the office address, not suspecting foul play.

Boxes of low quality product are then delivered, quickly followed by an invoice for an exorbitant price. On questioning this unexpected delivery, you will probably be told that they have a recording of your receptionist (by name) placing the order.

Notify the seller that the goods are unsolicited & you will charge £x per week for storage until they collect them or the storage cost reaches their bill.

## three

Beware of businesses which claim to be selling advertising in diaries, calendars etc, and inferring that they are working with the police, fire or ambulance service. It is unlikely to be true, so check with your local emergency service.

## four

A scheme targeted at businesses who are or who may in the past have been involved in share dealing or investments. The bogus seller pesters businesses with calls about software to trade in the stock market. But it does not do what the company verbally represent it is capable of. Result- loss of money rather than any gain. Be very careful with verbal claims, especially from unsolicited callers.

If you have any doubt whether something is a scam, please ring our Business Helpline on **0116 305 8000**

# Time to ditch your old flames

In response to accidental fires started by children playing with cigarette lighters the European Commission has introduced a Europe wide ban on novelty lighters and most lighters that aren't child resistant.

If you are a manufacturer or importer you should have stopped producing or buying novelty lighters and lighters that aren't child resistant on March 11<sup>th</sup> this year, subject to the exceptions below. Documentation should be kept demonstrating that the stock that you have meets relevant standards and showing where and when it was obtained.

If you are a wholesaler or retailer you have until 11<sup>th</sup> March 2008 to clear any old stock that don't comply, after which it will be illegal to sell them. You will need to keep records that show from whom you obtained any lighters you sell. All of them should be properly labelled with warnings and instructions before sale.

All lighters have to comply with basic safety requirements laid out in BS EN ISO 9994:2006, requiring things such as prevention of accidental ignition, maximum flame height, flame stability, and resistance to leaks and damage. They all have to be labelled with warnings and instructions for

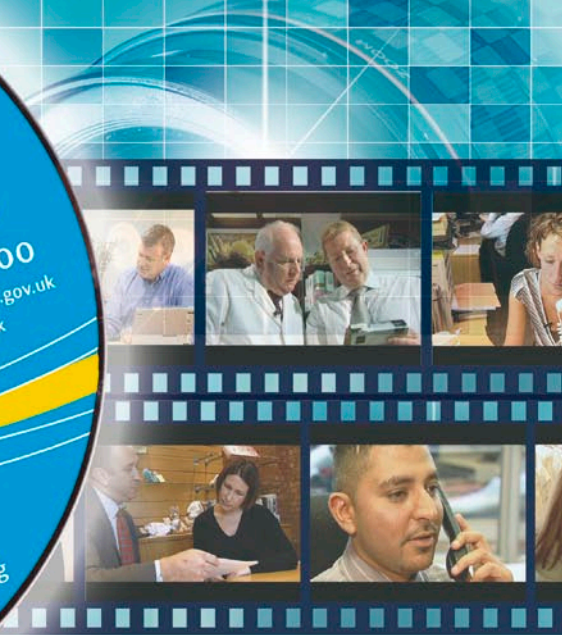


safe use. As a minimum the label should say "**WARNING. KEEP AWAY FROM CHILDREN**" and "**Ignite lighter away from face**".

Most lighters now have to be child resistant too, being difficult for very young children to operate. The exceptions to this requirement are for refillable lighters sold with a 2 year written guarantee and for those intended for special purposes such as barbecue lighters.

Various ways have been developed to make lighters child resistant. A common method is to use spring loading on the flint wheel, but there are no rules about how to achieve child resistance so the only way to be sure is to seek confirmation from suppliers that they comply.





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