



MEDIA RELEASE

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Charcoal Thai 1 restaurant ends unfair practice of misleading representations on discount period following CCCS's investigation

1. Following an investigation by the Competition and Consumer Commission of Singapore ("CCCS") of Charcoal Thai 1 restaurant, CCCS is of the view that Charcoal Thai 1 has breached section 4 of the Consumer Protection (Fair Trading) Act (Cap. 52A) ("CPFTA") read with paragraph 18 of the Second Schedule to the CPFTA, which states that it is an unfair practice to represent that goods or services are available at a discounted price for a stated period of time if the supplier knows or ought to know that the goods and services will continue to be so available for a substantially longer period.
2. CCCS started investigating Charcoal Thai 1 in 2018 when it found, as part of its on-going market monitoring efforts, that no end date to the discount period was stated on the promotional materials published on Charcoal Thai 1's website, social media page and in-store posters and menu. These promotional materials also stated that the discounts for meals such as lunch sets and steamboat items were either available for a "limited period only", or would be "Ending Soon! 50% Discount", when in fact they continued to be available for at least another two years since February 2016. Such claims on the discount period not only misled consumers into believing that there is a price benefit and scarcity in the availability of the promotional prices, it also provided Charcoal Thai 1 an unfair advantage over businesses which comply with the CPFTA by making efforts to help consumers make accurate price comparisons, i.e. through providing genuine discounts over a stated period of time and representing this to consumers clearly in their promotional materials.
3. Charcoal Thai 1 has since agreed to cease the unfair practice and not engage in any other unfair practices under the CPFTA. In particular, it has undertaken not to make any representations on discounts or promotions in its promotional materials or any other forms of publicity without specifying the expiry date for those discounts or promotions (see Annex A for more details on the undertaking by Charcoal Thai 1).
4. CCCS has closed its investigation given that Charcoal Thai 1 has taken the necessary steps to adequately address CCCS's concerns. CCCS will, however,

continue to monitor Charcoal Thai 1's conduct, and reserves the right to investigate any breach of the undertaking or any other unfair practices by Charcoal Thai 1.

5. CCCS is also closely monitoring other businesses that engage in similar unfair practices where consumers are made to believe that there is scarcity in the availability of goods or services through misrepresentation of discount or promotion periods. Businesses are reminded not to engage in any practices that are likely to mislead consumers.

- End -

Encl. Infographic: What is a misleading representation on discount period?

About the Competition and Consumer Commission of Singapore

The Competition and Consumer Commission of Singapore ("CCCS") is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act (Cap. 50B) which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act (Cap. 52A) or CPFTA which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for business and consumers in Singapore.

For more information, please visit www.cccs.gov.sg.

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Annex A Undertaking by Charcoal Thai 1

Charcoal Thai 1 has agreed to:

- a. Cease and desist the unfair practice described in paragraph 18 of the Second Schedule of the CPFTA;
- b. Not engage in any other unfair practices as defined under section 4 of the CPFTA or specified in the Second Schedule of the CPFTA; and
- c. Not make representations (whether verbal or written) on its website, Facebook page, in-store displays, posters, menus and any other forms of publicity, promotional materials and advertisements using phrases such as “Ending Soon! 50% Discount” and/or, “Limited period only” without specifying an expiry date.