

MEDIA RELEASE

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Fire Safety & Prevention (SG) Ordered to Cease Unfair Trade Practices

- 1. The State Courts have, on the application of the Competition and Consumer Commission of Singapore ("CCCS"), declared that Kelvin Tan Yaosheng ("Kelvin Tan"), a sole-proprietor trading under the business name "Fire Safety & Prevention (SG)" ("FSPSG"), has engaged in unfair trade practices under the Consumer Protection (Fair Trading) Act (the "CPFTA") involving the supply of fire extinguishers.
- 2. In March 2020, the Consumers Association of Singapore ("CASE") published a Consumer Advisory¹ to alert consumers to the unfair practices of certain suppliers of fire extinguishers, including FSPSG. Around the same time, CCCS commenced its investigations against FSPSG.
- 3. CCCS's investigations revealed that either Kelvin Tan or his ex-employees, Adrian Tan Wei Liang ("Adrian Tan"), Chai Ri Jou ("Zack Chai") or Alex Neo Boon Chong ("Alex Neo"), had, in the course of selling fire extinguishers to consumers, engaged in the following unfair practices under the CPFTA:
 - (a) Represented that FSPSG was affiliated with or approved by the Government, the Singapore Civil Defence Force or various Community Centres to sell fire extinguishers, when it was not.
 - (b) Represented to consumers that there was a new law or regulation requiring each household to own a fire extinguisher by a certain date, when there was no such law or regulation.
 - (c) Represented that PAssion or NTUC cardholders, members of the Pioneer Generation or Singaporeans were entitled to a discount on the purchase of fire extinguishers sold by FSPSG when no such discount existed.

¹ CASE consumer advisory:

- (d) Initially quoted consumers a price of \$17.90 for a fire extinguisher and subsequently charged a higher amount of \$179 for the same fire extinguisher.
- (e) Represented that the fire extinguishers sold by FSPSG were nonrefundable when, in fact, consumers have the right to cancel the purchase of such fire extinguishers and obtain a refund pursuant to the Consumer Protection (Fair Trading) (Cancellation of Contracts) Regulations 2009.
- (f) Represented that customers would enjoy yearly free replacements or servicing of fire extinguishers purchased from FSPSG when, in fact, a replacement would only be provided if the relevant fire extinguisher had certain defects or was used under certain circumstances.
- 4. Consequently, CCCS commenced legal proceedings before the State Courts and the following court orders were made:
 - (a) Kelvin Tan trading as FSPSG was declared to have engaged in the unfair practices referred to in paragraph 3 above and was to stop engaging in any of these unfair practices and any unfair practices under the CPFTA.
 - (b) Adrian Tan, Zack Chai and Alex Neo were to stop abetting or aiding FSPSG to engage in any of the unfair practices referred to in paragraph 3 above and any unfair practices under the CPFTA.
 - (c) Each of these individuals must, over the next two years from the date of the court order, notify CCCS if there are any changes relating to the status of their employment, directorship, partnership, and ownership of a business.
- 5. "CCCS's investigations revealed that Kelvin Tan and his ex-employees had persistently engaged in unfair practices under the CPFTA by making false and misleading claims while carrying out unsolicited door-to-door sales. CCCS will not hesitate to take action against persistently errant suppliers," said CCCS's Chief Executive, Ms Sia Aik Kor.
- "Businesses should provide clear and accurate information on the prices, discounts and rights relating to their goods and services. They should not make false or misleading representations concerning the need for goods and services, or their affiliation to other organisations," Ms Sia added.

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 is the administering agency of the Consumer Protection (Fair Trading) Act (Cap. 52A) or "CPFTA" which protects consumers against unfair trade practices in Singapore. CCCS also administers and enforces the Competition Act (Cap. 50B) which empowers CCCS to investigate and adjudicate on anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. 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

ROLES OF AGENCIES UNDER THE CONSUMER PROTECTION (FAIR TRADING) ACT

The Consumers Association of Singapore ("CASE") and Singapore Tourism Board ("STB") remain the first points of contact for local consumers and tourists respectively to handle complaints. They will assist in obtaining redress and/or compensation through negotiation and/or mediation. Errant suppliers may enter into a Voluntary Compliance Agreement ("VCA") with CASE or STB, where they will agree in writing to stop the unfair trade practice and compensate affected local consumers or tourists. Errant suppliers who persist in unfair trade practices will be referred to the Competition and Consumer Commission of Singapore ("CCCS") for investigation and follow-up actions.

CCCS is the administering agency for the CPFTA and has investigative and enforcement powers to take timely actions against recalcitrant suppliers. CCCS looks into cases of errant suppliers who persist in unfair trade practices. Specifically, it is able to:

- Gather evidence against persistent errant suppliers;
- File timely injunction applications with the courts; and
- Enforce compliance with injunction orders issued by the courts