

# MEDIA RELEASE 14 April 2022

# Lenovo Singapore and Want Join Provide Undertakings to CCCS in View of Past Unfair Practices Involving Screen Refresh Rate of Certain Models of Lenovo Legion Y540 Gaming Laptop

- 1. An investigation by the Competition and Consumer Commission of Singapore ("CCCS") under the Consumer Protection (Fair Trading) Act 2003 ("CPFTA") revealed that Lenovo Singapore Pte. Ltd. ("Lenovo Singapore") and Want Join Information Technology Pte. Ltd. ("Want Join") had engaged in unfair practices under the CPFTA¹ by making false or misleading claims about the screen refresh rate of certain models of the Lenovo Legion Y540 gaming laptop (the "Legion Laptop").
- 2. On 19 January 2020, the Lianhe Wanbao published a case study by the Consumers Association of Singapore ("CASE") of a consumer who purchased a laptop after being misled by an online advertisement stating that the laptop had a 144 Hz screen refresh rate. The consumer claimed that the laptop he subsequently received only had a 60 Hz screen refresh rate and sought assistance from CASE. Following CASE's engagement with Lenovo Singapore, the latter provided a full refund to the consumer.
- 3. In May 2020, CCCS commenced investigations against Lenovo Singapore and, subsequently, its former authorised reseller, Want Join, in relation to representations made in respect of the screen refresh rate of the Legion Laptop found on Lenovo Singapore's website and product listings posted on the 'Lenovo LazMall' Flagship Store (the "LazMall Website"), respectively.
- 4. In the course of investigations, CCCS ascertained that Lenovo Singapore had, between April 2019 and June 2020, stated on its website (www.lenovo.com/sg) that the screen refresh rate of its Legion Laptops could achieve a screen refresh rate of "up to 144 Hz". However, in a model comparison table for the full range of models of the Legion Laptop, only two specific models were stated to have a screen refresh rate of 60 Hz.<sup>2</sup> In fact, four other models of the Legion Laptop<sup>3</sup> could only achieve a screen refresh rate of up to 60 Hz. This information was omitted from

<sup>&</sup>lt;sup>1</sup> See Section 4(d) read with Paragraph 1 of the Second Schedule of the CPFTA.

<sup>&</sup>lt;sup>2</sup> These are the Custom 15IRH-PGO and Custom 15IRH models.

<sup>&</sup>lt;sup>3</sup> Models 81SY001JSB (the "JSB Model"), 81SY001KSB (the "KSB Model"), 81SX002CSB (the "CSB Model") and 81SX002DSB (the "DSB Model").

the model comparison table on Lenovo Singapore's website, giving rise to the impression that the "up to 144 Hz" screen refresh rate also applied to these four models.

- 5. CCCS also ascertained that Want Join, in its capacity as a former authorised reseller/partner of Lenovo Singapore, had, between August 2019 and March 2020, posted product listings for two models of the Legion Laptop<sup>4</sup> on the LazMall Website stating that the screen refresh rate could achieve "up to 144 Hz", when these models could in fact only achieve a screen refresh rate of up to 60 Hz.
- 6. Both Lenovo Singapore and Want Join have stopped selling the Legion Laptop since June 2020 and March 2020, respectively.
- 7. Lenovo Singapore and Want Join have each provided CCCS with an undertaking to cease the unfair practices described above and not engage in any other unfair practices under the CPFTA. Both businesses have also undertaken, amongst other things, to put in place an internal compliance policy to ensure that their conduct in relation to advertising, marketing materials and listings of their retail goods and services do not amount to unfair practices under the CPFTA. Given that Lenovo Singapore and Want Join had ceased the relevant conduct referred to in paragraphs 4 and 5 above either before or shortly after CCCS commenced its investigations, CCCS has, taking into account the facts and circumstances of the respective cases, decided to accept the undertakings and closed its investigations.
- 8. Consumers who are affected by the unfair practices described above can consider approaching Lenovo Singapore or Want Join to seek redress. Alternatively, consumers can also approach CASE to assist in negotiations. Consumers can contact CASE at 9795 8397 or submit their complaint online at <a href="https://www.case.org.sg/contactus.aspx">https://www.case.org.sg/contactus.aspx</a>.
- 9. CCCS continues to work with CASE to monitor the e-commerce industry, given that consumers are increasingly making purchases online. Businesses should not engage in practices that deceive or mislead consumers about the performance characteristics of their products or services. Businesses should exercise due diligence when putting out information relating to their goods or services because consumers rely on such information when deciding on their purchases. Businesses should also review their practices from time to time to ensure that these do not amount to unfair practices under the CPFTA.

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**Encl. Infographic:** False or misleading claims on performance characteristics, components, uses or benefits of goods or services

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<sup>&</sup>lt;sup>4</sup> The CSB Model and JSB Model.

### **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 2004 which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act 2003 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 <a href="www.cccs.gov.sg">www.cccs.gov.sg</a>.

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