

MEDIA RELEASE

21 March 2024

WATER FILTRATION SYSTEM SUPPLIER PUREXYGEN PTE. LTD. UNDERTAKES TO CEASE UNFAIR PRACTICES

- 1. As part of ongoing market monitoring of the water filtration system industry¹, the Competition and Consumer Commission of Singapore ("CCCS") is reviewing the practices of various water filtration system suppliers regarding concerns with their marketing practices, in particular, relating to the accreditation, certification² and health benefit claims found on their websites.
- 2. CCCS commenced an investigation under the Consumer Protection (Fair Trading) Act 2003 ("CPFTA") against Purexygen Pte. Ltd. ("Purexygen"), a supplier of water dispensers, alkaline water filtration systems and maintenance service packages to consumers, and found that Purexygen had engaged in more than one of the following unfair practices between September 2021 to November 2023:
 - (a) Made false claims that its water filters were tested by testing bodies in the sales kit used by its salespersons in their sales pitches to consumers;
 - (b) Made misleading claims on the health benefits of alkaline or filtered water on Purexygen's website, Facebook and Instagram pages including claims that alkaline or filtered water can help prevent health conditions such as osteoporosis, acid reflux, blood pressure conditions and diabetes;
 - (c) Misrepresented that its water faucet and water dispenser were free for a limited time in listings on Carousell, when the price benefit or advantage did not exist as the water faucet and water dispenser are provided to all Purexygen customers free of charge at all times;
 - (d) Misrepresented to consumers in the terms and conditions of service agreements that sums paid for the activation fee and maintenance service package under direct sales contracts were non-refundable, and omitted to inform consumers that they have a right to cancel direct sales contracts under the Consumer Protection (Fair Trading) (Cancellation of Contracts) Regulations 2009 and any sums paid under the cancelled contracts would have to be repaid to the consumers; and

¹ In March 2023, the State Courts have, on the application of CCCS, ordered Triple Lifestyle Marketing Pte. Ltd. to cease unfair practices in the supply of alkaline water filtration systems and maintenance service packages to consumers. More information on CCCS's action can be accessed here: https://www.cccs.gov.sg/media-and-consultation/newsroom/media-releases/tlm-to-cease-unfair-practice-in-supply-of-alkaline-water-28-mar-23.

² Accreditation and certification claims include claims by suppliers that their goods, services, or businesses are aligned with certain principles or standards based on evaluations or approvals from third parties.

- (e) Misled a consumer by giving false excuses on its persistent delay in providing the consumer's purchased water filters.
- 3. Following CCCS's investigation, Purexygen has taken active steps to make changes to their business practices to ensure compliance with the CPFTA, including the removal of false claims from Purexygen's sales kit, misleading promotion listings on Carousell, and misleading claims on the health benefits of alkaline or filtered water from its website, Facebook and Instagram pages, and providing the outstanding sets of water filters to the consumer.
- 4. Purexygen has also given an undertaking that it will, amongst other things:
 - (a) Stop engaging in unfair practices under the CPFTA, including the identified unfair practices referred to in paragraph 2 above;
 - (b) Cooperate fully with the Consumers Association of Singapore ("CASE") to resolve complaints by consumers;
 - (c) Put in place an internal compliance policy to make sure that its marketing materials and practices comply with the CPFTA; and
 - (d) Ensure that its staff undergo training to familiarise themselves with the types of conduct that would amount to an unfair practice under the CPFTA and maintain records of the training undergone by each staff.
- 5. Purexygen's directors, Mr. Heng Wei Hwee and Mr. Tan Tong Ming, have similarly given undertakings that Purexygen will not engage in the identified unfair practices referred to above.
- 6. In closing the case, CCCS has accepted the undertakings of Purexygen and its directors, and also issued warnings to Purexygen and its directors regarding the unfair practices. CCCS will take action if Purexygen or their directors breach the undertakings or engage in any other unfair practices.
- 7. "Suppliers in the water filtration system industry are reminded to review their marketing materials to ensure that any claims made to consumers are clear, accurate and substantiated. Suppliers should also review their business practices from time to time to ensure that such practices do not amount to unfair practices. Under the CPFTA, CCCS can seek court orders against errant suppliers who persist in unfair practices," said CCCS's Chief Executive, Ms Sia Aik Kor.
- 8. Consumers who encounter false or misleading claims can approach CASE for assistance. For more information, please visit www.case.org.sg or call 6227 5100.

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 2003 or "CPFTA" which protects consumers against unfair trade practices in Singapore. CCCS also administers and enforces the Competition Act 2004 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 businesses and consumers in Singapore.

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

For media clarifications, please contact:

Ms. Grace Suen Senior Assistant Director, Communications Competition and Consumer Commission of Singapore Email: grace_suen@cccs.gov.sg

DID: 6325 8216

Mr. Ng Swee Kang Assistant Director, Communications Competition and Consumer Commission of Singapore Email: ng_swee_kang@cccs.gov.sg

Annex A

ROLES OF AGENCIES UNDER THE CONSUMER PROTECTION (FAIR TRADING) ACT 2003

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.