

EU cracks down on 'cheating' electronics e-traders

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A trade fair visitor checks out the new Canon 7D digital camera at the IFA (Internationale Funkaustellung) in Berlin, September 7. More than half of all websites selling goods such as game consoles and digital cameras face closure or heavy fines for trying to "cheat" consumers, the European Union warned on Wednesday.

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The damning results were announced by EU Consumer Commissioner Meglena Kuneva after a continent-wide survey into misleading advertising and other unfair practices which also covered non-EU members Norway and Iceland.

Kuneva told a press conference in Brussels that online retailers were "trying to cheat" consumers, adding that trading standards enforcement at the national level was no longer working in the Internet age.

She said a level playing field is required if Brussels' dreams of a "citizen market" with special emphasis on retail in the post-Internet age are to be realised, in what she termed the crucial "second stage" of building the internal EU market.

"This is a Europe-wide problem which needs a European solution," Kuneva added in a statement. "There is a lot of work to be done in the months ahead to clean up this sector, Europe's consumers deserve better."

The clampdown covered 369 websites selling staples that are central to the upcoming Christmas market, including mobile phones, personal music players, DVD players and computer equipment.

More than 100 of these websites had already been the subject of complaints by angry buyers.

Checks performed in May this year showed that 55 percent of the websites investigated misled viewers.

Typically, this involved not highlighting consumer rights relating to returns and refunds, final purchase prices including tax, delivery and card payment surcharges, or omitting full trader contacts.

The market for online retailing of electronic goods was estimated to be worth almost seven billion euros (10 billion dollars) in 2007, with one in four consumers across the EU who have bought anything online using such websites to try to lower the cost of such electronic goods.

Individual countries' authorities will now pursue the offenders, although 13 percent of the cases will require cooperation across different national trading standards regimes, the results also showed.

Sixty-six percent of problem websites did not tell consumers about their right to back out of deals within a minimum of seven days, with or without giving traders a reason.

Kuneva said that when people shop online, the right to return goods -- even in perfect condition -- and obtain a refund is fundamental.

Another 45 percent of offenders either left out altogether or buried information on hidden costs -- including the age-old theme of advertising stating "free delivery" turning out to be totally untrue.

Iceland, Latvia and Norway have already published names of the websites covered by the investigation -- including at least one major brand name in Vodafone -- with the results of EU enforcement action due to be released next year.

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