

News briefs

In the courts

- ▶ **No room to roam**—Chicken-meat processors may have to review how they promote their products after the ACCC took action against three major companies and their industry association. Baiada Poultry, Bartter Enterprises (who supply chickens under the Steggles brand) and Turi Foods (La Ionica brand) are alleged to have falsely claimed their chickens were free to roam in barns with substantial space. The ACCC alleges that the number of chickens in the barns means the birds do not have substantial space to roam freely. The Australian Chicken Meat Federation has made similar roaming claims.
- ▶ **Cottoning On**—Selling flammable children's clothing has got Cotton On Kids and Cotton On Clothing into hot water. The ACCC alleges that between September 2010 and March 2011 the company sold children's nightdresses made from fabric that exceeded the level of flammability allowed under the Standard. Cotton On is also alleged to have sold the garments with 'low-fire danger' labels attached.
- ▶ **Media watch**—The ACCC has instituted proceedings against four publishing companies and their director for alleged misrepresentations and harassment of small businesses. The ACCC alleges the companies and their director, Andrew Clifford, offered ads in community magazines, but the magazines were never intended

to be distributed. They also invited businesses to sign documents to receive complimentary copies of the magazines, but then claimed the businesses had bought advertising space, and demanded payment. The companies and Mr Clifford are also alleged to have harassed businesses to pay, including threatening legal action.

- ▶ **Brazilian stripped from shelves**—Haircare Australia claimed its hair-straightening product Brazilian Blowout contained no formaldehyde— independent testing showed it contained 50 times the safe limit. The product was distributed to a number of hair salons late last year before being voluntarily recalled following ACCC intervention. Formaldehyde is known to cause sensory and skin irritation and can cause cancer where there is high exposure.

Positions vacant

Applications for the next intake of the ACCC graduate program will open in March. The ACCC expects to engage 30 graduates in 2012.

Graduates take part in three 14-week rotations and work in a range of areas to gain a broad understanding of the work of the ACCC and the Australian Energy Regulator. They undertake an interstate rotation as part of their training.

For further information email grad.jobs@acc.gov.au or visit www.acc.gov.au/employment.

Door-knockers on notice

The ACCC has put door-to-door sellers on notice, responding to consumer concerns that marketers are using misleading or deceptive conduct in targeting vulnerable consumers such as the elderly and those with a limited understanding of English.

Under the Australian Consumer Law the ACCC can seek criminal sanctions and civil penalties of up to \$220 000 for individuals and \$1.1 million for companies who engage in unlawful conduct.

Further information on the new obligations for door-to-door marketers, including cooling-off periods, is available on the ACCC website.

Airline alliances

The ACCC has approved agreements between a number of international airlines which it believes will provide better services and connectivity for passengers.

Qantas and American Airlines will coordinate operations between Australia, New Zealand and the US after the ACCC authorised a joint business agreement between the two.

It also issued a draft decision to grant authorisation for Virgin Australia and Singapore Airlines to enter into an integrated network aviation alliance. The airlines will cooperate on all aspects of their Australia-Singapore services and any international and domestic connecting routes, including joint pricing and scheduling, and marketing and sales.