

**Warning Purchase with care- Online Transactions****Consumer Goods & Services Ombud Office**

In the first quarter of 2019, the Consumer Goods and Services Ombudsman Office (CGSO) fielded 11 787 calls from consumers who were making enquiries, following up on their complaints and lodging fresh complaints. We also received 2 191 complaints - 696 more than for the equivalent period in 2018 where we received 1 495 complaints.

“While the majority of complaints we receive relate to poor service, defective goods, cancellation of contracts, overcharging and unfair contracts terms, we are beginning to see a steady increase of instances where these complaints relate to online purchases”, said Ms Magauta Mphahlele, the Ombudsman.

. The number of online platforms and stores where consumers can buy a variety of goods usually at highly discounted prices is increasing. Because the highly discounted prices are said to be available for a limited period, consumers are quick to make payment in order to benefit from the discount only to discover later that they have been scammed when the goods or services are not delivered or are not of the quality described .

While there are reputable online stores that have good customer service channels and cooperate with our office, we are particularly concerned by the rise of suppliers who contravene Section 40 and 41 of the Consumer Protection Act (CPA), effectively taking customers’ money and failing to deliver the requisite goods or services in return. This is unconscionable and constitutes false, misleading and deceptive representations in the marketing of the goods and services.

“Due to the amount of monies paid by consumers and the refusal to refund consumers or deliver the goods paid for, we have therefore taken the decision to name the suppliers who fail to make good when this happens with the intention to warn consumers to be careful when dealing with these suppliers and to prevent further losses”. Said Ms Mphahlele.

**The suppliers below have failed to cooperate with our office in relation to monies being paid and goods or services not being delivered or provided. We are warning consumers to be careful when dealing with them.**

- **AF-FSL Glass Distributors.** Consumers ordered aluminium doors and windows, but the goods were never delivered. The supplier is not co-operating with our office and it would appear that they are in contravention of Section 40 of the CPA, having accepted payment for goods that they have not delivered. They are further contravening Section 19 of the CPA, having failed to deliver goods within a reasonable time.
- **Benna Bok.** Consumers ordered and paid for leather shoes and bags, but the goods were never delivered. Despite being the subject of a recent Carte Blanche expose, Benna Bok continues to operate, taking new orders even though the complaints with our office have not been resolved. When pushed, Benna Bok claims to be busy resolving the issue but thus far has failed to resolve any of the complaints directed to our office. The supplier is not co-operating with

our office and it seems they are in contravention of Section 40 of the CPA, as well as Section 19 of the CPA, i.e failing to deliver goods within a reasonable time.

- **4 Cities Removers.** In this matter the consumers paid the supplier to move their furniture from one address to another. The supplier collected the furniture but failed to deliver it. In addition to being in possible contravention of Section 40 of the CPA, having taken people's furniture and not delivered it, 4 Cities Removers is also in contravention of Section 65 of the CPA which provides that the supplier in possession of a consumer's property must handle it with care and account for the property when required.
- **Milo Design.** The complainants paid the supplier for furniture which never arrived. Milo Design is refusing to refund consumers, stating they have a non-refund policy. To compound matters, the goods that have been delivered appear to be of an inferior quality and numerous complaints in this regard have also been received. As a result, Milo Design would appear to be in contravention of Section 40, 41 as well as Section 19, which provides that the supplier must refund a consumer if they are unable to deliver on the agreed date and time. In addition, Section 55 and 56 refer to inferior quality goods.
- **Appliance House.** Consumers paid the supplier for electronic goods online, which the supplier undertook to deliver. The goods were never delivered, entitling the customers to a refund. The supplier has ceased all communication with our office and is no longer refunding consumers. Again, an apparent contravention of Section 40,41 and Section 19 of the CPA.

In order to avoid encountering the above problems we advise consumers to take the following precautionary measures:

- ✓ Check if the supplier is registered with the CGSO – the list can be found on our website or you can call our call center. You can also check if there are previous complaints against the company and how they have dealt with them.
- ✓ Use well known and reputable online stores–
- ✓ Check online reviews from previous customers on their Facebook pages or websites. Check negative reviews to establish what went wrong.
- ✓ If prices seem too good to be true it probably is, proceed with caution. Read their terms and conditions carefully, especially in relation to returns and refunds
- ✓ Ensure that there are valid contact details where you can lodge a complaint or query a transaction
- ✓ Kee record of all transactions

Check the description of the product carefully to ensure it is exactly what you need as you may incur cost if the product is incorrect and you want to return it.

Ends

ISSUED BY **OUMA RAMARU** ON BEHALF THE CONSUMER GOODS AND SERVICES OMBUD

TEL: (011) 781-2607 CELL: 073 899 9551

EMAIL: [oumar@cgso.org.za](mailto:oumar@cgso.org.za)

CGSO sharecall helpline (0860 000272)