

CONSUMERS ASSOCIATION OF SINGAPORE

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Consumer Advisory

30 March 2020

CASE alerts consumers on complaints received against fire extinguisher salespersons

The Consumers Association of Singapore ("CASE") wishes to alert consumers to complaints received against unfair practices employed by fire extinguisher salespersons in door-to-door sales.

Background

From 1 January 2019 to 29 February 2020, CASE received 49 consumer complaints against fire extinguisher suppliers and/or their salespersons. Amongst these are complaints received against three fire extinguisher suppliers - Singapore Fire Prevention (2008)¹, SG Fire Prevention, and Fire Safety and Prevention (SG).

Entity	No. of Complaints Received
Singapore Fire Prevention (2008)	22
SG Fire Prevention	14
Fire Safety and Prevention (SG)	8

Table 1: Number of complaints received against each entity from 1 January 2019 to 29 February 2020

According to the consumers, fire extinguisher salespersons had made unsolicited calls on their residences to sell fire extinguishers. Many of these unsolicited calls were made after reports of fire in their neighbourhoods. In most cases, consumers alleged that they had been misled by salespersons purporting to be representing or endorsed by the authorities. Some also claim that it was mandatory by law to have fire extinguishers at home.

Consumers also complained that the salespersons initially quoted them a lower price for the fire extinguisher, but later informed them that a substantially higher amount was payable as the purchase included warranty and servicing costs as part of a multi-year package.

The Singapore Civil Defence Force (SCDF) has clarified that there is no regulatory requirement for residential home owners to purchase fire extinguishers. CASE was also informed that the SCDF is not involved in any sales of fire extinguishers and has not authorised any company to conduct such activities on its behalf.

The CPFTA and Its Subsidiary Regulations

Under the CPFTA, it is an unfair practice for a supplier to make misleading and/or false claims. Consumers who encounter such unfair practices have the right to seek redress.

Further, under the Consumer Protection (Fair Trading) (Cancellation of Contracts) Regulations ("COC Regulations"), consumers have the right to cancel a direct sales contract within five days (excluding Saturdays, Sundays, and public holidays) after the contract is signed and they are informed of the right to cancel the contract in accordance with the COC Regulations. This is commonly known as the five-day cooling-off period. A direct sales contract is a consumer transaction which is entered into during

¹ Amendment Note (23 July 2020): We have changed the entity name from Singapore Fire Prevention Pte Ltd to Singapore Fire Prevention (2008).

an unsolicited visit to the consumer's residence/workplace by a supplier, also known as door-to-door sales.

Engagement with Fire Extinguisher Suppliers

In response to consumer complaints, CASE had issued warning letters to these fire extinguisher suppliers for the alleged unfair practices and for not honouring the five-day cooling-off period stipulated under the CPFTA and the COC Regulations respectively.

CASE is of the view that it is unethical for suppliers to prey on consumers' fears and create a false sense of urgency in consumers to buy fire extinguishers by making false claims that it is a regulatory requirement to purchase fire extinguishers.

CASE takes a serious view against errant suppliers that persist in egregious conduct against consumers and will continue to monitor the situation very closely. This Consumer Advisory is to highlight the unacceptable conduct of the errant fire extinguisher suppliers.

Consumer Advice

Consumers are also advised to take note of the following for door-to-door sales:

- Consumers should exercise caution against anyone who purports to represent any government agency. They should always request for proper identification for verification. They may also call the hotline of the respective government agency to verify.
- Consumers should verify the actual amount they are to be charged, before making payment.
- Consumers should exercise their right to turn down a salesperson who uses aggressive pressure sales tactics. Be polite but firm when stating their refusal.
- If consumers do not wish to proceed with the purchase, they can cancel a direct sales contract within five days (excluding Saturdays, Sundays, and public holidays) after the contract is signed and they are informed of the right to cancel the contract in accordance with the COC Regulations. They may cancel the contract by delivering a notice of cancellation personally to the business, or by sending the notice via email, post or fax. Suppliers are required to provide a refund to consumers within 60 days after the notice is given.
- Consumers with unresolved disputes can approach CASE for assistance (hotline: 6100 0315, website: <u>www.case.org.sg</u>).