

ON-LINE AUCTIONS

Over the past few years it has become very common practice for people to sell goods by auction on the internet. There are major pitfalls for buyers of goods on the internet and the expression, caveat emptor applies to anything purchased by auction or tender on the internet for personal or household use.

Consumer protection legislation has not yet caught up with this popular activity and auctions, or any competitive bidding process, are excluded from the provisions of the Consumer Guarantees Act. That Act specifies that goods are to be fit for their purpose and of reasonable quality, and any goods sold which fail those tests give a purchaser a right of redress against the seller if they are a trader or a business.

If a purchaser buys goods on-line from a business or trader at a fixed price they are protected as that is an on-line sale and not an auction. The simple act of bidding or tendering removes practically all of the purchaser's consumer rights. The Fair Trading Act applies only if there is a misrepresentation of the goods so that the purchaser was misled. But that will only rarely apply to on-line sales as traders have very often obtained a report confirming that the goods were functioning normally on the day of sale.

Apparently some traders are advertising goods on-line with a starting bid which is only slightly less than the "buy now" price. If you decide to place a bid and click on the "place bid" key you are wiping out all of your consumer protection under the Consumer Guarantees Act. It could be said that traders who are doing this are protecting themselves from any redress from a purchaser of their goods which may prove to be faulty.

So, beware of internet auctions.

Recently our Hornby Office moved. We are on the same site but are now operating from the building with CPIT Campus Connect emblazoned on its frontage. All other details remain the same. The Leeston office continues operating from 89 High Street Leeston.

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Odocs/Bessieart.On-lineNov09