ACCC Minute

Office  Sydney
Trackit No.  60348
File ref
Date  5 July 2016
To  PSB IAC Team
Cc
From  Dave Badewitz
Subject:  Survey of Hoverboard Suppliers on Gumtree

Purpose

Hoverboards have been observed still being sold on the website – Gumtree, in Australia. The purpose of this minute is to report the results of surveillance undertaken, to inform these suppliers of the requirements of the interim ban on hoverboards.

Background

A 60 day national interim ban on the supply of unsafe hoverboards came into effect on 19 March 2016. Hoverboards are also known as self-balancing scooters, gliders, or modboards.

The Minister announced a 30 day extension to the interim ban that came into effect on 18 May 2016.

Ban

As allowed under the Competition and Consumer Act 2010, the Minister for Small Business and Assistant Treasurer certified that the interim ban be imposed immediately.

Consumer Protection Notice No. 2 of 2016 outlines the certification.

Consumer Protection Notice No. 3 of 2016 prescribes requirements of this interim ban.

Extension of the interim ban

On 11 May 2016, the Minister announced a 30 day extension to the interim ban.

Consumer Protection Notice No. 5 of 2016 extends the interim ban period.
Second extension of the interim ban

On 13 June 2016, the Minister further extended the interim ban period. As a result, the interim ban will remain in effect until 16 July 2016.

Consumer Protection Notice No. 6 of 2016 extends the interim ban period.

Methodology

On 27 June, 2016, a search of the website www.gumtree.com.au identified approximately 189 listings of hoverboards being offered for sale.

These results included multiple listings from private sellers of hoverboards being offered for sale as both new and used.

Of particular interest were listings from sellers that appeared to be of a commercial nature. From the initial listings, it was found that 25 discrete sellers could be identified in this way.

Each of these sellers were contacted by email via the ‘Send Message’ button included in the advertisement. The email was in the agreed form - D16/84592.

In each case, a screenshot of the advertisement was saved and placed on the TRACKIT Project.

Results

1. Gumtree sellers contacted: 25
2. Replies from gumtree sellers indicating products compliant: 6
3. Replies from gumtree sellers indicating stocks exhausted: 2
4. Sellers who did not reply but advertisement no longer listed after 2 days: 2

No response was received from the remaining sellers that were contacted.

Also of note, was a paid advertisement at the top of each page for a website: www.dhgate.com

The listing simply states ‘Buy direct from China Factories’. It lists many suppliers of hoverboards.

Recommendation

The outcomes of this surveillance to be noted.