

Decision of the ADVERTISING REGULATORY BOARD

Complainant	John Alexander
Advertiser	FAW Vehicle Manufacturers SA (Pty) Ltd
Consumer/Competitor	Consumer
File reference	FAW – John Alexander
Outcome	Undertaking
Date	5 August 2019

The Directorate of the Advertising Regulatory Board has been called upon to consider a complaint lodged by John Alexander against advertising for FAW trucks that appeared in The Citizen.

Description of the advertising

The advertisement shows four types of trucks with their respective starting prices. Below the list of prices, it states: “Prices quoted are for Chassis Cab only and exclude VAT, unless otherwise stated.”

Complaint

In essence, the Complainant submits that the advertising does not include VAT inclusive pricing as required by s65 of the VAT Act.

Response

The Advertiser responded and submitted that:

- It is not a member of the ARB;
- It is an upstanding business citizen in South Africa and in all circumstances endeavours to be fully aware and compliant with applicable legislation;
- With reference to the complaint received, it was a once-off occurrence and this advert was immediately rectified wherever possible;
- It has put all necessary measures in place from an operational and administrative standpoint to ensure that this is not repeated in future publications.

Application of the Code of Advertising Practice

The following clauses were considered in this matter:

Pricing policy – VAT – Clause 19.4 of Section II

Decision

Having considered all the material before it, the Directorate of the ARB issues the following finding.

The main objective of the Advertising Regulatory Board is to protect consumers from advertising that contravenes the Code of Advertising Practice. In the vast majority of instances where advertising is found to contravene the Code, the ARB will require the advertising to be withdrawn or amended.

In this matter, the Advertiser has withdrawn the advertising and undertaken to ensure that future advertising is amended in a manner that appears to address the complaint at hand.

The ARB Directorate is satisfied that the withdrawal by the Advertiser is unequivocal and addresses the complaint before it, and therefore accepts this undertaking in resolution of the matter.