

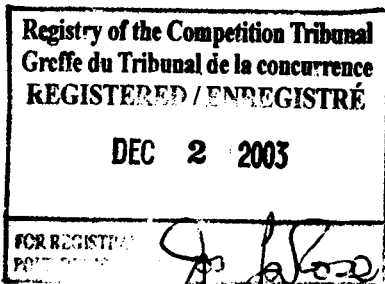
THE COMPETITION TRIBUNAL

IN THE MATTER OF THE *COMPETITION ACT*, R.S.C. 1985, c. C-34, as amended;

AND IN THE MATTER OF an inquiry pursuant to subsection 10(1)(b)(iii) of the *Competition Act* relating to the marketing practices of 932552 Ontario Limited, Trevor Brisebois, his distributors and their employees;

AND IN THE MATTER OF the filing and registration of a consent agreement pursuant to section 74.12 of the *Competition Act*.

BETWEEN:



THE COMMISSIONER OF COMPETITION

Applicant

-and-

**932552 ONTARIO LIMITED, OPERATING AS TRISTAR DISTRIBUTION CENTER
AND TREVOR BRISEBOIS**

Respondents

CONSENT AGREEMENT

- [1] WHEREAS beginning in or about 1992, the Respondents, for the purpose of promoting the sale of vacuum cleaners and related accessories, by means of 'scratch and win' promotional flyers, and the interactive telephone communications and in-person verbal representations of TriStar distributors and their employees, made representations to the public where:
- (a) representations in these 'scratch and win' promotional flyers gave materially false or misleading general impressions that the recipient had won a prize as a result of a contest when in fact prizes could often only be received conditional on recipient qualifying for and agreeing to allowing an in-home demonstration of respondents products, contrary to s.74.01(1)(a) and s.74.06; and
 - (b) representations in the "scratch and win" promotional flyers gave materially false and misleading general impressions that the recipient was participating in a

contest and that apparent winners would automatically receive their prize, including large cash amounts or home electronic appliances, whereas, in practice, prize winners often met with resistance when attempting to claim a prize, contrary to s.74.01(1)(a); and

- (c) the stated purpose of the telemarketing activity, details regarding prize confirmation and terms and conditions of promotional programs were often false or misleading in a material respect contrary to s.74.01(1)(a).

- [2] AND WHEREAS the Respondents have initiated a corporate compliance policy, which includes policy and procedures manuals for Tristar distributors, their employees and self employed consultants and the staff of Tristar Distribution Center, that prescribes permitted methods of promotion and marketing, sales procedures and staff conduct when selling Tristar products and services.

THE COMMISSIONER AND THE RESPONDENTS CONSENT TO THE REGISTRATION BY THE COMPETITION TRIBUNAL OF AN AGREEMENT THAT:

- [3] The Respondents shall comply with the provisions of the *Competition Act*, and in particular, will not make false or misleading representations and will comply with all the provisions of the Act dealing with contests and the awarding of prizes.
- [4] The Respondents shall use their best efforts to ensure that TriStar Distributors and their employees comply with the provisions of the *Competition Act*, and in particular, that the Distributors and their employees do not make false or misleading representations, that all promotional contests used disclose the number and value of all prizes and provide adequate and fair disclosure of all conditions that affect materially the chances of winning and that prizes identified in promotional contests are available and awarded as represented in the contests.
- [5] The Respondents shall record the name, address and phone number of all prize winners in promotional contests, where the stated value of the prize won is \$199.00 or greater. These records shall be kept for a period of six years and shall be available for review on request by an authorized representative of the Commissioner of Competition.
- [6] The Respondents shall, and shall cause any entity which they have the ability to control to, provide a copy of this Agreement in its entirety to all corporate officers, distributors, employees and self-employed consultants within thirty (30) days of registration of the Agreement; and confirm in writing to the Deputy Commissioner of Competition at the address for service set out below within sixty (60) days of the date of signing of the Agreement that this has been completed.
- [7] The Respondents shall cause to have published, within 30 days of the coming into force

of this Agreement, a Corrective Notice in each of the following newspapers: *Niagara Falls Review, Kitchener-Waterloo Record, Toronto Star, Kingston Whig Standard, Belleville Intelligencer, Ottawa Citizen, Brantford Expositor, St. Catharines Standard, Hamilton Spectator, London Free Press, Peterborough Examiner, Cobourg Daily Star* and *Barrie Examiner*. The Corrective Notice shall be published twice in one week, on a Wednesday and a Saturday, shall be in a space of approximately 5 cm by 7 cm and shall run in the first 10 pages of the front section of each newspaper.

The Corrective Notice shall state the following:

CORRECTIVE NOTICE BY TRISTAR DISTRIBUTION CENTER

We, the TRISTAR DISTRIBUTION CENTER, sell and distribute Tristar and EXL vacuums and related products in Canada. The Commissioner of Competition (Competition Bureau) has informed us that representations made through 'scratch and win' promotional flyers and interactive telephone and in-person communications, for the purpose of promoting our products, have raised concerns under the misleading advertising provisions of the *Competition Act*.

The TRISTAR DISTRIBUTION CENTER is committed to providing consumers with the proper information they require to make informed purchasing decisions. We hereby undertake to ensure that all future promotions contain all the relevant information, and do not create a false or misleading general impression.

- [8] The Respondents will keep the corporate compliance, procedures and policy manual current and will ensure that it is in conformity with the *Competition Act*.
- [9] The Respondents shall pay, upon registration of this agreement, an administrative monetary penalty in the amount of fifty thousand dollars (\$50,000.00) by 932552 ONTARIO LIMITED O/A TRISTAR DISTRIBUTION CENTER and twenty-five thousand dollars (\$25,000.00) by Trevor Brisebois to the Receiver General for Canada.
- [10] Unless otherwise specified, this Consent Agreement shall remain in force for a period of 10 years from its date of registration.
- [11] With the exception of the obligations contained in paragraphs 3 and 9 of this Order, the ongoing responsibilities in this Order will cease to apply to Trevor Brisebois personally should he terminate his association with 932552 Ontario Limited o/a Tristar Distribution Center (the Company). For the purposes of this paragraph, being a mere creditor of the Company or of any person who is associated with the Company does not constitute an association with the Company.

[12] Any notice required to be given pursuant to any term of this Consent Agreement is valid if given by facsimile transmission or registered mail to:

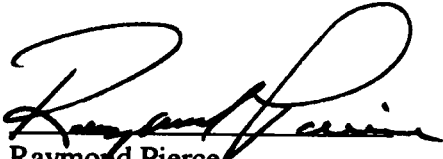
For the Commissioner of Competition:

Attn: Deputy Commissioner of Competition,
FBPractices Branch, Competition Bureau
50 Victoria Street
Gatineau, Québec, K1A 0C9
Facsimile: (819) 953-9267

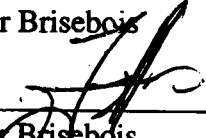
For the Respondents:

Attn: Trevor Brisebois
932552 Ontario Limited, o/a
Tristar Distribution Center
100 Hanlan Road, Unit 13,
Woodbridge, Ontario, L4L 4V8
Facsimile: (905) 850-5553

The undersigned hereby agree to the registration of this consent agreement.


Raymond Pierce
Deputy Commissioner of Competition

Dated at Gatineau, Québec, this
20th day of Dec., 2003.

932552 Ontario Limited, o/a
Tristar Distribution Center, and
Trevor Brisebois

Trevor Brisebois
President and authorized signing officer

Dated at Toronto, Ontario this
20th day of NOVEMBER, 2003.

Signature witnessed by:

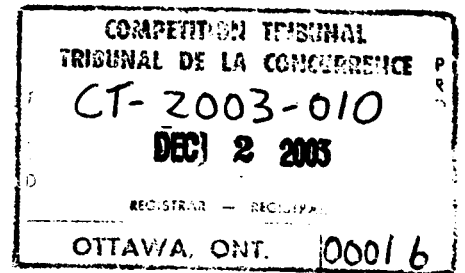


Dated at Toronto, Ontario this
20th day of November, 2003.

I hereby certify this to be a true copy of the original document. /
Je certifie par la présente que ceci est une copie conforme au document original.

Dated this / Fait ce 20 day of /
jour de NOVEMBER 2003


For Registrar, Competition Tribunal /
Pour Registraire, Tribunal de la concurrence



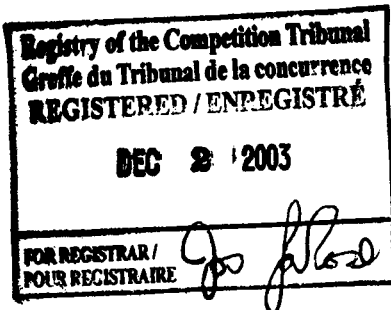
THE COMPETITION TRIBUNAL

IN THE MATTER OF THE *COMPETITION ACT*, R.S.C. 1985, c. C-34, as amended;

AND IN THE MATTER OF an inquiry pursuant to subsection 10(1)(b)(iii) of the *Competition Act* relating to the marketing practices of 932552 Ontario Limited, Trevor Brisebois, his distributors and their employees;

AND IN THE MATTER OF the filing and registration of a consent agreement pursuant to section 74.12 of the *Competition Act*.

BETWEEN:



THE COMMISSIONER OF COMPETITION

Applicant

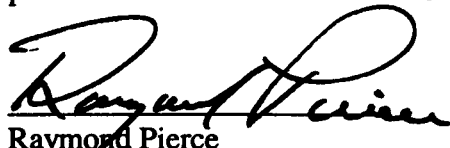
-and-

**932552 ONTARIO LIMITED, OPERATING AS TRISTAR DISTRIBUTION CENTER
AND TREVOR BRISEBOIS**

Respondents

CONSENT

THE PARTIES hereby irrevocably consent to the registration of a consent agreement pursuant to section 74.12 of the *Competition Act* in the form attached hereto.


Raymond Pierce
Deputy Commissioner of Competition

Dated at Gatineau, Québec, this
 day of Dec., 2003.

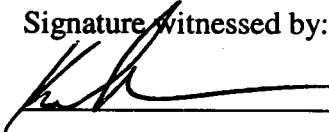
932552 Ontario Limited, o/a
Tristar Distribution Center, and
Trevor Brisebois



Trevor Brisebois
President and authorized signing officer

Dated at Toronto, Ontario this
20th day of November, 2003.

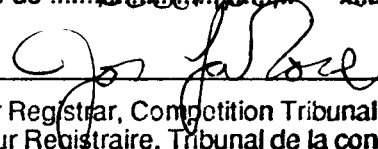
Signature witnessed by:



Dated at Toronto, Ontario this
20th day of November, 2003.

I hereby certify this to be a true copy of the
original document. /
Je certifie par la présente que ceci est une
copie conforme au document original.

Dated this / Fait ce 20 day of /
jour de DECEMBER 2003



For Registrar, Competition Tribunal /
Pour Registraire, Tribunal de la concurrence