



PRICE MARKING ACT 1976

THE PRICE MARKING ORDER 2005

Approved by Tynwald *17th May 2005*

Coming into operation *1st June 2005*

In exercise of the powers conferred on the Isle of Man Office of Fair Trading by section 1(1) of the Price Marking Act 1976 (a), and of all other enabling powers, and after consultation with such organisations as appear to it to be representative of interests substantially affected by this Order and such other persons as it considers to be appropriate, the following Order is hereby made-

Citation, commencement and interpretation

1. (1) This Order may be cited as the Price Marking Order 2005 and shall, subject to section 1(4) of the Act, come into operation on 1st June 2005.

(2) In this Order –

‘advertisement’ means any form of advertisement which is made in order to promote the sale of a product but does not include any advertisement by means of which the trader intends to encourage a consumer to enter into a distance contract, a catalogue, a price list, a container or a label;

‘consumer’ means any individual who buys a product for purposes that do not fall within the sphere of his commercial or professional activity;

‘distance contract’ means any contract concerning products concluded between a trader and a consumer, by any means, without the simultaneous physical presence of the trader and the consumer;

‘products sold from bulk’ means products which are not pre-packaged and are weighed or measured at the request of the consumer;

‘selling price’ means the final price for a unit of a product, or a given quantity of a product, including VAT and all other taxes;

‘the Act’ means the Price Marking Act 1976

(a) 1976 c.4

‘trader’ means any person who sells or offers or exposes for sale products which fall within his commercial or professional activity;

‘unit price’ means the final price, including VAT and all other taxes, for one kilogram, one pound, 100 grams, one quarter pound, one litre, one pint, one metre, one yard, one square metre, one square yard, one cubic metre or one cubic yard of a product or, where products are sold by number, the final price for one individual item of the product.

Revocations

2. The following Orders are hereby revoked:

The Price Marking (Fruits and Vegetables) Order 1976(b)

The Price Marking (Fish) Order 1977(c)

The Price Marking (Meat) Order 1978(d)

The Price Marking (Motor Fuel Prices) Order 1994(e)

Exclusion from application of the Order

3. This Order shall not apply –

- (a) to products which are supplied in the course of the provision of a service;
or
- (b) to sales by auction.

Obligation to indicate selling price

4. (1) Subject to paragraph (2), where a trader indicates that any product is or may be for sale to a consumer, he shall indicate the selling price of that product in accordance with the provisions of this Order.

(2) The requirement in paragraph (1) shall not apply in respect of –

- (a) products sold from bulk; and
- (b) an advertisement for a product.

Obligation to indicate unit price

5. (1) Subject to paragraphs (2), (3) and (4), where a trader indicates that any product is or may be for sale to a consumer he shall indicate the unit price of that product in accordance with the provisions of this Order.

(2) The requirement in paragraph (1) shall apply only in respect of any product sold from bulk or marked with an indication of quantity under any provision of Part IV of the Weights and Measures Act 1989.

(3) The requirement in paragraph (1) shall not apply in relation to any product –

- (a) which is listed in Schedule 1; or
- (b) the unit price of which is identical to its selling price;
- (c) which is pre-packed in a constant quantity.

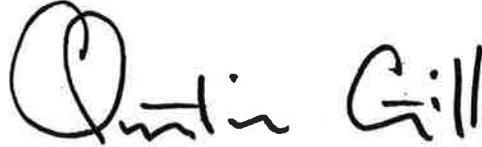
(4) The requirement in paragraph (1) shall apply in relation to an advertisement for a product only where the selling price is indicated in the advertisement.

(b) G.C. No.154/76. (c) G.C. No.191/77. (d) G.C. No.133/78. (e) S.D. No.401/94.

General price reductions

9. Where a trader proposes to sell products to which this Order applies at less than the selling price or unit price previously applicable and indicated in accordance with Article 7(1), he may comply with Articles 4(1) and 5(1) by indicating by a general notice or by other visible means that the products are or may be for sale at a reduction, provided that the details of the reduction are prominently displayed, unambiguous, easily identifiable and clearly legible.

MADE 6th April 2005



Chairman

Isle of Man Office of Fair Trading

SCHEDULE 1

Products in Respect of Which a Trader is Exempt from the Requirement to Unit Price

Any product which is offered by traders to consumers by means of an advertisement which is:

- (a) purely aural;
- (b) broadcast on television; or
- (c) shown at a cinema.

Any product the price of which has been reduced from the usual price at which it is sold, on account of:

- (a) its damaged condition; or
- (b) the danger of its deterioration.

Any product which comprises an assortment of different items sold in a single package.

Manner of indication of selling price and unit price

6. (1) The indication of selling price and unit price required by this Order shall be in terms of the pound.

(2) If a trader indicates his willingness to accept Euros for the purchase of a product, he shall, in addition to price indications in terms of the pound, either

- (a) identify the selling price and the unit price of the product in Euros together with any commission to be charged; or
- (b) shall clearly identify the conversion rate on the basis of which the Euro prices will be calculated together with any commission to be charged.

(3) Where a trader identifies the selling price and the unit price of the product in Euros or identifies the conversion rate on the basis of which the Euro prices will be calculated, he shall also indicate that such selling price, unit price or conversion rate does not apply to transactions other than in cash, the exchange rate for which will be that applied by the relevant payment scheme which processes the transaction.

7. (1) The indication of selling price, unit price, commission, conversion rate or change in the rate of Value Added Tax given in accordance with Article 8 shall be –

- (a) unambiguous, easily identifiable and clearly and uniformly legible;
- (b) placed in proximity to the products to which it relates or, in the case of motor fuel, in proximity to the point at which the fuel is delivered; and
- (c) so placed as to be available to consumers without the need for them to seek assistance from the trader or someone else on his behalf in order to ascertain it.

(2) In the case of motor fuel an indication of unit price shall be displayed on the premises from which it is sold in such a manner that it is easily read by a person in a motor vehicle on the highway from whichever direction he may lawfully approach and enter the premises.

(3) The indication of any charges for postage, package or delivery of a product shall be unambiguous, easily identifiable and clearly legible.

Change in Value Added Tax

8. The provisions of this Order shall be complied with notwithstanding any change in the rate or coverage of VAT or any other tax, provided that where there is any such change a retailer who adjusts his prices in consequence thereof may –

- (a) by means of a general notice or notices for a period of 14 days from the date any such change takes effect, indicate that any products subject to that change are not for sale at the price indicated and that such price will be adjusted to take account of the change;
- (b) continue to distribute any catalogue or sales literature printed or ordered to be printed before a change is announced only if –
 - (i) there is firmly attached thereto a label which prominently states that some or all of the prices printed therein are to be adjusted to reflect the change, and
 - (ii) it includes sufficient information to enable prospective purchasers to establish the adjusted prices of any products listed, or
 - (iii) it refers to and is accompanied by a supplement which enables them to do so.

EXPLANATORY NOTE

(This note is not part of the Order)

Article 1 of this Order deals with formal matters and interpretation.

Article 2 revokes Orders controlling the price marking of fruits and vegetables, fish, meat and motor fuel.

Article 3 exempts from the effects of this Order sales by auction and products which are supplied in the course of a service.

Article 4 requires traders to indicate the selling price of all products offered for sale to a consumer (defined as any individual who buys a product for purposes that do not fall within the sphere of his commercial or professional activity).

Article 5 requires traders to indicate the unit price of products which are sold from bulk or which are pre-packed in catchweight quantities and marked with an indication of quantity under any provision of Part IV of the Weights and Measures Act 1989. Unit price is defined as the final price, including VAT and all other taxes, for one kilogram, one pound, one litre, one pint, one metre, one yard, one square metre, one square yard, one cubic metre or one cubic yard of a product or, where products are sold by number, the final price for one individual item of the product. The following products are exempt from this requirement:

Products which are offered purely by means of an advertisement which is purely aural or broadcast on television or shown at a cinema;

Products which are reduced in price due to damage or the danger of deterioration;

Products which consist of an assortment of different items sold in a single pack;

Products for which the unit price and selling price are identical.

Article 6 requires prices to be indicated in pounds. If a trader is willing to accept payment in Euros he must either give equivalent selling prices and unit prices in Euros or show the conversion rate which will be used to calculate prices in Euros. He must in either case identify any commission which is charged and make it clear that the conversion rates will not apply to transactions made by payment cards, for which the conversion rates will be set by the card provider.

Article 7 requires price indications to be clear, unambiguous and displayed in proximity to the products to which they relate. They should be placed so that they are available to consumers without the need for them to seek assistance in order to ascertain them. Motor fuel unit prices must be displayed so as to be easily read by a person in a vehicle on the highway.

To allow traders time to amend all their price indications when VAT changes, Article 8 allows them a period of 14 days during which they may indicate that prices have changed by means of a general notice. Printed catalogues etc must be accompanied by some means which will enable consumers to establish the adjusted prices.

Article 9 allows general price reductions to be shown by means of a notice which gives clear details.

