HARVEY NORMAN FACES $1.25 MILLION FINE FOR ADVERTISEMENTS

A $1.25 million fine has been levied against electronics company Harvey Norman for what is being called deceptive advertising. A federal court judge lashed out against the company's "cynical and contemptuous manipulation" of its customers recently. The franchise chain was convicted in a federal court in Brisbane of misleading and deceptive conduct under the country's Trade Practices Act. The issues involve fine print exclusions and for advertising in brochures in 2010 that purchasers of 3D televisions would have the chance to watch Australian Football League and National Rugby League grand finals in 3D picture according to Business with the Wall Street Journal. The judge who made the ruling, Berna Collier, claimed that the company knew the broadcasts in 3D were only available in six cities within the country. "In my view, this conduct was seriously misleading and deceptive on a significant and far-reaching scale," Justice Collier said. "(This case) . . . paints a picture of an expensive, misleading and calculated campaign of sizeable proportions, characterized by blatant and deliberate disregard of the truth, cynical strategies to capitalize on contemporary sporting events . . . and the contemptuous manipulation of the expectations of ordinary consumers in respect of so-called 'fine print'. Harvey Norman knew of the deceptive nature but did nothing to correct it." The Australian Competition & Consumer Commission, which is the country's consumer watchdog, has seen a major triumph with the fine levied on the company. The company admitted that it did violate the Trade Practices Act and has since consented to the $500,000 fine for the 3D TV promotion and the $750,000 fine for the fine print advertising misconceptions. The chairman and co-founder of Harvey Norman, Gerry Harvey, claims that the company's breaches of the act were not intentional. "Sometimes the trade practices laws are used to punish misleading conduct even if the conduct is unintentional," Mr. Harvey said. "The judge was not entitled to come to that conclusion based on the joint submissions (from Harvey Norman and the ACCC) which were put to the court. We've been going for 50 years and we've never made a practice of intentionally misleading anyone." Back in September of 2010, the report claims Harvey Norman sold close to 820 of the 3D TVs during the promotional period, which helped to generate $2 million in sales. Between October of 2008 and July of 2011, the court also discovered that Harvey Norman had advertised products on its website and in its catalogues that gave consumers the impression that those items were available in all of their stores. However, a fine print condition revealed that the offers were only being made by a single store in each state or territory -- while the website terms and conditions revealed that the offers were available in just one store in Australia. The judge said the following about the Harvey Norman case: "the inference available to the court is that this is yet another unfortunate example of a corporation with a compliance policy to which mere lip-service is paid."