



Consumer Awareness: Goods bought on Sale

12th January 2021

Consumer rights regarding goods bought on sale

Consumers have the same legal rights with regard to the purchase of sale items as they do when purchasing full priced goods.

Whether goods are sold on sale or not, the Sale of Goods Act stipulates that all goods sold must be:

1. Of satisfactory quality and free from defects;
2. As described; and
3. Fit for purpose.

Consumers should note however that if the price of a good is reduced because of a fault that is pointed out, they will not be able to make a claim in relation to this fault.

A retailer cannot limit these rights in respect of goods that are on sale.

Demonstrating that there is an issue with the goods

Where a consumer is claiming that the goods bought are faulty, they must demonstrate this to the trader.

Where there is a dispute between the consumer and the trader regarding the cause of the problem:

1. **during the first six months** from the date of purchase it is for the trader to prove that it is not a manufacturing defect; or
2. **after the first six months** from the date of purchase, it is for the consumer to prove that the goods had a manufacturing defect at the time of sale. In order to do so, the consumer may need to engage with an independent expert to make a report on the matter. Please be advised that it is likely that the independent expert may wish to charge for this service and it may not be recoverable.

Note that the above timelines are provided as guidance only and are not set out in law.

Redress (compensation)

Where it is demonstrated that goods bought (on sale or otherwise) are not of satisfactory quality & free from defects, as described and/or fit for purpose the following forms of redress may be provided:

1. **A Full refund** – This is appropriate if the problem is identified and reported immediately to the trader within a month of purchase.
2. **Repair** – This is appropriate where more than a month has passed after the purchase. The good should be repaired within a reasonable time frame.



3. **A Replacement** – This is appropriate where neither a refund nor a repair as set out in A and B are applicable.
4. **A full or partial refund** – This is appropriate where the consumer has had the good for some time and it has been used and it cannot be repaired or replaced.
5. **A Reduction on the price that was originally paid** - This is appropriate if the consumer would like to keep the product despite the fault or where there is no other alternative solution.

Note that the above redress options are provided as guidance only and are not set out in law. The redress offered by a trader may vary and is dependent on the circumstances of the case. Only a court can decide the level of redress that consumers may be entitled to.

Returning Sale Items

1. Note that traders are not legally obliged to have a refund or exchange policy. Non-faulty goods bought in-store can only be returned for an exchange or refund if the trader has such a policy. This should not affect consumers' statutory rights as stated above.
2. Note that some traders' refund or exchange policies may vary during sales.
3. Where traders have a refund or exchange policy for purchases made in store, they must honour them. Consumers should be advised if these policies do not apply to items on sale.
4. A trader may request proof of purchase before accepting a return. Receipts are the best proof of purchase, however a relevant bank or credit card statements may also serve this purpose.
5. Consumers should check their purchases as soon as they can and act promptly if something is wrong. The right to reject the goods and claim a full refund extends only to a reasonable time after purchase.

Practical tips for shopping in a sale:

1. Shop around for the best prices before you buy. Refund and return policies are not obligatory and you may not be able to return goods because you have found a cheaper price elsewhere or you have changed your mind.
2. Check that multi-buy offers (e.g. three for the price of two) or combination offers (e.g. any three items from a range of goods) are cheaper than the total cost of buying the same items separately.

We trust the above is of assistance to consumers. Should you have any queries or encountered any problems please contact the OFT's Consumer Protection Team:

Email: consumer.protection@gibraltar.gov.gi

Tel: 20071700

Web: www.oft.gov.gi

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