

Hong Kong Customs continues "Tornado" special operation against unfair trade practices by fitness centres

Hong Kong Customs has mounted a special operation codenamed "Tornado" since the end of 2018 against unfair trade practices by fitness centres. Customs officers continued to conduct the fourth phase of the enforcement operation in the past two months and smashed four fitness centres in Mong Kok and Yau Ma Tei. A total of 16 persons were arrested after being suspected of having engaged in aggressive commercial practices in the course of selling fitness services, in contravention of the Trade Descriptions Ordinance (TDO). Around \$660,000 is involved in the service contracts. Coupled with the earlier operations, a total of 32 persons were arrested during the special operation up to yesterday (January 9).

Customs officers earlier received information alleging that staff members of four fitness centres in Mong Kok and Yau Ma Tei imposed undue influence and used aggressive commercial practices when selling fitness services to customers, forcing them to procure fitness club membership. In some cases, victims were even taken to another retail shop for high-value consumption.

Subsequent to in-depth investigation, Customs officers took enforcement action and arrested 16 persons. Aged between 22 and 56, they comprise seven directors and seven salespersons of the fitness centres, and two persons connected with the cases.

The special operation "Tornado" is ongoing.

Customs has cumulatively arrested 32 persons during the "Tornado" operation after suspecting them of having engaged in aggressive commercial practices in the course of selling fitness services in contravention of the TDO. The arrested persons, aged between 21 and 56, comprise 11 directors and 17 salespersons of the fitness centres, and four other persons connected with the cases. A total of about \$2.46 million is involved in all of the service contracts.

The Group Head (Unfair Trade Practice Investigation), Ms Suzette Ip, said at a press conference today (January 10) that Hong Kong Customs will continue to step up enforcement to strive to combat unfair trade practices by fitness centres.

She reminded traders that they must comply with the requirements of the TDO. Consumers are also reminded to procure services from reputable shops. Before making a purchase decision, consumers must not give their identity cards, credit cards or automated teller machine cards to salespersons. They should not purchase the services if they do not fully understand the service and price details. They must also refuse firmly to sign any paper if they do

not intend to make a purchase.

Under the TD0, any trader commits an offence of engaging in aggressive commercial practices if harassment, coercion or undue influence is used to impair a consumer's freedom of choice or conduct, causing the consumer to make a transactional decision. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for five years.

Stressing its priority given to consumer rights protection and zero tolerance for unfair trade practices, Customs pledges that it will continue its stringent enforcement actions against such practices by fitness centres.

Members of the public may report any suspected violations of the TD0 to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).