

**NOTICE 187 OF 2011**  
**NOTICE IN TERMS OF SECTION 12 (6) (a) (iii) OF THE CONSUMER**  
**AFFAIRS**  
**(UNFAIR BUSINESS PRACTICES) ACT, Act No 71 of 1988**

I, Dr Rob Davies, MP, Minister of Trade and Industry, after having considered a report by the Consumer Affairs Committee in relation to an investigation of which notice was given under Notice 291 of 2010, Volume 537, published in Government Gazette No. 33073 of 31 March 2010 which report was published under Notice 186 of 2011 in Government Gazette No. 34173 of 2010, and being of the opinion that an unfair business practice exists which is not justified in the public interest, do hereby exercise my powers in terms of section 12(1)(b) of the Consumer Affairs (Unfair Business Practices) Act, 1988 (Act No. 71 of 1988), as set out in this schedule



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Dr ROB DAVIES, MP

MINISTER OF TRADE AND INDUSTRY

## SCHEDULE

1 In this notice, unless the context indicates otherwise-

1.1 *The parties* means any of the following: A1 Chic and Veg Franchise cc, Registration number 2001/022423/23, Mr. Sarel Grobler, I.D No. 6404175017084, including any other director(s), member, managing member, employee(s), agent(s) and representative(s) of any of the aforementioned persons.

1.2 *Franchise* means- an agreement between two parties, being the franchisor and franchisee, respectively –

- a) in which, for consideration paid, or to be paid, by the franchisee to the franchisor, the franchisor grants the franchisee the right to carry on business within all or a specific part of the Republic under a system or marketing plan substantially determined or controlled by the franchisor or an associate of the franchisor,
- b) under which the operation of the business of the franchisee will be substantially or materially associated with advertising schemes or programmes or one or more trademarks, commercial symbols or logos or any similar marketing, branding, labeling or devices, or any combination of such schemes, programmes or devices, that are conducted, owned, used or licensed by the franchisor or an associate of the franchisor, and
- c) that governs the business relationship between the franchisor and the franchisee, including the relationship between them with respect to the goods or services to be supplied to the franchisee by or at the direction of the franchisor or an associate of the franchisor,

1.3 ***Business practice*** means:

- (a) The advertisement and or offer of any franchise by the parties;
- (b) The sale of a franchise by the parties;
- (c) Receipt of or acceptance of funds by the parties from prospective franchisees or consumers.

2. The business practice is hereby declared unfair and therefore unlawful and the parties are hereby directed to:

- (a) refrain from the application or continuation of the business practice as defined above,
- (b) cease to have any interest in a business or type of business which applies such a business practice or to derive any income there from and to refrain, at any time, from obtaining any interest in or deriving any income from a business or type of business applying such a business practice.
- (c) refrain from at any time applying the said business practice.

2. This notice shall come into operation upon the date of publication hereof.

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