

Corrective Notice ordered by the Federal Court of Australia Swan Valley Eggs, Eggs by Ellah & Others

False, misleading and deceptive conduct by Snowdale Holdings Pty Ltd

Snowdale Holdings Pty Ltd (**Snowdale**) sells eggs under brand names including Swan Valley Free Range Eggs, Eggs by Ellah, Wanneroo Free Range Eggs, Carabooda “Lovingly Hand Packed” Free Range Eggs, and Mega Free Range Eggs.

Following action by the Australian Competition and Consumer Commission (**ACCC**), the Federal Court of Australia declared that during the period of 8 April 2011 to 9 December 2013 Snowdale contravened the Australian Consumer Law (**ACL**).

The Court declared that Snowdale made **false, misleading or deceptive representations** on its egg cartons, on a poster and on its Eggs by Ellah website that the eggs supplied in its free range lines were produced:

- by hens that were farmed in conditions so that the hens were able to move about freely on an open range on an ordinary day; and
- by hens, most of which moved about freely on an open range on most days.

The Court found that the eggs were in fact produced by hens most of which were not able to move about freely on an open range on an ordinary day because of the combination of the following four farming conditions:

- the number of physical openings to the outdoor range (known as “pop holes”);
- the number of hens per metre of pop hole;
- flock size; and
- the size of the sheds,

and also that the eggs were produced by hens most of which did not in fact move about freely on an open range on most days.

As part of its orders, the Court:

- required Snowdale to pay pecuniary penalties in the amount of \$750,000 together with the ACCC’s costs of the proceeding; and
- required Snowdale to publish this corrective notice and implement a Consumer Law Compliance Program.