

**1507014 ALBERTA LTD.
OPERATING AS
DRAINRESCUE EDMONTON AB
AND DON CONNORS AND WILLIAM DOAN, DIRECTORS
AND ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF THE ABOVE**

This Director's Order was issued under s. 157.1 of the *Fair Trading Act* in response to, in the opinion of the Director, contraventions of the Act. As mandated by s. 157.1 of the *Fair Trading Act*, this Director's Order is part of the public record.

For more information on the Fair Trading Act, business licensing in Alberta or to search for a licensed business, please click here:

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Consumer Programs

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DIRECTOR'S ORDER UNDER SECTION 157 OF THE FAIR TRADING ACT

TO

1507014 ALBERTA LTD. o/a DRAINRESCUE EDMONTON AB

and DON CONNORS & WILLIAM DOAN, Directors,

and ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF 1507014 ALBERTA LTD., DON CONNORS, OR WILLIAM DOAN

ISSUE

1507014 Alberta Ltd., o/a DrainRescue Edmonton AB, is a plumbing company based in Edmonton. On July 7, 2010, an Edmonton consumer contacted this company to inspect a leak on their hot water tank. At the recommendation of the company, the consumer requested installation of a new hot water tank, as well as the repair of a leaking valve on a second hot water tank. The consumer says a verbal quote of \$3200 was provided for the tank installation. Once the installation and repair were completed, a bill was presented for \$3801, including \$3490 for the purchase and installation of the new tank. The consumer disputed this bill, and received quotes from other companies to install the same tank for \$1500 to \$1813.59. 1507014 Alberta Ltd. did not advise the price charged would be significantly higher than is readily available in the market.

On July 18, 2010, a second Edmonton consumer contacted 1507014 Alberta Ltd. to replace a failed sump pump. The company gave a verbal quote of \$700 for the replacement. When the consumer questioned this price, stating a sump pump could be purchased for \$130 to \$250, the company representative explained this pump is of a higher quality and cannot be purchased by consumers directly. Once the work was completed, the consumer inspected the pump, and found the same model can be readily purchased at stores in Edmonton for about \$120. The consumer was also informed by a neighbour that they had a comparable pump installed by another company under similar circumstances for \$365.

The Director is of the opinion these activities, conducted in the normal course of business by the company, constitute unfair practices prohibited by the *Fair Trading Act*.

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LEGISLATION

The following sections are excerpts from the *Fair Trading Act*:

Unfair practices

6(1) In this section, "material fact" means any information that would reasonably be expected to affect the decision of a consumer to enter into a consumer transaction.

- (1.1) It is an offence for a supplier to engage in an unfair practice.
- (2) It is an unfair practice for a supplier, in a consumer transaction or a proposed consumer transaction,
 - (c) to use exaggeration, innuendo or ambiguity as to a material fact with respect to the consumer transaction;
 - (d) to charge a price for goods or services that grossly exceeds the price at which similar goods or services are readily available without informing the consumer of the difference in price and the reason for the difference;
 - (e) to charge a price for goods or services that is more than 10%, to a maximum of \$100, higher than the estimate given for those goods or services unless
 - (i) the consumer has expressly consented to the higher price before the goods or services are supplied, or
 - (ii) if the consumer requires additional or different goods and services, the consumer and the supplier agree to amend the estimate in a consumer agreement;

...

(4) Without limiting subsections (2) and (3), the following are unfair practices if they are directed at one or more potential consumers:

- (a) a supplier's doing or saying anything that might reasonably deceive or mislead a consumer;
- (b) a supplier's misleading statement of opinion if the consumer is likely to rely on that opinion to the consumer's disadvantage;
- (c) a supplier's representation that goods or services have sponsorship, approval, performance, characteristics, accessories, ingredients, quantities, components, uses, benefits or other attributes that they do not have;

...

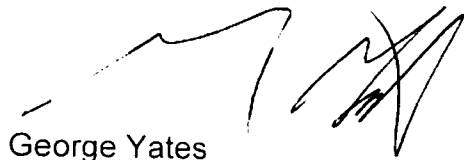
(e) a supplier's representation that goods or services are of a particular standard, quality, grade, style or model if they are not;

ORDER

- 1507014 Alberta Ltd. o/a DrainRescue Edmonton AB must immediately stop engaging in unfair practices with consumers or potential consumers.
- Don Connors and William Doan, jointly and severally, either in their own capacity or when acting on behalf of a corporation in which they have an interest or by which they are employed, must immediately stop engaging in unfair practices with consumers or potential consumers.
- Any employee, representative, agent or associate of 1507014 Alberta Ltd., Don Connors, and/or William Doan must immediately stop engaging in unfair practices with consumers or potential consumers.

NON COMPLIANCE WITH ORDER

- ANY PERSON WHO FAILS TO COMPLY WITH AN ORDER OF THE DIRECTOR UNDER SECTION 157 OF THE FAIR TRADING ACT CONTRAVENES THIS ACT AND IS GUILTY OF AN OFFENCE AND MAY BE PROSECUTED PURSUANT TO SECTION 163 OF THE *FAIR TRADING ACT*.

A handwritten signature in black ink, appearing to be 'George Yates', written in a cursive style.

George Yates
Director of Fair Trading
March 3, 2011