

(Disputes Tribunal Act 1988) ORDER OF DISPUTES TRIBUNAL

[2023] NZDT 383

APPLICANT UL

RESPONDENT Q Ltd

The Tribunal orders:

The claim is dismissed.

Reasons:

- 1. UL purchased a "remanufactured" [laptop] from Q Ltd for \$781.13 on 2 March 2020. Almost three years later (on 2 February 2023,) the laptop's screen suddenly went black, and UL has been unable to use it. He claimed the laptop was not of acceptable quality as it was not reasonably durable.
- 2. The issues to be resolved are:
 - (a) Was the laptop reasonably durable?
 - (b) If not, is UL entitled for it to be replaced or to be refunded his purchase price?

Was the laptop reasonably durable?

- 3. Section 6 of the Consumer Guarantees Act 1993 provides that when a good is sold to a consumer, as it has in this case, then there is a guarantee that it is of acceptable quality. Section 7 defines what acceptable quality means and includes in that definition that it must be durable. When a decision is made on whether a good is durable, a variety of factors must be taken into account, such as the nature of the good and the context of the supply.
- 4. ND, representing Q Ltd, said that the computer was sold as a remanufactured laptop, which meant that it was a used one that was sent back to the manufacturer who then refurbished it and reinstalled the software. He said that was why it was sold for less than a brand new one. As a consequence, it would not have the same lifespan as a brand new laptop, which ordinarily would be between 3 to 7 years, depending on how it was used and cared for. The laptop was therefore sold with only a one year manufacturer warranty.
- 5. UL provided an article from Consumer NZ concerning the reasonable life expectancy of household goods. It found that "while we expect a laptop or desktop to last five years, about one in three fails by its fourth year according to consumer reports...malware often contributes to the early demise of a computer, so keep antivirus protection up to date".

- 6. UL said it was not brought to his attention that a remanufactured laptop would not last for the same length of time as a new one. He said the laptop was not put too much use, and in the past his laptops have lasted for five years.
- 7. As the laptop was remanufactured, I find that it is a factor I must take into account when assessing the expected durability it had. A new laptop would be expected to last approximately five years, however, this laptop was not new. Some deduction must be made to that estimated life expectancy to take into account that it has had an unknown period of prior use. Although the laptop only lasted three years and so was towards the lower end of a reasonable life expectancy, I find that it was not so short of that period that the laptop could not be described as being reasonably durable. It is an electronic good that has had an unknown previous use. The purchase price reflected that the consumer was getting less than what they would expect from a brand new laptop. From the evidence provided, I cannot be satisfied that it was unreasonable that the laptop only lasted for three years, and therefore the claim is dismissed.

Referee: Cowie DTR Date: 29 August 2023



Information for Parties

Rehearings

You can apply for a rehearing if you believe that something prevented the proper decision from being made: for example, the relevant information was not available at the time.

If you wish to apply for a rehearing, you can apply online, download a form from the Disputes Tribunal website or obtain an application form from any Tribunal office. The application must be lodged within 20 working days of the decision having been made. If you are applying outside of the 20 working day timeframe, you must also fill out an Application for Rehearing Out of Time.

PLEASE NOTE: A rehearing will not be granted just because you disagree with the decision.

Grounds for Appeal

There are very limited grounds for appealing a decision of the Tribunal. Specifically, the Referee conducted the proceedings (or a Tribunal investigator carried out an enquiry) in a way that was unfair and prejudiced the result of the proceedings. This means you consider there was a breach of natural justice, as a result of procedural unfairness that affected the result of the proceedings.

PLEASE NOTE: Parties need to be aware they cannot appeal a Referee's finding of fact. Where a Referee has made a decision on the issues raised as part of the Disputes Tribunal hearing there is no jurisdiction for the District Court to reach a finding different to that of the Referee.

A Notice of Appeal may be obtained from the Ministry of Justice, Disputes Tribunal website. The Notice must be filed at the District Court of which the Tribunal that made the decision is a division, within 20 working days of the decision having been made. There is a \$200 filing fee for an appeal. You can only appeal outside of 20 working days if you have been granted an extension of time by a District Court Judge. To apply for an extension of time you must file an Interlocutory Application on Notice and a supporting affidavit, then serve it on the other parties. There is a fee for this application. District Court proceedings are more complex than Disputes Tribunal proceedings, and you may wish to seek legal advice.

The District Court may, on determination of the appeal, award such costs to either party as it sees fit.

Enforcement of Tribunal Decisions

If the Order or Agreed Settlement is not complied with, you can apply to the Collections Unit of the District Court to have the order enforced.

Application forms and information about the different civil enforcement options are available on the Ministry of Justice's civil debt page: http://www.justice.govt.nz/fines/about-civil-debt/collect-civil-debt

For Civil Enforcement enquiries, please phone 0800 233 222.

Help and Further Information

Further information and contact details are available on our website: http://disputestribunal.govt.nz.