



NATIONAL CONSUMER TRIBUNAL AND OTHERS v LAMBONS (PTY) LTD

CASE NO: 2023-046832

1. SUMMARY OF THE JUDGEMENT

In February 2012, the consumer, Ms Wilhemina Barnardo, purchased a GWM Steed vehicle from the respondent for R215,000.00. Within six months of purchase, she began experiencing recurring mechanical defects. Despite the vehicle being returned for repairs several times during 2012, new defects continued to arise. Dissatisfied with the repeated failures, Ms Barnardo requested a full refund of the purchase price, but the respondent refused.

The complaint was referred to the MIOSA, which on 30 June 2014 recommended that the dispute be resolved in line with Section 56, read with Section 20 of the CPA, within 15 working days. The recommendation required the supplier to either replace the defective vehicle or refund the consumer. The respondent, however, failed to comply.

On 4 November 2021, the National Consumer Commission issued a compliance notice, instructing the respondent to:

- a. Replace the defective vehicle with a similar one, or
- b. Refund the purchase price, subject to a reasonable deduction for usage, and

- c. Refrain from engaging in similar conduct in the future.

The respondent was also cautioned that failure to comply could result in the imposition of an administrative fine. Despite this, the respondent did not comply with the compliance notice.

As a result, on 29 August 2023, the NCC referred the matter to the National Consumer Tribunal in terms of Section 100(6)(a) of the CPA. The Tribunal found that the respondent had failed to comply with the compliance notice. It ordered the respondent to refund the consumer and imposed an administrative fine of R200,000.

Unhappy with this outcome, the respondent challenged both the compliance notice and the Tribunal's ruling in the High Court.

On 18 September 2025, the High Court handed down its judgment. The Court held that:

- a. The respondent deliberately refused to comply with the compliance notice issued by the NCC.
- b. The compliance notice issued by the NCC was rational, lawful, and procedurally fair.
- c. The Tribunal was correct in enforcing the compliance notice and imposing a fine.

2. IMPACT OF THIS CASE:

This judgment represents a significant milestone in consumer protection law and the enforcement of the CPA. It reaffirms the powers of the NCC and Tribunal to act decisively against non-compliant suppliers and provides much-needed certainty for consumers who purchase defective goods.

Here are some key effects of the case:

- **Affirmation of the consumer's right to cancel and refund under section 56(3):**

The judgment reaffirms that consumers have a right to cancel a transaction and claim a refund or replacement if defects persist after repair attempts. This ensures that the remedies set out in the CPA are enforceable and not merely theoretical.

- **Consequences of Ignoring Compliance Notices:**

The case makes it clear that suppliers who disregard compliance notices issued by the NCC expose themselves to serious legal consequences, including enforcement by the Tribunal and the imposition of administrative fines.

- **Strengthening Regulatory Enforcement:**

By confirming that the NCC's compliance notices are rational, lawful, and procedurally fair, the Court has strengthened the Commission's authority to act against suppliers who engage in prohibited conduct

- **Deterrent Effect on Industry:**

The imposition of a R200,000 administrative fine serves as a strong warning to suppliers across industries that non-compliance with the CPA will have financial and reputational consequences.

- **Consumer Confidence:**

The judgment promotes confidence in the consumer protection framework by demonstrating that consumers can successfully assert their rights, and that regulators and courts will protect them against unfair business practices.