

Report on Representations in the Trade of Dogs and Cats (Overview)

June 23, 2008
Japan Fair Trade Commission

Investigation

1. Purpose of the Investigation

Pets are various in breeds, sale prices, appearance, age and other details. However, consumers have little experience in buying pets and there is a large gap in knowledge between consumers and retailers. It has been pointed out that consumers purchase pets without sufficiently understanding details to be checked before purchase. In this investigation, we investigate the actual situation of retailer representations and propose points to assure that consumers should select pets properly.

2. Actual situation for retailer Representations and Remarks

- Some retailers characterizing themselves as breeders with representations such as breeder shops are not engaged in breeding. Some retailers indicating dealing with breeders provide representations such as "directly sent from breeder" but these retailers do not purchase pets directly from breeders.

→ The retailers making such representations should clearly show how the pets are obtained (by that retailer's breeding, by direct purchase from a breeder or by any other means) for each individual so as not to cause consumer misunderstanding.

- Some retailers indicating that pets have had their vaccinations charge consumers for the vaccination in addition to the sale price of the pet without representing the separate vaccination charge .

→ Retailers that charge the vaccination cost in addition to the sale price should clearly represent that the vaccination cost will be charged separately.

- Most retailers giving representing such as pedigree is available do not deliver the pedigree to the consumer at the same time as when the pet is delivered.

→ Retailers should, if they cannot deliver the pedigree at the same time as the pet, make efforts to have the consumer understand it. Retailers should give representations that the pedigree cannot be delivered at the same time or represent the estimated timing of the pedigree delivery.

- Some retailers use representations, such as *mameshiba*, teacup poodle and tiny poodle, emphasizing a size smaller than that of general breeds, but these retailers do not define the size of the breed when it gets adult.

→ Retailers which emphasize smaller size than the general one should clearly represent that such representations are not breed names, but designations based on the expected size of the adult and define the size of the adult and give representations of such definition.

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Investigation Overview

1. Pet Market Scale and Number of Pets Sold

- The pet market scale in Japan is 136.5 billion yen, among which 76.2 billion yen is for dogs and 11.2 billion yen is for cats (2005).
- The estimated number of dogs sold is 620,000 and that of cats is 110,000 (2005).

2. Purebred and pedigree

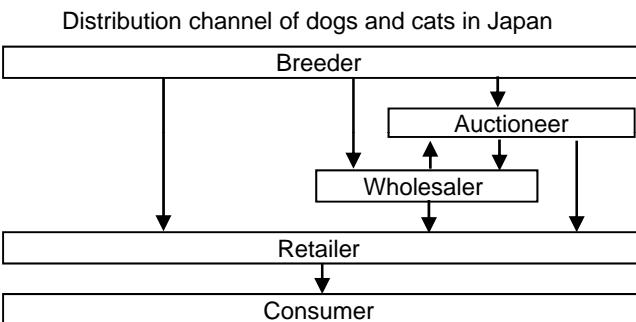
(1) Purebred

For dogs and cats, the term purebred means a breed with genetic identity that is artificially fixed. There are "purebred dog breeds" for dogs and "purebred cat breeds" for cats. In addition, "crossbred dogs and cats", which are the offspring generation between purebred parents of two different breeds, are also sold.

(2) Pedigree

Many dog (cat) registration bodies, which are civil organizations established to protect and foster purebred dogs and cats, register only the dogs and cats obtained by breeding of purebreds they protect or foster, and issue written certificates of such registration (pedigrees).

3. Distribution channel



"Breeder" breeds dogs and cats to sell

"Auctioneer" manages auctions where breeders auction pets and retailers bid

There are fatal infectious diseases among dogs and cats. Retailers vaccinate dogs and cats with mixed vaccine at their own cost.

4. Act on Welfare and Management of Animals

(1) Information required represented for each animal

Name of breed etc., standard weight and size when sexually mature, sex, date of birth, place of origin etc.

(2) Matters required to be explained and checked by delivering written documents before agreement execution.

Vaccination status, possible diseases and how to prevent them, disease record, etc. in addition to the above information

Note: If a retailer accepts certificate about vaccination from a wholesaler etc. or vaccinates the pet while the pet is in the retailer's care, the retailer is required to deliver a certificate about vaccination.

5. Information provided to the consumer

(1) Information given to the consumer by representations

A. Information given by label or website

Approximately 70% of retailers use a label and approximately 35% use a website to provide information about pets.

On the label or website, dog (cat) breed, date of birth, sex, sale price, color and type of hair, origin, vaccination status, pedigree information, standard weight and size when sexually mature and direct offspring of champion are represented.

Some retailers do not provide any representations for individual the as described in item 4 (1) above.

B. Verbal explanation

Character, extent of training, information about parents and other matters not judged in appearance are verbally provided.

(2) Information given in writing to the consumer

Document delivered to the consumer describes vaccination status, date of birth, dog (cat) breed, sex, how to feel, origin, color and type of hair, standard weight and size when sexually mature, infectious diseases common to human beings and possible diseases and how to prevent them.

Some retailers do not provide information about the details in item 4 (2) above in writing.

Representations about the breeder

Representation examples consumer understanding and the actual situation

Representation characterizing a retailer as a breeder

[Representation examples]

- Breeder shop
- Breeder's shop
- Direct sale by breeder
- Self breeding

[Consumer Understanding]

From representations such as "breeder shop" or the like, approximately 60% of consumers understand that all pets sold in the shop are bred by the retailer itself.

(Questionnaire for consumer monitors)

[Actual situation]

Most retailers giving representation that they themselves are breeders do not breed all pets they sell by themselves. Some retailers do not breed animals at all by themselves.

(Questionnaire for entrepreneurs)

Representations of dealings with breeders

[Representation examples]

- Directly sent from breeder
- Directly purchased from breeder
- Tied up with breeder / Tied up with excellent breeder

[Consumer Understanding]

From representations such as "directly sent from breeder" or the like, approximately 70% of consumers understand that all pets sold by the shop are purchased from the breeder.

(Questionnaire for consumer monitors)

[Actual situation]

Some retailers who represent their dealings with breeders do not procure all pets that they sell directly from breeders. Some retailers do not have direct procurement from breeders at all.

(Questionnaire for entrepreneurs)

Remarks for retailers

When consumers see representations that a retailer is a breeder such as "breeder shop", they generally understand that all pets sold by that retailer are bred by the specific retailer. The retailers characterizing themselves as breeders although they procure pets by means other than their breeding, should provide clear representations for every pet about whether it is bred by the retailer or by other means so as to prevent consumer misunderstanding.

When consumers see representations that a retailer has dealings with breeders such as "directly sent from breeder", consumers generally understand that all pets sold by that retailer are directly purchased from breeders. The retailers representing dealings with breeders although they procure animals by means other than direct purchase from breeders, should give clear representations for every pets about whether it is directly purchased from a breeder or procured by other means so as to prevent consumer misunderstanding.

Representations about Payment of Vaccination Cost

Representation examples by entrepreneurs, understanding by consumers and the actual situation

[Representation examples]

- Price: ¥ XXX,XXX First vaccination completed
- Pet price: XXX,XXX yen () vaccines already given
- Sale price: XXX,XXX yen (Vaccinated on)

[Understanding by consumers]

Many consumers do not consider that the vaccination cost will be charged in addition to the represented price of the pet if there is no representation about vaccination cost.

From the representation vaccination completed, approximately 90% of consumers understand that they do not have to pay the vaccination cost in addition to the sale price.

(Questionnaire for consumer monitors)

[Actual situation]

To the retailers answering that they charge the vaccination cost to the purchaser in addition to the sale price of the pet, we asked how they represent such cost. Some retailers give no particular representation although they have the purchaser separately pay the cost.

(Questionnaire for entrepreneurs)

Remarks for entrepreneurs

When consumers see representations meaning that vaccines have been given such as vaccinations completed, they understand that they will not be separately charged for the vaccination cost. Retailers who separate the charge of the vaccination cost for the purchaser from the sale price of the pet should clearly represent that the vaccination cost is separately incurred.

If the retailer charging the vaccination cost in addition to the pet price fails to give any representation to that effect, the concern is that this is a problem under the Act against Unjustifiable Premiums and Misleading Representations (Misleading to favorable conditions).

Representations about Vaccination Information

Representation examples by entrepreneurs, understanding by consumers and the actual situation

[Representation examples]

- Vaccination: First time () Second time ()
- () vaccines already given
- Vaccination: (Date)
- () vaccines already given for () times (No vaccination charge)

[Understanding by consumers]

All responders indicate they want vaccination information provided. For the method to provide information, approximately 90% want delivery of a written document and approximately 40% want representations using labels or a website.

(Questionnaire for consumer monitors)

[Actual situation]

Over 50% of retailers provide representations of vaccination information on labels or websites.

Only approximately 70% of retailers deliver written documents describing information about the vaccinations. This indicates that the retailers do not provide sufficient information to consumers.

(Questionnaire for entrepreneurs)

Remarks for entrepreneurs

Vaccination information (vaccination timing, type, etc.) is to some extent provided. However, such information is not always appropriately provided. Retailers should provide consumers with information about the required vaccinations for their proper selection of pets by delivering written documents.

In addition, if it is necessary for the purchaser to have the pet additionally vaccinated after purchase, the preference is to also provide information to that effect.

Remarks for consumers

The preference is to have the retailer sufficiently explain about vaccinations.

Representations about Timing to Receive the Pedigree Certification

Representation examples by entrepreneurs, understanding by consumers and the actual situation

[Representation examples]

- Pedigree Available / Pedigreed
- Pedigreed Yes No
- Pedigree (Pedigree issuing body)

[Understanding by consumers]

Seeing the representation that a pet is pedigreed, approximately 85% of consumers understand that they will receive the pedigree at the same time as the purchase of the dog or cat.

In addition, approximately 50% of consumers who cannot receive the pedigree certification at the same time as purchase of a dog or cat are not given any explanation.

(Questionnaire for consumer monitors)

[Actual situation]

The retailers representing that the pedigree certification go with pets usually provide the pedigree certifications to the purchasers. However, approximately 90% of them do not obtain the pedigree certifications before displaying the pets.

At least 85% of retailers do not provide a pedigree certification at the same time as the pets, but 90% or more of retailers explain the reason to the purchasers.

(Questionnaire for entrepreneurs)

Remarks for entrepreneurs

Most retailers say that they explain about unavailability of the pedigree certification at the same time as the pet sell, but nearly half of the consumers indicate that they were not advised about the pedigree certification. There is a difference in understanding between retailers and consumers. Retailers should make efforts to have this point understood by consumers.

Seeing the representation about pedigree availability, such as "pedigreed," consumers understand that they can receive the pedigree certification at the same time as the pedigreed dog or cat. The preference is for the retailers representing the pedigreed animal is available and to represent that the pedigree certification is not available at the same time as the pet if the pedigree certification cannot be provided at that time or the estimated timing when they can provide the pedigree certification.

Representations about Crossbred Dogs (Cats)

Representation Examples by Entrepreneurs and Actual Situation

[Representation examples]

<Crossbred Dogs>

- Toy poodle and Chihuahua: Chihuapoo, Poochi
- Miniature dachshund and Toy poodle: Dachpoo, Poochs
- Pomeranian and Maltese: Pometese, Malpome
- Pomeranian and Chihuahua: Chihuaranian, Pomechi

<Crossbred Cats>

- Somali and Singapura: Somapu

[Actual situation]

When retailers sell crossbred dogs (cats), they represent the breed name they made up using the dog (cat) breeds of parents used for breeding together with the dog (cat) breeds of the parents.

(Information from retailers)

Remarks for consumers

Since there are no dog (cat) breed names about crossbred dogs (cats), it is necessary to pay attention that the represented designations are appropriate in accordance with the dogs (cats) the retailers are selling.

Representations Emphasizing Smaller Size Than That of the General Breed

Representation Examples by Entrepreneurs and Actual Situation

[Representation examples]

- Mameshiba / Shiba Inu (Mameshiba)
- Teacup poodle
- Tiny poodle

[Actual situation]

Representation emphasizing that the pet is smaller than the general size of the breed is not given as a breed name, but as a designation based on the size expected when the animal matures. Some retailers provide such representation without defining the size of the pet when it becomes a mature animal.

(Information from retailers)

Remarks for entrepreneurs

The preference is for the retailers that give representations emphasizing smaller size than the general breed size such as mameshiba, teacup poodle and tiny poodle to clearly show that such representations are not breed names but are designations based on the expected size of the mature dog to provide appropriate representations for consumers. At the same time, the preference is to define the size of the dogs with such representations for when they become mature and to show such definition together with the representation.

Representations about Champion Pedigree

Representation examples by entrepreneurs, understanding by consumers and the actual situation

[Representation examples]

<Representations as direct offspring of champion>

- Father (Pedigree body) CH^(Note)

- Direct offspring of champion

<Representation as grandchild of champion>

Mother: (Pedigree body), direct offspring of champion

Note: The ideal appearance of purebreds defined by the dog (cat) registration body

[Understanding by consumers]

The majority of consumers understand that the representation direct offspring of champion means that the dog or cat will most likely have an appearance close to the standard^(Note). However, approximately 25% do not understand this representation and less than 10% of consumers understand that the dog or cat will highly possibly become cute.

Note: The ideal appearance of purebreds defined by the dog (cat) registration body

(Questionnaire for consumer monitors)

[Actual situation]

At dog (cat) shows judgments are made about whether a dog or cat conforms to the standard specified by the pedigree body. Because the pet with this representation is the young offspring of the dog or cat that won a prize at a show, this representation serves as only a reference for the consumers who consider the standard to be important. In addition, even if a dog or cat conforms to the standard, its offspring do not always have the characteristics of the parents.

(Information from pedigree bodies)

Remarks for consumers

It is preferable to keep in mind that the representations about champion pedigree such as "Direct child of champion" are certain reference about the standard.