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REGULATOR MUST ACT TO PROTECT SMALL BUSINESS

The failure of the Australian Competition & Consumer Commission to adequately respond to a complaint by Newcastle-based Stickybeek has highlighted that more needs to be done to protect small business from breaches of the Trade Practices Act on the internet.

Stickybeek, a small locally-owned Internet directory service operator, was having its trademark used on search engines as a direct link to the Telstra-owned Trading Post. However, the ACCC failed to hand down any penalty for this seemingly deliberate misleading conduct, choosing to issue a warning after noting that the Trading Post had ceased its advertising when the investigation began.

While it did cease using the Stickybeek trademark as a link, it has now been revealed that just two months after the ACCC warning, the Trading Post resumed this practice using the trademarks of at least eight other Hunter small businesses.

In light of these new revelations, the ACCC should immediately reopen its investigation into the Stickybeek case and the other cases drawn to its attention on ABC's 7.30 Report last night.

Serious concerns remain with regards to the ACCC's investigation of Stickybeek's complaint, particularly after it failed to release any material under my Freedom of Information request to shed any light at all on how it arrived at its decision.

It also raises questions over whether Australia's competition regulator is equipped to investigate issues relating to corporate giants such as Telstra and the use of emerging technologies. Large corporations should not be able to exploit internet regulatory failure to prey on small businesses.

Given the recent Morgan survey that showed 75% of businesses responded that the internet was significant to their marketing, our regulators must adequately police the online environment and offer the same protections that are the right of all small businesses.

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