'Cruel deception' - the millions of eggs that led to a \$50,000 fine Chalpat Sonti February 4, 2011

A WA wholesaler has been ordered to pay \$50,000 after falsely passing off eggs as free range.

Cl and Co, run by husband-and-wife Antonio and Anna Pisano, was recently found by Federal Court Justice Anthony North to have supplied cartons of free range eggs which contained a substantial proportion of cage eggs.

The offences took place between 2006 and 2010 and the eggs were supplied to food retailers, cafes and restaurants.

More than 2.1 million dozen cage eggs were placed into "free range" cartons, while just 12,800 dozen free range eggs were.

Once warned by the Australian Competition and Consumer Commission that it was investigating, the Pisanos changed the labelling on cartons from "Free Range" to "Fresh Range Omega-3" though the label and its lettering and colouring were similar.

The ACCC instituted civil proceedings against the company and the Pisanos, claiming breaches of the Trade Practices Act, but the matter was settled by consent between the parties.

Mr Pisano was ordered to pay the \$50,000 fine. The maximum penalty for each offence was \$220,000.

In his judgement, Justice North said the conduct "involved a high degree of dishonesty".

"The conduct amounts to a cruel deception of consumers who seek out free range eggs as a matter of principle," he said.

"The conduct was also extremely difficult to detect because, once the eggs were placed in the cartons, it was impossible to determine whether they were free range or not. (Mr Pisano) knew what he was doing and must have known it was dishonest to a high degree."

ACCC chairman Graeme Samuel said the court proceedings "should act as a warning" to the egg industry that the watchdog took egg substitution seriously.

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