Stretching the truth

Would you pay $60 for a rubber band? That's what many Australian consumers paid for when they purchased a wristband claiming to improve 'balance, strength and flexibility'.

The bands are made of silicone and feature holograms that claimed to be "embedded with frequencies that react positively with your body's natural energy field".

These claims turned out to be stretching the truth when, in December last year, the company selling the wristbands, Power Balance Australia Pty Ltd, admitted there was no credible scientific basis for the claims.

Before the ACCC took action against the company these, and similar products, were de rigueur for professional and armchair athletes alike. They were particularly popular in Australia among AFL and NRL players, jockeys and surfers and sported overseas by soccer and basketball stars.

Chairman of the ACCC, Graeme Samuel, noted the impact that marketing of products such as Power Balance bands and pendants can have on consumers.

'When a product is heavily promoted, sold at major sporting stores and worn by sport stars, consumers tend to give a certain legitimacy to the product and the representations being made,' Mr Samuel said.

To address the ACCC's concerns, Power Balance provided the ACCC with court-enforceable undertakings that it would take a number of measures, including that the company publish corrective advertising to prevent consumers from being misled and offer a refund to any consumers that feel they have been misled.

The wristbands can continue to be sold in Australia so long as the packaging is changed to remove any misleading representations and the words "performance technology" are not displayed on the band itself.

If Power Balance attempts to make any of the above claims about its products in the future, it can only do so by obtaining a written report from an independent testing body that has tested the products pursuant to a scientific study or clinical trial which provides a statistically significant basis for making any of the claims.