

Price marking of goods

A guide for retailers which explains the requirements of the Price Marking Order 2004

The Price Marking Order 2004 requires that where goods are offered for retail sale, the selling price and, where appropriate, the unit price must be given to consumers in writing (this includes in catalogues, in shops and via the internet).

How should price indications be given?

The indication of the price at which goods are available to consumers must be clearly legible, unambiguous, easily identifiable and inclusive of VAT and any additional taxes.

Prices can be:

- Shown on goods themselves;
- On a ticket or notice near to the goods; or
- Grouped together with other prices on a list or catalogue(s) in close proximity to the goods. If counter catalogues are used then there should be sufficient copies for consumers to refer to.

However, if goods are kept out of sight of the consumer, they are exempt from price marking until an indication is given that they are for sale.

Price indications should be available and eligible to consumers without them having to ask for assistance in order to see them.

What about goods in shop windows?

Where items are in window and similar displays, and can be removed and sold to consumers (e.g. in jewellers or bakers), then their prices must be displayed. This does not apply to promotional items which are only for display and not intended to be sold, or to items of jewellery, precious metal, and watches, where the selling price exceeds £3,000.

Can price indications be in a foreign currency?

If a trader indicates that he is willing to accept foreign currency for the purchase of a product, in addition to the price in sterling he must also:

- Give the price in the foreign currency together with any commission to be charged, or
- Clearly give the conversion rate together with the commission to be charged.

What about VAT and other charges?

All price indications which can be seen by consumers must include VAT and any other compulsory charges or taxes. Postage, packing or delivery charges may be shown separately as long as they are unambiguous, easily identifiable and clearly legible.

If the rate of VAT changes:

- General notices in store may be used for up to 28 days after the change takes effect, indicating that prices will be adjusted at the till to reflect the change in duty.
- Catalogues and sales of literature may continue to be distributed providing:
 - A label is attached indicating prices will be adjusted to reflect the change; and
 - There is sufficient information to allow the adjusted prices to be established; or
 - A supplement accompanies the catalogue/sales literature which enables consumers to establish the selling price.

What are the unit pricing requirements?

A unit price must be given when products are:

- Sold from bulk;
- Required by the Weights & Measures Act 1985 to be marked with an indication of quantity;
- Required by the Weights & Measures Act 1985 to be made up in a prescribed quantity.

A unit price must be given in advertisements only where the selling price of a product is indicated.

The unit price for most items is the price per kilogram, litre, metre, square metre or cubic metre. Certain items, identified in the table below, are exempt from this requirement and the unit price should be given for an alternative quantity (e.g. price per 100g for bread).

Relevant unit of quantity for specific products for the purpose of the definition of ‘unit price’

Product	Units
Herbs	10g
Spices	10g
Flavouring essences	10ml
Food colourings	10ml
Seeds other than pea and bean seeds	10g
Cosmetic makeup products	10g/10ml
Rice	100g
Pickles	100g
Sauces, edible oils	100ml
Fresh processed salad	100g
Chilled desserts	100ml
Cream	100ml
Bread	100g
Biscuits	100g
Pies and flans indicating net quantity	100g
Ice cream and frozen desserts	100g/100ml
Preserves	100g
Soups	100g
Fruit juices, soft drinks	100 ml
Coffee	100g/100ml
Tea and other beverages prepared with liquid	100g
Confectionery	100g
Potato crisps and similar products commonly known as snack foods	100g
Breakfast cereal products	100g
Dry sauce mixes	100g
Lubricating oils other than oils for internal combustion engines	100ml
Shaving creams	100g/100ml
Hand creams	100ml
All purpose lotions and creams	100ml
Sun products	100ml
Oral products, including toothpaste	100g/100ml
Hair lacquer	100ml
Hair shampoos and conditioners	100g/100ml
Hair strengtheners, creams and brilliantines	100ml
Bubble baths and foaming products for bath and shower	100ml
Deodorants	100g/100ml
Talcum powders	100g
Toilet soaps	100g
Alcohol-based beauty and toilet products containing less than 3% by volume of natural or synthetic perfume oil and less than 70% by volume of pure ethyl alcohol; aromatic waters, hair lotions, pre-shower and after-shave lotions	100ml
Hand rolling and pipe tobacco	100g
Wines, sparkling wine, liqueur wine, fortified wine	750ml
Coal, where sold by the kilogram	50kg

Product	Units
Ballast, where sold by the kilogram	1,000 kg

For solid food products in a liquid medium (i.e. water, brine, vinegar, syrups and fruit or vegetable juice) the unit price should refer to the net drained weight of the product.

Traders can give the imperial equivalent unit price, provided the metric unit price is given first and the imperial equivalent is no larger than the metric price.

Where the unit price falls below £1 it must be given to the nearest 0.1p. If it is above £1 must be given to the nearest 1p.

Are there any exemptions?

The following do not require an indication of retail prices:

- private sales
- trade to trade sales (but any indication visible to a consumer must comply)
- sales of antiques and works of art
- sales by auction
- products supplied during the provision of a service (e.g. shampoo used at a hairdresser)
- advertisements (this exemption does not apply to catalogues, adverts containing prices, or to advertisements which are intended to encourage distance contracts e.g via the internet)

The following do not require an indication of the unit price:

- advertisements by radio or on the television or cinema
- products which have had the price reduced due to damage or risk of deterioration
- assorted products sold in a single package
- where the item is being sold at its unit price
- products prepacked in a constant quantity which are either:
 - sold from a shop with a floor area for retail sale or display not exceeding 280m²
 - sold by a mobile trader (e.g. selling from a stall, barrow etc.) or
 - sold from a vending machine

The consequences of non-compliance

Failure to comply with these requirements is a criminal offence. The maximum penalty on conviction in a magistrate's court is a fine of £5,000 and the maximum penalty on conviction in a crown court is an unlimited fine.

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