



Cut and thrust: *QB Net, which took EC House (above) to court for allegedly copying its QB House system (right), lost the case and is considering an appeal*

FILE PHOTOS

Discount barbers set to battle it out

By **WEE LI-EN**

THE battle of the discount barbers could get even more hairy, after a High Court ruling that one 10-minute salon did not copy another one's business method and design.

Japanese no-frills cutter QB Net, which pioneered the concept, said yesterday it will fight the competition in Singapore despite taking a legal haircut in a case against rival EC House.

Chief executive Kazu-

taka Iwai said QB Net — which gives about 30,000 quick haircuts a month at its 11 outlets in Singapore — is not looking for a monopoly, welcomes "fair competition" and will expand to 40-50 outlets.

QB Net took EC House, its consultant and a former director of QB House (QBHPL) to court last year for alleged breach of confidence, conspiracy and inverse passing-off — that is, holding out someone

else's services as your own.

QBHPL, a former licensee of QB Net, was wound up last year on a petition by QB Net for failure to make payment. It sold 21 of its 24 outlets in 2004 to Earson Management (EM), which now operates about 24 EC House outlets in Singapore.

QB Net claimed that confidential information was passed to a former QBHPL director who passed it to EM, and that EM acted in a way that induced the belief

that it created and owned the QB House system. But the High Court dismissed QB Net's action with costs.

Mr Iwai said yesterday he does not regret going to court. "I do not care about costs when it comes to protecting my business model," he said.

The services his company offers are different from "copycats", he said. Fast-food giant McDonald's has many copycats, but "McDonald's is McDonald's". "We will be like that."

QB Net now aims to cut the competition down to size by sending more of its stylists for training and sharpening its advertising and marketing. It is also considering an appeal against the High Court's ruling and has until Nov 16 to decide.

Besides suing EM, QB Net's lawyers wrote letters in September last year to rivals Miyabi Cut, Junior League, Speed Cut, Aki Family Salon and Kojimaya, alleging they used — and demanding they stop using — its QB House system. Mr Iwai said he is still considering suits against these companies.

EM general manager Kenneth Png said he is pleased his company was vindicated in court. "We have always preferred to compete in the market and not in the courts," he said.