



Direct Selling Association of New Zealand Code of Practice Annual Report – 2014-15

Code Background

In December of 1997 the Direct Selling Association of New Zealand (DSANZ) undertook the signing of our voluntary code of Practice with the Minister of Consumer Affairs setting in place a compliance requirement for DSANZ members and an Annual Report for the Calendar Year.

The Code was reviewed during the 2001 year and modified to include an anti-enticement clause and an extra territorial clause along with some minor amendments. This was ratified early in 2002.

The last review was completed in May 2009 with changes recommended required under the World Federation Code of Practice model wording and minor fixes to terminology. A full stakeholder consultation was notified ahead of the 2009 changes.

A further technical change was initiated in 2014 to ensure the code did not offer less than the Fair Trading Act for cancellation regardless of public holidays.

This report tables the performance of the Code of Practice for the 2014 calendar year as prepared and presented at the Annual General meeting of the DSANZ on 9 June 2015.

Complaints

Total Complaints received - 6 (Six)

Member complaints - Consumers (0) Zero

We are pleased to state that we received no member complaints over the 2014 year from consumers

Member complaints - Distributors/agents (0) Zero

There were no complaints received about members' distributors or agents nor were there any distributor complaints about member companies under the code.

Member complaints – Member to Member (0) Zero

No complaints were received from members relating to other members actions under the code.

Non - Member Complaints – Six (6)

The DSANZ received Six (6) complaints regarding non-member companies/organisations/individuals.

Two complaints related to one company failing to deliver products when promised or when paid and when consumers opted to cancel failed to meet their rights under the Section of the Fair Trading Act.

The company was referred to the Commerce Commission for investigation

Two complaints were about failure to stop automatic deductions when the purchases were completed and then failing to refund when the customer requested the money back. The customers were advised what actions they could take and how to advise the company about its obligations under the Fair Trading Act. These were both resolved through refunds.

One complaint was in relation to failure to deliver on a purchase and the company had disappeared. No resolution was possible in this case.

One complaint was related to over priced goods and this was resolved with the company through Citizens advice. The DSA advised the Citizens Advise about the consumers right to cancel which had not been made available to the consumer at the point of sale and thus breaching the Fair Trading Act and giving the consumer longer to cancel.

An assessment of the total dollars involved is

Member Companies -	\$ 0
Non-member companies/organisations/individuals	\$ 2,000 (excluding pyramid schemes)



Signed:
Executive Director
9 June 2015