

Direct Selling Association of New Zealand Code of Practice Annual Report - 2006

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 October 2005 with no changes recommended and the next review is due in 2008

This report tables the performance of the Code of Practice for the 2005 calendar year as prepared and to be presented at the Annual General meeting of the DSANZ on 22 May 2007.

Complaints

Total Complaints received - 8 (Eight)

Member complaints - Consumers (0) Zero

No member complaints were received for the 2006 calendar year..

Member complaints - Distributors/agents (0) Zero

There were no member complaints from distributors or agents during the 2006 year.

Member complaints – Member to Member (0)

The DSA received no complaints from members about members during the 2006 calendar year.

Non - Member Complaints - Eight (8)

The DSANZ received Eight (8) complaints regarding non-member companies/organisations/individuals.

Three related to door to door sales involving Kirby or Filter Queen and ability of the consumer to cancel agreements. Issues raised included pressure during the sales process by the distributors of these companies. Advice was given to the consumers on how to resolve the issues and the rights they had under the respective laws.

Four complaints related to mobile shopping with 3 being for one company. All related to refunds of overpayments.

One complaint was received for a Multi-level company who was not a member about the method of approach being used to induce people to join this company. Advice was given that the company was not a DSA member and that there was no ability for recourse against non DSA companies should issues arise.

An assessment of the total dollars involved is

Member Companies -	\$Nil
Non-member companies/organisations/individuals	\$4500 (excluding pyramid schemes)

Signed: _____
Executive Director
22 May 2007