



# Direct Selling Association of New Zealand Code of Practice Annual Report – 2007-8

## 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 late 2008.

This report tables the performance of the Code of Practice for the 2007 calendar year as prepared and to be presented at the Annual General meeting of the DSANZ on 5 June 2008.

## Complaints

**Total Complaints received - 8 (Eight)**

**Member complaints - Consumers (0) Zero**

No member complaints were received for the 2007 calendar year..

**Member complaints - Distributors/agents (1) One**

This complaint was resolved within 24 hours by the company involved and appeared to be due to a lack of communication.

**Member complaints – Member to Member (0)**

The DSA received no complaints from members about members during the 2007 calendar year however one mediation has been undertaken to resolve issues between companies following actions by one distributor that may have eventuated into a complaint.

## **Non - Member Complaints - Seven (7)**

The DSANZ received seven (7) complaints regarding non-member companies/organisations/individuals.

Six complaints related to door to door sales activities and in at least 2 of those breaches of the Door to Door Sales Act had occurred in ensuring consumers rights to cancel. In at least 1 complain a breach of the Fair Trading Act was likely and the consumers in these cases were advised on what actions they could undertake. 3 complaints were via Citizens Advice centres and advice was given on how responses should be pursued.

1 complaint was likely to breach the Consumer Guarantees Act and advice was given accordingly.

One complaint regarding systematic enticement of distributors was received relating to a non member company however as the code only applies to members this complaint could not be progressed

### **An assessment of the total dollars involved is**

Member Companies -	\$ 400
Non-member companies/organisations/individuals	\$12,000 (excluding pyramid schemes)

Signed: \_\_\_\_\_  
Executive Director  
5 June 2008