



Direct Selling Association of New Zealand Code of Practice Annual Report – 2010-11

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.

This report tables the performance of the Code of Practice for the 2010 calendar year as prepared and to be presented at the Annual General meeting of the DSANZ on 25 May 2011.

Complaints

Total Complaints received - 4 (Four)

Member complaints - Consumers (0) Zero

We received no complaints in this calendar year about members from consumers

Member complaints - Distributors/agents (1) One

We receive one member complaint about one member company following the distributor's agreement being terminated for failure to adhere to the member companies processes. This was not found to be a Code issue and related to interpretation of the contractual agreement between the member company and the distributor

Member complaints – Member to Member (0) Zero

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

Non - Member Complaints – Three (3)

The DSANZ received Three (3) complaints regarding non-member companies/organisations/individuals.

All complaints related to door to door sales activities and related in two cases to the way sales had been handled with sales made to elderly persons without due consideration to their ability to agree to the sale.

The DSA intervened in one of the elderly person cases and achieved a cancellation but was unable to identify the person or company in the second case in order to pursue a result.

The other complaint related to a sale on layby purchase where the consumer had been sold consumer electronics at inflated prices and was seeking to cancel the purchase and receive a refund. The DSA wrote to the company involved advising of the legal position and rights of the consumer and a full refund was achieved within 2 weeks for the consumer.

An assessment of the total dollars involved is

Member Companies -	\$ 0
Non-member companies/organisations/individuals	\$ 14,000 (excluding pyramid schemes)



Signed:
Executive Director
25 May 2011