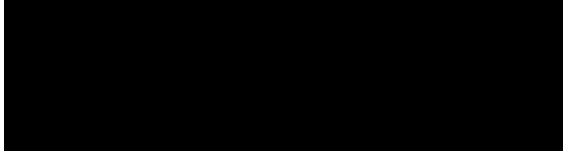


10 December 2019



Dear 

Official Information Act #19.084 – Social Pages

1. We refer to your request received on 12 November 2019 for the outcomes of 13 complaints to the Commerce Commission (Commission) about The Local Network (trading as Social Pages) referred to in a New Zealand Herald article dated 15 May 2018.¹
2. We have treated this as a request for information under the Official Information Act 1982 (OIA). We have decided to grant your request.

The Commission's Complaints Screening Process

3. To provide context to the complaint outcomes, we have outlined the Commission's complaints screening process below.
4. When a consumer contacts the Commission with a complaint or enquiry about a trader, this is logged in the Commission's database.
5. The Commission receives thousands of reports each year. Each report is initially assessed by the Enquiries Team, on the basis of the information provided. When conducting this initial assessment, the Enquiries Team considers:
 - 5.1 The likelihood of a breach of the relevant legislation (the Fair Trading Act 1986, Credit Contracts and Consumer Finance 2003, and the Commerce Act 1986);
 - 5.2 The Commission's Enforcement Response Guidelines²; and

¹ https://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=12051834

² <https://comcom.govt.nz/about-us/our-policies-and-guidelines/investigations-and-enforcement/enforcement-response-guidelines>

- 5.3 The Commission's strategic priorities³ and resourcing constraints.
6. The Commission has the power to act on complaints, but is not required to take action in relation to all possible breaches of the legislation which we enforce.
 7. If a report is deemed to meet certain criteria,⁴ it is reviewed by a screening panel of senior managers and subject matter experts from within the Competition and Consumer Branch. The screening panel decides which reports are to be prioritised for further consideration by the Branch.
 8. This process enables us to identify reports that best reflect our current enforcement priorities. The outcomes of the process are not final and we may revisit any report at a later stage, should we wish to reconsider the issues it presents

Our response

9. We have provided the outcomes for each of the 13 complaints in the table below. All 13 complaints are closed.
10. Three of the 13 complaints were assessed by the Enquiries Team and the decision made not to take further action. We have provided the reasons for these decisions in the table below.
11. 10 of the 13 complaints were added to a demand created on 15 November 2017 (Demand 9120)⁵. A demand is a list of pending matters which might be appropriate for further consideration. We evaluate these matters against our enforcement criteria and prioritise accordingly. A demand can be used to raise the visibility of complaints about a certain issue, for Commission staff.
12. On 12 December 2018, Demand 9120 was assessed by a panel of managers and the decision made not to take further action, due to available resources.

Further information

13. The Commission will be publishing this response to your request on our website. Your personal details will be redacted from the published response.
14. Please do not hesitate to contact us at oja@comcom.govt.nz if you have any questions about this request.

Yours sincerely

Mary Sheppard

OIA Coordinator

³ <https://comcom.govt.nz/about-us/our-priorities>

⁴ <https://comcom.govt.nz/about-us/our-policies-and-guidelines/investigations-and-enforcement/enforcement-criteria>

⁵ There were two demands created for this issue (one in error, which was closed). We have labelled these collectively under 9120 for clarity.

Enforcement Criteria Key	
NFA	No Further Action
G	Conduct is unclear/unlikely breach
Q	Appropriate for other agency or private action
C	No/Limited Trader History
W	Resourcing

Complaint	Outcome
Number: ENQ0501973 Date: 2017	Assessed by the Enquiries team, determined NFA, G, Q.
Number: ENQ0502041 Date: 2017	Assessed by the Enquiries team, determined NFA, C, Q.
Number: ENQ0504536 Date: 2017	Assessed by Enquiries team, reviewed by panel, added to Demand 9120NFA.
Number: ENQ0504743 Date: 2017	Assessed by Enquiries team, reviewed by panel, added to Demand 9120: NFA.
Number: ENQ0505998 Date: 2017	Assessed by Enquiries team, reviewed by panel, added to Demand 9120: NFA.
Number: ENQ0507037 Date: 2017	Assessed by the Enquiries team, added to Demand 9120: NFA.
Number: ENQ0507003 Date: 2017	Assessed by Enquiries team, reviewed by panel, added to Demand 9120: NFA.
Number: ENQ0507759 Date: 2017	Assessed by the Enquiries team, added to Demand 9120: NFA.
Number: ENQ0508961 Date: 2018	Assessed by the Enquiries team, determined NFA, G, Q. ⁶

⁶ This enquiry appears to be of a similar nature and could have been added to

Complaint	Outcome
Number: ENQ0511854 Date: 2018	Assessed by the Enquiries team, added to Demand 9120: NFA.
Number: ENQ0512127 Date: 2018	Assessed by the Enquiries team, added to Demand 9120: NFA.
Number: ENQ0512529 Date: 2018	Assessed by the Enquiries team, added to Demand 9120: NFA.
Number: ENQ0513215 Date: 2018	Assessed by the Enquiries team, added to Demand 9120: NFA.