

#### REPORT OF THE ADJUDICATOR

Complaint reference number: #7289

**WASPA member(s):** Grapevine Interactive

Membership number(s): 0008

Complainant: Public

Type of complaint: Unlawful Lottery

**Date complaint was lodged:** 2009-08-06

**Date of the alleged offence:** 2009-08-06

**Relevant version of the Code:** 7.4

3.1.2, 3.5.2, 3.9.1, 4.1.6, 4.1.11, 13.1.6, 13.3.8, **Clauses considered:** 

13.5.1, 13.5.3

Relevant version of the Ad.

2.3

Rules:

Clauses considered: Not applicable

**Related cases considered:** 7103-7105

# Complaint

1. On the 06 August 2009 a complaint was submitted to the WASPA secretariat by a journalist relating to short code 35408 which is operated by Grapevine Interactive (the SP) in which the complainant indicated that:

1.1. the SP had contravened the Lotteries Act 57 of 1997 (hereinafter the "Lotteries Act");

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#### Wireless Application Service Provider Association

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- 1.2. The SP used a Value Added Service ("VAS") while failing to deliver the actual service:
- 1.3. There was no link to the WASPA web page on the SP web site;
- 1.4. There was a breach of section 13.5.1 and 13.5.3 of the Code of Conduct by the IP.

## **SP Response**

- 2. On the 19<sup>th</sup> August 2009 the SP responded in an extremely terse message indicating that:
  - 2.1. "We have investigated this complaint carefully and we are completely satisfied that the campaign in question complies fully with the WASPA Code of Conduct."

## **Complainant Response**

3. The Complainant then reiterated his wish for the matter to be adjudicated upon with a special reference to an illegal lottery.

## **WASPA Secretariat request**

4. The WASPA secretariat duly contacted the adjudicator and requested that this matter be put on hold pending the outcome of the appeal in the matter of complaints 7103, 7104 and 7105. The adjudicator duly agreed to this postponement as the appeal in the said matters dealt with the issue of the unlawfulness of competitions.

### Outcome of Appeal in complaints 7103, 7104 and 7105

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5. The appeal in the above complaints was duly delivered on the 04 January 2011. Within the appeal it was duly found that WASPA adjudicators do not have the right to make a finding on the lawfulness or otherwise of WASPA members' conduct. As the merits of this argument were fully traversed within that adjudication which is easily available on the WASPA web site they are not repeated here.

#### **Complainant Dies**

6. Thereafter on the 09 June 2011 the WASPA secretariat was informed by the complainant's wife that the complainant had passed away and further that she wished to close all complaints lodged by her husband.

# Portions of the Code of Conduct (version 7.4) considered:

- 7. **3.1.2.** Members are committed to lawful conduct at all times.
- 8. **3.5.2.** If a member becomes aware of illegal content under that member's control, the member must, immediately suspend access to that content. Where required to do so by law, the member must report the illegal content to the relevant enforcement authority.
- 3.9.1. Members must bind any information provider with whom they contract for the provision of services to ensure that none of the services contravene the Code of Conduct.
- 10. **4.1.6**. Members must have a complaints procedure allowing their customers to lodge complaints regarding the services provided. Members must acknowledge receipt of complaints expeditiously, and must respond to any complaints within a reasonable period of time.
- 11. **4.1.11**. Members' web sites must include a link to the WASPA web site and/or this Code of Conduct.
- 12. **13.1.6**. The secretariat may initiate a complaint against a member on behalf of WASPA, should it become aware of an apparent breach of the Code.

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- 13. 13.3.8. The adjudicator may ask the secretariat to request that the complainant, the member, or both, furnish additional information relating to the complaint. Specifically, the adjudicator may request that the member respond to any additional breaches of the Code of Conduct discovered during the investigation of the complaint, but which were not specified in the original complaint.
- 14. **13.5.1**. If the adjudicator has determined that an information provider is operating in breach of the Code of Conduct, and the adjudicator is of the reasonable opinion that the information provider may persist in such breach, whether through the member against whom the complaint was lodged or another member, the adjudicator may instruct the secretariat to issue a notice to WASPA's members.
- 15. **13.5.3**. Any member permitting the information provider to operate in breach of the Code of Conduct (in the same or substantially similar manner to that identified in the notice referred to in 13.5.1), after the date specified in the notice, will be automatically in breach of the same part or parts of the Code of Conduct as the information provider. Such members will be subject to sanctions determined by the adjudicator in accordance with section 13.4, read in conjunction with section 13.3.11.

#### **Decision**

- 16. From the above facts it is clear that whether there has or has not been a breach of the Lotteries Act is irrelevant for the purposes of this adjudication as WASPA adjudicators do not have the jurisdiction to make a finding on this issue.
- 17. While the above conclusion essentially concludes that particular aspect of this adjudication, three additional questions are of somewhat academic interest, which are:
  - 17.1. In the event that the complainant withdraws the complaint must the adjudicator abandon the complaint? and
  - 17.2. Should this complaint be referred to the Lotteries Board for further investigation?
  - 17.3. Does a delay in the adjudication of a matter influence the outcome of the adjudication?

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- 18. In answer to the first question it is clear from the Code of Conduct that the Adjudicator has the power to advise the SP of any additional potential breaches of the Code of Conduct that he/she may discover (in section 13.3.8) and, after putting these to the SP/IP in question has the power to make a finding on whether the identified portions of the code of conduct have been breached. In addition the WASPA secretariat itself has the power to (section 13.1.6) lodge a complaint against a member. As a result it is clear that the withdrawal of a complaint by the complainant may result in the complaint being withdrawn, but this need not invariably be the case and once the matter is before the adjudicator the matter may still continue notwithstanding the withdrawal of the complaint by the complainant (or in this case by his executor).
- 19. Bearing in mind the fact that s54 of the Lotteries Act has, during the delay caused by the Appeal process in complaint 7103-7105, been repealed and replace by s36 of the Consumer Protection Act no. 68 of 2008, and furthermore that the concept of promotional competitions is now (arguably) within the ambit of the National Consumer Commission, there would seem be little point to the referral of this complaint to the Lotteries Board.
- 20. Finally the WASPA code of conduct is silent on the effect of time on a complaint. As such it is submitted that there is a certain amount of discretion that must be exercised by the adjudicator when dealing with these matters. Bearing in mind a great deal of the delay in this matter was caused by the WASPA appeal process which was not within the control of the SP in this matter it is not unreasonable to conclude that the SP has been prejudiced by the significant delay in this matter (especially with regard to obtaining necessary evidence from the IP) and as a result this would be a factor to consider when deciding on whether a section of the Code of Conduct had been breached and/or an appropriate sanction.
- 21. For the above reasons the complaint in relation to the alleged breach of s3.1.2, 3.5.2, 13.5.1 and 13.5.3 must be dismissed.
- 22. There remain the questions of a breach of clauses 3.9.2 (SP not binding the IP contractually), 4.1.6 (SP must acknowledge complaint) and 4.1.11 (no link to WASPA on the SP's web site) which must be considered.

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- 23. Unfortunately the SP in this matter decided not to put any further information before the adjudicator on these points aside from what was contained in the complainant's complaint. It should further be noted that the complainant specifically named the above sections and as a result the SP cannot validly claim it was unaware that these allegations had been made against it. Indeed the adjudicator is left with a bare denial to the allegations made by the complainant without the SP providing any further proof whatsoever. In the circumstances the adjudicator is bound to rely on the evidence placed before it by the complainant. It should be stressed that this is a short-sighted approach by the SP to this matter and deserves censure as it cannot be seen as reasonable to expect the adjudicator to find in favour of the SP if no evidence whatsoever or even insufficient evidence is placed before the adjudicator.
- 24. As a result the SP is found guilty of not binding the IP in this matter (DSTV) to the WASPA code of conduct (clause 3.9.2).
- 25. The SP is also found guilty of not acknowledging the complainant's original complaint.
- 26. The SP is also found guilty of not providing a link to the WASPA web site on its web site (clause 4.1.11). It is noted that the SP's current web site does contain a link to the WASPA web site (as of 22 July 2011 see the final screenshot of this adjudication).

#### Mitigation

- 27. As recognised in complaint 10859 the link to the WASPA web site was not operational. A formal reprimand was issued in that matter and the web site has thereafter been fixed.
- 28. It is notable that a relatively similar complaint was dismissed (complaint 9776) relating to the DSTV competitions more recently.
- 29. While the original complaint was not acknowledged, the SP did acknowledge the complaint from the WASPA secretariat.

# **Aggravation**

30. The SP took little if any trouble to respond to the complaint.

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## **Sanction Imposed**

- 31. The SP is formally reprimanded for the breach of clause 4.1.11.
- 32. The SP is formally reprimanded for failing to respond to the complainant's original message.
- 33. The SP is required to furnish proof that the IP in this matter contractually agreed to be bound by the WASPA code of conduct as required by clause 3.9.2 within 20 calendar days of the date this adjudication is published, failing which the SP is fined an amount of R5000.00 for failing to bind the IP to the WASPA code of conduct.

# **Appeal**

Please note that should the SP or IP wish to appeal this decision it must inform the secretariat of this within five working days of this decision in terms of section 13.6 of the Code of Conduct version 7.4.

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#### Annexure A - Complaint

# PLEASE NOTE THAT SOME IDENTIFYING PERSONAL INFORMATION HAS BEEN REMOVED BY THE ADJUDICATOR DUE TO THE FACT THAT THIS ADJUDICATION WILL BE PUBLICLY AVAILABLE.

---- Original Message ----

From: "WASPA Complaints < PERSONAL INFORMATION REMOVED BY

ADJUDICATOR > Cc: "Complaints" < <a href="mailto:complaints@waspa.org.za">complaints@waspa.org.za</a>>

Sent: Friday, August 07, 2009 4:49 PM

Subject: [WASPA.complaints] [formal] WASPA Code of Conduct complaint

Ref:#7289

Dear WASPA member,

The attached complaint has been lodged with WASPA against Grapevine Interactive.

This complaint is being processed according to the formal complaint procedure described in section 13.3 of the Code of Conduct.

< template notice snipped by Bretton

--- A copy of the complaint follows below ---

Complainant: <PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

Referred:

Date: 2009/08/06

Wasp Service: Grapevine Interactive

Description: See attached faxed complaint

Status: Formal

Attached file: 27769010 Grapevine.pdf

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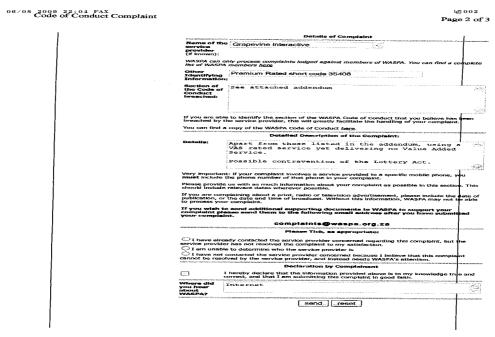
# **Annexure B - Fax Complaint**

06/08 2009 22:04 FAX Code of Conduct Complaint

⊠ 001 Page 1 of 3

8/6/2009





http://www.waspa.org.za/code/complaint.shtml

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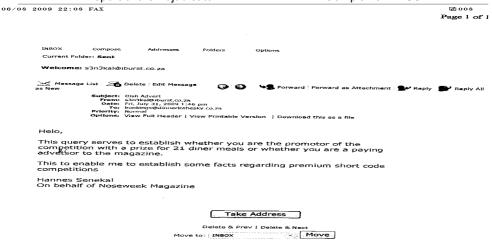
Complaint #7289

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http://www.grapevineinteractive.com/contact.htm

7/31/2009

Complaint #7289



https://webmail.wbs.co.za/dawood/src/read\_body.php?mailbox=INBOX.Sent&passed\_id=... 7/31/2009

06/08 2009 22:08 FAX Grapevine Interactive ⊠ 009 Page 1 of 2

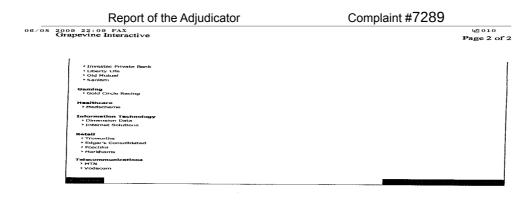


http://www.grapevincinteractive.com/about.htm

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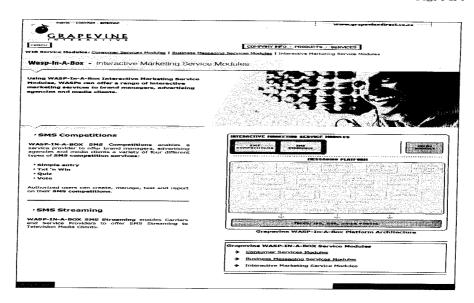
#### Wireless Application Service Provider Association



http://www.grapevineinteractive.com/about.htm

7/31/2009

06/08 2009 22:09 FAX Grapevine Interactive ⊠ 011 Page 1 of 1



http://www.grapevineinteractive.com/imsmodules.htm

7/31/2009

# **Annexure C - Reply**

---- Original Message -----

From: <PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

Friday, 29 July 2011

Complaint #7289

To: complaints@waspa.org.za

Sent: Wednesday, August 19, 2009 1:59 PM

Subject: Re: [WASPA.complaints] Reminder: WASPA Code of Conduct complaintRef:# 7289

#### Dear Waspa,

We have investigated this complaint carefully =nd we are completely satisfied that the campaign in question complies fully =ith the WASPA Code of Conduct.

#### Regards

#### Marietha Brink

----Original Message----

From: WASPA Complaints (Lorraine Hartzer)

=mailto:complaints@waspa.org.za]

Sent: 19 August 2009 11:44 AM

To: <PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

Cc: Complaints

Subject: Reminder: WASPA Code of Conduct complaint Ref:# =289 Dear WASPA member,

This message serves as notification that the =ASPA Secretariat has not received any response from your company regarding =he attached complaint. As set out in the formal complaint procedure in =ection

13.3 of the WASPA Code of Conduct, members have =ive working days to provide a response to any complaints =odged.

While you are not required to provide WASPA with = response, should no response be forthcoming from your office today, the =ASPA Secretariat will be obliged to hand this complaint to an adjudicator =ithout the benefit of your input.

Should you still wish to respond, your reply =hould be sent to <complaints@waspa.org.za> and must be submitted by the =lose of business today.

Please confirm your receipt of this =essage.

Warm regards,

WASPA Secretariat

--- original notification attached =--

----- Original Message =-----

Subject: [WASPA.complaints] [formal] WASPA Code =f Conduct
complaint

Ref:# 7289

Date: Fri, 07 Aug 2009 16:49:58 =0200

From: WASPA Complaints < PERSONAL INFORMATION REMOVED BY

ADJUDICATOR><complaints@waspa.org.za>

Reply-To: complaints@waspa.org.za

Organisation: Wireless Access Providers' =ssociation

To: <PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

CC: Complaints = lt; complaints@waspa.org.za>

Dear WASPA member,

The attached complaint has been lodged with =ASPA against Grapevine Interactive.

This complaint is being processed according to =he formal complaint procedure described in section 13.3 of the Code of =onduct.

#### Accordingly:

 You have five working days to respond to the =omplaint, and to provide the WASPA secretariat =ith any information you deem to be

relevant to this =omplaint.

Complaint #7289

- After five working days have passed, this =omplaint, together with

your response (if any) will =e assigned to an adjudicator for review,

and if upheld, determination =f appropriate sanctions.

- You do not have an obligation to respond to =his complaint. Should

the WASPA secretariat not =eceive any response from you within this

time period, it will be =ssumed that you do not wish to respond.

Your response, and any other correspondence =elating to this complaint,

must be sent to =lt;complaints@waspa.org.za>. Correspondence sent to any

other address may not be =eemed to constitute a formal response.

- The WASPA Secretariat will confirm receipt of =our response. If you have any questions regarding the Code of =onduct or the complaints procedure, please address your queries to <complaints@waspa.org.za>.

Please confirm your receipt of this =essage.

Warm regards,

WASPA Secretariat

--- A copy of the complaint follows below =--

Complainant : <PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

Email: <PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

Referred:

Date: 2009/08/06

Wasp Service : Grapevine =nteractive

Description : See attached faxed =omplaint

Status : Formal

Attached file : =7769010 Grapevine.pdf

Complaint #7289

# **Annexure D - Resolution**

---- Original Message -----

From: <PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

To: < complaints@waspa.org.za>

Sent: Thursday, August 20, 2009 6:11 PM

Subject: Re: [WASPA.complaints] Resolution of complaint Ref:#7289

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Hello.

Thank you for the feedback. I would like the adjudicator to look at the complaint especially how it interacts with a possible illegal lottery.

<PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

Dear < PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

Regarding your complaint against Grapevine Interactive, we have received the following correspondence from the service provider:

[see below email response]

We would like to check that the service provider has resolved this complaint to your satisfaction. If so, we will close the complaint and notify the service provider that we have done so.

If you have any questions regarding the Code of Conduct or the complaints procedure, please address your queries to < complaints@waspa.org.za.

Warm regards, WASPA Secretariat

----- Original Message -----

Subject: Re: [WASPA.complaints] Reminder: WASPA Code of Conduct

complaint Ref:# 7289

Date: Wed, 19 Aug 2009 13:59:57 +0200

From: <PERSONAL INFORMATION REMOVED BY ADJUDICATOR> Reply-To: <a href="mailto:complaints@waspa.org.za">complaints@waspa.org.za</a> <a href="mailto:complaints@waspa.org.za">complaints@waspa.org.za</a>

To: < complaints@waspa.org.za

References: <4A8BC977.3090302@waspa.org.za

\*Dear Waspa,\*

\* \*

\*We have investigated this complaint carefully and we are completely satisfied that the campaign in question complies fully with the WASPA Code of Conduct.\*

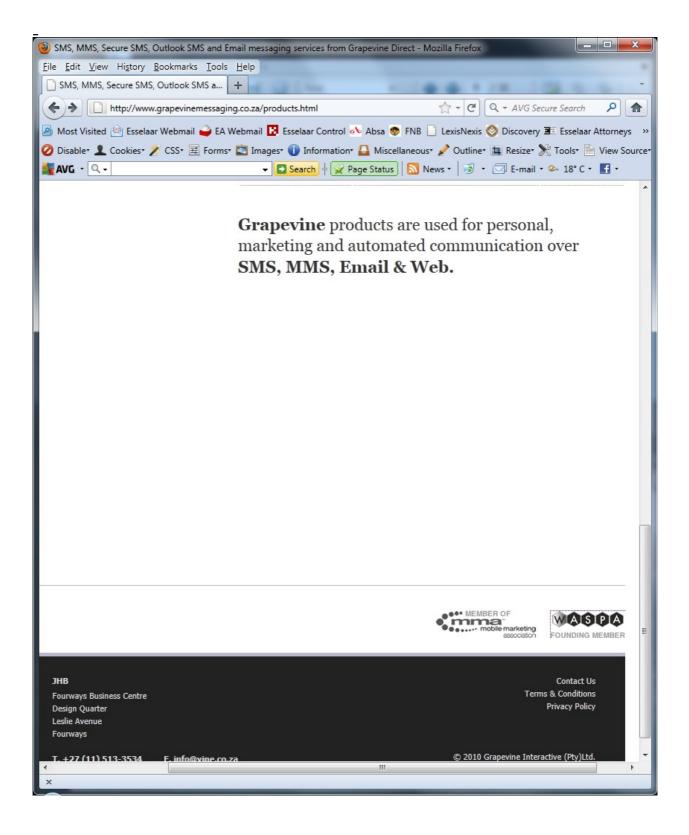
\* \*

\*Regards\*

\* 1

\*<PERSONAL INFORMATION REMOVED BY ADJUDICATOR>

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