

NST : Not all direct sellers registered

Written by Administrator

Monday, 14 September 2009 09:43 -

1 October 2007

KUALA LUMPUR: There are 618 companies holding direct-sale licences in the country. But only 63 are registered with the Direct Selling Association of Malaysia (DSAM) because membership is purely voluntary.

As such many unscrupulous operators have taken advantage of the situation by cheating the public and flouting the law.

Normally if it involves a member company, consumers can contact the association and we would raise the matter with the member company concerned, said DSAM president Paul Yee.

However, if the matter is related to a non-member company, the consumer is advised to forward the matter to the Domestic Trade and Consumer Affairs Ministry.

He said the list of member companies could be viewed on DSAM's website.

Yee said under the law, all direct sellers of licensed direct selling companies must carry an identification card that stated the licence number.

When a consumer is approached by a direct seller, they are advised to exercise their right to view the identification card.

They must ascertain the direct-sales company is licensed by the ministry and that the direct seller is authorised by the company to conduct the business.

Domestic Trade and Consumer Affairs Ministry Direct-Sales unit head Talal Abu Bakar said the documents needed to apply for a direct-sale licence could be easily obtained from the ministry's website.

The documents can be downloaded from the website which also contains guidelines and information for users. No fee is charged for the application form which we receive either by post or through our office counters.

He said all application forms submitted were subject to investigation by the ministry.

During our investigation we also check if the ministry has taken any action against them before. The procedure is done to avoid repeat offenders.

However, Talal said it was possible that repeat offenders or a mastermind used proxies as a front to operate the business.