

# New Zealand Privacy Guidelines for Data Co-operatives

(Adapted from ADMA Privacy Principles for Data Co-Operatives)

1 March 2007

## Outline of a Data Co-operative:

A data co-operative is formed when a group of companies agree to share their customer data. This allows companies within the data co-operative to direct market to other data co-operative members' customers. There are two key advantages to pooling data: firstly it allows for a greater degree of targeting and secondly it provides access to new prospects. The contributing companies can specify rules around the use of their own data. All data co-operative members must sign a collective contract and are bound to use other companies' data as instructed.

## Data and Information Flow Process:

Marketers "maintain" a database of all their clients (both customers and prospects). The information contained in these databases that is of interest in a data co-operative environment is personal information (e.g. name and address) and transactional data (e.g. types of product purchased, payment dates, amounts paid). Additional data may be maintained so long as it does not violate any applicable law or privacy principle.

## Application of the Privacy Guidelines:

The responsibilities of the various parties within a data co-operative environment are:

<b>Responsibilities of the Contributing/Using Company</b>	<b>Responsibilities of The Data Co-operative</b>
<p data-bbox="233 1245 512 1274"><b>Suppression and Opt Out</b></p> <ol data-bbox="233 1319 810 1906" style="list-style-type: none"><li data-bbox="233 1319 810 1435">1. All promotional messages communicated via any channel to individuals obtained from the data co-operative must contain an "opt out" message.</li><li data-bbox="233 1464 810 1671">2. Contributing companies must ensure suppressed names are clearly marked and all transactional data for suppressed records is deleted to ensure only the name, address and telephone number is passed to the data co-operative. This guarantees opt-out requests are effectively honoured.</li><li data-bbox="233 1731 810 1816">3. All opt out requests and deceased notifications must be passed to the data co-operative within two weeks of receipt.</li><li data-bbox="233 1845 810 1906">4. Historical data which was gathered prior to the individual opting out must not be used.</li></ol>	<p data-bbox="836 1245 1115 1274"><b>Suppression and Opt Out</b></p> <ol data-bbox="836 1305 1414 1686" style="list-style-type: none"><li data-bbox="836 1305 1414 1422">1. All opt out requests and deceased notifications provided by a contributing company must be actioned by the data co-operative within 14 days of receipt.</li><li data-bbox="836 1451 1414 1568">2. The data co-operative must use the Marketing Association Name Removal Register as a suppression list immediately prior to supplying lists.</li><li data-bbox="836 1597 1414 1686">3. The data co-operative will also establish its own suppression file to ensure individuals' "Do Not Contact" requests are fully satisfied.</li></ol>

Responsibilities of the Contributing/Using Company	Responsibilities of the Data Co-operative
<p><b>Best Practice / Privacy</b></p> <ol style="list-style-type: none"> <li>1. Contributing companies must be members of the Marketing Association and adhere to the Marketing Association Codes of Practice, DAN Best Practice Guidelines, and all relevant NZ Laws: <ul style="list-style-type: none"> <li>• Best Practice for Direct Marketing Data</li> <li>• NZ Guidelines for Data Co-operatives</li> <li>• The Privacy Act 1993</li> <li>• Code of Practice for Direct Marketing in New Zealand</li> <li>• Best Practice Guidelines for Fax Broadcasting</li> <li>• Standards for Email use</li> <li>• Standards for Search Engine Marketing</li> <li>• Telemarketing Code of Practice</li> </ul> </li> <li>2. Companies contributing data must reference the data co-operative in any data contract.</li> <li>3. Sensitive information (see definitions **) cannot be transferred to the data co-operative without the express consent of the individual to disclose that data to third parties.</li> <li>4. Privacy Policies: <b>Contributing companies must make a clear statement in their Privacy Policies that they <u>DO</u> share customer data with other companies if the customer has not objected to such sharing.</b></li> <li>5. Where a privacy policy changes to become less restrictive, then ALL individuals who have given consent to the sharing of sensitive information must be informed of the policy change and given an opportunity to revoke their consent.</li> </ol>	<p><b>Best Practice / Privacy</b></p> <ol style="list-style-type: none"> <li>1. All data owners and users participating in the data co-operative must be members of the Marketing Association and adhere to the Marketing Association Code of Practice, DAN Best Practice Guidelines (as outlined), and all relevant NZ Laws.</li> <li>2. Prior to accepting data from a contributing company, the data co-operative must enter into a written contract with the contributing company. The contract must require each company to comply with these Data Co-operative Guidelines, and describe the instances where the data co-operative will reveal the identity of the contributing company.</li> <li>3. All data must be held securely with controlled access.</li> <li>4. Any unique identifiers developed or used within the data co-operative must be unique to the data co-operative and not be those used by any government agency.</li> <li>5. The use of a telephone number as a sole identifier is not permitted.</li> <li>6. The shared data can only be transferred to a foreign country where that country has laws consistent with New Zealand Privacy Laws or the data co-operative (including external service providers such as mail houses) has taken reasonable steps to ensure that the information being transferred will only be held, used or disclosed in a manner consistent with the Privacy Act 1993, the NZ Marketing Association Code of Practice and DAN Best Practice Guidelines.</li> <li>7. No sensitive information (see definitions **) can be accepted into the data co-operative without the contributing company providing proof that the individuals concerned have given their express consent to the disclosure.</li> <li>8. Each company participating in the data co-operative must set out a document clearly expressing their policies on management of personal information (privacy policy) collected by the data co-operative.</li> </ol>

Responsibilities of the Contributing/Using Company	Responsibilities of the Data Co-operative
<p><b>Timeframes / Follow up</b></p> <ol style="list-style-type: none"> <li>1. Accurate and up-to-date data must be provided to the co-operative on a regular basis and at least every three months.</li> <li>2. All enquiries from individuals requesting information on the source of their personal information, or opt out requests, must be dealt with by the contributing company within 14 days of receipt.</li> <li>3. Any enquiries received via the data co-operative from individuals requesting information on the source of their personal information, or opt out requests, must be forwarded immediately to the contributing company and responded to by the contributing company within 14 days of receipt.</li> <li>4. On request, any individual whose details have been obtained from the data co-operative, must be provided with the co-operative's full contact details.</li> </ol>	<p><b>Timeframes / Follow up</b></p> <ol style="list-style-type: none"> <li>1. The data co-operative must immediately pass back to the contributing companies all requests from individuals regarding the source of their data. The co-operative's database must then be flagged to indicate that an enquiry has been lodged with the contributing company and thereby used as a temporary suppression flag for 30 days, or until a refreshed set of data has been provided.</li> <li>2. Where an enquiry from a consumer relates to the source of the data and the contributing company does not deal with the complaint satisfactorily, the data co-operative must inform the enquirer of the source (or sources) of the data.</li> <li>3. Any other requests by consumers (e.g. data corrections, do not contact, opt-out) will be satisfied by the data co-operative immediately passing such requests back to the contributing company or companies. All such requests must be dealt with by the contributing company within 14 days of receipt.</li> <li>4. The co-operative database must be screened against the Marketing Association Name Removal Register on a regular basis but not less than once per month</li> </ol>

### Sensitive Information

Sensitive information is defined in accordance with the Privacy Act 1993 and includes, but is not limited to:

(a) personal information or an opinion about an individual's:

- I. racial or ethnic origin; or
- II. political opinions; or
- III. membership of a political organisation; or
- IV. religious beliefs or affiliations; or
- V. philosophical beliefs; or
- VI. membership of a professional or trade organisation; or
- VII. membership of a trade union; or
- VIII. sexual preference or practices; or
- IX. criminal record; or
- X. credit worthiness; or
- XI. income status

(b) health information about an individual.