

Media Release



Government of South Australia

Office of Consumer and
Business Affairs

Contact: **Carolyn Warman**
Phone: 8204 9512

**Education and
Information Services**

Ground Floor
Chesser House
91-97 Grenfell Street
Adelaide SA 5000

GPO Box 1719
Adelaide SA 5001
DX 225

Tel 08 8204 9516
Fax 08 8204 9509

www.ocba.sa.gov.au

19 January 2010

Publisher prosecuted for scamming money from businesses

A publisher who demanded businesses pay for advertisements they had not authorised has been convicted in the Adelaide Magistrates Court.

The New South Wales company, Adcom Publishing Pty Ltd, produced a publication called the Child Abuse and Drug Awareness Handbook which included advertisements for South Australian businesses without first seeking approval from the businesses. Adcom then contacted business owners asserting that they agreed to purchase advertising in the publication. Adcom sent invoices and telephoned the businesses requesting payment.

The Court heard that three South Australian businesses each paid at least \$200.00 to Adcom. The businesses later contacted the Office of Consumer and Business Affairs (OCBA) to complain that they had been charged for advertising services they did not authorise.

Commissioner for Consumer Affairs, David Green, said that Adcom's behaviour was blatantly dishonest.

"This company set out to deceive unwitting businesses into paying for services they didn't commission and were unlikely to benefit from," said Mr Green.

The Magistrate accepted that Adcom ceased trading in October 2007 and imposed a fine of \$4,000 having accepted that the company had limited financial means to pay a greater fine.

The Commissioner said "Businesses need to keep a close watch on their record keeping as this is the best way of avoiding scams such as this."

"If businesses are asked to pay for something they haven't authorised, then they should refuse payment and report the details to OCBA for investigation," said Mr Green.

Suspected scams should be reported to OCBA by telephoning 8204 9777, or 131 882 for regional callers. More information about false billing scams is available at www.ocba.sa.gov.au or www.scamwatch.gov.au