

Media Release



Government of South Australia

Office of Consumer and
Business Affairs

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Tele-fraudsters have their day in court

Today, in a groundbreaking case in the Adelaide Magistrates Court, Monitor Publishing Pty Ltd and its directors Barry John McAuliffe and Peter George Kaleel were convicted of making false representations to businesses in the course of selling advertising space in a dubious magazine. The case marks the first successful prosecution by a State consumer affairs agency against a company based in another state.

South Australian businesses were targeted by Monitor Publishing, which is based in New South Wales. Its directors, McAuliffe and Kaleel, were from New South Wales and Queensland respectively. All three were charged under special territorial provisions of the Criminal Law Consolidation Act (SA) and under South Australia's fair trading laws.

The irony is that crime prevention was supposed to be part of the game for these "tele-fraudsters".

Monitor Publishing offered advertising space in a publication called the "Crime Prevention Review". They contacted businesses over the telephone and made false claims including:

- That they were police offers; and
- That the Crime Prevention Review was a police publication.

In one case, they also made a false claim about the price of the service. Monitor invoiced one business for an amount much higher than the quoted fee.

Businesses were induced to support the publication by placing an advertisement, because they were led to believe that the publication would be distributed locally to help prevent crime and assist kids on drugs. The Office of Consumer and Business Affairs (OCBA) obtained statements from 11 businesses, of which six had paid for advertisements ranging in cost from around \$300 to almost \$1000. The investigation uncovered no evidence that the Crime Prevention Review is actually distributed to anyone in South Australia other than the businesses that were induced to advertise in the magazine.

Monitor Publishing Pty Ltd was fined \$14 000, McAuliffe \$6 000 and Kaleel \$6000.

Commissioner for Consumer Affairs, Mark Bodycoat said "This is a great result and a breakthrough against scam operators. One of the frustrations for consumer affairs agencies has been the limited ability to take on operators based outside the State. This result shows that we can, and we will continue to do so."

Mr Bodycoat also warned about related telephone scams, involving fake invoices for services not actually delivered. Even a refusal to deal with the perpetrators does not always end the matter. Businesses have been later intimidated or threatened with legal action if they do not pay invoices for the unauthorised advertisements.

Mr Bodycoat said "This is a very pleasing result, but consumers and business operators should not lower their guards."

To report a suspect scam contact OCBA on 8204 9777 (or 131 882 for regional callers).