

From: Kevin Yang
Sent: Monday, 24 October, 2011 2:58 PM
To: MICA DP Public Consultation (MICA)
Subject: Feedback on Proposed Consumer Data Protection Regime for Singapore

Self introduction:

Hello Technology is the one of the largest provider of enterprise messaging services in Singapore.

The bulk of our business comes from helping banks broadcast SMS in the form of One-Time-Password SMS, transactional SMS alerts, and marketing SMS. Although we help banks send SMS, we do NOT supply marketing databases to the bank. Hello Technology has been in the business for more than 10 years.

Feedback:

Thank you - I'm a victim too

First of all, I'd like to thank MCA for this timely introduction of DP regime as I personally have been the victim of daily telemarketing calls from the Property Agents. These calls have been on-going for many months and they always call during evening family hours - a time when I treasure my privacy the most.

During each call, I'd forbid them to call again, but each time a different Agent from another company would try again. They seem to get my phone number from the same database and it is difficult to get to the source of that database.

Concern as a business owner and entrepreneur

Having said that, as an entrepreneur and owner of a company that derives some of our revenue from SMS marketing, I'd like to caution against putting in place too strong a regime that inhibits innovation.

Mobile advertising has been innovating in leaps and bounds over recent years. The very best companies in the world across the industries are pushing ahead full speed with it. More and more so, the trend is moving toward free services and free apps supported solely by targeted advertising. I argue that it is not true as suggested in **para 3.3** that the impact to businesses is minimal if they do not collect personal data. But rather, that these businesses will be in trouble and be obsoleted if they do not plan on collecting personal data.

I am glad that MICA intends to limit cost and adopt a compliance rather than audit approach (**para 3.5**).

I would like to further make the point that while it is commendable that MICA has studied the DP laws of many developed countries, when applying them to Singapore, we have to account differently the cost to businesses in relation to our much smaller size of the Singapore market. The cost of compliance in relation to the market size of UK or Canada is insignificant, but the same is not true for Singapore. I hope the language and specifics of the subsequent sections be relaxed and made vague so as to give some room for the businesses here to maneuver.

Putting in a blanket regime that is too strong will immediately handicaps local businesses, constrain their creativity, re-enforce the play-by-the-books mentality that plagues local companies, reduces competitiveness, and ultimately constrains their growth. Specifically for the local startups, restricting their business opportunities and increasing their costs of operation (eg. with a national do-not-call registry (**section 5**)) can put an immediate stop to their businesses.

More on **Section 5** - A national do-not-call registry

A national do-not-call registry may make sense for telemarketing but does not make sense for SMS marketing.

Here are the reasons:

1. In real life, a telemarketing call is a lot more intrusive than a marketing SMS. Most SMS messages nowadays provide useful information to the consumers. If such a registry is made, consumers would want to selectively block and allow certain SMS.

In this case, a single central SMS registry does not work. A useful registry will be to complicated and costly to maintain.

Here's a scenario:

I may want to receive discount SMS from food outlets but not SMS from Property Agents.

But I want SMS from the Property Agents during the period when I'm looking for a house.

To make things more complicated, I may want to avoid certain Property Agents during those times.

These intricacies make maintaining such a registry complicated and costly.

2. In terms of dollar and cents, the cost of a telemarketing call is in the region of a few dollars while the cost of sending an SMS is a few cents. A functional registry will cost businesses at least a few extra cents per transaction.

While this is not significant to a telemarketer, it doubles the cost of SMS marketing. If the registry applies to SMS, it will eliminate SMS as a channel of marketing.

This is too drastic and unnecessarily handicaps businesses.

SMS is similar in nature to email. Both of which are already in control under the Spam Control Bill of IDA.

SMS and Email marketing are vital channels of marketing for current and future businesses.

When weighing the benefits vs costs of removing this channel of marketing, I suggest that a similar guideline

like the Spam Control Bill is good enough to regulate this industry.

Concern about over-protection of Singaporean

The world as we live in today is one of free market and open connectivity. The world is accessible to us

consumers as much as we are open to the world's merchants. As the consultation paper rightly pointed

out, it is impossible to regulate businesses outside of Singapore, we should not put in place a regulation

that gives Singaporean any false sense of security that their private information they freely divulge is safe

and governed or screened by the local authorities. Therefore, continuous public education should be part

of this initiative.

Thank you,

Kevin Yang

Hello Technology Pte. Ltd.