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Popi has hidden benefits for some small companies

Evidence that compliance with the personal information law can be affordable.

Dr Peter Tobin | 13 October 2015 12:23



The recent article by Hanna Barry (**Personal information laws risk stifling small business** (http://www.moneyweb.co.za/news/economy/personal-information-laws-risk-stifling-smallbusiness/)) highlighted the diversity of opinions about the impact of the Protection of Personal Information (Popi) Act.

As reported by Barry, some South African organisations have already spent significant sums preparing for Popi compliance. However there is a growing body of evidence that the compliance goal can be affordable, even to a small business*. "Such a simple and affordable change as implementing an automated cookie notice on our website gives credibility with our international stakeholders", says Jenni McLeod, Director at Downes Murray International, a KwaZulu-Natal-based fundraising consultancy.

Existing legal requirements, such as the ethical rules of conduct under the Health Professions Act, complement Popi. Graham Chrich, Director at Digital Optometry in the Eastern Cape; Matome Kumalo, practice head at WM Kumalo Practice; and Dr Jopie de Beer, CEO of JvR Africa Group in Gauteng, share a common interest and commitment: to use affordable Popi compliance as a support, not a hindrance to their business growth.

Concerns about affordable Popi compliance are understandable. "Many of our members are under huge financial pressure given the slow rate of growth and even decline in some markets they service" says Craig Noyle, Director at marketing dealer group Inovocom. "They question every hard earned rand they have to spend on what some see as a grudge purchase – compliance – but we encourage them to look at the additional confidence generated by addressing Popi conditions like consent, purpose and security safeguards."

Popi also has hidden benefits for some small companies. At least one Gauteng-based supplier of office products saw the revenue generating opportunities from the new legislation. "The Popi Act brings a focus on effective destruction of personal information, and that brings a positive impact on the sales of a range of high-performance shredders we offer," says Bill Bayley, Managing Director of Rexel Office Products.

Another Gauteng company is using Popi to add to its envious reputation for innovation. Jackie Carroll, CEO at adult education and training supplier Media Works: "Our online Popi compliance training course can be used by our clients to help them win international business that demands evidence that data privacy and protection are being taken seriously in South Africa."

Melanie Trollip, CEO at P E Corporate Services, a remuneration and human resources consultancy, comments that: "We are embarking on our Popi compliance journey because we believe we cannot afford the risks associated with disappointing our local and international stakeholders, and that good governance is key for our business. Popi compliance fits well with this philosophy".

"One sector that aims to attract local and international investors is the growing number of residential estates around South Africa," says Peter Tobin, Popi consultant with IACT-Africa. "Those estates will only be able to compete if they can prove to their stakeholders that they respect the right to privacy, including the protection of personal information. Popi compliance is a powerful tool to achieve this goal."

Further evidence of the global nature of data privacy and protection concerns are in the retail sector. "One of my clients, a duty free goods retailer which operates at OR Tambo International Airport, told me they have seen a raised level of consumer activism in their stores, in particular following the recent furore at London's Heathrow about VAT refunds not being passed on to shoppers. POPI compliance gives such companies, however large or small, a solid base to address any similar concerns in SA" adds Tobin.

In summary, compliance with the Popi Act can be affordable. It can also act as a driver to address the latest market and consumer requirements, while better fulfilling existing responsibilities, retaining clients and innovating products and services.

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* Downes Murray International is a POPI client of Grant Thornton Johannesburg. All other South African companies mentioned in the article are POPI clients of IACT-Africa. All are quoted with their permission.

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