

## **RESOLUTION BY THE ADVERTISING STANDARDS AUTHORITY ABOUT THE EUROPEAN TIMESHARE OWNERS' ORGANISATION (E.T.O.O.)**

The UK Advertising Standards Authority (ASA) has revoked the authorisation they gave to ETOO on the 31<sup>st</sup> October 2007 to broadcast TV advertisements about their services on the UK TV. The decision was based on a breach of code. In short, the reason given by ASA is that the vast majority of ETOO's clients were unlikely to be able to sell their timeshare or points as claimed. Therefore, the ASA stipulated the following actions:

- The ETOO TV advertisement must not be broadcast again in its current form;
- Future advertising should state the chances of a consumer making a sale and the requirement to sign a 12-month contract and pay a fee that was typically £850;
- Any ad should also state that consumers might be required to travel overseas to meet a buyer or attend a presentation at their own expense.

For their decision they assessed the information on complaints about that company provided by the European Consumer Centre in Spain, along with the Office of Fair Trading in the UK.

The information provided on the 23<sup>rd</sup> May 2008 by the ECC Spain stated what follows:

"The complaints are received by the ECC Spain either from individual consumers directly or from public organisations such as the Office of Fair Trading in the UK. Up to date we have received 28 complaints against ETOO in 2007-2008. We assist consumers to forward the complaint to the trader and to insist in the cancellation of the contract and the refund of the money paid, based on the non fulfilment of contractual terms, the lack of inclusion of a cooling off period and the fact that the contract implicitly includes subcontracting a holiday club. Unfortunately the intermediation of the European Consumer Centre has been unsuccessful. We have tried several times to contact the company to solve the problem without receiving a positive answer. Therefore, we have reported this information to the police and to the competent authorities through the Spanish Single Liaison Office under the CPC (Consumers Protection Cooperation) Regulation.

As for the way ETOO acts, the consumers are directly contacted by ETOO, although sometimes consumers contact ETOO by themselves due to advertising on TV ("Sky News TV Channel") or magazines ("News of World" "BMI Inflight Magazine"). ETOO offers them the opportunity to resell their timeshare property within the next 12 weeks. The amount to receive is much higher than the real market value. They sign a contract of mandate by which the company agrees to find a future buyer under orders from the consumer. In exchange, the consumer pays the company a sum for the services provided, a marketing fee of 850€ payable in advance, but refundable when the sale goes through. Then ETOO encourages them to travel to Spain to resell their right to timeshare because they have found a buyer. If the consumer accepts, once in Spain the buyer disappears, but they offer him something better and try to lure the consumer for a membership adhesion to a bogus holiday club.

We also have strong evidence to suspect that E.T.O.O. is a veiled way to sell Club Class Concierge memberships, a holiday club company about which we have many complaints too. In fact, they share offices in the same building in Mijas (Costa del Sol), and we have the perception that there is a close link between them both."



As for the holiday club mentioned above, Club Class Concierge, the Police have closed their sales decks at four locations in Tenerife (Spain), along with other timeshare resale companies according to the information provided by the Organisation for Timeshare in Europe (please read their article attached for more information, as well as an article published by the British newspaper Daily Mirror about ETOO).