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## **Jiwon Hair Salon Pte. Ltd. & Ors.**

**[2018] SGPDPC 2**

Mr. Yeong Zee Kin, Deputy Commissioner — Case No DP-1612-B0431

**Data Protection** – Openness obligation – Lack of data protection policies and practice

23 January 2018

### **Background**

1 This case highlights that while the Personal Data Protection Act (“**PDPA**”) seeks to balance the protection of individuals’ personal data with the need for organisations to use and share that personal data, compliance with the PDPA also serves to ensure that an organisation keeps data which is of significant commercial importance to it protected and out of the reach of its competitors.

### **Material Facts**

2 This case was triggered by, unusually, a complaint from one of the Organisations, Jiwon Hair Salon Pte Ltd (“**Jiwon**”). Jiwon alleged that a former employee (“**Employee K**”) had misappropriated the names and contact numbers (collectively referred to as the “**Personal Data**”) of its customers by surreptitiously accessing its customer management system (“**CMS**”).

3 An investigation was conducted into Jiwon’s complaint and into the following Organisations which Employee K had worked at after leaving Jiwon to determine if indeed Employee K was using the Personal Data from Jiwon’s CMS:

<b>S/N</b>	<b>Organisation</b>	<b>Start of employment</b>	<b>End of employment</b>
1.	Jiwon	9 April 2014	15 August 2016
2	Next@Ion Pte Ltd	10 August 2016	30 November 2016
3.	Next Hairdressing Pte Ltd	1 Dec 2016	16 Dec 2016
4.	Initia Pte Ltd	13 Jan 2017	-

4 In the meantime, Jiwon had instituted an action against Employee K in the State Courts arising out of the facts set out in the complaint and, according to Jiwon, an out-of-court settlement had been entered into. During the investigations, it became clear that none of the Organisations had any policies or practices in place for the protection of the personal data they collected. This Decision is solely concerned with the compliance of the Organisations’ obligations under section 12(a) of the PDPA and the foregoing information on Jiwon’s initial complaint serves merely as background information to give context.

***Findings and Basis for Determination***

*Whether the Organisation had complied with its obligations under section 12 of the PDPA*

5 Section 12(a) of the PDPA requires an organisation to develop and implement policies and practices that are necessary to meet its obligations under the PDPA (the “**Openness Obligation**”).

6 During the investigations, it became apparent that the Organisations did not implement any data protection policies or practices. This was admitted to by the Organisations.

7 In the circumstances, I find that, by their own admission, each of the Organisations failed to meet its obligations under section 12(a) of the PDPA.

8 I would like to take this opportunity to repeat the exhortations made in *Re: M Star Movers & Logistics Specialist Pte Ltd* [2017] SGPDPC 15 (“*M Star Movers*”) to organisations to put in place policies and practices to protect personal data.

9 The M Star Movers grounds of decision (at paragraphs 27 and 28) explains the need for organisations to put in place data protection policies and practices as follows:

At the very basic level, an appropriate data protection policy should be drafted to ensure that it gives a clear understanding within the organisation of its obligations under the PDPA and sets general standards on the handling of personal data which staff are expected to adhere to. To meet these aims, the framers, in developing such policies, have to address their minds to the types of data the organisation handles which may constitute personal data; the manner in, and the purposes for, which it collects, uses and discloses personal data; the parties to, and the circumstances in, which it discloses personal data; and the

data protection standards the organisation needs to adopt to meet its obligations under the PDPA.

An overarching data protection policy will ensure a consistent minimum data protection standard across an organisation's business practices, procedures and activities (e.g. communications through social media).

### **Directions**

10 Having found that the Organisations are in breach of section 12(a) of the PDPA, I am empowered under section 29 of the PDPA to give the Organisations such directions as I deem fit to ensure compliance with the PDPA.

11 In assessing the breach and determining the directions to be imposed on the Organisations, I took into account that the personal data collected by the Organisations was limited to the names and contact numbers of its customers.

12 I have decided to issue the following directions to each of the Organisations:

- (a) to put in place a data protection policy to comply with the provisions of the PDPA within 60 days from the date of this direction; and
- (b) to inform the office of the Commissioner of the completion of the above directions within 1 week of implementation.

**YEONG ZEE KIN**  
**DEPUTY COMMISSIONER**

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