

March 18, 2015

CRTC Issues First Penalty Under CASL

The Canadian Radio-television and Telecommunications Commission (CRTC) issued its first penalty under Canada's anti-spam legislation (CASL) on March 5, 2015, hitting Quebec-based corporate training company, Compu-Finder, with a \$1.1 million penalty. Since CASL came into force eight months ago this is the first fine imposed by the regulator. It was a straightforward situation since Compu-Finder was a flagrant CASL violator and the subject of many complaints.

Background on CASL

CASL came into effect on July 1, 2014, and is intended to protect Canadians from email spam, malware and other electronic threats. CASL generally prohibits sending commercial electronic messages to an electronic address without the recipient's consent, altering transmission data such that a message is delivered to an unintended destination, and installing computer programs onto computer systems without consent. The potential fines for violating CASL are significant, with fines reaching up to \$1 million for individuals and \$10 million for organizations. The directors and officers of a corporation may be held personally liable for a corporation's violations of CASL if they have directed, authorized or participated in the violation.

Compu-Finder's Violations of CASL

Compu-Finder was fined for sending emails without the recipients' consent, and emails in which the requisite unsubscribe mechanism did not function properly. The CRTC noted that 26% of CASL complaints made in relation to training companies were about Compu-Finder.

The CRTC found that Compu-Finder flagrantly violated the basic principles of CASL by continuing to send unsolicited commercial messages to email addresses it found by scouring websites (email addresses apparently posted for purposes other than those of Compu-Finder), and that the CRTC's "goal is to encourage a change of behaviour on the part of Compu-Finder such that it adapts its business practices to the modern reality of electronic commerce and the requirements of the anti-spam law."

For further information regarding the CRTC's ruling, contact any member of our Privacy Law Group.