

# consumerwatch



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This month at [www.pcadvisor.co.uk/consumerwatch](http://www.pcadvisor.co.uk/consumerwatch), we've caught PC World up to its old tricks with two further violations of the Data Protection Act. Meanwhile, Time Computers concedes over its ambiguous advertising and HP gets a deserved pat on the back

It's happened yet again. We've uncovered two further cases of PC World failing to wipe used hard disks, selling them on as new and, in the process, revealing the personal data of the original owners to third parties.

## One more time

Hertfordshire-based reader Jon Rome purchased what he believed to be a brand new hard drive from the Harlow branch of PC World on 28 March. Regular readers of ConsumerWatch won't be surprised to hear what happened when Mr Rome got home. On installing the drive he found that it had a previous owner and displayed the logoff name of Lamb & Cooke. He checked the serial number of the drive and found it did not match that of the proof of purchase label on the box. Not only had he been sold a secondhand unit at full price, but yet again the personal details of another DSG (Dixons Stores Group) customer had been passed on to a third party without their knowledge or consent.

To add insult to injury Mr Rome was phoned the next day by Barclaycard to ask why he had been billed twice for his transaction. (PC World checkout staff, it transpired, were to blame.) After writing to the DSG complaints department on

2 April, he received a reply nine days later from customer service advisor, Shirley Cooke, thanking him for his letter dated 6 January 2001. In her letter Cooke ensured him that the relevant area manager "will take steps to make sure that this type of incident cannot happen again" and that "this was an isolated

Satellite S1800-400 laptop from Dixons' Cheltenham store on 31 July 2001. After booting up for the first time, he found that his supposedly brand-new notebook already had Lineone.net internet dialup details for someone called Jonathon Mole.

According to Dixons, Mr Mole had returned the PC to the Gloucester branch a week after purchase. He had apparently told Dixons that the laptop was unused. "Dixons should have checked this for themselves," argues a justifiably affronted Mr Stephens. When we confronted DSG about these breaches it issued the following statement:

"The cases that *PC Advisor* has highlighted are rare and infrequent compared with the substantial volume of PCs, laptops and spare parts that the Dixons Group sells each year. However, any non-compliance is a cause for concern and we regularly review procedures to ensure that we avoid any repetition."

Now everyone makes mistakes, but we feel this just isn't good enough. So, lest we forget, here is a recap of recent cases of data protection violations carried out by the DSG that we know about:

- October 2000 Exeter branch of PC World sells on refurbished PC as new, without



incident". (By the way, Lamb & Cook, if you're out there, get in touch via our ConsumerWatch forum. We reckon you've got a case under the Data Protection Act.)

Not to be outdone by PC World, sister chain Dixons has also been at it. Reader Duncan Stephens purchased a Toshiba

## How to contact us

**G**ot a problem with a manufacturer or vendor? Unsure of your consumer rights? Interested in a company's reputation? Get yourself to the ConsumerWatch forum. If you're not sure how to use our forum, check the instructions on page 79.

[www.pcadvisor.co.uk/  
consumerwatch](http://www.pcadvisor.co.uk/consumerwatch)



first wiping the hard drive. Personal details of original owner, including banking details, passed on to new owner.

- November 2000 Oxford Street, London branch of Dixons sells secondhand notebook without wiping its hard drive, thus passing on customers' details.
- January 2001 Oxford Street, London branch sells the same notebook on as new once more, again failing to wipe the hard drive and passing on yet more personal details.
- July 2001 The Cheltenham branch of Dixons sells a supposedly 'new' notebook, which again turns out to be secondhand and sports the personal details of the previous owner.
- December 2001 Aintree branch, Liverpool. PC World engineer installs replacement hard drive for a customer, without first wiping off the details of the previous owner – an accountant from Chiswick. Information includes confidential business details. Original owner had returned his PC, with the hard disk in question, to a London branch of sister chain Dixons.
- March 2002 Secondhand hard drive sold as new by Harlow branch of PC World, again without having been wiped first. Personal details of previous owner again passed on to third party (the new owner).

### HP gets it right

It's pat on the back time again. Let's hear it for HP. Reader Barry Skillett bought an HP ScanJet 5370c way back in January 2000. Almost two years later to the day it stopped working. After phoning customer services, a Louise Thresher arranged for the old scanner to be collected and a replacement scanner to sent out. History repeated itself in April 2002 when the replacement scanner failed. On contacting customer services, Mr Skillett again spoke to Thresher, who

once more arranged a replacement, this time from HP in Germany.

"My scanner cost less than £160 pounds but when I had problems they were resolved right away. I will only be buying HP from now on," said a delighted Mr Skillett. Which all goes to show that well-delivered service can woo a lifetime of customer loyalty.

### Catch up Time

In the June 02 issue of *PC Advisor* we reported that solicitor Nigel MacNicol had won an admission from Time – on our ConsumerWatch forum – that it should have been clearer when advertising onboard graphics. In this case it was through advertising 128MB of memory without mentioning the fact, which Time has admitted, that graphics took up some of this memory.

He pursued the matter through the small claims track. Having already won an admission from Time, a happy ending was little more than a formality. At the end of April an amicable out-of-court settlement was achieved with Time transforming Mr MacNicol's machine into a 256MB PC free of charge. His only stipulation was that he wanted the work done immediately, as he couldn't afford to be without the PC for long. So congratulations to Mr MacNicol.

However, *PC Advisor* feels that this does highlight the need for PC vendors to be very careful about advertising machine specifications. Computer specifications are, by their very nature, technical, and there's ample potential for consumer confusion if the manufacturer's advertising is in any way open to interpretation.

The PC industry itself has often been guilty of this and all credit to Time for putting its hands up. *PC Advisor* is calling

## Top 10 web frauds

1. **Bogus online auctions offering items that are purchased but never actually delivered.**
2. **Deliberate misrepresentation in advertising or non-delivery of general goods bought online.**
3. **Nigerian money offers, usually made via email.**
4. **Deliberate misrepresentation or non-delivery of computer hardware or software bought via the web.**
5. **Internet access con artists, where bogus internet service providers fraudulently charge for services that were never ordered or received.**
6. **Credit card or phone charges for services that were never ordered or misrepresented as free. These often include charges for accessing porn via the internet.**
7. **Work-from-home schemes offering exaggerated sales and profits.**
8. **Advanced-fee loans, conning customers into paying upfront charges for loans, which are subsequently never delivered.**
9. **Phoney offers of cheap-rate credit card deals. Again customers are duped into paying upfront fees.**
10. **Business opportunities sold on the promise of grossly exaggerated profit expectations.**

on the rest of the industry to follow suit. PCs are complicated and as such their specifications are bound to perplex buyers from time to time. If you're describing memory on a PC indicate when it is 'shared' or where it comprises 'onboard graphics'. Okay now, rant over. ■

## PC Advisor personal data privacy campaign

**H**ave you ever been sold a PC that had someone else's information on? Or has a PC you returned to a company been resold without being properly wiped? If either of these things have happened to you, we want to hear from you. If you find data on a PC purchased from the Dixons Stores Group don't forget to email Simon Turner the managing director at [simon.turner@dixons.co.uk](mailto:simon.turner@dixons.co.uk).

Email us at [pcadvisor\\_consumerwatch@idg.com](mailto:pcadvisor_consumerwatch@idg.com) and we'll take it from there



# consumer tips & tricks

Here, for our reader's delectation, is a selection of choice cuts from the live clinic in PCAdvisor.co.uk's ConsumerWatch forum.

The forum is packed with nearly 20,000 similar Q&As, offering advice on the legal and service issues faced by PC buyers



**Q** For a contract to be binding does it have to be in writing? Does a 'written' contract include an agreement made by email?

**A** It depends on the circumstances. Generally speaking contracts don't have to be in writing, so the question of contracts being made by email as opposed to on paper doesn't often arise.

However, where there is a dispute about what was agreed it definitely helps to have something in writing or email. This is a question of evidence and by now courts are used to looking at such evidence in electronic form, subject to getting some certificate about authenticity and integrity of the communication.

Sometimes the law expressly says you have to put something in writing, including certain consumer credit contracts and the sale of property. In such cases email is not good enough. The question of where the law requires writing and where this can be changed to accommodate electronic communication is currently under review.

The Electronic Communications Act 2000 (section 8) provides powers to make

Scotland Yard. The Police will offer us direct advice on any aspect of computer crime and will try to help any *PC Advisor* reader who is the victim of a computer-related crime. This relationship with a magazine forum is a first as far as the Police are concerned, and they are only too pleased to be able to relate to the computer community in this way.

**Q** I'm at my wits end and have resolved to take my PC vendor to court through the small claims track. I've never been to court before and it all sounds incredibly intimidating. What should I expect?

**A** You've nothing to be afraid of. The process is deliberately informal in a bid to encourage more people to use the facility. Judges are often dressed in everyday clothing and deference is not as formal as in open court (your hearing will usually be in Chambers without the public). Although politeness is required, the knowledge of legal jargon and procedure is not.

The process is also far more investigative (by the judge) as opposed to

such changes. The aim is to remove barriers to doing business electronically.

**Q** I think I've been the victim of an internet fraud. What should I do?

**A** Get yourself along to the *PC Advisor* ConsumerWatch site. We've got good contacts with the Metropolitan Police Computer Crime Unit at

adversarial, and the judge will manage the case and the way it develops. Unfortunately the legal profession has yet to realise that the initial bureaucratic steps, with the attendant form filling, are still far too complicated for most people unfamiliar with the small claims etiquette.

**Q** I want to make a complaint about an advertisement I saw in a national newspaper. What should I do?

**A** You can email a complaint to the ASA (Advertising Standards Authority, [www.asa.org.uk](http://www.asa.org.uk)) and follow up by snail mail. Include a copy of the advertisement.

**Q** My PC vendor has agreed to replace the base unit, which gave up the ghost only three months after the system was purchased. The vendor no longer sells PCs featuring the original specification. Can I insist on an identical combination of components? Can I bargain for different components?

**A** If the computer is swapped it must be replaced with a machine that has the same, or higher specifications. The question of actually changing the hardware components is one for you to negotiate with the vendor in question and is an avenue well worth pursuing. However, bear in mind that the vendor is under no legal obligation to supply any alternative components.

**Q** I keep hearing about the arrival of 64bit computing later this year. Should I hold on until then?

**A** If you work at the coal face of computing and use big sound files or high-end graphics you'll find 64bit very handy. Otherwise there's really not much point in hanging about for a 64bit desktop machine to come over the hill. The main advantage of 64bit processing is the higher memory addressing – but at the moment who truly needs 6GB of RAM? ■



# terms & conditions

Although it's common business practice to make backups of your key software, users looking to copy OEM and retail versions of Windows XP could find themselves in the dock. Peter Thomas, *PC Advisor* forum editor, investigates

If you buy a PC or notebook from a major manufacturer your operating system will almost certainly be an OEM (original equipment manufacturer) version of Windows XP. OEM software – factory-installation bulk-licence software sold to PC manufacturers – is written to the hard drive prior to purchase. When it comes to Windows XP, it's common for computers to be supplied without any Windows CD at all.

System files are written to a separate partition and Windows accesses them when necessary – for instance, when installing a new peripheral. So far so good, but what happens when you want to format the hard drive or install a new one? You make a backup copy of the OEM software, right?

## Backup against the wall

Well no, you don't. According Sue Page, Microsoft's licensing manager, making a backup copy of OEM software is in contravention of the Eula (End User Licensing Agreement) that a buyer agrees to when using a new computer for the first time. The official position, according to Page, is that the software is linked to the hard drive and could not be used on another drive, even on the same computer.

When we broke the news to visitors in our ConsumerWatch forum there was an uproar. The general consensus was that Microsoft was criminalising us all by default; after all, it's common sense to protect your investment by making your own CD in such circumstances.

We pressed Microsoft's PR department on the issue of copying OEM versions of Windows. We were supplied with the following statement from the USA, which contradicts the information we were given by Microsoft's UK licensing department.

"With regards to OEM software – if the manufacturer has not included a backup copy of the software with the computer on physical media (CD or partitioned hard drive) you may make a single backup copy of the software. You may use the software purely for your archival purposes, and to reinstall the software on your computer."

In other words you won't be hung, drawn and quartered for making a single copy of the OEM software from a partition on the hard drive, and you can use it to install the software on a new drive in the same computer. However, we do think its

a little unfair that no one has told

Microsoft's UK licensing department.

Regarding full retail versions of Windows XP, Microsoft's response was even more equivocal.

Microsoft stated: "After installation of one copy of the software (full retail version of Windows XP) you may keep the original media on which the software product was provided by Microsoft solely for backup or archival purposes. Should the backup copy that you have kept become lost

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**We feel it is up to Microsoft to spell out the terms and conditions of its XP licensing agreement at the time of purchase, whatever version you are buying**

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or damaged you would have to go back to the reseller for replacement backup disks."

But would Microsoft actually prosecute a *PC Advisor* reader if he or she had made a copy of a full retail version of Windows XP for the backup purposes?

"We do expect our users to respect the terms of the Eula, but we would not be able to comment on whether we would prosecute people who break these terms as the scenarios you have mentioned are hypothetical."

## Mixed media

Hardly the categorical assurance we were seeking. Reading between the lines we reckon Microsoft has found itself in a bit of a pickle here. It has not been sufficiently up front about the terms of the Eula and consequently hundreds of thousands of users have made backups in accordance with standard business practice, unwittingly breaking the terms of their licence agreements. But to go after all those customers would be a PR debacle.

We feel it is up to Microsoft to spell out the terms and conditions of its XP licensing agreement at the time of purchase, whether it be the full version from PC World, or an OEM version on a new PC or notebook. We've also offered to rewrite the company's licensing agreement in plain English, but so far the company hasn't taken us up on this. To read the original thread, visit ConsumerWatch and search under OEM/piracy. ■



# legal advisor

Buying cheap pirate software on the internet might seem like a good dodge, but it strips you of your consumer rights and puts your details in the hands of criminal elements. Julian Heathcote Hobbins tells you what to beware of on the web



**W**ith the rise of the website or 'virtual shop', pirate software could soon become the bane of the software industry. The music industry in the USA has already been hit heavily by pirates, with a 10 percent drop in sales of CDs in 2001 reported by the Riaa (Recording Industry Association of America). Shipments of CDs to shops fell from 1.08 billion in 2000 to 969.58 million in 2001.

Based on these figures it seems the writing is on the wall for the software publishers too. However, this cloud's silver lining might be that people tend not to get as emotionally attached to software as they do to a melody. The software industry can take heart that there is no speedy download MP3 format for software which consumers can easily use.

## How to spot a software fake

Pirated software is more easily identifiable than you may think and illegal sites can be spotted if the buyer approaches them with caution. Buyers should keep an eye out for poorly designed websites offering software on recordable CDs (CD-Rs) at surprisingly low prices (say from £2 a CD) and ask for payment via blank postal orders or cheques. Also, be wary of websites with

aggressive graphics; some even sport warnings telling enforcement agencies to keep out and sites known or advertised as 'WareZ' – the web word for pirated software, should be reported immediately.

These illegal sites often advertise their products through out-of-the-blue 'spam' emails, advertising cheap software but without providing any mainstream contact details, with calls to send cash to a random PO box address.

## Running the risks

If you buy from a pirate, you may be doing more harm than you think. It's not just big and seemingly rich publishers that will lose out. The real issue is the buyer, who will have no reputable outlet to approach for a refund should the media or the software be defunct.

The law provides a remedy for the consumer if a business sells them duff goods. Under the terms of the Sale of Goods Act 1979, goods must be of "satisfactory quality" and "fit for the purpose". But such laws are little use against a trader which can't be contacted.

The European laws known as Distance Selling Regulations (EU Distance Selling Directive 97/7) will offer no redress either.

If the consumer tries to rely on the seven-day cooling off period to withdraw from the purchase, and asks for a refund, the rogue trader may simply reply, 'tough, try enforcing that'.

Furthermore, it's unlikely you will come across many rogue internet traders which have processed personal data in accordance with the provisions of the Data Protection Act 1998. Another headache. The old saying, 'there's no such thing as a free lunch' is sadly true. Simply buying these goods means you are at risk.

## The remedy

If you do come across an internet trader selling pirate software of any kind, what should you do? Even if you've managed to spot the scam and avoid it yourself, don't ignore it and leave others to fall into its trap: tell Fast (Federation Against Software Theft). Fast even provides its own simple software, called ReportIT, which can help you do so at the touch of a button.

Simply download ReportIT from Fast's website ([www.fast.org.uk](http://www.fast.org.uk)) and install the EXE file on to your PC. After installation, the software will be accessible via an 'F' button in your web browser. The ReportIT tool enables Fast to receive reports regarding pirate games, music and films as well as software.

With ReportIT installed, all you have to do if you come across illegal software online is simply click on the 'F' logo, and make the report through a series of pop-up windows. Uniquely, ReportIT automatically grabs the URL of any identified illegal site and then forwards it to Fast where the reports are collected in a database. There are no complex forms to fill in and the entire process takes less than five minutes.

## Bitter-sweet pill for the pirates

Pirates may think they are plying their trade beyond the law by acting anonymously on the internet, but with new tools such as ReportIT Fast intends to reduce the numbers of pirate websites and pull those they find down for good.

Purchasing unlawful software online is a serious problem, but comfort is soon to come from heavyweight criminal penalties due to be introduced under the Cable Bill that is currently making its way through Parliament. This government-backed legislation is likely to become law, which means such rogues may be looking at the wall of a cell for up to 10 years, instead of the current two years. ■

*Julian Heathcote Hobbins works as legal council (corporate and internet) at Fast (Federation Against Software Theft).*

# contacts

Where do you turn when things go wrong? There may be an issue with the ad that attracted you in the first place. So if you've been left with a useless piece of kit for which the manufacturer made extravagant claims, it could be worth informing the ASA

**T**he ASA (Advertising Standards Authority) is the governing body responsible for regulating all non-broadcast advertising. Its role is to ensure that all advertisements are 'legal, decent, honest and truthful'. Its regulations cover advertising wherever, and in whatever form (other than radio or television), they appear. The ASA has clarified a series of codes that also governs advertising over the internet.

The codes apply to: online advertising in 'paid for' space (for example, banner and pop-up advertising); advertising in commercial emails and sales promotions wherever they may appear online. The ASA stresses that these codes do not in any way affect your statutory rights under the Data Protection Act. The Distance Selling Directive will provide protection for buying online.

## I'm free! (well, nearly)

The fast growth of unmetered internet access deals at the end of 2000 caused a massive surge in web use, with so-called 'free' online time being offered by many ISPs. The ASA produced a report in

September 00, which looked at the promises of 'free' web access. What emerged was many of these service actually charged for an element of their services. Deals were heavily oversubscribed, and many users were disappointed. ASA regulations require advertisers to show that they have anticipated demand, making it clear if stocks are limited and, hopefully, preventing the fiascos of PCs-for-£100 firm Smarttalk and no-charge ISP Breathe.com from recurring. Importantly, where companies have failed to anticipate demand, they will be in breach of the codes.

This aspect of the ASA's code could start the ball rolling against companies that become 'victims of their own success'. Regrettably, this phrase is fast



becoming an obvious euphemism for companies whose board members failed miserably to conduct standard business assessments of demand.

## Surf yourself silly

The ASA also refused to uphold claims against BT that its ads claiming 'unlimited surfing every weekend with BT Internet' were misleading. The complaint was made because BT kicks customers offline after two hours, whether or not they are downloading or uploading data at the time. This was deemed not to be in contradiction to its claims of 'unlimited surfing' because people can reconnect immediately. That may seem odd, but the ASA tries hard to be fair and regularly upholds complaints made against the big boys.

## Making your voice heard

To make a complaint about an advert call 020 7580 5555. Alternatively, fill in the claim form at [www.asa.org.uk](http://www.asa.org.uk), via the Contacts icon. All complaints must be made in writing and sent to: Advertising Standards Agency, 2 Torrington Place, London, WC1E 7HW. ■

## Where to turn for help

**If the worst happens, it's good to know where to go for help. Here we list some important contacts which can help with a variety of problems from software copyright issues to non-delivery or payment problems.**

- Citizens Advice Bureau **For general legal advice and to find out your rights. For information, or to find your nearest CAB, call 020 8333 6960 or visit its website at [www.nacab.org.uk](http://www.nacab.org.uk).**
- Consumers Association **For advice on all consumer transactions, call 020 7830 6000 or turn your browser to [www.which.net](http://www.which.net).**
- Fast (Federation Against Software Theft) **Regulators of software copyright law. Clivemont House, 54 Clivemont Road, Maidenhead, Berkshire SL6 7BZ. Call 01628 622 121 or visit online at [www.fast.org.uk](http://www.fast.org.uk).**
- Office of Fair Trading **OFT, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX. For general enquiries, telephone 0845 722 4499 or log on to [www.oft.co.uk](http://www.oft.co.uk).**
- PC Association **Non-profit organisation offering advice to both trade and consumers. You'll find tips on buying safely and a forum for complaining when things go wrong. Turn your browser to [www.pcauk.org](http://www.pcauk.org).**