

Clampdown on rogue traders highlights the true price of illegal software

Microsoft warns shoppers to be on their guard: being conned with illegal products means having to shell out a second time

Reading, UK – April 2009 – Microsoft today announced settlements with 12 computer shops caught selling illegal software to unsuspecting customers across the UK over the last six months. The software supplier is urging consumers to be vigilant when it comes to buying computer programs at a time when they can ill-afford to be ripped off.

ICN Computers Ltd, Newbury and Comp-u-Tel, Thatcham

West Berkshire-based ICN Computers and Comp-u-Tel faced court action and admitted to selling illegal software and hard disk loading¹. Microsoft is committed to educating computer shops as well as consumers, and encouragingly both retailers have now agreed to work closely with the software company to ensure they stop selling illegal programs.

Mr Speirs from ICN Computers Ltd said, “We recognise that we weren’t installing Microsoft software correctly, and that’s something we take seriously. We’ll be working with Microsoft over the next few weeks to make sure what we do falls within their software rules from now on. It’s good to see Microsoft working with small computer traders like us to ensure we’re up to speed on the right way to use and sell their software. Getting it right is important to us and to our customers – the lifeblood of a business like ours.”

Microsoft’s goal in taking this legal action is to protect unwitting consumers and honest local businesses, both of whom are innocent victims of this kind of illegal trading. Shoppers can be left seriously out of pocket, and genuine businesses are exposed to damaging losses by rogue traders cutting corners. At a time when the Federation of Small Business claims 120 businesses a day are going bust², it is crucial to stamp out unfair competition that threatens the livelihoods of honest retailers.

In a further 10 separate cases, the following computer shops each faced court action and admitted to selling unlawful software.

1Hr Computers, Denton, Manchester
Boss Systems, Duns, Berwickshire
Computer Warehouse (Manchester) Ltd,
Manchester
Intellect Computers (Whitefield) Ltd, Whitefield,
Manchester
Swift Computers, Wellington, Shropshire

Annecto Computers Ltd, Droylsden, Manchester
Charisma Computers, Manchester
Hi-Tec, Cheadle, Cheshire
PWRTech Ltd, Nottingham
Unique Computers (UK) Ltd, Leicester

“It’s not always easy to get your money back if you find out you’ve been duped. Having to fork out a second time to replace illegal software is the kind of financial headache no-one needs,” said Graham Arthur, anti-piracy attorney at Microsoft UK. “As more and more people feel the pinch and search around for the cheapest deals, we want to highlight the risks people face by buying unlicensed computers, and ask that they be on their guard. It’s important to remember too that the risks aren’t purely financial: consumers are more vulnerable to computer viruses and identity theft when they use illegal software.”

Arthur continued, "In the UK, it's estimated that nearly one in three computer programs installed on PCs are unlicensed, and what many people don't realise is that the machine they bought from their local computer shop could have come with counterfeit software that may be infected or harmful. Using illegal software puts users at risk of losing personal information such as bank details, holiday and wedding photos, and music collections that they have carefully stored on their PCs."

Arthur added, "80% of the retailers that sell our software in the UK are small businesses that employ fewer than 10 people and we are determined to prevent unscrupulous traders from undercutting honest computer shops and driving them out of business."

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A list of illegal traders that Microsoft has taken legal action against in the UK can be found [here](#).

Microsoft UK does offer free replacement software to consumers duped by sophisticated, high quality counterfeit products; further details [here](#). However, this does not apply to the kind of illegal software that the resellers in this release have admitted to selling.

1 Hard disk loading normally happens when builders of computer systems sell PCs with unlicensed software pre-installed. These dealers use one copy of a software program but install it illegally on many machines. The original discs and the documents that should come with the PC are often missing or incomplete. If they are supplied, they frequently turn out to be counterfeit.

2 Figure quoted in Federation of Small Business [press release](#) from March 2009.

About Microsoft

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and solutions that help people and businesses realise their full potential.

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