

Successful legal action against computer retailers protects consumers from the dangers of illegal software

Microsoft aims to reduce the risks that unlawful computer programs pose by educating local PC stores about the hazards of selling unauthorised software

Reading, UK, 12th June: Today, Microsoft announces success against computer retailers around the UK who have admitted to unlawfully trading in Microsoft software. Today's news reveals that thirteen computer shops have admitted to dealing in unlicensed software*. This highlights that the illegal software trade is a big issue for consumers, who are put at risk when they unwittingly buy illegal computer programs. Microsoft's aim is to protect these consumers, who are vulnerable to computer viruses and identity theft when they use this software, and to support genuine businesses whose livelihood is endangered by unscrupulous traders.

Ashton-under-lyne business guilty of trading in unlicensed software

Ashton-under-lyne based Cyber Trading Ltd has faced court action and admitted to involvement in unlawful software activity including the sale of unlicensed software and hard disk loading*. The positive outcome of this case is that the business is now committed to working more closely with Microsoft to ensure they remain compliant and stop selling illegal software.

The Managing Director of Cyber Trading Ltd said "We recognise we were dealing with Microsoft software incorrectly and have since worked cooperatively with Microsoft to ensure this does not happen again. As a result of a thorough internal investigation we have now placed the employee responsible on leave pending further disciplinary measures. It's good to see Microsoft working with small, local resellers like ourselves to ensure that we are fully educated about the rules of software usage and remain compliant at all times."

In a further twelve separate cases, the following PC retailers have each faced court action and admitted to involvement in unlawful software activity including the sale of unlicensed software and hard disk loading:

- TSG Systems (Littlehampton)
- NT Computer Services (Cardiff)
- Solutions and Communications Services Ltd (Cardiff)
- Nationwide Computer Care (Poole)
- Modern Computers (Southwark, London)
- Omega Computers (Ilford, Essex)
- Red House Computers (Orsett, Essex)
- Simba Computers (Sparkbrook, Birmingham)
- Yemtec Ltd (Small Heath, Birmingham)
- BS Com (Sheffield)
- CornerStone Computer Centre Ltd (Bognor Regis)
- PC Casualty Services Ltd (Manchester)

Michala Wardell, Head of Anti Piracy at Microsoft UK, comments "Today's news shows that illegal software is not just a top level, national problem but very much a local issue. Microsoft is

determined to protect customers from the pitfalls of unlawful software and is committed to working with local businesses to stress the importance of selling genuine computer programs. This latest success in clamping down on the sale of illegal software underlines just how important it is for Microsoft to work on a local level – it's our job to ensure customers aren't being ripped off when they buy Microsoft computer programs. We have a duty to ensure that customers are given a good deal and are not unwittingly buying illegal software that puts them at risk from dangers such as computer viruses and identity theft.

By educating local firms so that they are fully aware of the rights and wrongs when selling Microsoft software, we can ensure that customers are not left out of pocket by illegal software trading. We want to help local computer shops operate in a legal and safe way and we believe that selling reliable, genuine software is the best way for them to keep their customers happy and their businesses profitable.

Unlawfully sold computer programs are a big problem in the UK - every year £250 million is lost from the British public purse, which means the government has a quarter of a billion pound less to spend on hospitals, schools and crime prevention. We must aim to stamp out the illegal software trade as it not only puts consumers at risk but also loses valuable government spending money on the things that matter the most. My advice to consumers when buying software is to always inspect the packaging first for genuine security marks."

Manchester Trading Standards backs Microsoft's regional efforts

Microsoft's regional approach to educate local computer businesses about the dangers of selling illegal software and the consequences this has for their customers is also supported by Manchester's Trading Standards Office.

David Meakin from Manchester Trading Standards comments, "The illegal software trade is a big concern for us and we need to clamp down on unscrupulous traders to protect consumers who buy software, thinking they're getting the real deal but are unwittingly putting themselves at risk from dangers such as identity fraud and computer viruses.

It's great to see that Microsoft and other software companies are committed to protecting consumers from the dangers of illegal software and ensuring that they're not left out of pocket through educating local computer retailers on the do's and don'ts of software trading. This also helps the many genuine PC retailers in Ashton-under-lyne whose business is endangered by rogue software dealers."

=ENDS=

Notes to Editor

Definitions

Unlicensed software

Unlicensed software is a common type of piracy. It happens when individuals and businesses make copies of software without a licence to do so. People may copy a program and give it to their friends/family without realising that this is software piracy.

Sometimes an organisation will install software on more computers than its licences allow. Aside from the

financial harm this causes, it puts users at risk because they are using software without a licence.

Hard disk loading

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 disks 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.

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.

The names of actual companies and products mentioned herein may be the trademarks of their respective owners.

For further press information about this release, please contact:

Simon Johns

Inferno Communications

0208 735 9740

Simon.johns@inferno.com

For an at-a-glance overview of Microsoft's regional piracy activity, please visit:

<http://www.microsoft.com/uk/piracy/pressoffice/default.aspx>