

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.

Sheffield business guilty of trading in unlicensed software

Sheffield based BS Com 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 Sheffield business is now committed to working more closely with Microsoft to ensure they remain compliant and stop selling illegal software.

Mr Zafar Malik from BS Com said "We recognise we were dealing with Microsoft software incorrectly and have since worked cooperatively with Microsoft to ensure this does not happen again. 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)
- Cyber Trading Ltd (Ashton-under-lyne)
- Nationwide Computer Care (Poole)
- Modern Computers (Southwark, London)
- Omega Computers (Ilford, Essex)
- Red House Computers (Orsett, Essex)
- Yemtec Ltd (Small Heath, Birmingham)
- Simba Computers (Sparkbrook, Birmingham)
- 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.

What most people don't realise is that when they purchased their PC they could also have bought counterfeit computer software that is likely to be infected or harmful. In the UK, we've found that one in three computer programs installed on computers are counterfeit. This puts consumers at great risk as using these programs can mean they lose bank details, for example, or even family photo albums and music collections saved on their computer. Because of this, it's important that we minimise the dangers consumers face from fake software by educating local computer shops and clamping down on the dishonest PC dealers who are also putting genuine computer firms out of business."

Sheffield 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 Sheffield's Trading Standards office.

As Phil Glades from Sheffield's Trading Standards office 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 counterfeit 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 Sheffield whose business is endangered by rogue software dealers."

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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.

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

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