

CONSUMER NEWS UPDATE

FROM THE NATIONAL CONSUMER FEDERATION

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AIRPORT FAST TRACK

Simon Calder, the famed traveller 'who pays his way' wrote in *The Independent Traveller* on 16th September that a new device was being used to speed up the passport queues for foreign travellers arriving at UK airports. This is the Iris Recognition Immigration System (Iris) aimed at the frequent foreign business traveller.

The Home Office has set up "Enrolment stations" airside at three airports, Heathrow, Gatwick North terminal and Manchester terminals 1 and 2, with others to follow at Birmingham, Stanstead and Gatwick South. Simon Calder says that they are difficult to find; the Gatwick one is tucked away at the foot of the spiral walkway serving gates 59-63.

If you are a frequent visitor to the UK you can, while here, visit one of these stations and have your passport checked by an immigration official. If all is in order details are entered on a database and two photographs are taken. One is a standard portrait, the other an iris pattern. You are then shown how to use the iris recognition camera when returning to the UK. It only takes ten minutes, says the Home Office, which want to use the system for 'trusted travellers', whatever that means.

When arriving at one of the airports equipped with the system the foreign passenger is directed to a special iris booth. Here the iris is scanned and if it matches the image in the database a gate opens and the passenger can depart, free to wait around in the

baggage reclaim hall. The advantage, says the Home Office, is that registered passengers will bypass the ever-lengthening queues at the passport control desks.

TISCALI MERGER

The Italian- owned Internet service provider, Tiscali, has merged with Homechoice, a UK service provider with about 45,000 customers in the London and Stevenage areas. Between them the two companies employ nearly 820 people. According to an article in *The Guardian* on 28th September, the merged company is likely to seek a reduction in this to

about 480. Most of the job cuts, says the article, will be in the staff working in the operations and sales divisions of Homechoice. If you are a Tiscali customer you might like to know that the service provider is due to give investors an updated view of its strategies in October.

YOUR INTERNET BROWSING REVEALED

Do you feel uncomfortable when you realise that the web portal that you use records every request you make for an Internet search? I certainly do. Happily these records are never divulged, or are they?

On 28th September, *The Guardian* carried a story which revealed that, in July, the web firm AOL, which is owned by Time Warner, posted the search requests of over 650,000 AOL subscribers, made between March and May this year, on a research website. They did this to enable those academics who study such data to get a better idea of what was being looked for and how the search results were used.

Of course the identities of users were not revealed, but it seems that enough information was allowed to appear to enable some users to be identified. The New York Times identified one, a 62-year-old widow who lives in Georgia, through some rather odd search requests she had made.

As soon as AOL realised that the data was being misused it removed the database but it was too late to prevent it being copied on other sites. A few weeks later the Chief Technology Officer and two other employees were sacked.

Now, says *The Guardian*, three AOL users have launched a class action in a court in California in the hope that they can prove that the web portal broke laws relating to electronic communications and privacy by revealing the data on the academic website. All three are calling for compensation of at least \$1,000. Their lawyers in San Francisco are looking for other AOL users who believe that their rights to privacy have been infringed. If all of the 658,000 join in then AOL could be facing possible penalties of \$658 million!

The Guardian explains that Internet search engines place recording tags, called cookies,

on users' computers, enabling them to compile a database of customers' search patterns in much the same way that store and loyalty cards help retailers build up a picture of who is buying what products.

GUERNSEY LOAN COMPANY GIVES UNDERTAKING

The Personal Loan Phone Ltd., of St. Peter Port, Guernsey, has agreed to change the way it advertises its 'FAST UNSECURED LOANS' following action by the OFT as part of its continuing monitoring of newspaper credit advertisements. The credit advertisement, which appeared in three national newspapers earlier this year, was found to be in breach of the Consumer Credit (Advertisements) Regulations (CCARs). The CCARs are designed to ensure that advertising is truthful, transparent and provides the consumer with a balanced picture of the product.

The advert failed:

- to give the typical APR greater prominence than the statement 'FAST UNSECURED LOANS', which is an incentive for the consumer to apply for credit;
- to give equal prominence to all financial information relating to the credit, its costs and repayment;
- to display the number and frequency of repayments.

The company voluntarily withdrew its advertising after being contacted by the OFT and has given undertakings under the Enterprise Act that it will not breach the CCARs in the future.

Ray Hall, Director of Consumer Credit and Enforcement at the OFT said:

'The regulations governing credit advertisements are designed to ensure that consumers receive essential information about the true cost of loans on offer. It is important that businesses comply with these requirements when drawing up their advertising. If in doubt they should seek advice.'

The OFT explains that the typical APR provides a yardstick for measuring the 'cost' of credit under different types of agreement. Potential borrowers are then able to compare the relative cost of credit from different sources. The typical APR must in all circumstances have greater prominence than any other rate of charge.

AN APPLE DAY

We all know about 'an apple a day.....', but did you know that October 21st is APPLE DAY, promoted by the charity Common Ground. Common Ground champions English apple growing as part of its campaign to get all of us to celebrate and enjoy our local environment. If you would like to know more about Apple Day or other activities visit www.commonground.org.uk

If you are real apple enthusiast then a visit to the Brogdale Horticultural Trust, near Faversham in Kent, is a must, particularly at this time of year. It holds the national collection of more than 2,000 varieties of apples and has collections of other fruit as well. Phone 01795 535286 or Email info@brogdale.org for details of opening times and special events.

NEW BOSS FOR OFCOM

The OFCOM Board announced on October 5th that it had appointed Ed Richards as Chief Executive Officer with immediate effect, following an executive search process that started in June, so it did not take too long. He replaces Stephen Carter.

Until his new appointment Ed Richards was OFCOM's Chief Operating Officer.

The new man will be presented with new situations. When the OFCOM rules were written, back in 2002, the various methods of communication were clearly defined. Now the sectors are merging, with telephone companies offering broadband news and even TV. Perhaps OFCOM needs a new rulebook.

The name Ed Richards may be familiar. Before joining OFCOM he was the Prime Minister's Senior Policy Advisor on Media, Telecoms, Internet and e-Government. Before that he was Controller of Corporate Strategy at the BBC.

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