
From: Adrian Harris, Grumbletext [mailto:adrian.harris@grumbletext.co.uk]
Sent: 11 November 2005 16:54
To: Paul Whiteing
Subject: RE: ICSTIS consults on consumer refunds

Dear Mr Whiteing,

Thank you for ICTSIS's consultation paper on consumer refunds. Whilst I welcome the overall thrust of where it's going, I have one simple particular point I would like to make.

If you look down the ICSTIS adjudication lists, a decent majority of the adjudications are what ICSTIS terms a serious breach of its code. We all know that in reality that reflects the fact that those SPs have been engaged in deliberate scams, or fraud if you like, the intent to obtain goods by deception - I don't think any of us seriously doubt their intent?

As such, it seems unduly favourable in those situations (say where a fine is £10,000 or over) to only require the SPs to refund consumers who have claimed a refund. In such situations, the SPs should be required to automatically refund all consumers who have used the services in question - it shouldn't be down to the consumer to claim back from them. Apart from anything else, for every consumer which ICSTIS hears from I wouldn't mind betting there are at least 100 in reality - half of them don't even realise they have been scammed, and the other half have never heard of ICSTIS. If it is not done in the way that I suggest, then consumer redress by SPs will continue to have the effect as ICSTIS fines currently do - they represent a marginal cost of doing business.

Yours sincerely,

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