

The Consumer Rights Act 2015 – digital content

The Consumer Rights Act 2015 is coming into force on 1 October 2015. The Act covers many areas for which businesses will need to get ready.

Providers of digital content will be affected by the Act as it will provide their customers with a number of implied statutory rights and remedies to protect them when they enter into 'consumer contracts' for the purchase of digital content.

The Act creates a separate category of contracts to deal specifically with the supply of software, music, films, e-books, computer games and 'apps' by traders to consumers. By definition, consumers are individuals acting in their personal capacity and traders are persons acting for purposes relating to their trade, business, craft or profession. The term 'traders' has a broader definition than 'companies' and includes government departments, local and public authorities as well as charities.

The Act will apply when digital content is supplied for a cash price (and perhaps in the future other type of consideration, such as a share of personal data) as well as where the arrangement is that digital content is provided to customers for free with paid goods or services as part of a 'bundle'.

The rights and remedies granted to customers of digital content are not too dissimilar to those granted to consumers who purchases tangible goods.

In practical terms, it means that traders will need to review and amend, in good time, their terms of business to address those illegal or unfair exclusions or limitations of liabilities in relation to protected implied rights by the law. This might include items such as the rights to satisfactory quality, fitness for purpose, matching description, right to supply the digital content (licences) and their corresponding remedies (repair, replacement, reduction in price, refund and compensation).

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