

GILES CHICHESTER MEP

for the South West and Gibraltar

Longridge,

West Hill,

Ottery St. Mary

Devon EX11 1UX

Tel: +44(0) 1404 851106

Fax: +44(0) 1404 850752

Email: Giles@gileschichestermep.org.uk

www.gileschichestermep.org.uk

PRESS RELEASE

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MEP CHICHESTER DEMANDS ACTION ON BUSINESS DIRECTORY SCAMS

MEPs have demanded tighter national laws and more action from the European Commission to ensure small businesses are afforded greater protection from directory scams.

South West MEP Giles Chichester, the Conservative Industry Spokesman, has campaigned for a crackdown on rogue directories for many years, but MEPs only got the chance today to vote on a report which was initiated after 400 petitions were received from aggrieved businesses.

The European City Guide and similar outfits advertise "free of charge" entries into business catalogues and then trick interested businesses into signing long-term agreements which foresee annual fees amounting to thousands of pounds. The scam forms have onerous contract terms in very small print, which are overlooked by businesses convinced they are merely getting a free listing. Although there is no evidence that these fraudsters have taken anyone to court to recover their fees, many small businesses have succumbed to the pressure of threats and parted with substantial sums of money.

The European Parliament has called for greater awareness amongst business owners of the potential scam, tighter national laws on unfair commercial practices and for the European Commission to ensure national laws already in place comply strictly with current European law.

MEP Chichester said:

"Small businesses are already under huge pressure in the current financial climate and can ill-afford to fall victim to these scams, which could in effect send some over the edge.

"It has been imperative for some time that we do all within our powers to ensure businesses are aware of these scams, and that national governments are encouraged to crack down on rogue directories.

"Many business owners have had their lives made a misery by the European City Guide and we will continue to act to shut it down for good."

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Contact:

James Holtum, Conservative Press Office, tel:+32 (0) 473 861762; james.holtum@europarl.europa.eu

Gareth Goldsmith, Conservative Press Office, tel: +32 (0) 476 668050; gareth.goldsmith@europarl.europa.eu

For further information contact Press Officer, Tom Maughan
(Tel: 01803 865175 Email: tommaughan@southdevon.org)

Conservatives in the European Parliament