From: Webmaster Mike Hyland Posted At: Tuesday, April 06, 2004 1:28 PM Posted To: spywareworkshop2004 Conversation: Spyware Workshop - Comment, P044509 Subject: Spyware Workshop - Comment, P044509

Consumers are being victimized more by the Adware/Spyware programs more then by the e-mail spammers and they demand action. I personally have designed ecommerce websites for clients who have been victimized by these popup commission thieves who pitched them on the spin line of ..."advertise on your competitors websites".

Some fell for this advertising opportunity as they had Linkshare.com, BeFree.com /ValueClick, Commission Junction (CJ.com) or Performics affiliate network programs. What the network enablers didn't tell these merchants was that the BHO (browser helper applications) would overwrite their domain bound affiliate's sales tracking cookies with the BHO affiliate cookie. Basically all these point of sale traffic and sales hijackers feed off the value-add referral traffic of other website publishers. This makes them parasitic and their programs also attach their sales cookies to any non-commissionable link to a merchants website. This goes for direct merchant domain type-ins (ie. Dell.com or Overstock.com), merchant e-mail specials links, bookmarks, giving the Adware companies commissions on non-commissionable events.

My clients were appalled that they not only had to pay thousands in commissions for sales hijacked from their other affiliate partners, but also thousands in commissions for non-commissionable actions. They were inundated by complaints from their shoppers that these applications were installed without any notice via drive-by install scripts, hidden bundling with a variety of Freebee programs or P2P network programs. They also noticed these programs corrupted their computers, slowed down internet connections and fed popup Ads on all web sites visited with no easy way to uninstall them.

Lots of good info can be gathered from 1800Contacts.com legal victory of the BHO's.

http://www.cuttingedgereport.com/casesofthemonth/cases/0401A/ops/1One800_v_WhenU.html <<u>http://www.cuttingedgereport.com/casesofthemonth/cases/0401A/ops/1One800_v_WhenU.html</u>>

"There have been approximately 100 million downloads of the SaveNow program. (Tr. at 166.) The SaveNow software can be uninstalled from a user's computer, and Mr. Naider testified that approximately 75 million people have uninstalled the program. (Tr. at 70-71.)"

"From the survey, Mr. Neal concluded that 76% of survey respondents who had WhenU/SaveNow software on their computer did not know that SaveNow software generates pop-up advertisements on their computer screens when they visited certain websites"

Overall people don't know how this stuff got on their computer and they don't like it.

I also run several CyberMalls like Ecomcity.com since 1998 showcasing 200-300 merchants as an affiliate. My outrage comes from years fighting these commission and identity thieves, spammers and merchant posers selling off personal customer information to the Internet Advertising Bureau and Direct Marketing Assoc. members. I posted over 10,000 times on these subjects trying to curb these practices at www.abestweb.com

Microsoft and the computer manufacturing industry is crying that 42 % off all warranty service work and calls is related to these Spyware/.Adware programs corrupting even brand new systems. It sure is time for the FTC to take legal action to close down or muzzle these cyber thieves, often posing as phony fronts for Charities or "incent/rewards" clubs under the pretense of being loyalty shopping clubs. Any rewards/rebates are actually pilfered from the pockets of the merchants or fellow affiliates by these

applications.

I have donated 3 shopping sites to the Fla. -NY and Michigan cybercriminal units of their AG's or DA offices to verify that some of these programs steal commissions, scrape and sell privacy info and lead to the proliferation of identity theft rings through hidden partnerships. I applaud the FTC's actions to curb spammers and Telemarketers and know legislation and investigation into the affiliate networks birthing this theftware/spyware is long over due.

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