



## **SCIC Urges Consumers to Protect Tax Rebate Technology Purchases**

*For the nearly 20 percent who will spend stimulus checks on technology products, service contracts can extend purchasing power and offer added value*

(Tallahassee, FL) April 28, 2008 – Citing estimates indicating consumers plan to spend nearly \$5 billion of their economic stimulus rebates on consumer electronics, the Service Contract Industry Council (SCIC, [www.go-scic.com](http://www.go-scic.com)) is encouraging consumers to consider a service contract to protect their purchases. Service contracts (sometimes called extended warranties) can eliminate unexpected, costly repairs and replacements not covered by a manufacturer's warranty. For complex and expensive electronics, such as large-screen TVs and computers – identified as the two consumer electronics products most likely to be purchased with a rebate, service contracts offer assurance that these investments are adequately protected.

“Consumers who plan to buy consumer electronics products with their rebate can enhance their purchasing power by protecting their investment with a service contract,” said Timothy Meenan, executive director, SCIC. “Manufacturer warranties can provide as little as 30-day protection – at a time when technology products have become increasingly complex, and time-consuming and inconvenient to repair. With a service contract, consumers enjoy benefits reducing the time, costs and hassles of repairs or replacement, as well as peace of mind.”

With stimulus rebate distributions scheduled to begin May 2<sup>nd</sup>, nearly 20 percent of consumers in a recent survey by the Consumer Electronics Association said they would use a portion of their rebate on consumer electronics purchases, representing \$5 billion in total rebate expenditures. More than half indicate they will purchase computers, followed by 30 percent who will buy televisions and 23 percent who plan to acquire mobile phones.

“In particular, mobile electronic devices, especially laptop computers, suffer from high damage and replacement costs due to handling and use. Service contracts can be an especially effective way to help consumers keep these devices in top-working condition,” said Meenan.

### **About SCIC**

The Service Contract Industry Council, [www.go-scic.com](http://www.go-scic.com), is a national trade association whose member companies collectively offer approximately 80 percent of the service contracts sold in the U.S. for home, auto, and consumer goods. The SCIC educates consumers about service contracts, encourages its members to pursue high standards of customer satisfaction, and has developed and promoted model legislation to regulate its industry with standards designed to protect the consumer and the industry.

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