



**Service Contracts for Consumer Products
Offer Proven Protection, Value and Convenience
As Manufacturers' Warranties Shrink**

September 11, 2007 (Tallahassee, FL) – In an era of shrinking manufacturers' warranties, service contracts offer significant time- and money-saving protections against malfunctions of consumer electronics, appliances, and home systems. Sometimes called extended warranties, service contracts help consumers avoid unexpected, costly product repairs or replacement, and provide access to technical experts and pre-qualified technicians on call to respond on a priority basis.

Financial guru Ray Martin recently stated: "For years, consumer advocates such as *Consumer Reports* have cautioned against buying extended warranties, but that advice may be in need of updating. Many appliance makers are consolidating the terms of warranty coverage on their products to include one period covering all parts and service. The period is one year — after that, if a part wears out or breaks, you'll pay."

Today's technologically advanced electronic products, systems and appliances offer unprecedented efficiency and enjoyment, but at the same time can be complex and expensive to repair. Service contracts can pick up where manufacturers' warranties leave off.

"With many products now carrying manufacturers' warranties as short as 90 days, service contracts meet an important consumer need by offering safeguards and convenient repair or replacement options over a product's lifespan," said Timothy J. Meenan, executive director of the Service Contract Industry Council (SCIC), a national non-profit trade association that represents a majority of the nation's service contract providers and establishes standards and regulations that protect consumers.

To help consumers maximize their service contracts, the SCIC has issued recommendations and compiled a list of key benefits, and other helpful information, on its website: www.go-scic.com. Tips include: becoming completely familiar with the terms of service contracts; maintaining all receipts and maintenance records; and activating contracts for all covered repairs, no matter how small, to maximize the value of products or systems.

Representing companies that provide approximately 80 percent of the service contracts sold in the U.S. for the home, automotive, and consumer goods markets, the SCIC strives

to educate consumers about service contracts, encourages its members to pursue high standards of customer satisfaction, and has developed and promoted model legislation across the country to regulate the industry with standards designed to protect the consumer.

###

Editors' Note: Mr. Meenan is available for interviews.

Contacts:

Jane Meehan Lanzillo
Gemini Communications
jmlanzillo@rcn.com
617-332-9329

Phyllis Laorenza Linnehan
phyllisll@verizon.net
781-275-7226