

[Press release: CMA secures better deal for cloud storage users](#)

The 3 companies are the latest cloud storage providers to improve their terms and conditions following the Competition and Markets Authority's (CMA) review of compliance with consumer law in the sector. Last year, the CMA secured separate commitments from [JustCloud, Livedrive and Dixons Carphone](#), and [BT, Dropbox, Google and Mozy](#) to make changes to their contract terms.

Andrea Coscelli, CMA Acting Chief Executive, said:

People rely on cloud storage to keep things such as treasured family photos, music, films and important documents safe, so it is important that they are treated fairly and should not be hit by unexpected price rises or changes to storage levels.

We are pleased that Amazon, Apple and Microsoft have joined 7 previous companies in working with the CMA and agreeing commitments to improve their terms and conditions and, as a result, millions of cloud storage users will benefit from fairer terms which will help them make the right choices when using cloud storage services.

Amazon, Apple and Microsoft have separately agreed to make changes to their respective terms and conditions, including in some common areas relating to:

- adequate notice to customers before significant changes are made to the service
- cancellation rights and pro-rata refunds if customers don't want to accept significant changes
- adequate notice, where appropriate, before the service is suspended or cancelled

A summary of the separate changes agreed with each company can be found on the [case page](#).

Cloud storage is used by around 3 in 10 British adults in a personal capacity. In its initial review of the sector, the CMA found that the majority currently use free services that come with their devices and are generally satisfied with the service they receive. However, there were some terms and conditions which caused concern, for example, terms which gave companies the ability to change the service or terms of the contract or suspend or terminate the contract, for any reason and without notice.

The CMA has worked with the industry to improve compliance with consumer law. The latest agreed changes bring to an end the CMA's consumer law compliance review into the cloud storage sector. The CMA remains interested in unfair terms and conditions, particularly in the digital economy. Companies in the cloud storage, and other technology-driven sectors, are urged to keep their

terms and conditions under review and to continually improve the fairness and clarity of their consumer contract terms.

The CMA has published an [open letter](#) to businesses operating in the sector advising them of their obligations, and a [60-second summary](#) to help consumers choose the right service.

In October last year, the CMA launched a campaign consisting of simple [videos](#) and [guides](#) to help businesses understand how to avoid including unfair terms and conditions in their contracts.

Notes for editors

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on Twitter [@CMAgovuk](#), [Flickr](#), [LinkedIn](#) and [Facebook](#).
2. The CMA has not made a finding on whether cloud storage providers' terms and practices have breached consumer law. As part of the CMA's compliance review, all cloud storage providers co-operated and constructively engaged with the CMA and voluntarily made changes to their terms and conditions. Where there is evidence that terms and/or practices breach consumer law this could lead to enforcement action by the CMA or other enforcers. Only a court can decide whether a particular term or practice breaches the law.
3. A summary of the changes, respectively, to be made by Amazon Media EU S.a.r.l., Apple Distribution International, and Microsoft Corporation to each of their terms and conditions has been published on the [case page](#).
4. The pieces of consumer protection legislation relevant to this review and enforced by the CMA are: Part 2 of the Consumer Rights Act 2015 relating to unfair terms (and for contracts entered into before 1 October 2015 the Unfair Terms in Consumer Contracts Regulations 1999), and the Consumer Protection from Unfair Trading Regulations 2008.
5. The CMA commissioned Ipsos MORI to carry out a consumer survey. This survey was carried out by Ipsos MORI between 7 and 29 January 2016 as part of its face-to-face omnibus survey, Capibus, which conducts interviews with 2,000 GB adults aged 15+ every week. It asked consumers who used cloud storage in a personal/private capacity a range of questions about their experience of cloud storage.
6. Individuals have rights under the Consumer Rights Act and can ask a court to consider whether a term is unfair and unenforceable. The [Citizens Advice consumer helpline](#) is a telephone, email and online service offering advice to consumers where they have a problem with goods and services in the UK. If you have a cross-border complaint, you can go to [www.econsumer.gov](#). The UK European Consumer Centre provides advice if you have a dispute with a trader in another EU country.
7. Media enquiries should be directed to Rebecca Cassar (rebecca.cassar@cma.gsi.gov.uk, 020 3738 6633).