

# Feeling Renewed

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Vinyl records are pretty much an extinct medium for listening to music. Albums are bulky and large, they're not portable, and they can be easily scratched, warped or broken. Cassette tapes, then CDs, and finally digital files replaced records. Some traditionalists, however, believe that vinyl albums are the only way to listen to music in its purest form.

As one of those traditionalists, I have quite an extensive record collection. A huge reason why I have so much vinyl is because during the 1980s I was a member of the Columbia House Record Club. If I bought one album at regular price, I was able to buy an additional six albums for a penny! With such an incredible deal, I was able to get several Hall & Oates records, Michael Jackson's 'Thriller' and Lionel Richie's self-titled album, his first after leaving the Commodores. Of course, I did have to buy six more regularly-priced records within one year.

One of the reasons my record collection is so big was because of Columbia House's negative option billing practice, a form of commercial distribution in which services are automatically supplied to consumers until a specific cancellation order is issued. I always forgot to cancel, so I ended up buying many albums I didn't order. Some of these were great, like Herbie Hancock's 'Future Shock,' but some were duds, such as 'The Best of Eddie Rabbitt' (which didn't even include 'I Love a Rainy Night').

Like me, several of my fellow club members complained about negative option billing. In fact, the Federal Trade Commission has even published information to protect customers against this practice. Basically, we hate getting stuck paying for stuff we don't want. Thankfully, the government agrees.

The State of Wisconsin recently passed a new law designed to protect businesses from being unexpectedly bound by automatic renewal clauses in contracts because they forget that advance notice of non-renewal is contractually required.

The new law is set to go into effect in May of 2011 and will govern contracts between businesses, but it will not cover leases for real estate, certain vehicles, medical equipment, and leases of equipment that are for personal, family, or household purposes.

The law requires that businesses using automatic renewal or extension clauses for a period of more than one month must provide certain disclosures, namely:

1. The contract will be renewed unless the customer declines;
2. The duration of the additional contract period;
3. Whether there will be an increase in charges upon renewal;
4. A description of the action the customer must take to decline renewal; and
5. The date of the deadline for the customer to decline renewal or extension.

If a contract has an initial term of more than one year and provides that the contract will be automatically renewed for an additional term of more than one year unless the customer declines renewal, the seller must provide a written notice containing the same disclosures.

Under the new law, no business contract may require that the customer permit the seller to match any offer the customer receives from or makes to another seller for services to be provided after the end of the stated term of the contract or renewal period of the contract.

If a business violates the new law, the buyer can seek to have the clauses in question deemed unenforceable. Additionally, buyers can seek double damages and reasonable attorney fees. And they don't even have to join a club.

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