

Press Release

Old Spyware Threat Gets Facelift, New Identity

Popcorn.net replaces MoviePass, costs victims as much as \$359.88

Lincoln, NE – August 11, 2006:

A new variant of an old spyware infection was discovered this morning by the Schrock Innovations research department called Popcorn.net. Popcorn.net replaces the well known MoviePass infection that Internet users intentionally or unintentionally installed on their computers while attempting to download music or movies from the Internet. Once the free trial software expires, Popcorn.net demands \$29.99 a month from unsuspecting victims. Those who refuse to pay can be slapped with a \$359.88 bill and a damaged credit report.

According to Thor Schrock, owner of Schrock Innovations, the Popcorn.net software blurs the line somewhat between a legitimate software subscription service and a dangerous spyware threat. The software seems to provide a legitimate service, but also collects information about all of the programs on your computer to prevent “software conflicts.” This same information could be used to detect anti-spyware programs and build counter measures into the Popcorn.net software.

Additionally, when consumers sign up for the Popcorn.net free trial, they are required to agree to a lengthy Terms of use agreement. Within that agreement there is language that explains how customers of Popcorn.net will be automatically billed if they fail to remove the Popcorn.net software from their computer before the expiration of their trial.

An excerpt from the Terms of use reads, “IF YOU DO NOT EITHER CANCEL OR PROVIDE PAYMENT INFORMATION DURING THE TRIAL PERIOD OUR BILLING SOFTWARE WILL BE ENABLED UPON THE EXPIRATION OF YOUR TRIAL PERIOD. THE BILLING SOFTWARE WILL RUN ON YOUR COMPUTER, DISPLAYING POP-UP WINDOW REMINDERS THAT PROVIDE YOU WITH VARIOUS METHODS OF PAYMENT FOR THE ANNUAL LICENSE. THESE POP-UP

WINDOWS WILL APPEAR MORE FREQUENTLY UNTIL YOU CHOOSE ONE OF THE PAYMENT OPTIONS AND PAY FOR THE LICENSE.”

The agreement continues by specifying “IF YOU FAIL TO PAY OR CANCEL DURING THE TRIAL PERIOD, YOU ARE LEGALLY OBLIGATED TO PURCHASE AN ANNUAL LICENSE TO THE MEDIAPIPE SOFTWARE AT THE PRICE LISTED IN THE ADVERTISEMENT YOU CLICKED THROUGH TO INITIATE INSTALLATION.”

“Consumers who install this software on their computers agree to a Terms of Use agreement in order to establish their free trial,” Schrock said.” Once they have agreed to that document, an account is established in their name that has to be cancelled via telephone in accordance with that agreement, or it will end up costing them big money.”

In the Terms of use available on the company's website at www.popcorn.net, the company also explains that it has the right to use your hard drive and bandwidth for their purposes, as well as share your personal information with their affiliates.

Schrock said a telltale sign of the presence of this software is when your computer starts displaying Popcorn.net messages asking you for billing information. Schrock recommends that unless you wish to continue subscribing to the Popcorn.net service, you immediately call Popcorn.net and cancel your account before you remove the software

“The sad thing is that the way the Terms of Use agreement reads, once your trial expires you must immediately provide your billing information to Popcorn.net, otherwise they will invoice you for an entire year's worth of service,” Schrock said. “It is also critical that you call Popcorn.net to cancel before you remove the software from your computer. Popcorn.net is unable to cancel your account unless you provide a number from within your software.”

The Popcorn.net and MediaPipe software do have uninstallers that are provided by the company and located in the Add/Remove Programs folder. While the uninstallers remove a great deal of the software, they do not remove everything so a manual cleanup is required of up to 5 folders in the Program Files folder on your computer's hard drive.

More information about Popcorn.net, including their Terms of Use and subscription rates can be located at <http://www.popcorn.net>. Consumers who wish to unsubscribe from the service must call Popcorn.net at (866) 431-7720.

Schrock Innovations has created a free tutorial that instructs consumers how to contact Popcorn.net to unsubscribe, as well as how to stop the annoying pop-ups generated by the Popcorn.net software. This tutorial is located at <http://www.schrockinnovations.com/removepopcorn.php>.

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