



Repair contracts (A betting game)

Alternatives

You probably know about extended service contracts from stores such as Best Buy. Companies such as Square Trade and newcomer Green Umbrella also sell such contracts.

And you can always skip signing on the dotted line and simply take your broken gear to a repair shop yourself if something goes wrong. To find a shop near you, search your favorite search engine for the phrase such as "laptop repair, Chicago."

Square Trade

Bills itself as a cheaper alternative to store-bought service contracts.

The premise: Square Trade's contracts are cheaper than many service contracts sold at stores. Those tend to run about 20 percent of the cost of your purchase (a contract for a \$1,000 laptop typically costs about \$200), while Square Trade's contracts cost 10 percent to 12 percent of the price of your device (a contract for a \$1,000 laptop would be \$100 to \$120).

The pros: Square Trade will repair or replace your gadget within five days or give you money equal to the cost of your gadget. So, a \$1,000 laptop would be repaired or replaced within five days, or you'd receive \$1,000.

The cons: As with any such contract, you're still gambling that your device is going to break.

Green Umbrella

\$9.99 a month covers every new gadget in your home, so long as you register that gadget at greenumbrella.com.

The premise: Instead of buying one contract for your computer, another for your camera, a third for your TV, pay \$9.99 a month to cover all your new gadgets. Each device under the Green Umbrella coverage is protected for three years.

The pros: Cheaper than purchasing a new contract for each new product you buy.

The cons: You're limited to only two claims a year (but if one of your devices has a troublesome component—say, your laptop's keyboard refuses to stay repaired—it can be fixed up to three times). If you lose your receipt, you can't file a claim.

Getting it fixed yourself

Best Buy's Geek Squad and Circuit City's Firedog are getting more competition: AT&T recently launched its ConnectTech repair service for AT&T and non-AT&T customers nationwide.

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Going for broke

Computer hard drives fail. Digital cameras quit clicking. Stuff breaks, so you might be wondering about so-called extended warranties to cover your new gadgets in case something goes wrong during a specific period of time.

The term "extended warranty" is often a misnomer; only manufac-

turers offer warranties. What you're being offered at the electronics store is an "extended service contract" to repair or replace your purchase if it breaks in the next three or four years—some coverage restrictions apply.

Should you do it? It's a betting game. When you buy an extended service contract, you're betting that your new gadget will break in the

next three years. The seller of the contract bets your gadget will work like a dream for three years.

You "win" if you have to get your device repaired or replaced under the terms of the contract. You win big if, say, your \$200 contract winds up covering an \$800 repair.

Contract sellers win if no problems covered by the contract pop up: They gambled and won your \$200.

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When does buying an extended contract make the most sense?

When buying a **laptop**, according to data compiled by Consumer Reports. With all the bumping and banging those portable computers suffer, it's understandable that 43 percent of them fail, according to nearly 1 million Consumer Reports subscribers who responded to a survey on electronics breakdowns. So if you're investing \$1,000 in a new laptop for your student, and the laptop is going to be jostled about in a backpack every day, spending another \$200 for a service contract on the laptop might give you peace of mind, if it covers accidental damage from handling.

But keep this in mind: The wording of extended service contracts usually means your protected product will be repaired or replaced with a similar, refurbished device.

That's important to know because if we're talking about a broken laptop, it could get swapped for a replacement, and you can't be sure your photos, movies, e-mail contacts, music and personal files will get transferred. (But you always back up what's on your computer, right?)

Common laptop repairs include a

damaged hard drive, a malfunctioning motherboard or a broken LCD, says George Krogul, of the Elk Grove Village repair shop Crescent Technology. One of the laptop problems he sees most often involves the DC input jack, the point where the power adapter connects to the computer.

Searching the Web for "laptop repair flat rate," you can find repair shops that charge a flat rate of \$175 to \$200 (plus shipping) to inspect and fix most problems. Costlier fixes—such as replacing a fried motherboard or broken display—will cost you parts and labor: \$300 to \$800, depending on the severity of the problem.

Here are 2 tips: If you choose to get an extended contract, especially on a laptop, read the fine print to **make sure you understand the coverage.** If you drop your digital camera, if your laptop falls out of a backpack, does the contract apply? Is there any kind of mechanical failure that isn't covered?

Also, check to determine **where it goes for repairs and who pays for shipping.** (It can be a costly pain if your contract requires you to ship your big, broken HDTV to a far-away state.)

What to know about coverage

■ **You may already have some** if you bought the computer with a credit card. Visa or American Express, for example, take care of repairs of up to \$1,500 if you charged the purchase.

■ **Not the same as insurance.** As Tim Meenan, executive director of the Service Contracts Industry Council trade group, explains, "Insurance covers things that happen from outside, like a flood or a fire. A service contract covers something that happens from inside, like a broken disk drive. There is a legal definition of 'insurance,' so you can't call a service contract 'insurance.'"

■ **Not always cost effective.** according to Consumers Union, publisher of Consumer Reports magazine. "Most products are quite reliable," says Tod Marks, senior editor at Consumer Reports. "Others don't break within the first three or four years of ownership [the length of a typical service contract]."

Mark Kotkin, director of survey research for the Consumer Reports National Research Center, added, "We found the cost of the repair on average was not very different from the cost of an [extended] warranty."

■ **The model is changing.** Eric Arnun, editor of the Warranty Week newsletter, predicts "repair clubs" will pop up, in which consumers will pay a small monthly fee, say \$5, for repair/replacement coverage of their purchase. These clubs would be run by a manufacturer such as Apple, or a store such as Circuit City, entities with strong name-recognition and a desire to get customers to love them.

"Retailers such as Best Buy are no longer content selling the product and not seeing you again," Arnun says. "They want you to come back ... to browse for new products, ask questions, receive training, get installation advice. They want you to think of them as a place to bring your products back, not just a place to buy them."

3 things to keep in mind

- If the contract covers "accidental damage from handling," it's a good one.
- In many states, you have 30 days to cancel for a 100 percent refund.
- If a valid claim is denied, your state insurance commission can help you.

Get more on service contracts at chicagotribune.com/eric

Is 'Spore' the next stage of computer game evolution?

Paleontologists tell us that 530 million years ago, the Cambrian explosion brought us an amazing variety of evolutionary diversity. Suddenly, creatures with fins or limblike appendages were flopping around in ponds and scuttling across land.

On Sunday, a similar kind of creative explosion will rock American creature creators when the video game "Spore" arrives for PCs and Macs. (It makes its

worldwide debut Thursday in Europe.)

"Spore," created by the developers of "The Sims"—the best-selling computer game of all time—has been eight years in the making. Players start with single-cell organisms and try to grow them into exotic, thinking creatures outfitted with characteristics that will help them survive and evolve—you can put eyes in the back of your creature's head to spot predators, for

example, and give it powerful legs to run if you think that will help it get along.

Though Spore is a game for individual players, the creations are shared. That means if your critters are fit enough, they will eventually form tribes that use hunting-and-gathering skills and civilizations that use negotiation or physical might against other players' creatures. If you successfully populate your planet, your creatures will

gain the ability to build spaceships to travel to distant galaxies.

But if you prefer, you can simply build creatures, buildings and vehicles (including spaceships) to see what it takes to survive in different environments with other players' creations. Unlike most other games, the way "Spore" plays out is completely up to you.

You can get an early taste of the game at spore.com,

where you can download a creature creator to play with.

Meanwhile, we will be playing with "Spore" and talking to some of the people behind the game to figure out why it has been so eagerly anticipated, why it might set a new standard for video gaming technology and whether it lives up to the buzz.

Look for our report Monday in Tempo.

