



HEALTHY, WEALTHY, & WISE

Learning to improve financial health, increase wealth, and make wise consumer choices

Today's marketplace is full of choices. Whether you're buying an aspirin or an automobile, many makes, models, and brands are available. How is a wise consumer to decide?

Consumers have certain rights and responsibilities in our American marketplace. To exercise these informal rights, consumers must take action to protect themselves and others.

Consumer Rights

1. The right to be informed.
2. The right to safety.
3. The right to choose.
4. The right to be heard.



Consumer Responsibilities

1. To seek information before buying.
2. To read and understand product or service information.
3. To use products correctly and report unsafe products.
4. To shop at several places to see that you are getting the best price and product for your needs.
5. To report unfair business practices and deception.
6. To let a seller know when you are dissatisfied with a product. (You can also let sellers or manufacturers know when you are pleased.)

Investigate Before Investing

You wouldn't let someone do major surgery on your body without a second opinion, would you? Don't let anyone do major surgery on your wallet without a second opinion, either. When you need to make a major purchase or have a service done, shop around. Get three or more estimates until you are sure exactly what you need and how much it will cost.

To avoid unpleasant surprises on service and repairs, get all agreements in writing before work is begun, with details about what will be done, how much it will cost, and when the work should be finished. Contact the Better Business Bureau or local authorities, including the Office of the Attorney General and Secretary of State, to check on the reputation of anyone you are thinking of doing business with, including giving to charities.

Inquire about:

- ✓ **Business complaint histories** at the Better Business Bureau (BBB). BBB reports provide information on over 2.5 million businesses and charities. Call (800) 987-8280 or visit their website www.bbb.org to get a reliability report on a particular business or to get a wise giving report on a charity. The BBB also mediates consumer complaints with businesses, but it has no authority to prosecute.



Calendar of Sales

January

After Christmas clearances on toys, decorations, cards. White goods. Shirts.

February

Washington's Birthday sales. Furniture and housewares.

March

Preseason sales on spring clothes. Postseason clearances on winter clothes and sports equipment.

April

Post-Easter sales. Spring cleaning and gardening specials.

May

A slow month for sales. But you may find some preseason discounts on summer clothes.

June

Furniture. Semiannual sales of clothing.

July

Mid-year warehouse clearance sales of regular and "as is" merchandise. White goods.

August

Back-to-school sales. End-of-summer clearances. Clearance of current model cars.

September

TV and appliance sales before model changes. Back-to-school clothing.

October

Summer sports equipment. Columbus Day sales.

November

Fall merchandise. Pre-Christmas sales on some items before Thanksgiving.

December

Bad month for sales until after Christmas. May be a good time to shop for a car.

- ✓ **Charities** at the Mississippi Secretary of State's Office at (888) 236-6167 or by visiting the regulation and enforcement section of their website to view the charities annual report at www.sos.state.ms.us. You can also look for the large report book at your local library or get a copy for yourself or your group by telephoning.
- ✓ **Investments or securities** at the Secretary of State's Office (800) 804-6364. The securities unit regulates the sale of securities as well as the professionals who sell them. It also works with federal and state prosecuting authorities to investigate and criminally punish violators of the state's securities laws.
- ✓ **Consumer issues** at the State Attorney General's Office (800) 281-4418 or by visiting their website www.ago.state.ms.us. The Mississippi Attorney General's office is responsible for protecting consumers against unfair, false, and misleading business practices. They can answer inquiries about businesses, take complaints, and prosecute crimes against consumers.

If you don't want to get telemarketing calls at your home, add your name to the Do Not Call List by calling (866) 662-5567. If you do not want to receive marketing mail, write the Mail Preference Service, Direct Marketing Association, PO Box 643, Carmel, NY 10512 to ask that your name be removed from mail marketing lists.

Before You Buy

- ✓ Take advantage of sales, but compare prices. Do not assume an item is a bargain just because it is advertised as one.
- ✓ Don't rush into a large purchase because the "price is only good today."
- ✓ Ask about the seller's refund or exchange policy. Sellers do not have to take things back because you decide you do not want or need them.
- ✓ Use unit pricing in supermarkets to compare what items cost. Unit pricing lets you compare the price ounce-for-ounce, pound-for-pound, and so forth. Bigger packages are not always cheaper than smaller ones.
- ✓ Don't rely on a salesperson's promises. Get everything in writing. Deal only with reliable companies.
- ✓ Don't sign a contract without reading it first. Don't sign a contract if there are any blank spaces or parts you don't understand.

After You Buy

- ✓ Read and follow product and service instructions.
- ✓ Keep all sales receipts, warranties, service contracts, and instructions.
- ✓ If you have a problem, contact the company as soon as possible. Keep a written record of all contacts.



Red Flags of Fraud

Consumer protection offices urge consumers to be aware of the red flags of fraud. Walk away from bogus offers. Toss out the mail or hang up when you hear any of these:

- ✓ “Sign now or the price will increase”
- ✓ “You have been specially selected...”
- ✓ “You have won...”
- ✓ “All we need is your credit card (or bank account) number – for identification only”
- ✓ “I just happen to have some leftover paving material from a job down the street...”
- ✓ “Be your own boss! Never work for anyone else again. Just send in \$50 for your supplies and...”

Stay away from telemarketers who do any of these:

- ✓ Send a courier service to pick up money
- ✓ Have you send money by wire
- ✓ Automatically withdraw money from your checking account
- ✓ Offer you a free prize but charge handling and shipping fees
- ✓ Ask for your credit card number, checking or savings account number, Social Security number, or other personal information
- ✓ Demand payment in advance, especially for employment referrals, credit repair, or providing a loan or credit card

Consumer Skills Activity

Practice writing or calling businesses to let them know when you have a problem. Use the letter on page 4 as a guide to compose your letter. Be sure to apply these basic steps in the consumer action process:

1. Define the problem clearly.
2. Provide details and copies of evidence.
3. Outline exactly what you want done to resolve the problem.
4. Decide on a reasonable deadline.
5. Identify actions you will take if you do not get a response.

Remember that you catch more flies with honey than with vinegar. The person who receives your letter or call probably had little to do with your problem. Don't take your frustration out on him. Try to inform him and get him to want to help you. Get the correct spelling of the name of anyone you speak to by phone. Be persistent! If you have a serious problem, don't give up easily.



Complain Effectively

If you have a problem with a company, make your complaint known. If you think the product doesn't live up to its sales claims, then complain. First make the problem known to the seller. Calmly and accurately describe the problem and what action you want taken. **Keep a record** of your efforts to resolve the problem. Allow time for the person you contacted to resolve the problem. Don't give up if you are not satisfied. Use the following sample complaint letter as a guide to assist you in addressing your problems.

Sample Complaint Letter

(Your Address)
 (Your City, State, ZIP Code)
 (Date)

(Name of Contact Person, if available)
 (Title, if available)
 (Company Name)
 (Consumer Complaint Division, if you have no contact person)
 (Street Address)
 (City, State, ZIP Code)

Dear (Contact Person):

Re: (account number, if applicable)

On (date), I (bought, leased, rented, or had repaired) a (name of the product with serial or model number or service performed) at (location, date and other important details of the transaction).

Unfortunately, your product (or service) has not performed well (or the service was inadequate) because (state the problem). I am disappointed because (explain the problem: for example, the product does not work properly, the service was not performed correctly, I was billed the wrong amount, something was not disclosed clearly or was misrepresented, and such).

To resolve the problem, I would appreciate your (state the specific action you want — money back, charge card credit, repair, exchange). Enclosed are copies (do not send originals) of my records (include receipts, guarantees, warranties, canceled checks, contracts, model and serial numbers, and any other documents).

I look forward to your reply and a resolution to my problem and will wait until (set a time limit) before seeking help from a consumer protection agency or the Better Business Bureau. Please contact me at the above address or by phone at (home and/or office numbers with area codes).

Sincerely,
 (your name)

Enclosure(s)
 cc: (reference to whom you are sending a copy of this letter, if anyone)

- describe purchase
- name of product, serial numbers
- include date and place of purchase

- ask for specific action
- enclose copies of documents

- state problem
- give history

- allow time for action
- state how you can be reached

Keep copies of your letter and all related documents.

IN THE NEXT ISSUE: *VIP Financial Files*

Revised by **Dr. Bobbie Shaffett**, Extension Associate Professor, from Marriage and Money newsletter series by Joy Buffalo, County Extension Agent, Franklin County, and Dr. Lynn Russell, Extension Family Resource Management Specialist, University of Arkansas Extension Service

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