

STOP
CONSUMER
RIP-OFFS



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ACQUISITIONS

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JEFFERSON
COUNTY
CONSUMER
PROTECTION

55522



401 Old Louisville Trust Bldg.
Louisville, Kentucky 40202
581-6280



L. J. Hollenbach, III
Jefferson County Judge



Office of the Judge
Jefferson County

County Court House
Louisville, Kentucky 40202
581-6161

Fall 1976

Dear Citizen:

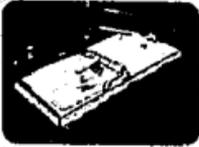
Consumer protection is everybody's problem. We feel our first responsibility is to educate the citizens of Jefferson County on Kentucky laws designed to protect all consumers.

There are many reasons why we have consumer problems — poor product quality, misrepresented terms, worthless guarantees and most frequently, uninformed buyers. This pamphlet is designed to help you protect yourself by becoming a wise consumer. This is the first step needed for the enforcement of criminal laws regarding business and commercial frauds. Many of the most frequently used methods of consumer deception are discussed in this booklet. With your help, consumer fraud can be readily detected, reported, prosecuted and therefore, eliminated.

Contact the Jefferson County Consumer Protection Department if you suspect a business practice and we will be glad to assist you. We welcome your suggestions and hope you will join in our effort to protect consumers through awareness of problems in the marketplace.

Very truly yours,

L. J. Hollenbach, III
Jefferson County Judge



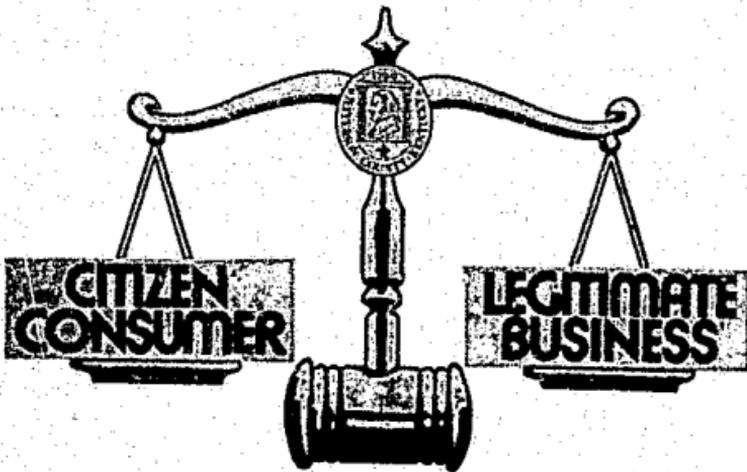
**AUTHENTIC
MOON
ROCKS
\$10.**



**CONSUMERS
COUNT**



**STOP
CONSUMER
RIP-OFFS**



INTRODUCTION



Been ripped off lately? All of us at one time or another, have been victimized by a pushy salesman, deceived by the "slickness" of an advertisement, or confused by the complexity of a contract. If consumer "rip-offs" are ever to be stopped and offenders prosecuted, you must be aware of these illegal practices and be willing to channel your complaint to the proper authorities. **PUT YOUR MOUTH WHERE YOUR MONEY IS!** Only then can consumer fraud be stopped.

You need not radically change your shopping or buying habits. We hope that you will recognize the more typical forms of consumer fraud and report them to the proper authorities. If you encounter an example of consumer fraud or any other consumer problem or if you have any questions, please call the Jefferson County Consumer Protection Department anytime at 581-6280. If you call after working hours or on a weekend, just leave your name and telephone number and this office will be back in touch with you the next working day.

FALSE ADVERTISING



When we hear or read an advertisement we usually take it "with a grain of salt"; that is, we are doubtful that all the claims are true. The law allows some flexibility in ads for the seller's opinion or "puffery". This means the sellers can offer an opinion that the product is "the best" or "better than others", etc. We expect the seller to talk up his product, but false advertising is a crime.

It is important to know the difference between false advertising and mere "puffery" because we are continuously confronted by such sales practices. The crime of false advertising is committed whenever a seller makes a false or misleading statement in any public advertisement. Thus, if the seller intends to confuse, mislead or deceive you by an advertisement made, that is a crime.

The distinction between "puffery" and false advertising may be blurred in certain circumstances. A salesman may suggest that his product is "the best" you can buy. But a public advertisement which proclaims an electric mixer as "an extremely dependable, top quality appliance" but then falls apart in two weeks, may be false advertising. If the seller knew that the mixer was inferior yet publicly advertised it as top quality, he is committing a crime.

False advertising can take many forms. For example, often advertisements proclaim "special introductory rates". But if you investigate a little, you may find that there is really no difference between the "special" rate and the usual one. That is an example of false advertising which is a crime.

A similar example is an advertisement for a "close out sale". Sometimes the store is merely selling cheaper merchandise. This

type of advertisement is false as well as misleading and it is a crime.

Other examples of false advertising include outright lies about the product. For example, a seller advertises a down-filled pillow for \$7.98. But if he knowingly sells only foam rubber pillows instead of the advertised pillow, the seller is committing a crime.

As illustrated above, any public advertisement which intentionally confuses, misleads or deceives you is a crime. But there are ways for you to protect yourself.

Read advertisements carefully. This is a very important aspect of protecting yourself. Unless you understand the nature of the claims being made you may not be able to detect whether the advertiser is guilty of false advertising. Be sure to check labels, warranties, or any written information about the product. If the advertisement and the information are not similar, there may be false advertising involved.

Another important way to protect yourself from false advertising is to know something about the product before buying it. Armed with your own information about the product, you will be able to ignore the salesman's "puffery" and detect any false advertising.

Finally, remember that false advertising includes not only intentionally false statements about a product but also any claims which are purposefully made to mislead you. If you are misled or deceived by an advertisement, report it to the Jefferson County Consumer Protection Department at 581-6280. The law is designed to protect all consumers, not just the sophisticated, well-informed consumers. If you have read the advertisement carefully and are still misled or deceived by it, you should complain about

it. Only by reporting your complaint can we hope to stop consumer fraud. **PUT YOUR MOUTH WHERE YOUR MONEY IS!** Call the Jefferson County Consumer Protection Department at 581-6280.

DECEPTIVE BUSINESS PRACTICES

When we think of a deceptive business practice, we usually picture a sly salesman trying to trick an unsuspecting consumer out of his money. But the law defines deceptive business practices a little more precisely. Under the law, a deceptive business practice can take several forms which are important to consumers:

1. **SHORT WEIGHING:** When a seller knowingly uses or has possession of false weight or measure in connection with the sale of goods, or delivers less than the amount represented, that seller is committing a crime.
2. **WATERED PRODUCTS:** When the seller, being aware that his goods are adulterated, sells or attempts to sell those goods, he is committing a crime.
3. **PHONY GOODS:** When the seller knowingly sells or offers for sale mis-labeled goods, the seller is committing a crime.

These types of offenses are particularly difficult for consumers to detect. Usually, we do not have sufficient knowledge for detec-

**AUTHENTIC.
MOON
ROCKS
\$10.**

ting a deceptive business practice. Nonetheless, there are ways for the consumers to protect themselves.

First, notice the manner in which an item is sold. Notice whether the item is sold by net weight, pound, ounce, lot, etc. Sometimes the manner in which an item is measured or weighed obscures easy comparison of prices. For example, a company may offer twenty rib-eye steaks for the "special sale price" of \$35. But when actually figured, the twenty steaks weigh only 4 ounces each; thus, the "special sale price" of \$35 really means that you have paid \$7.00 per pound for those steaks — hardly a "special sale price". This is a deceptive business if the steaks were represented as weighing six ounces each when, in reality, they weighed only four ounces.

Second, watch the manner in which an item is weighed. For example, if you want to buy two pounds of bananas and the grocery has a scale in the produce section, note first whether the scale stands at zero prior to placing the bananas on the scale to be weighed. Secondly, watch that nothing else is placed on the scale while your bananas are being weighed; watch that all hands are off the scale as well as any other item to ensure accurate weighing. If the scale is weighted or has in any other way been adjusted so as to result in inaccurate weighing, notify the store manager. If the situation is not corrected, contact the Jefferson County Consumer Protection Department.

Third, an adulterated product intentionally offered for sale or actually sold by a merchant is a crime. A "watered down" product is any product which does not conform to a defined composition or quality as determined by regulations or trade wage. For example, if you buy a gallon of gasoline which the seller knew had water in it, the

seller has committed a crime. You can differentiate between a "watered down" product and an impure product. A "watered down" product is one which, as described above, has an additive in order to "stretch" the quantity but which also changes the nature and quality of the product; this is a criminal offense. An impure product is one which has a foreign object included in it. If you buy a carton of milk which has rocks in it, that is an impure product, but not a "watered down" product. Although an impure product does not necessarily constitute a crime, it should be reported to the manufacturer, seller, Health Department, or the Jefferson County Consumer Protection Department.

The final example of a deceptive business practice is the intentional sale of mislabeled goods. For example, you buy a sweater that is labelled 100% pure wool. Later, you find that it is really a mixture of inferior materials. This is a crime if the seller knew that the sweater was not as it was represented. This labelling refers to any claim made about a product on its label. If a fur is labelled as originating in Russia, as a Russian Sable, but is really from Arkansas, that is an example of mislabeling. Thus, any label making an intentionally false claim as to origin, composition, quality, quantity, or trademark is a crime.

As earlier noted, deceptive business practices are the most difficult for consumers to detect. But you can do things to protect yourself. The most important thing to do is to be observant — look at the weight, quality, label, and general condition of a product before you buy it. If you have any suspicions about the product, don't buy it.

Don't be afraid to ask the seller questions about the product. He is there to help you. If you notice that a salesman is being evasive

or won't answer your questions directly, either ask to talk to his supervisor or leave the store.

Shop around before you buy. That may take more time initially, but you will save yourself a lot of time and trouble in the long run by looking before you buy. **PUT YOUR MOUTH WHERE YOUR MONEY IS!** If you have any problems, call the Jefferson County Consumer Protection Department at 581-6280.

THEFT BY DECEPTION



Theft by deception is also a crime which is important in the protection of consumers. This crime relates to a salesman's conduct while answering or refusing to answer questions by consumers. It is important to note that if any of these circumstances exist, a crime has been committed.

The first type of theft by deception occurs when a salesman knowingly creates or reinforces a false impression. For example, you go to a car dealer to purchase a car. You pick out a car you are interested in and ask the salesman about buying it. If the salesman makes a false statement, he is committing a crime. Anytime a salesman creates a false impression or agrees with a false impression, a crime may well have been committed.

A second type of theft by deception is committed when the salesman does not correct a false impression. It doesn't matter if you, the consumer, were wrong. If the salesman contributed to the creation of the

false impression and intentionally failed to correct the wrong impression, he is guilty of a crime. For example, you go to a car dealer to buy a car. You pick a car because of its low mileage and good condition. You ask the salesman if everything on the car works and he says it does. In reality the odometer on the car is broken, but it has not been turned back. If the salesman knew the odometer on the car was broken so that it did not really show the actual number of miles driven, that salesman has failed to correct a false impression and has committed a crime.

Another type of theft by deception occurs when a salesman purposefully prevents you from obtaining information. Using the example of the car salesman, if he prevents you from examining the car or refuses to answer any questions, he may be committing a crime. Remember—Kentucky law requires a windshield sticker state that the name and address of the previous owner be available upon request.

THE WIZARD OF ID

I WANT
MY MONEY
BACK...I CANT
FIND A TREE
SURGEON JOB
ANYPLACE!



© Field Enterprises, Inc., 1978

The Wizard of Id- by permission of Johnny Hart and Field Enterprises, Inc., (As published in the Louisville Courier-Journal.)

The intent of this law is to require full disclosure of necessary information for consumers. This full disclosure is important so that you as a consumer can make an informed decision before you buy anything. The type of information required to be disclosed under this law ensures that you will buy an item with full understanding and free of any legal claims against it.

If a salesman refuses to answer your questions or is evasive, ask to speak to his supervisor. If he won't let you speak to him, leave the store. Don't allow the salesman to "bully" you into buying a product if he refuses to answer your questions. Most importantly, repeat any information the salesman may give you. If he has given you a false impression and fails to correct it, he is still guilty of theft by deception.

In sum, beware of persons who won't answer your questions or try to "fast talk" you into buying any product. Your best defense is to

by Brant parker and Johnny hart



leave the store whenever you are being bullied, high pressured, or your questions are being ignored. **PUT YOUR MOUTH WHERE YOUR MONEY IS!** If you feel that you have been victimized by any of the four types of theft by deception, call the Jefferson County Consumer Protection Department at 581-6280.

LANDLORD- TENANT INFORMATION



If you rent a home or apartment, you, as a tenant, have certain rights and responsibilities. Likewise, your landlord has certain rights and responsibilities. Hopefully, this information will help you protect yourself from unfair practices which you may encounter as a renter.

When you move into your rented home or apartment you may be asked to sign a lease. If you do sign, you and your landlord are tied to the terms of the lease. Read the lease before you sign. If you have to break the lease, you still must pay the rent until the landlord re-rents the apartment.

Another source of problems for the renter is the security deposit. This is money paid in advance to the landlord to cover any damage to the rented place beyond normal wear and tear. Before moving into the apartment or house, you and your landlord must inspect the place and fill out an inspection sheet. You may object to anything the landlord notes on that sheet. When you move out, you and your landlord should fill out another

inspection sheet to which you can again object to any notes the landlord makes. These sheets should include all damage and the estimated cost of repair. Both you and your landlord must sign these sheets. The landlord must put your security deposit in a different account than the collections or rents account. He must give you the account number of the security deposit account. The landlord may not keep your security deposit for anything except unusual damages to the apartment or house. Even if you break your lease, the landlord must return any security deposit due you.

If your landlord refuses to make necessary repairs, you may be able to help yourself. If the repairs concern matters of health and safety such as hazardous electrical wiring, inadequate heat or faulty plumbing, you may be able to repair the problem yourself. Before you do so, you must give the landlord 14 days advance written notice that you will take action if the problem is not repaired. In the event of an emergency you need not wait 14 days but should give the landlord as much notice as possible. Such repairs must not exceed \$100 or one-half a month's rent, whichever is greater.



"This model sleeps 12 . . . two comfortably."

© Changing Times, the Kiplinger Magazine.
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If you wish to move out of your apartment or house, the landlord must be given advance notice. If you pay your rent weekly, the landlord should be given one week advance written notice of your intent to move. If you pay your rent monthly, you should give your landlord 30 days advance written notice. If you are breaking a lease, you are still responsible for paying the rent until the apartment or home is re-rented, unless you and your landlord have agreed otherwise. However, your landlord has the duty to re-rent your home or apartment before he rents a comparable living unit.

These are just some of the problems that may arise out of the landlord-tenant relationship. If you have any questions about your rights and responsibilities as a tenant, contact the Jefferson County Consumer Protection Department at 581-6280. **PUT YOUR MOUTH WHERE YOUR MONEY IS!**

HOME IMPROVEMENT TIPS



Your home and its surroundings represent the largest investment you will make. By being aware of certain tips you can help yourself protect your investment. When you need repairs or improvements, deal with reputable, responsible and fair firms.

"Fly-by-Night" operators tend to focus on roofs, asphalt driveways, siding and furnaces for their schemes. Don't fall into their traps which will only cost you money and problems. Some of these schemes will be

discussed below but remember—before you invest in any home improvements, check with the Consumer Protection agencies in the community to insure you are dealing with a reliable firm.

Many times, particularly in the spring, you may be approached by a roofer who just happens to be in the neighborhood and who notices you have a few loose shingles on your roof. He may offer to repair them. But after he inspects the roof he tells you that you need a whole roof. Don't be frightened into making a mistake—call several other reputable roofing firms to make sure you really need a new roof before you pay for one.

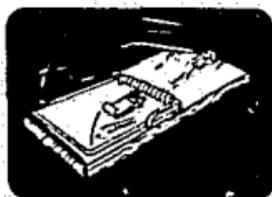
Beware of the driveway "expert" who claims to have just finished a paving job in your neighborhood and offers to apply the left-over asphalt to your driveway at a bargain price. Often the "asphalt" turns out to be dirty, gummy oil drained from car crank-cases or some other messy composition that will wash off with the next rain. If you want your driveway repaved, check with several paving firms for estimates, material used, and dependability.

Another type of costly consumer rip-offs concern aluminum siding. A representative may try to talk you into putting aluminum siding on your home. He may tell you that it will cost practically nothing because he will use your home as a "model" to sell his product. He may offer you a huge discount "if you sign now" and may even promise a "kickback" for sales you bring to him. Under Kentucky law, such sales are illegal. Also the contract you sign for the siding is usually the opposite of what the representative told you. You will be held to the contract; the representative's promises have no legal effect. Remember, investigate before you invest.

The final prey of these fly-by-night operators is your furnace. Often a representative may come to your home and offer you a free inspection. Once you let him inspect it, he will tell you that you need a new furnace. He will tell you that he has just the size furnace you need on his truck and he'll gladly install it at a special rate. Never rely on just one estimate.

Before contracting with any firm for home improvements, ask for customer references. Call the customers and ask if they have been satisfied with the work. Get several bids or estimates before agreeing to have any work done. Read any and all contracts before signing. Make sure it states the work to be done, the completion date, the materials to be used and the cost involved. Finally, always check with the Jefferson County Consumer Protection Department to insure that the firm is reliable and reputable. **PUT YOUR MOUTH WHERE YOUR MONEY IS!** Call the Jefferson County Consumer Protection Department at 581-6280.

BAIT ADVERTISING



We've all heard the saying "it's too good to be true". For consumers, if it's too good to be true, it often isn't. Bait advertising is an illegal business practice which plays upon that old saying.

Bait advertising can take many forms. For example, it is part of a scheme to lure consumers into a store with the intent to belittle the advertised cheaper product in order to sell a more expensive product or to

sell or provide goods in less quantity than could meet reasonable expected public demand; or to not sell the product at all.

An example of the first type of bait advertising is an advertisement which offers a "special sale" on vacuum cleaners and states that the price is \$39.99. When you go to the store to buy the vacuum cleaner, a pushy salesman tries to talk you out of buying the advertised model and attempts to "switch" you to a higher priced vacuum cleaner. The advertisement was the "bait" and the salesman tried to "switch" you to a higher priced item by downgrading the one advertised. This type of practice is frequently called "bait and switch". It is a crime for sellers to use this type of advertising.

The second type of bait advertising is similar to the first. In this situation, the store advertises the same sale-priced \$39.99 vacuum cleaner but only has one or two such cleaners in stock. When you go to the store, you are told that the item is "sold out" and the store refuses to give you a rain check or any other means of securing the item at the "sale price". If the store intentionally ran the ad as a "come-on", not having sufficient quantity of that product to meet the expected public demand, that is a crime.

The third variation of bait advertising occurs when the store advertises that same \$39.99 vacuum cleaner but has no such vacuum cleaners at all nor does it intend to ever sell the product at that price. In this case, the store will attempt to ignore your request to see or buy the \$39.99 vacuum cleaner while trying to show you a more expensive model. If you persist in demanding to see the sale-priced item, the store may inform you that it does not have that model in stock. If the store never had that item in stock and did not

intend to sell it at that price even if it was in stock, that store is committing a crime.

All of these forms of bait advertising use basically the same approach. By advertising a very low-priced item the store attempts to attract the unwary consumer. Once in the store, the salesperson may attempt to "switch" you to a higher priced item, tell you the product is sold out, or ignore your demands to see the advertised product because the store doesn't have any to sell. All of these practices are illegal.

Anytime a store or a salesperson attempts to "bait" you by offering you a deal "too good to be true", be careful. If the store or salesperson once gets you in a "buying mood", they may attempt to switch you to a higher priced product.

If a salesperson tells you the store is sold out of an advertised item, ask for a rain check. If the store refuses to give you one or it refuses to order the product and sell it to you at the advertised price, you may be a victim of bait advertising. Leave the store at once and call the Jefferson County Consumer Protection Department at 581-6280. **PUT YOUR MOUTH WHERE YOUR MONEY IS!**

BUYING AND REPAIRING AUTOMOBILES



Buying and caring for a car may well be one of the largest investments you will ever make. Therefore, it is important that you know how to protect yourself and your money from unscrupulous car dealers and mechanics. Laws have been passed to protect you; however it is up to you to be familiar with these so you can help protect yourself. If you follow these tips you will recognize the opportunity for mistake, fraud, or other consumer "rip-offs".

If you are interested in buying a car, the first and most important consideration should be the selection of a reputable and reliable dealer. Selecting the dealer from whom you buy the car and who may service the car, especially if it is a new car, is important since a good reputation usually indicates good business practices. Check the reputation of the dealers you are interested in with all the consumer protection agencies in the community.



"Go ahead, hate me. It's included in the bill."

"* Changing Times, the Kiplinger Magazine.
Reproduced by permission."

Beware of all the fraudulent types of advertising previously discussed in this pamphlet. In addition to these laws, there are other laws to protect you. It is a crime to tamper with a car's odometer; if you think that the car's mileage has been turned back, don't buy the car and report the dealer immediately to the Jefferson County Consumer Protection Department.

Deciding whether you should buy a new or used car is an important consideration. Consider the total cost of a new car, subtract the trade-in allowance, and that is the price you will have to pay before financing. Prices of used cars are affected by competition, supply, demand, and condition of the car. Consider financing arrangements and insurance costs. If you are thinking of buying a used car, consider the costs of repairs or reconditioning in the price of the car.

Having selected the dealer and the type of car you want to buy, take the car on a test drive. Try to take it overnight so that you can have your spouse's opinion or have a trusted mechanic inspect it. You may be required to sign a paper before taking the car, but be careful. The salesperson may ask you to sign a buyer's contract, regardless of what he tells you. You also may have signed your own car away in trade without realizing it. Most contracts like this cannot be cancelled. Avoid these problems by (very carefully) reading all papers you are asked to sign.

Be sure to have the salesperson put all of his promises in writing. If the salesperson pressures you to make a quick decision, leave the dealership. Don't make a deposit on a car unless you intend to go through with the deal and make sure the deposit will be applied to the purchase of the car.

Contracts should be completely filled in before signing. Read the contract carefully before you sign and get a copy of it after you sign. Once you sign the contract, you bind yourself to all of its terms.

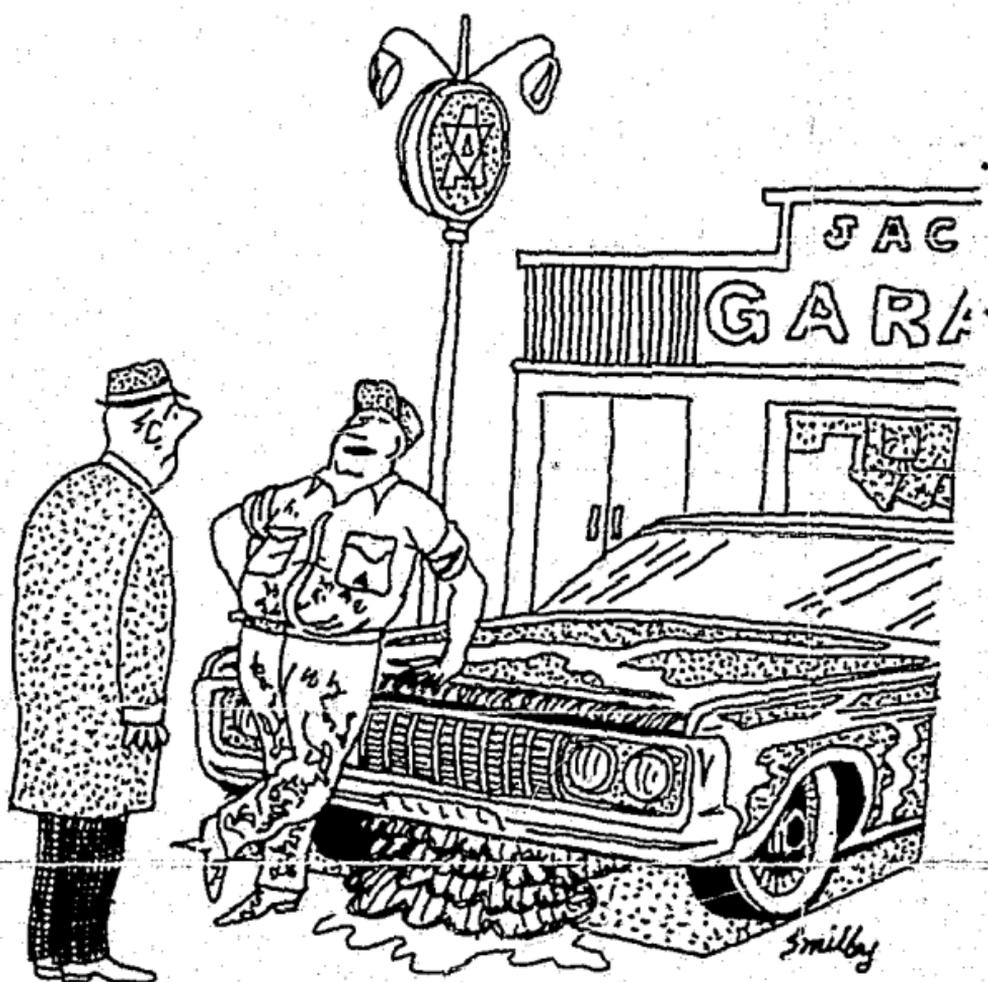
New cars are usually covered by the manufacturer's warranty. Be sure you understand the terms of the warranty as well as your obligations under the warranty since many are voided if the buyer does not follow the manufacturer's program of servicing. Most used cars have no warranty.

Statements that a salesperson makes about the condition of a car are worthless when you buy a used car "as is". Under the law, the salesperson must put on the car's windshield a notice that the previous owner's name and address are available on request. Ask for this information and talk to the previous owner about the car. Question him carefully about the general condition, operation, and mileage of the car. Remember—if the salesperson misrepresents the car or fails to correct a false impression, he may be guilty of theft by deception.

Having bought a car, your next concern will be proper maintenance and servicing of the car. Car repairs are also a major source of consumer problems. Just as you should shop around for a dealer, you should shop around for a mechanic. Check with all of the consumer protection agencies about the reputation and reliability of any mechanic you select. Good work requires trained mechanics, so it's worth your time to search for a competent mechanic.

Beware of low-priced specials or other "come-ons" that may be false or "bait" for the unwary consumer. Often "extra charges"

for such things as parts, labor and taxes raise the advertised price much higher. Also, the cheapest price may not always be best since you may only be getting poor workmanship and inferior parts.



"Changing Times, the Kiplinger Magazine.
Reproduced by permission."

"Of course, it's only a very small leak, but since we'll have the radiator off, it would pay you to have us check the pump and the fan while we're at it, and if we're going to take them off we might as well take the front off to check over the timing chain, and there's not much point in having the front off unless you take the head off to check over the valves, too, and . . ."

Get several written estimates including parts and labor charges before leaving your car to be repaired. Read the work order before you sign it and get a written statement that no

work will be done if the cost exceeds a stated amount. Keep your copy of the work order for your records. Make sure you carefully and thoroughly describe the trouble with your car. Ask the mechanic if the work is guaranteed; if so, ask for a written copy of it. Ask if the mechanic is using new, rebuilt, or used parts and why. Ask that all old parts be saved for your inspection. Be sure to ask the mechanic if any follow-up checks or adjustments are necessary after so many miles or weeks. Finally, check your car for any damage that may have happened while the car was in the shop.

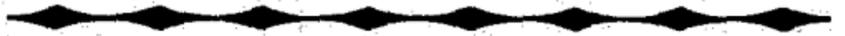
If you follow these tips on buying and repairing a car, you may well save yourself much trouble. If any problems arise or if you have any questions, call the Jefferson County Consumer Protection Department at 581-6280. **PUT YOUR MOUTH WHERE YOUR MONEY IS!**

**STOP
CONSUMER
RIP-OFFS**

CONCLUSION

In this pamphlet we have discussed many of the more prevalent methods of consumer "rip-offs." Unfortunately, there is no end to the types of devious measures some individuals will pursue in order to make money. Our office is dedicated to the protection of the citizen and when necessary, the prosecution of criminals. We want to stop consumer crime and must have your help to succeed. When in doubt, please feel free to bring your situation to the attention of our office. We are here to assist you with your daily encounters with firms that are treating you unfairly. Many times, criminal action needs to be taken before we can expose the tactics that some businessmen use to rip-off unsuspecting consumers.

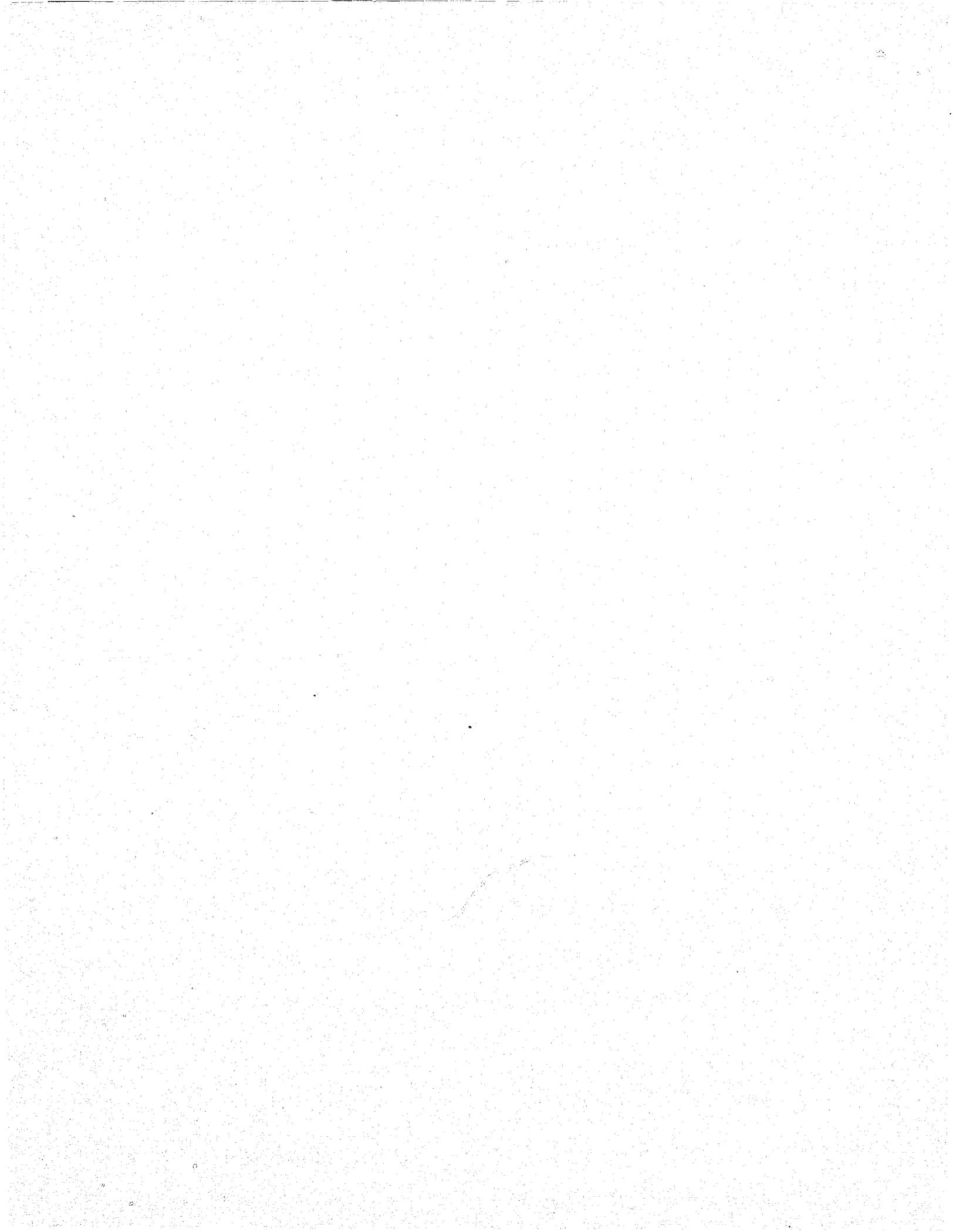
Speak up when you have a problem. **PUT YOUR MOUTH WHERE YOUR MONEY IS!**



**PUT YOUR
MOUTH**



**WHERE YOUR
MONEY
IS!**



END