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For The Consumer
Federal Trade Commission
1-877-FTC-HELP

FTC FACTS for Consumers

Solving Consumer Problems



No doubt you've purchased a product or service that you weren't happy with. Rather than accepting the situation, take action. After all, businesses want to keep you happy so you'll keep coming back. The Federal Trade Commission (FTC) suggests these simple strategies for resolving a problem you may have with a product or service.

Where to Start

Contact the seller. Keep a record of your conversations — who you spoke with and when, and the action promised. If you can't resolve the problem at this level, contact the company headquarters. In some instances, you may have to contact the manufacturer. Many companies have a toll-free telephone number. Look for it on package labeling, or call 1-800-555-1212 for toll-free directory assistance. Management may be grateful for your input; it can help identify problems that are bad for business.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Write a Letter

An effective complaint letter should be clear and concise, and include all the facts. Include copies — not originals — of documents regarding your complaint, such as sales receipts, repair orders, warranties, cancelled checks, contracts, and any correspondence with the company. See the sample letter on the following page.

You may want to send your letter by certified mail, return receipt requested. The extra money this costs pays for your proof that the company got your letter and who signed for it.

And If That Doesn't Work

If your letter doesn't do the trick, contact the following organizations for help.

State and Local Organizations

Check your telephone directory for the complete names, addresses, and phone numbers of these offices:

- Your state attorney general usually has a division that deals with consumer protection issues;
- Your local consumer protection office;
- The Better Business Bureau in your state and where the company is located;
- Your local Postmaster;
- The local media — television, radio, or newspaper consumer actionlines.
- **www.consumerworld.org** lists international, federal, state, local, and private consumer agencies as well as Better Business Bureaus, consumer organizations, and professional associations.

Federal Government

- The **Consumer Action Handbook** offers tips on buying products and services, and lists contacts for information and assistance. For a free copy, write: Federal Citizen Information Center, Pueblo, Colorado 81009. Or visit them at CIC at **www.pueblo.gsa.gov**.
- If you're not sure which federal agency has jurisdiction over your inquiry or complaint, contact the Federal Information Center listed in the U.S. government section of your phone book.

Dispute Resolution Programs

Many consumers and businesses use dispute resolution programs — mediation and arbitration — as an alternative to going to court. Some businesses require consumers to arbitrate their disputes and waive their right to go to court. Check your contract or product packaging for details.

Some programs are free. Others charge a flat fee, or a rate based on your ability to pay.

- Mediation involves a neutral third party — a mediator — who helps you and the other party try to resolve the problem. However, it's up to you and the other party to reach an agreement.
- Arbitration is less formal than court, though you and the other party may appear at hearings, present evidence, or call and question each other's witnesses. Unlike mediation, an arbitrator or panel makes a decision once you've presented your case. The decision may be legally binding.

The following organizations can help you find a program near you:

- your state attorney general or local consumer protection agency;
- small claims courts and court systems;
- nonprofit dispute resolution organizations;
- bar associations and law school clinics;
- Better Business Bureaus;
- Association for Conflict Resolution at 1015 18th St., NW, Suite 1150, Washington, DC 20036; 202-464-9700; **www.acrnet.org**, or email acr@ACRnet.org.

For More Information

The FTC works for the consumer to prevent fraudulent, deceptive, and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a complaint or to get free information on consumer issues, visit www.ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. The FTC enters Internet, telemarketing, identity theft, and other fraud-related complaints into Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.

Sample Complaint Letter

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

(Name of Contact Person)
(Title)

(Company Name)
(Street Address)
(City, State, Zip Code)

Dear (Contact Person):

On (date), I purchased (or had repaired) a (name of the product with the serial or model number or service performed). I made this purchase 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).

Therefore, to resolve the problem, I would appreciate your (state the specific action you want). Enclosed are copies (copies, not originals) of my records (receipts, guarantees, warranties, cancelled 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 (set a time limit) before seeking third-party assistance. Please contact me at the above address or by phone (home or office numbers with area codes).

Sincerely,
Your Name
Account Number

Facts for Consumers

The Federal Trade Commission (FTC) is the nation's consumer protection agency. Here are some tips from the FTC to help you be a more savvy consumer.

1. Know who you're dealing with. Do business only with companies that clearly provide their name, street address, and phone number.

2. Protect your personal information. Share credit card or other personal information only when buying from a company you know and trust.

3. Take your time. Resist the urge to "act now." Most any offer that's good today will be good tomorrow, too.

4. Rate the risks. Every potentially high-profit investment is a high-risk investment. That means you could lose your investment — all of it.

5. Read the small print. Get all promises in writing and read all paperwork before making any payments or signing any contracts. Pay special attention to the small print.

6. "Free" means free. Throw out any offer that says you have to pay to get a gift or a "free" gift. If something is free or a gift, you don't have to pay for it. Period.

7. Report fraud. If you think you've been a victim of fraud, report it. It's one way to get even with a scam artist who cheated you. By reporting your complaint to 1-877-FTC-HELP or ftc.gov, you are providing important information to help law enforcement officials track down scam artists and stop them!

FEDERAL TRADE COMMISSION	ftc.gov
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Bureau of Consumer Protection
Division of Consumer and Business Education

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