



RESOLVING CONSUMER DISPUTES BY BEING PREPARED

by Texas Attorney General Greg Abbott

ACCORDING TO THE U.S. DEPARTMENT OF COMMERCE, Internet-based sales topped \$136 billion in 2007. Despite the 2008 economic downturn, online sales figures increased by more than 19 percent over the previous year. Clearly the Internet offers an unrivaled variety of goods and convenient shopping from the comfort of home, but what happens when a customer pays for an item and something goes wrong? What if a customer never receives their purchase, the product that arrives is broken, or the delivered item does not match what the customer saw online?

National Consumer Protection Week is in March, so this column is dedicated to advising Texans about their consumer rights. These protections generally apply to both in-store and online purchases. But to ensure that they are protected, customers should keep the following concepts in mind.

Dealing with a legitimate, well-established, reputable seller is the best protection against fraud or deception. Before buying an item – particularly an expensive one – shoppers should run a quick online search or check with the Better Business Bureau (www.bbb.org). A legitimate business typically has a physical location or listed telephone number that customers can contact. Before making a purchase, customers should review the seller’s refund and return policies.

Once a customer carefully selects a vendor and purchases an item, buyers need to keep careful records detailing their

purchases. It is critical that shoppers save receipts, contracts, purchase documentation and perhaps even advertisements or Web sites that describe the merchandise.

Access to documented purchase information can help tip the scales in the customer’s favor. So, the most important step occurs before customers even know they are unhappy with a vendor.

Most retailers – particularly reputable ones – care deeply about their brand and reputation. In an era where unhappy customers can write and publish critical blog postings or articles online, smart retailers are particularly concerned with customer service.

So, unhappy customers should almost always contact the seller first. And if the retailer is not initially helpful, the buyer should ask to speak to a manager or more senior official. While complaining to vendors can be frustrating, most reputable retailers are eager to satisfy their customers and fix the problem.

If a seller does not resolve the problem, customers can file a complaint with the Office of the Attorney General, the Better Business Bureau or the Federal Trade Commission. The complaint should identify the offending vendor’s name and current address. It should describe the problem and include copies of purchase documents, including receipts, warranties, cancelled checks or contracts. The original documents should be kept in the customer’s personal files.

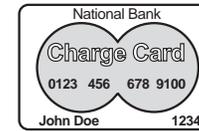
Credit card purchasers who pay for an item but never actually receive the goods should contact their credit card company to dispute the charge. Under the Fair Credit Billing Act, credit card holders do not have to pay for merchandise they never receive.

To formally dispute the charge, Texans should immediately send a certified letter to their credit card company. The dispute letter must arrive less than 60 days after the first credit card statement containing the non-delivered item. Copies (not originals) of supporting sales receipts or other documents should be included with the complaint. A sample dispute letter and other information for credit card customers are available on the Federal Trade Commission’s Web site, www.ftc.gov.

Customers can also pursue a vendor in small claims court, where trials are informal and lawyers are not required. Judges in these special courts can handle disputes involving up to \$10,000 – but they only have the authority to order monetary compensation. So a small claims court judge can order a vendor to return a customer’s money, but the judge cannot force the vendor to repair damaged goods.

Texans who want additional information should visit the Office of the Attorney General Web site to learn more about consumer protection laws and services. Access to consumer protection information can help Texans avoid challenging situations and leave them prepared to respond if a problem arises.

POINTS TO REMEMBER



RESOLVING CONSUMER DISPUTES

If you have a dispute with a company:

- Contact the company and speak with management to resolve the issue.
- If an acceptable agreement cannot be reached, file a complaint with the OAG, the BBB or the FTC.
- Credit card customers who paid for an item but did not receive it can contact their credit card company to dispute the charge.
- Mediation or small claims court is a last resort.

Consumer Information Catalog

Offers tips on buying products and services
www.pueblo.gsa.gov
(888) 8-PUEBLO

Consumer Action Handbook

Provides contact information on where to file a complaint or ask a question
www.consumeraction.gov
(202) 501-1794



ATTORNEY GENERAL OF TEXAS
GREG ABBOTT