

Consumer Fraud: An Analysis of Impact and Opportunities for Intervention

Technical Report: Phase II

Jane G. Schubert
Robert E. Krug
Andrew M. Rose

Prepared for the Community Crime Prevention Division, National Institute
of Law Enforcement and Criminal Justice, Law Enforcement Assistance Administration,
Washington, D.C. 20531

Grant No. 76-NI-99-0122

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AMERICAN INSTITUTES FOR RESEARCH / 1055 Thomas Jefferson Street, NW, Washington, DC 20007

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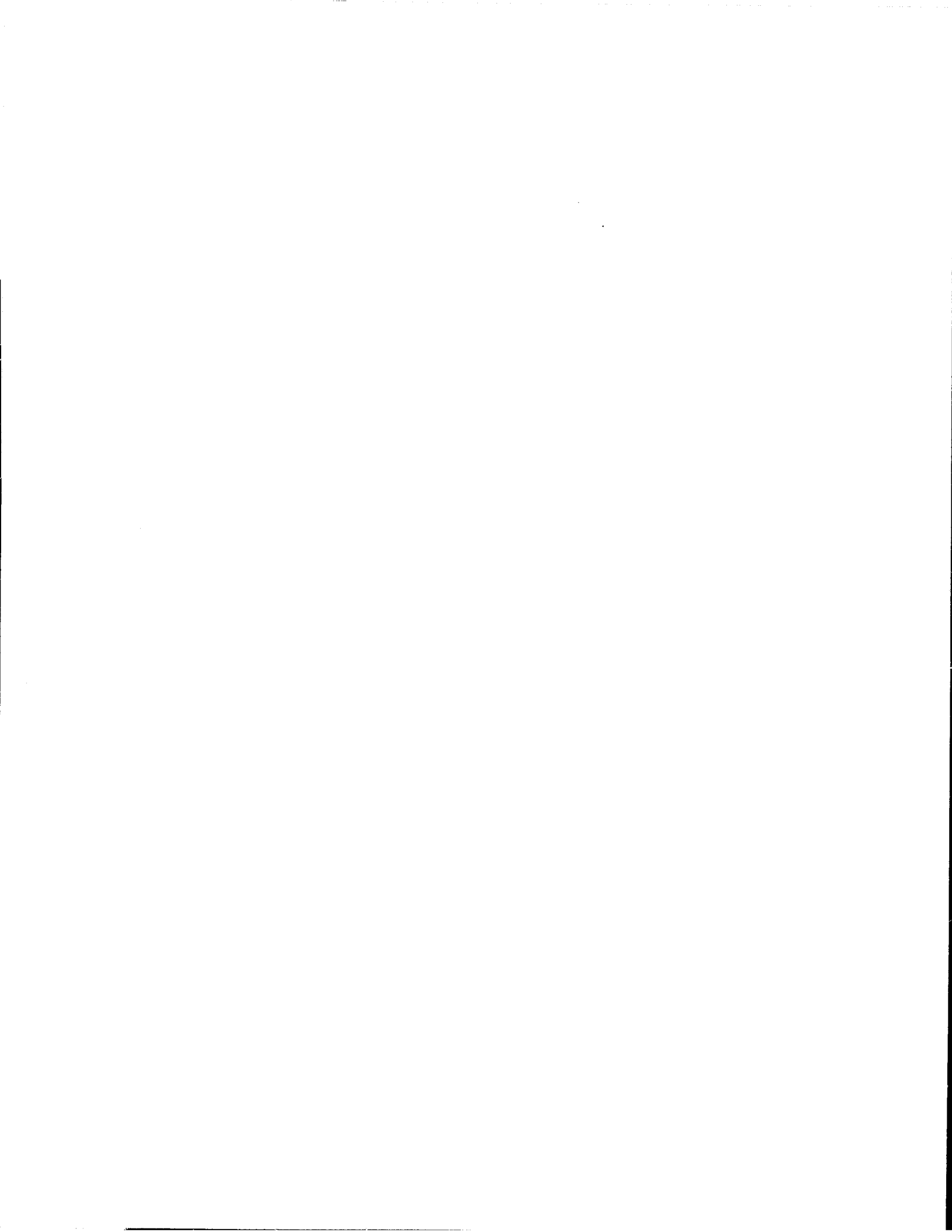
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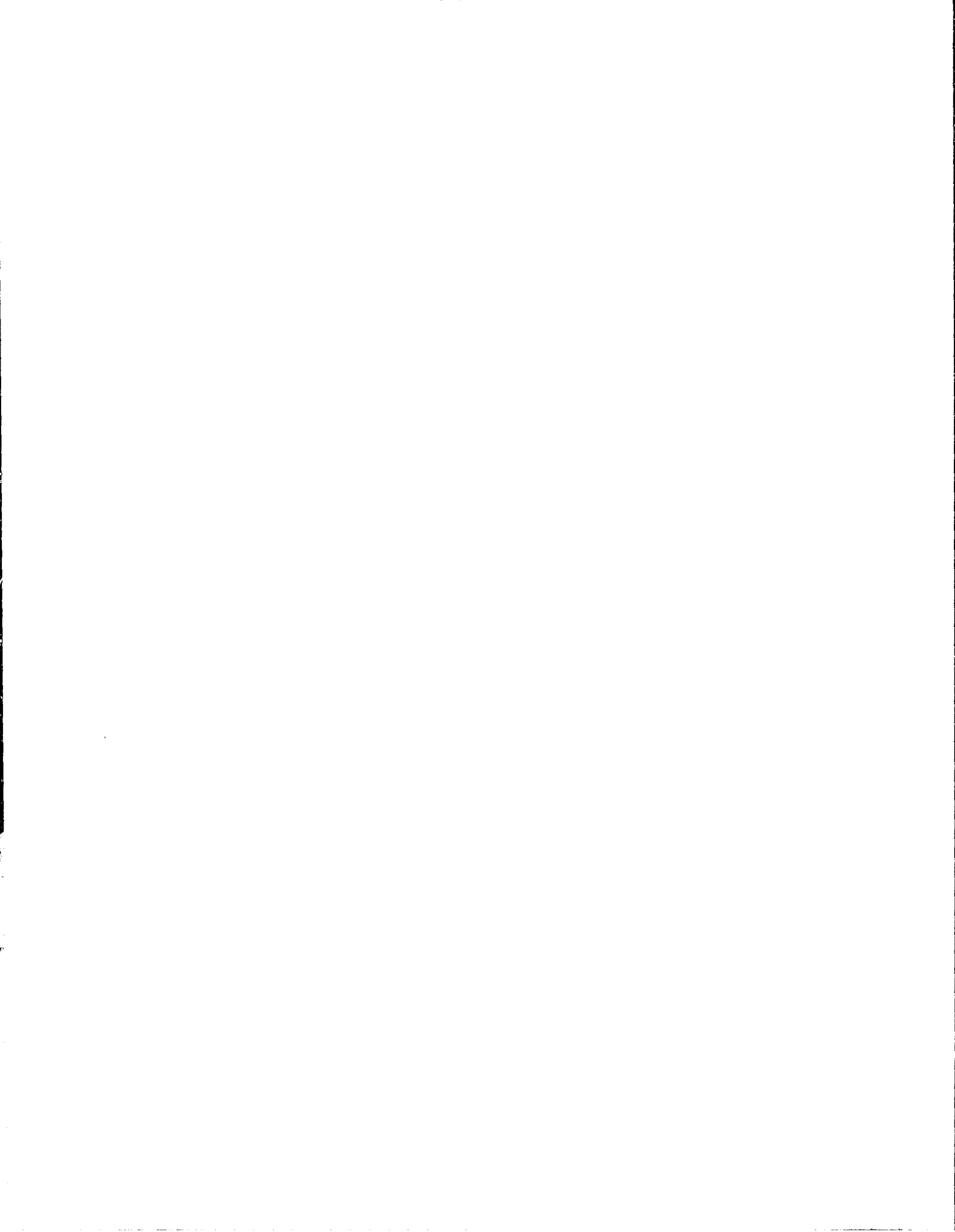
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Consumer Fraud: An Analysis of Impact and Opportunities for Intervention (Grant No. 76-NI-99-0122) is sponsored by the Law Enforcement Assistance Administration (LEAA), Community Crime Prevention Division. This project is a combined effort of the American Institutes for Research (AIR), Washington, D. C. and the National Consumer Law Center (NCLC), Boston, Massachusetts. The participation of both social scientists and legal experts in investigating consumer fraud offers a promising and systematic approach to curtailing the incidence of these offenses. Empirical findings may be related to policy decisions concerning such issues as: 1) which types of consumer fraud are most effectively attacked by the Federal government and which by state and local governments; 2) which types of consumer fraud are adequately covered by existing controls and which are not; 3) which types of consumer fraud are more amenable to interventions based on increased consumer awareness and which based on stricter enforcement. The successful blending of viewpoints from these two disciplines will ensure that the results of this project are both technically sound and practically useful to the law enforcement/criminal justice community.

This report presents the findings of AIR's Phase II activities and describes our joint plans with NCLC for Phase III. The outcomes of this phase represent the combined efforts of several individuals. The Principal Investigator, Dr. Robert E. Krug, has primary responsibility for all technical and administrative aspects of this study. He reviewed plans for conduct of the major tasks, data analysis, and the preparation of this report. Dr. Jane G. Schubert, Project Director, manages the day-to-day project activities. She contacted the list of candidate data sources, arranged for site visits, supervised the data collection and data analysis tasks, served as the liaison to NCLC and is responsible for the preparation of this document. Dr. Andrew M. Rose participated in the data collection and analysis and contributed sections related to the network analysis to this report. Dr. Paul W. Fingerman assumed responsibility for converting the data to a form appropriate for computer storage, designing the programs, and assisted in the interpretation of the data. He also suggested applying cluster analysis to the transactional sequence and the network analysis, and recommended a log-linear approach to determine salient cells

among the descriptive values. Ms. Teri Knotek constructed the files, edited data, and assisted in the analysis. Ms. Tania Romashko visited several sites to collect data and assisted with the continuation of the literature review. Ms. Adele Gunn and Mr. George Zweibel (NCLC) also made site visits.





I. INTRODUCTION

I. INTRODUCTION

A. Perspective

This report documents the activities and accomplishments of the second of three phases of research into the nature and impact of consumer fraud. The initial phase began in September 1976; the project will conclude in September 1978. The three purposes of this research are to:

1. describe the nature, scope, and characteristics of consumer fraud;
2. examine the incidence and impact of consumer fraud in order to determine the requirements for prevention and control efforts; and
3. identify strategies to delimit the occurrence of consumer fraud.

The primary outcome of this project will be workable intervention techniques designed to reduce the incidence of consumer fraud. These techniques may be original strategies, developed to address specific needs, or they may be variations of current procedures. The first two phases focused on the analysis of consumer fraud events that would identify opportunities for producing these intervention strategies.

During Phase I, we examined actual case histories that various law enforcement and consumer assistance specialists selected as examples of situations in which a consumer allegedly was defrauded by a merchant. Eleven agencies supplied 383 such cases that we believe represent a diverse, but typical, range of reported offenses. Using this data base, we established three alternative classification schemes, each conceptualized around the process of consumer fraud--what happened during the transaction that permitted the fraud to occur? Our purpose was to develop a classification scheme that would communicate the characteristics of conceptually similar classes of events and aggregate information about consumer fraud. The scheme also assisted in creating a data-based definition of consumer fraud.

B. Phase II Objectives

AIR's principal aim in Phase II was to develop quantitative profiles for each pattern of consumer fraud offense by collecting and processing a minimum of 1,000 additional consumer complaints. Because we produced three potentially useful frameworks during Phase I, each needed to be tested with this quantitative data base to determine which one would best meet the requirement of identifying opportunities for intervention procedures.

In addition, we planned to identify measurement techniques that might be used to monitor the domain of consumer fraud.

Our Phase II data collection was similar to the Phase I effort in some respects. One was tapping a reservoir of diverse agencies that handled consumer complaints so the pool of cases represented common consumer abuses. Another similarity was a reliance on existing case documents because: 1) collection of new data is too expensive; 2) existing sources of information have been underutilized; and 3) chances of identifying representative cases of consumer fraud are enhanced.

Our Phase I experience taught us that comprehensive records on each case simply did not exist; archival data typically consist of fractionally documented events. However, this situation was not a problem because the classification schemes produced during Phase I permitted the collection of fractional data from a number of sources into meaningful composites. The efficiency of the Phase II data collection would be aided by the use of the classification framework.

We planned to identify promising measurement techniques that would be used to monitor consumer fraud activities and assess new intervention programs. Our approach to this task was twofold: first, a review of the literature to learn whether or not a "state-of-the-art" exists and, second, an examination of the patterns of consumer fraud offenses to determine whether the process characterizing each pattern contains measurable components. The measurement task included an attempt to derive usable estimates of the incidence and impact of consumer fraud.





II. DATA COLLECTION PROCEDURES

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A. Designing the Instrument

The collection of additional cases was guided by the qualitative analysis of the first phase. The three suggested classification schemes required specific types of information in order to thoroughly examine the potential of each. In addition, the 24 descriptive dimensions identified during Phase I were refined so that we could include in our quantitative sample common descriptors that are easily understood and communicate meaningful frames of reference for diverse audiences.

The qualitative Phase I data base consists of 383 one- or two-page abstracts of case histories that document alleged consumer fraud events. Although appropriate for the development of a typology, the amount of information contained in the abstract was not essential for the quantitative purposes of Phase II. A more efficient method of collecting an additional 1,000 cases could be devised, now that we had a better understanding about the information requirements.

The data collection instrument reflects both the descriptive and process characteristics necessary to apply the quantitative data base to each of the three typologies. The instrument consists of two parts:* a data acquisition form, which permits each response to be numerically coded for keypunching; and a data acquisition guide, which describes each item and its respective subcategory.

The cases in the Phase II data base are recorded in two ways--on a data acquisition form and on a 5x8 card that contains a summary of the sequence of events that describes the consumer-merchant transaction and the subsequent consumer complaint.

* The forms appear as Appendix A and B.

B. Selecting Data Sources

Several considerations guided our inquiry for contributors to the Phase II data set:

1. The comprehensiveness of the case histories became less critical because we could now assemble fractional data from numerous sources into usable composites. In Phase I, follow-up data to the consumer complaint were essential to fully understand the case, but in Phase II we accepted cases even though follow-up data were incomplete. The primary characteristic of the Phase II cases was a description of the consumer complaint that detailed the transaction between the merchant and the consumer.
2. Individual complaint data were required. Our collection format necessitated recording specific characteristics that describe individual complaints, which were then aggregated by components within the classification scheme that led to the development of profiles of consumer fraud.
3. It was necessary to continue to use existing case documents rather than to collect new data. The collection of new data would require not only a costly survey, but also a very extensive one in order to gather a variety of complaints. Cases already on file in consumer offices and law enforcement agencies document reported consumer offenses. Such broad coverage of complaints permits us to assess current consumer needs as a step toward designing intervention strategies.
4. Our candidate list of Phase II data sources came primarily from our Phase I contacts. We requested and received the names of agencies that were respected in the area of consumer affairs. Many of these candidates were recommended by several contacts.
5. We were still interested in creating a Phase II pool of diverse cases, as we had done in Phase I, and therefore sought agencies located in many parts of the United States

as well as different types of sources--attorneys general, district attorneys, consumer affairs offices. We also sought a mix of state and local agencies.

The ten new organizations who agreed to participate in our Phase II data collection are identified in Table 1 below.

Table 1. Phase II Data Sources

Agency Number	Agency/Location
01	Consumer Affairs Department, Detroit, Michigan
02	Pennsylvania Department of Consumer Protection, Philadelphia, Pennsylvania
03	Department of Consumer Affairs, City of New York
04	Department of Justice: Office of Consumer Protection, Madison, Wisconsin
05	Department of Justice: Consumer Protection Division, Des Moines, Iowa
06	Office of the Prosecuting Attorney, Flint, Michigan
07	Office of the Prosecuting Attorney: Fraud Division, King County, Seattle, Washington
08	Department of Justice, Attorney General: Civil Division, Seattle, Washington
09	Metropolitan Denver District Attorneys' Consumer Office, Denver, Colorado
10	District Attorney: Consumer Fraud/White Collar Crime Unit, San Francisco, California

Some agencies declined to contribute complaint data to our pool of cases. The major reason duplicated the one given for nonparticipation during Phase I. Limited documentation of specific consumer complaints remains a characteristic of some groups that rely heavily on volunteers. Well maintained record-keeping systems receive a low priority to action-oriented complaint mediation. As a result, the files are often incomplete; sometimes they are nonexistent.

A few agencies simply ignored the request. All initial contacts were by phone, followed by a written description of the study accompanied with a request to include complaint data from the agency among our Phase II cases. For whatever reasons, some agencies never acknowledged our request, so therefore they were withdrawn from our list of candidates.

The ten new data sources that contributed to the Phase II pool of consumer complaints are characterized in Table 2 below.

Table 2. Characteristics of Data Sources

Characteristic	Source of Data									
	Consumer Affairs Department, Detroit, Michigan	Office of the Attorney General, Bureau of Consumer Protection, Philadelphia, Pennsylvania	The City of New York, Department of Consumer Affairs, New York City	Department of Justice, Office of Consumer Protection, Madison, Wisconsin	Consumer Protection Division, Iowa Department of Justice, Des Moines, Iowa	Office of the Prosecuting Attorney, Consumer Affairs Office, Flint, Michigan	Office of the Prosecuting Attorney, Fraud Division, King County, Seattle, Wash.	Office of the Attorney General, Consumer Protection Division, Seattle, Washington	State of Colorado, Metropolitan Denver District Attorney Consumer Office, Denver, Colorado	Office of the District Attorney, Consumer Fraud/White Collar Crime Unit, San Francisco, Calif.
Type of Agency	City	State	City	State	State	County	County	State	Multi-county	City and county
Special Consumer Fraud Component	Consumer Affairs Department	Bureau of Consumer Protection	Department of Consumer Affairs	Office of Consumer Protection	Consumer Protection Division	Consumer Affairs Office	Fraud Division	Consumer Protection Division		Consumer Fraud/White Collar Crime Unit
Age of Agency or Special Consumer Fraud Component (yrs)	Since 1974 (4 years)	Since 1971 (7 years)	Since 1968 (10 years)	Since 1970 (8 years)					5 years	
Mandate	Conduct research and develop programs for consumer education and protection, enforce laws and ordinances prohibiting false advertising, offering for sale and sale of goods and services, within limits, grant revokes, approve transfers of licenses permits and collect fees for these, process consumer complaints	Investigate and mediate consumer complaints, take legal action against companies accused of unfair practices, educate consumers special LEAA grant for 11 Strike Force to work on consumer actions having state wide impact, 2) Community service program to serve consumer protection needs of poor	Process consumer complaints, enforce Consumer Protection Act, educate consumers	Process consumer complaints, enforce state consumer protection laws, provide consumer information and education	Process consumer complaints, enforce state consumer fraud law	Enforce consumer protection act, process consumer complaints, participate in 2-hour weekly radio show where listeners call in with consumer questions	Deter economic crime, including violations of regulatory provisions, abuse of trust involving public private funds and frauds against government agencies, obtain restitution for victims, punish offenders	Enforce consumer protection and trade laws of state for the benefit of the public, process consumer complaints, educate consumers	Enforce state Consumer Protection Act, enforce state criminal laws, mediate complaints, referrals provide information educate consumers, conduct weekly half hour radio program (Dial a Fraud)	Protect consumers and legitimate businesses from fraudulent and oppressive acts, affiant the community as a whole, special project, cut through use of "Complaint Mobile"
Staff	reg = 16 3 times a year gets CETA trainees, Urban Corps, college students, college students doing work study vol = Yes	reg = 80+	vol = more than paid staff	reg = 8 attorneys, 9 investigators, 2 consumer information specialists, 3 complaint specialists		reg = 3 attorneys, 12 investigators		reg = claims investigators, law clerks, students from federally-funded work study program vol = trained volunteers	reg = 15 plus 2 CETA clerks paralegal vol = student interns volunteers	reg = 26 vol = 20-30 student interns
Geographical Scope of Activities	City	State	City	State	State	County	County	State (four separate offices)	Multi-county	City and county
Population Served	General public	General public	General public	General public	General public	General public	General public	General public	General public	General public
Origin of Cases	Consumers, referrals from other agencies	Consumers	Consumers	Consumers, referrals from other agencies	Consumers	Consumers, referrals from other agencies, agency-initiated investigations	Consumers, referrals from other agencies, agency-initiated investigations	Consumers, agency-initiated investigations, other referrals	Consumers, referrals from other agencies, agency-initiated investigations	Consumers, referrals from other agencies, agency-initiated investigations
Inquiries Received	270 (May June 1977)	23,748 (1976)		8,564 (Jan-August 1977)	5,163 (1976), 3,495 (Jan to June 1977)	3,235 (1976)	11,308 (11 months 1977)	13,316 (1977), 9,006 (1976)	2,400 (9 months 1977)	2,400 (9 months 1977)
Investigations Opened						3,235 (1976)	70 cases filed (1977*)		5,713 received preliminary investigation (1977)	
Resolves Individual Complaints	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Seeks Restitution for Individuals	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes
Seeks Restitution for Classes	Yes		Yes		Yes	Yes	-	No	Yes	No
Most Complaints Referred to Another Agency			Yes	No	No	-	Yes?	-	Yes	-
Enforcement Mechanisms	Temporary/permanent injunction, subpoena, witness, administer oaths, take testimony, require production of evidence, promulgate rules, must go through other city departments to issue citations	Civil actions, restitution, power to issue rules and regulations, injunction, assurance of voluntary compliance	Conduct investigations, hold public and private hearings, recommend fines, issue subpoenas, serve court summonses to unlicensed businesses, promulgate regulations, go to court to seek remedies for violations, including civil penalties, criminal fines, injunctions, restitution, suspend/revoke licenses	Civil forfeiture, criminal prosecution seeking fines and/or imprisonment, injunctions, restitution, voluntary assurances of discontinuance, revocation of corporate authority for violation of Department of Agriculture orders	Civil actions, seeking costs of investigation and prosecution, restitution, fines, injunction, criminal prosecution	Notice of Intended Action, subpoenas for testimony and records, sue for injunctions/damages, assurances of discontinuance, Class Action suits	Civil and criminal prosecution of categories listed in No. 4, seeking to deter crimes, obtain restitution for victims, punish offenders	Company specific and industry-wide investigations, Normal/Informal Assurance of Discontinuance, serve complaints, motion for preliminary injunction and an order to show cause, file lawsuit on behalf of the people of the state	Civil actions seeking costs of investigation and prosecution, restitution, criminal prosecution, referral to county of venue for further investigation, grand jury action, prosecution	Civil actions seeking injunctions, fines and restitution, criminal actions seeking jail terms or probation with conditions like restitution, conduct and public service depending on seriousness of crime

C. On-Site Data Collection

AIR staff members visited the ten new data sources to review case histories, complete the Data Acquisition Form, and write a paragraph summarizing each consumer complaint selected for the Phase II data base. On-site visits began in mid-October and ended in mid-December. Approximately five person days were spent at each site; typically one individual worked at each agency unless schedules permitted more than one staff member to visit an agency.

At the agency, the project staff member assumed responsibility for all facets of collecting the data. Following a brief orientation about the agency procedures and the complaint handling system, the AIR representative examined, then selected cases. The following criteria guided the choice of cases: 1) sufficient information to describe the process or the transaction between the merchant and the consumer; 2) closed rather than active, in order to increase the probability of learning as much as we could about a specific case. The minimum requirement was to record relatively complete data on the transaction and to collect extensive descriptive data in addition to the process data.

The cases were randomly selected. The project staff member chose a file drawer, picked a group of case histories, and began to examine the documents. Almost all the records contained intake forms and some supporting evidence regarding the legitimacy of the complaint and/or details about the agency's attempts to resolve the dispute between the merchant and the consumer. Some cases had entered the criminal justice system; others had not.

One Data Acquisition Form was completed for each chosen case. In addition, the coder wrote a paragraph that summarized the complaint, with emphasis on the sequence of events between the merchant and the consumer. Each card was numerically matched to the Data Acquisition Form and filed by agency from which it came. We collected 942 cases from the 10 agencies.

At each site we asked also for annual reports or any document that summarized complaint handling activities--attempted mediation, referrals, in-depth investigations, court actions, volume of activity--to estimate the incidence and impact of offenses that have occurred and continue to occur.

D. Use of the Phase I Data

The 942 cases were short of our goal to gather a minimum 1,000 additional cases. Contacting and arranging for more on-site case reviews would be both costly and inefficient; we could afford neither the time nor the money to continue the same procedure. We chose a pragmatic approach-- to use some or all of our Phase I data base. During Phase I the cases served primarily as elements with which to develop the three categories; their usefulness was expanded by incorporating information from specific cases into the analysis leading to the profiles of consumer fraud.

The re-examination of the Phase I cases occurred during January 1978. Of the 383 complaints, 251 were used, which increased our Phase II data base to 1,194 case histories. This total provided a comfortable margin of 194 cases above our minimum requirements and would permit dropping some cases if the analysis so indicated.

The Phase II data base by agency source and number of cases is depicted in Table 3.

Table 3
THE PHASE II DATA BASE

Agency Number	Agency/Location	Card Numbers	Number of Cases
01	Consumer Affairs Department, Detroit, Michigan	001 -- 101	101
02	Pennsylvania Department of Consumer Protection, Philadelphia, Pennsylvania	102 -- 182	81
03	Department of Consumer Affairs, City of New York	183 -- 255	73
04	Department of Justice: Office of Consumer Protection, Madison, Wisconsin	256 -- 353	98
05	Department of Justice: Consumer Protection Division, Des Moines, Iowa	354 -- 437	84
06	Office of the Prosecuting Attorney, Flint, Michigan	438 -- 519	82
07	Office of the Prosecuting Attorney: Fraud Division, King County, Seattle, Washington	520 -- 607	88
08	Department of Justice, Attorney General: Civil Division, Seattle, Washington	608 -- 696	89
09	Metropolitan Denver District Attorneys' Consumer Office, Denver, Colorado	697 -- 790	94
10	District Attorney: Consumer Fraud/White Collar Crime Unit, San Francisco, California	791 -- 942	152
11	United States Postal Service, Fraud and Prohibited Mailings Division	943 -- 986	44
12	American Association of Retired Persons: National Consumer Assistance Center	987 -- 1007	21
13	Montgomery County Office of Consumer Affairs, Rockville, Maryland	1008 -- 1050	43
14	Governor's Office of Consumer Affairs, Atlanta, Georgia	1051 -- 1090	40
15	District Attorney: Consumer Fraud Section, Sacramento, California	1091 -- 1116	26
16	Attorney General: Economic Protection Division, Phoenix, Arizona	1117 -- 1139	23
17	Call For Action	1140 -- 1161	22
18	Federal Trade Commission	1162 -- 1194	33
Total Number of Cases			1,194



III. DESCRIPTIVE ANALYSIS



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As noted in the preceding chapter, we collected a heterogeneous range of consumer offenses that included the most frequently reported types of cases.

The Phase II data sources enjoy reputations for exemplary work in handling consumer problems. Each agency addresses the achievement of consumer redress in a similar fashion, that is, when a consumer files a complaint, someone in the agency contacts the merchant to collect data from the opposition, then attempts to settle the differences between the two parties and bring the dispute to a mutually satisfactory conclusion. Each agency also uses some variation on the basic procedure, adopted primarily because of the nature of its staff and its operating budget. The Phase II data were gathered mainly from intake forms used by all agencies and any supporting documents attached to this form.*

The following features characterize the Phase II data pool:

1. All of the cases were closed so we could learn as much as possible about each complaint;
2. Sources represented local (8), state (6), and national (4) consumer agencies or consumer affairs sections of a law enforcement organization;
3. All the consumer complaints were consumer rather than agency initiated; and
4. Most of the agencies that supplied cases represented the public sector.

In the Phase I document, we reported on a list of 24 descriptive dimensions that contained a total of 157 categories as being potentially useful for communicating findings from this study. Although these descriptions did not appear promising as bases for a process-oriented typology, if we could collect data on them, the results might be interesting when examined with the patterns of consumer offenses. The outcomes

*These forms are not standardized; each agency's form determined the nature and amount of data we could collect on each case, depending on the completeness of the information.

of the Phase I data analysis suggested that many of the well-understood descriptors could not be documented because agencies did not collect certain types of information--for example, on consumer characteristics. Despite such indications, we decided not to drop any of the descriptive dimensions and to try our luck; we collected as much data about the descriptors as we could.

The findings are highlighted below:

- Almost one-quarter of the cases relate to home products or services;
- Almost one-fifth of the cases deal with automotive grievances;
- The data base contains more complaints from males than from females;
- The vast majority of merchants cited in the complaints were solvent and available for contact;
- Typically, the key actors in the transactions were the merchant and the consumer--no other parties were involved;
- More than one-third of the time, the initial contact between the merchant and the consumer occurred at the merchant's business. The second most frequently reported contact was by mail.
- In descending order of frequency, consumers complained about the merchant's failure to deliver a product or service, receipt of "poor quality" products or services, and the merchant's misrepresentation of benefits derived from the purchase;
- Slightly less than 50 percent of the merchants reportedly relied on oral representations as the primary medium of communication. The use of periodicals ranked a low second;

- Transactions most often involved dollar amounts up to \$100;
- Almost 50 percent of the complainants sought a refund from the merchant. About half that number sought performance guaranteed by the merchant. One-fifth of the consumers complained because they desired an investigation for the public good;
- Most agencies' actions involved non-litigated resolutions. In about one-fifth of the complaints, the agencies merely conducted investigations. Ten percent of the cases were referred to another agency;
- About 45 percent of the complaints were not settled by the agency receiving the complaint. In about 40 percent of the cases, administrative consent orders were issued;
- Other outcomes of agency action suggested a negative prospect for the consumer. Findings show that most merchants do not discontinue the alleged offensive activity; few merchants took corrective action such as refunding payment.

For some of these descriptive variables, the data were simply unavailable. It appears that certain types of data, especially consumer and merchant characteristics, are not routinely collected. Data were missing or unknown in sufficient proportions on the following variables to render these descriptors unprofitable for our current use:

<u>Descriptor</u>	<u>Missing Data</u>
• Consumer's age	85%
• Consumer's occupational status	87%
• Consumer's residence	28%
• Number of other complaints filed against merchant	49%
• Public loss	68%

The frequency distributions for each of the descriptive variables appear on the following pages. These dimensions will also be treated in Chapter V, Profiles of Consumer Fraud, when the descriptive data for each profile will be described from both a process and a descriptive perspective.

Table 4. Frequency Distributions by All Variables

Frequency Percent		Frequency Percent	
TYPE OF PRODUCT OR SERVICE INVOLVED		IS MERCHANT AVAILABLE FOR CONTACT?	
OTHER	5 .	NOT APPLICABLE	1 .
MISSING	1 .	UNKNOWN	81 .
UNKNOWN	7 0.613	YES, EASILY	669 62.817
ALTCARBILES AND OTHER VEHICLES	73 6.398	YES, WITH DIFFICULTY	197 18.498
AUTOMOTIVE PRODUCTS AND SUPPLIES	41 3.593	NO	199 18.685
BOOKS, RECORDINGS, AND PERIODICALS	64 5.609	NUMBER OF COMPLAINTS FILED	
FOOD, PERSONAL CARE, AND RELATED ITEMS	66 5.784	UNKNOWN	560 .
GARDEN PRODUCTS AND PLANTS	18 1.578	ZERO	130 22.147
HEALTH PRODUCTS AND DRUGS	16 1.402	LESS THAN FIVE	184 31.346
HOME FURNISHINGS AND APPLIANCES	155 13.585	5-10	106 18.058
JEWELRY, WATCHES, COINS, STAMPS ETC	56 4.908	ELEVEN OR MORE	167 28.450
CLUTCH REC GOODS, TOYS, MUS INSTR	35 3.067	OTHER INVOLVED PARTIES	
WEARING APPAREL	48 4.207	UNKNOWN	26 2.267
LAND/REAL ESTATE	28 2.454	MANUFACTURER	73 6.364
APPLIANCE AND EQUIPMENT REPAIRS	57 4.996	SELLER	51 4.446
ALTCARBILE OR OTHER VEHICLE RELATED	96 8.414	LENDER	7 0.610
BUSINESS OPPORTUNITIES	41 3.593	HOLDER	17 1.482
EDUCATIONAL	17 1.490	NO OTHERS INVOLVED	921 80.296
EMPLOYMENT	12 1.052	ADVERTISER	16 1.395
FINANCIAL, INCLUDING LOANS	19 1.665	SERVICE AGENCIES	26 2.267
HOUSE RELATED	119 10.429	SUB OR PRIME CONTRACTORS	10 0.872
CLOSING AGENT	9 0.789	INITIAL CONTACT BETWEEN MERCHANT AND CONSUMER	
MOVING AND STORAGE	7 0.613	NOT APPLICABLE	2 .
PHOTOGRAPHIC	19 1.665	UNKNOWN	225 19.651
PUBLISHING AND MARKETING	12 1.052	MAIL	231 20.175
SELF-IMPROVEMENT	59 5.171	TELEPHONE	82 7.162
SHIPPING AND TRAVEL	23 2.016	C'S HOME	99 8.646
YARD RELATED	5 0.438	M'S PLACE OF BUSINESS	423 36.943
CARE SERVICES: BABY-SIT, HOUSE-SIT	5 0.438	PLACE OF OTHER PARTY	30 2.620
CHARITY	1 0.088	SOME OTHER LOCATION	32 2.795
CONTEST	7 0.613	NO CONSUMER INVOLVED	23 2.009
COLLECTION AGENCY OR OTHER HOLDER	6 0.526	NATURE OF COMPLAINT	
CREDIT REPORTING AGENCY	2 0.175	OTHER-SPECIFY	15 .
ANIMAL RELATED	7 0.613	UNKNOWN	2 .
RECREATIONAL/ENTERTAINMENT SERV/PROD	11 0.964	DECEPTIVE PRICING	58 5.133
CONSUMER'S AGE		PRODUCTS SERVICES UNAVAILABLE	76 6.726
NOT APPLICABLE	20 .	MISREPRESENTATION AS TO WARRANTIES	21 1.858
UNKNOWN	960 .	MISREPRESENTS BENEFITS FROM PURCHASE	136 12.035
TEENAGER OR ADULT	135 80.838	FAILURE TO DELIVER	266 23.540
SENIOR CITIZEN	32 19.162	POOR QUALITY PRODUCTS OR SERVICES	178 15.752
CONSUMER'S OCCUPATIONAL STATUS		DIFFERENT PRODUCTS DELIVERED	57 5.044
NOT APPLICABLE	1 .	CHARGING HIDDEN COSTS	83 7.345
UNKNOWN	997 .	REFUSAL TO HONOR WARRANTY	51 4.513
UNEMPLOYED	34 22.819	UNDELY DELAY WITH REPAIRS	19 1.681
PART-TIME	10 6.711	PERFORMING UNAUTHORIZED REPAIRS	30 2.655
FULL-TIME	84 56.376	FAILURE TO GIVE AGREED REFUND ETC	97 8.584
RETIRED	21 14.094	COLLECTION OR HARASSMENT PROBLEM	31 2.743
CONSUMER'S SEX		RECEIVING UNSOLICITED MERCHANDISE	9 0.796
UNKNOWN	96 .	APPEARANCE OF ILLEGAL DEALINGS	5 0.442
FEMALE	453 43.102	SUGGESTING UNNECESSARY REPAIRS	2 0.177
MALE	501 47.669	MISHAP WITH MERCHANDISE SURRENDERED	2 0.177
COUPLE	88 8.373	FAILURE TO DELIVER AND POOR QUALITY	5 0.442
GROUP	9 0.856	MISREPRESENTS OWN AFFILIATIONS	4 0.354
CONSUMER'S RESIDENCE		PRIMARY MEDIUM USED TO PERPETRATE	
NOT APPLICABLE	1 .	UNKNOWN	165 14.385
UNKNOWN	319 .	LABELING, PACKAGING	60 5.231
URBAN	581 70.254	MAIL	94 8.195
SUBURBAN	178 21.524	PAMPHLETS, CIRCULARS	44 3.836
RURAL	68 8.222	PERIODICALS	195 17.001
IS MERCHANT SOLVENT?		YELLOW PAGES	8 0.697
UNKNOWN	166 .	TV, RADIO	28 2.441
YES, SOLVENT	886 90.316	DEFECTIVE PERFORMANCE OF PRODUCT	9 0.785
NOT SOLVENT	95 9.684	WRITTEN GUARANTEE	17 1.482
		ORAL REPRESENTATIONS	476 41.500
		TELEPHONE	51 4.446

Table 4. (continued)

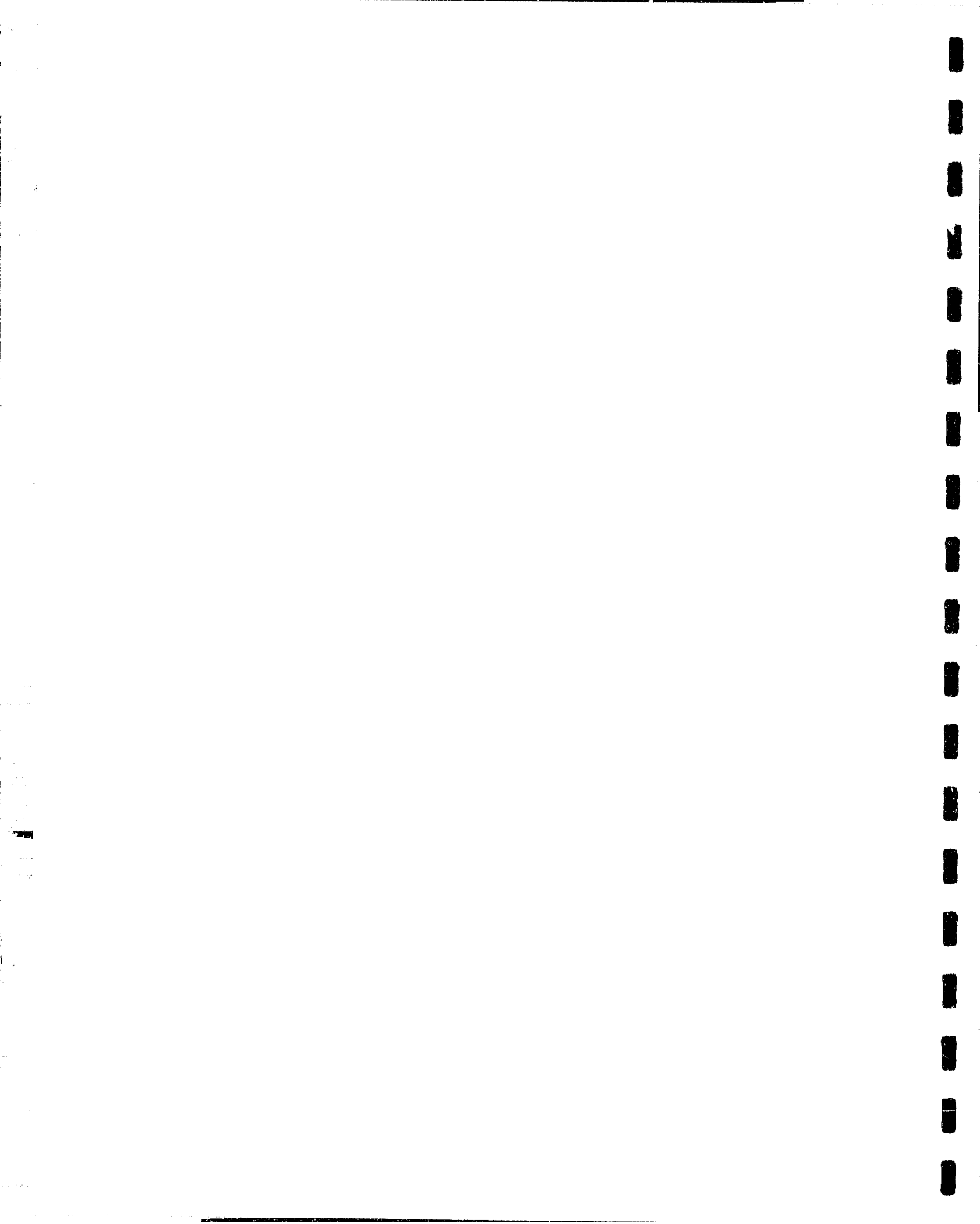
Frequency		Percent	Frequency		Percent
DOLLARS INVOLVED IN TRANSACTION			RELIEF SOUGHT		
NOT APPLICABLE	10	.	OTHER	86	.
OTHER	2	.	UNKNOWN	34	3.205
UNKNCWN	141	12.423	NONE	3	0.283
ZERO	60	5.286	ADVICE ONLY	22	2.074
UNDER \$5	66	5.815	PERFORMANCE AS PROMISED	230	21.678
\$5-20	154	13.568	EXCHANGE	30	2.828
\$20-100	250	22.026	REFUND	460	43.355
\$100-500	241	21.233	MONEY TO COVER LOSSES	42	3.959
\$500-2,000	143	12.599	INVESTIGATION FOR PUBLIC	189	17.813
\$2,000-10,000	70	6.167	NO INDIVIDUAL COMPLAINT	14	1.320
\$10,000-50,000	10	0.881	PERFORMANCE AND REFUND	37	3.487
PUBLIC LOSS DUE TO OVERALL SCHEME			PRIMARY OR SECONDARY AGENCY		
NOT APPLICABLE	2	.	UNKNOWN	5	0.436
UNKNOWN	781	68.210	PRIMARY	993	86.574
ZERO	26	2.271	SECONDARY	149	12.990
UNDER \$100	4	0.349	ACTION TAKEN BY AGENCY		
\$100-1,000	8	0.699	NOT APPLICABLE	1	.
\$1,000-5,000	9	0.786	OTHER	8	.
\$5,000-25,000	10	0.873	UNKNOWN	17	1.494
\$25,000-100,000	1	0.087	JUST ADVICE TO C	70	6.151
\$100,000-\$500,00	19	1.659	JUST INVESTIGATION	211	18.541
OVER \$500,000	10	0.873	INVESTIGATION FOR REFERRAL	98	8.612
UNCLEAR IF SCHEME INVOLVED	277	24.192	JUST REFERRAL	125	10.984
AGENCY RECEIVING COMPLAINT			NON LITIGATED RESOLUTION	452	39.719
OTHER	6	.	FORMAL CIVIL PROCEEDINGS	42	3.691
MISSING	2	.	FORMAL CRIMINAL PROCEEDINGS	50	4.394
FTC	37	3.248	ACTION PENDING IN AGENCY	17	1.494
US POSTAL SERVICE	49	4.302	NOTHING	45	3.954
ATTORNEY GENERAL	282	24.759	INVESTIGATION AND ADVICE	11	0.967
STATE CONSUMER AFFAIRS	116	10.184	RESULTS OF ACTION		
DISTRICT ATTORNEY OR EQUIVALENT	413	36.260	NOT APPLICABLE	17	.
LOCAL CONSUMER AFFAIRS	216	18.964	OTHER	4	.
AARP	6	0.527	UNKNOWN	82	.
CALL FOR ACTION	20	1.756	NONE IN AGENCY	484	46.360
SOURCE OF COMPLAINT - CONSUMER			ADMINISTRATIVE CONSENT ORDER	424	40.613
NOT APPLICABLE	1	.	ADMINISTRATIVE ORDER	9	0.862
OTHER	6	.	CIVIL SETTLEMENT	59	5.651
UNKNOWN	13	.	CIVIL JUDGMENT	15	1.437
ONE CONSUMER	996	88.376	CRIMINAL GUILTY PLEA	53	5.077
SEVERAL	87	7.720	CESSATION ACTIVITY		
ANOTHER MERCHANT	7	0.621	NOT APPLICABLE	13	.
ANOTHER AGENCY	37	3.283	UNKNCWN	239	.
SOURCE OF COMPLAINT - ANOTHER AGENCY			YES	153	17.095
NOT APPLICABLE	978	.	NO	742	82.905
OTHER	24	.	TAKING OF SOME CORRECTIVE ACTION		
UNKNOWN	17	.	NOT APPLICABLE	13	.
US ATTORNEY	1	0.781	UNKNCWN	143	.
FTC	2	1.563	YES	389	39.253
US POSTAL SERVICE	5	3.906	NO	602	60.747
STATE ATTORNEY GENERAL	12	9.375	RESTITUTION OR REFUND		
STATE CONSUMER AFFAIRS	22	17.188	NOT APPLICABLE	14	.
LOCAL DA	14	10.938	UNKNOWN	147	.
LOCAL CONSUMER AFFAIRS	16	12.500	YES	312	31.643
LOCAL POLICE DEPT	6	4.688	NO	674	68.357
BBB	21	16.406			
CHAMBER OF COMMERCE	5	3.906			
STATE LICENSING BC	8	6.250			
BUREAU OF WEIGHTS AND MEASURES	11	8.594			
ACTION LINE	5	3.906			

Table 4. (continued)

Frequency Percent			Frequency Percent		
PAYMENT TO COVER CONSEQUENTIAL LOSSES			CLAIMS FOR CONSUMER'S SELF-IMPROVEMENT?		
NOT APPLICABLE	14	.	UNKNOWN	9	0.785
UNKNCWN	164	.	SPECIAL LESSONS OR TRAINING	24	2.092
YES	41	4.231	PUBLICATION AND MARKETING SERVICES	7	0.610
NO	928	95.769	PHYSICAL FITNESS OR DIETING PROGRAMS	20	1.744
COSTS INCURRED BY AGENCY			WHO'S WHO OR TALENT PROMOTIONS	2	0.174
NOT APPLICABLE	13	.	EDUCATION OR EMPLOYMENT	20	1.744
UNKNCWN	271	.	COSMETIC OR HEALTH ITEMS	17	1.482
YES	53	6.141	DATING SERVICE	5	0.436
NO	810	93.859	NO	1043	90.933
IMPRISONMENT			CLAIMS OF UNIQUE FEATURES?		
NOT APPLICABLE	13	.	UNKNOWN	206	17.960
UNKNCWN	137	.	PRODUCTS UNAVAILABLE AT RETAIL	23	2.005
YES	23	2.307	ITEM ONE MAY NOT EXPECT TO ACCESS	25	2.180
NO	974	97.693	GIMMICK	16	1.395
PROBATION OR SUSPENDED SENTENCE			NO	877	76.460
NOT APPLICABLE	13	.	CLAIMS OF SUBSTANTIAL SAVINGS?		
UNKNCWN	136	.	UNKNOWN	257	22.406
YES	27	2.705	WINNING A PRIZE	41	3.575
NO	971	97.295	APPEARS TO BE A GOOD VALUE	168	14.647
SENTENCE OR JUDGMENT PENDING			PERSONAL LOANS W/C SECURITIES	3	0.262
NOT APPLICABLE	13	.	NO	678	59.111
UNKNCWN	135	.	IMPLIED OR EXPRESS WARRANTY?		
YES	12	1.201	UNKNOWN	70	6.103
NO	987	98.799	EXPRESS FOR PRODUCT	467	40.715
RELIEF OBTAINED			IMPLIED DUE TO ADVERTISE PRCD ETC	347	30.253
NOT APPLICABLE	1	.	IMPLIED DUE TO LABEL CLAIMS	17	1.482
OTHER	4	.	EXPRESS FOR DELIVERY	60	5.231
UNKNOWN	222	19.440	EXPRESS FOR DEL AND PRCD	4	0.349
NONE	161	14.098	EXPRESS (DEL) IMPLIED (PRCD)	4	0.349
ADVICE ONLY	83	7.268	NO	178	15.519
PERFORMANCE AS PROMISED	123	10.771	OFFER INCLUDE		
EXCHANGE	23	2.014	OR IMPLY TIME PRESSURE?		
REFUND	265	23.205	UNKNOWN	226	19.704
MONEY TO COVER LOSSES	12	1.051	PURCHASE IMHED FOR 'GOOD' OFFER	43	3.749
INVESTIGATION FOR PUBLIC	126	11.033	HOLIDAY OPPORTUNITY	10	0.872
NO INDIVIDUAL COMPLAINT	14	1.226	EMERGENCY SITUATION	32	2.790
CASE PENDING	52	4.553	SPECIAL EVENT; VACATION PKG	6	0.523
PERFORMANCE AND REFUND	5	0.436	EMPLOYMENT OR APT LISTINGS	4	0.349
REFUND AND INVESTIGATION	10	0.876	AVAILABLE IN LIMITED QUANTITIES	9	0.785
BILLING ADJUSTMENTS	29	2.539	NO	817	71.229
STOP HARASSMENT	2	0.175	MERCHANT SUGGEST ADDITIONAL PRODUCT?		
RELEASE FROM CONTRACT (REFUND)	14	1.226	UNKNOWN	64	5.580
RETURN OF MERCHANDISE SURRENDERED	1	0.088	DIFFERING FROM ORIGINAL ITEM	46	4.010
OFFER FOR BUSINESS OR INVESTMENT?			EXTENSION OF ORIGINAL IDEA	55	4.795
UNKNOWN	4	0.349	DIFFERENT DUE TO M'S DIFFICULTIES	20	1.744
YES: OPERATING FRANCHISE	19	1.656	NO	962	83.671
YES: WORKING AT HOME	14	1.221			
INVEST IN ITEM THAT MAY APPRECIATE	31	2.703			
RETIREMENT PROPERTY	4	0.349			
SALES POSITIONS	6	0.523			
UNSOLICITED MERCHANDISE; NO INDUCE	15	1.308			
NO	1054	91.892			

Table 4. (continued)

Frequency		Percent	Frequency		Percent
OBLIGATION OR AGREEMENT			MERCHANT RESPONSE		
NOT APPLICABLE	1	.	UNKNOWN	106	9.241
PAY AT TIME OF POSSESSION	401	34.991	IGNORES	174	15.170
PAY FOR PART AT POSSESSION	42	3.665	SKIPS OUT	93	8.108
PREPAY FOR MAIL ORDER	186	16.230	BANKRUPTCY	23	2.005
PREPAY FOR OTHER PURCHASE	151	13.176	ARGUES PRODUCT CLAIMS	114	9.939
LONG TERM PERIODIC PAYMENTS	160	13.962	ARGUES PRICE CLAIMS	91	7.934
IMMEDIATE PAYMENT	24	2.094	DELAYS TAKING ACTION	141	12.293
MERCHANDISE SURRENDERED	47	4.101	DISCLAIMS KNOWLEDGE	49	4.272
THIRD PARTY	10	0.873	REFERS TO THIRD PARTY	20	1.744
DOWN PAYMENT OR DEPOSIT	61	5.323	TAKES CORRECTIVE ACTION	250	21.796
NO PURCHASE MADE	43	3.752	HARASSMENTS OR THREATS	11	0.959
BILLED LATER	21	1.832	ARGUES CONTRACT INTERPRETATION	25	2.180
			REFUSAL TO GIVE	20	1.744
			DENIES ADVERTISED CLAIMS	30	2.616
POSTPAYMENT					
NOT APPLICABLE	1	.			
RECEIPT OF UNSOLICITED ITEMS	16	1.396			
NONRECEIPT	373	32.548			
INFERIOR OR DEFECTIVE	329	28.709			
SUBSTITUTE RECEIVED	83	7.243			
VALUE WORTH SUBSTANTIALLY LESS	78	6.806			
FAILURE TO GIVE REFUND	7	0.611			
LOAN TRANSACTION	5	0.436			
CREDIT OR INSTALLMENT	9	0.785			
BASE PRICE INACCURATE	39	3.403			
EXTRA SERVICE OR PRODUCTS	24	2.094			
EXTRA FEES	68	5.934			
LARGER OR DIFFERENT INVESTMENT	68	5.934			
C WANTS TO CANCEL	46	4.014			



IV. ANALYSIS OF THE DATA



IV. ANALYSIS OF THE DATA

A. The Preliminary Results

Before the 1,194 cases were entered on a computer file, each form was examined for 1) missing data, 2) entries recorded under "other - specify," and 3) items left blank by a coder. The "other - specify" entries were tabulated and reviewed. Some of the responses were assigned codes from the data acquisition guide; if necessary, new codes were created. The outcome was that seven of the 40 variables contained "other" entries.

We created a data set consisting of 1,194 cases, each described by their position on 40 variables.

We first tested the three typological schemes by putting all 1,194 cases through each system (thematic, transactional, and network). The three schemes were individually defined by selected combinations of variables. The results of applying the three schemes to the data base are summarized below:

1. Thematic. The findings were disappointing. Only 434 (36%) of the cases were uniquely defined by one of the 15 themes. The remaining cases (7%) picked up by the scheme were double and triple combinations of themes. Four themes were unused. Nine themes contained less than 50 cases. Only two themes seemed to hold much promise. If this typological scheme were to supply the structure for our profiles of consumer fraud, major repairs would be necessary.
2. Transactional. The major problem with the transactional sequence was the coding. Some coders checked more than one inducement; these multiple inducements represented two-way (20%), three-way (7%), four-way (25%), and five-way (4%) combinations. When we allowed these multiple inducements to represent a unique inducement, it resulted in a possible 630 individual sequences of transactions between the merchant and the consumer. This volume of sequences was too great to be useful for the sample obtained.

Another problem surfaced. Many of the cases were lost to the approach because one of the critical elements of the transaction was missing. This finding surprised us because the transaction was the key determinant in selecting a case for the data base. The next step was to identify the case numbers with a missing element, review the complaint summary, and recode the missing data if possible.

3. Network. All the cases were processed through the network. The output was a frequency distribution by each question in the network. Approximately 75 percent of the 1,194 cases were "simple" transactions that involved a consumer purchase for which all or partial payment was made at the time of purchase and the outcome was some element of dissatisfaction (Q1-4 and Q7-10). No serious problems emerged with this outcome.

The one-way frequencies indicated many variables coded as unknowns or non-applicable for the thematic and transactional variables. The next step was to identify the specific cases characterized by the absence of an element in the merchant-consumer transaction. Upon re-examination of these cases, we grouped them into two piles: (1) those with no transaction that never should have been coded and (2) those where the coders failed to indicate the transactional element. We dropped the "no transaction" cases and recoded the inaccurately coded items into suitable categories.

This effort resulted in the creation of a "new" updated data set of 1,147 cases (47 were dropped) and a fresh start. The analysis of each of the three typological schemes, using the new data base of 1,147 cases, began again.

B. Thematic Approach

One approach taken in Phase I was to sort the set of consumer fraud examples into categories based on judgments of similarity. The principal basis for judgment was the similarity of merchant action; as a core pattern was identified, it was described in terms of its central theme, and cases that contained similar features were placed in that category.* The category labeled Emperor's Clothes, for example, contained examples in which

Consumer is led to believe that a paid-for product or service is being delivered when it is not. The lack of delivery is disguised by merchant assurances and superficial evidence.

The sorting process led to the identification of 15 such categories or themes. The set of 15 appeared sufficient, in the sense that they accommodated 372 of the 383 examples that had been collected.

The principal advantages of an approach of this type are its simplicity and communication value. Fifteen is a manageable number; if all consumer fraud events could be described by 15 themes, then the task of designing interventions would seem feasible. And the thematic descriptions are appealing for purposes of communicating. They use ordinary language and convey an impression of reality; the reader recognizes real-world events in the descriptions.

But the Phase I report also identified some potential weaknesses in the approach. It was noted that many events are not "pure cases"; most contain elements of more than one theme. The assignment of an event to a category will often require a subjective judgment as to which element is predominant, and judges would certainly differ in their assignments. An additional problem with any set of thematic categories is the temptation to "force" any event into some category, even though none seems adequate as a description. To be truly useful as a typological framework, it must be demonstrated that most events can be assigned unambiguously to one thematic category. The Phase II analysis was therefore designed to test the adequacy of the 15 themes as a framework for encompassing consumer fraud events.

* The 15 thematic definitions appear as Appendix C.

The first task was to define each theme as an explicit set of codes in the computer file of consumer fraud events. This is a straightforward matter involving nothing more complex than identifying the items on the case report that correspond to the elements of a particular theme. In the Emperor's Clothes theme described above, there are three essential elements. The consumer has (1) paid for a product or service, (2) which is not received, and (3) the merchant takes some action to disguise the nondelivery. There are four items in the case file that describe these elements, as follows.

1. prepayment is indicated by a code of 03 or 04 in columns 63 and 64;
2. nondelivery is indicated by either a code of 05 in columns 20 and 21 or by a code of 11 in columns 65 and 66;
3. merchant delay tactics is indicated by a code of 04 or 06 in columns 67 and 68.

The computer was instructed to assign any case that contained these codes to the category Emperor's Clothes.

Each of the 15 themes was represented by an explicit instruction of the above type. If a case satisfied more than one set of instructions, it was assigned to more than one theme. If it satisfied none of the sets of instructions, it remained as an unassigned case. The system therefore avoids the two problems associated with the use of a human judge: cases can be assigned to more than one category, and no case is forced into a category that does not fit.

Of the 1,147 cases available for classification, 473 (41%) were assigned to one of 11 unique categories. These "pure cases" are shown in Table 5.

Table 5. Frequency of Unique Classifications

Theme	Frequency	Percent of Total
Dust Off	179	16
Slipshod	100	9
Vigorish	45	4
Guided Lily	40	4
Brooklyn	31	3
Entrapment	27	2
Cold Shoulder	26	2
Emperor's Clothes	12	1
Bargain Hunter	8	*
Rollover	4	*
Trusty Label	1	*
	473	41

* Percent of cases between 0 and 1.

As is evident from the table, only 11 of the 15 themes were assigned cases. Four themes--Come-And-Get-It, Squeeze, The Other Guy, and Credit Violations--are not represented. This does not mean that our sample contained no instances of credit violation; it means that no case fit the explicit definition of the Credit Violation theme.

In addition to these 473 uniquely assigned cases, 93 more (8%) were assigned to more than one category. These multiple assignments are shown in Table 6. Thus, a total of 566 cases (49%) were

Table 6. Frequency of Multiple Classifications

Themes	Frequency	Percent of Total
Dust Off/Guided Lily	37	3
Emperor's Clothes/Slipshod	22	2
Entrapment/Vigorish	9	1
Rollover/Slipshod	5	*
Cold Shoulder/Slipshod	5	*
Emperor's Clothes/Rollover	4	*
Emperor's Clothes/Dust Off	4	*
Emperor's Clothes/Rollover/Slipshod	2	*
Cold Shoulder/Dust Off	2	*
Emperor's Clothes/Rollover/Brooklyn	1	*
Cold Shoulder/Rollover	1	*
Cold Shoulder/Rollover/Slipshod	1	*
	93	8

* Percent of cases between 0 and 1.

classified as consistent with one or more themes, while 581 cases (51%) were not accommodated by the system. It seems clear that the thematic approach, as currently formulated, does not provide an adequate framework.

C. Transactional Sequence

This approach attempts to develop a classification scheme around a prototypic transaction between the merchant and the consumer. These transactional sequences are viewed as containing the following three components:

- a. Inducement: refers to the appeal or the attraction offered by the merchant that led to the consumer's interest;
- b. Obligation: refers to the action taken by the consumer that demonstrates a commitment. The consumer has been won over and is willing to proceed further in the transaction;
- c. Outcome: refers to the final events that, from the consumer's viewpoint, identify the major grievance in the transaction;

For some cases, a fourth component was necessary to accommodate transactions in which the merchant intervened between the obligation and the outcome. Such actions are defined as:

Intermediate activities: refers to actions by the merchant to introduce something that is not congruent with the original agreement;

We dropped this component from the cross-tabulation because the majority of our cases were very simple; the addition of this descriptor to assimilate a few cases created too many cells to be useful. Therefore, the analysis occurred at the next level of generality.

In Phase I, a classification scheme was developed from a sample of case histories.* The frequency distributions for the Phase I cases are shown on the next page.

* A detailed description of this classification scheme appears in Appendix D.

Table 7. Summary of Frequencies by Subcategory: Phase I

Category		Number	Percent of Total	Abbreviated Description
I. INDUCEMENT (n = 334)	A	34	10	Business opportunity
	B	49	15	Self-improvement
	C	85	25	Substantial savings
	D	36	11	Unique features
	E	40	12	Timeliness of offer
	F	90	27	Warranty; guarantees
II. OBLIGATION (n = 334)	A	140	42	Pays all or part at time of purchase
	B	86	26	Prepays mail order prior to delivery
	C	108	32	Signs agreement with merchant
III. INTERMEDIATE ACTIVITIES (n = 210)	A	63	30	M suggests additional product/services
	B	111	53	M non-interaction with C
	C	19	9	M adds undisclosed charges
	D	10	5	C signs contract involving third party
	E	7	3	C decides to cancel
IV. OUTCOME (n = 334)	A	116	35	Non/partial receipt of merchandise
	B	49	15	Large and different consumer investment required
	C	168	51	Product/services do not correspond to what expected

The cross-tabulation of Inducement x Obligation x Outcome for the 334 cases in Phase I are shown in Table 8; the five circled entries show the five most common patterns which accounted for 40 percent of the Phase I cases.

Table 8. Cross-Tabulation of Transactional Sequence: Phase I

I. INDUCEMENT	A	B	C	D	E	F	Total	Percent of Total
	A B C	A B C	A B C	A B C	A B C	A B C		
II. OBLIGATION	A B C	A B C	A B C	A B C	A B C	A B C		
III. OUTCOME								
A	2 8 7	7 3 4	5 (21) 5	2 (23) 1	13 2 1	3 3 7	117	35
B	0 4 4	2 1 11	6 1 10	0 0 0	0 1 3	4 0 2	49	15
C	1 0 8	8 4 9	(20) 8 9	3 6 1	15 0 5	(49) 2 (20)	168	50
Totals	3 12 19	17 8 24	31 30 24	5 29 2	28 3 9	56 5 29	334	100

We followed the same analytic procedure in Phase II. Table 9 shows a summary of the frequencies by subcategory. The category added in Phase II, "combination inducements", accounts for cases where consumers reported more than one reason for engaging in the transaction.

Table 9. One Way Frequencies for Transactional Sequence Components

	Frequency	Percent
SINGLE INDUCEMENT		
Warrant	639	56
Pressure	15	1
Uniqueness	18	1.5
Savings	53	5
Self Improvement	52	5
Business Opportunity	42	4
No Inducement—Unsolicited Merchandise	15	1
COMBINATION INDUCEMENTS *		
Warrant plus other inducement	259	31
Pressure	85	7
Uniqueness	46	4
Savings	156	14
Self Improvement	44	4
Business Opportunity	32	3
AGREEMENT		
Pay all/part of merchandise at time of possession	442	39
Prepay before delivery	337	30
Long term—usually contract	302	27
Billed later	21	2
No purchase	43	4
Not applicable	1	0
OUTCOME		
Non receipt	373	32
Merchant adds additional fees, charges, etc.	189	17
Defective product/service or different than expected	530	47
Merchant refuses refund	7	.07
Consumer wants to cancel	46	4
Not applicable	1	0

* A case with a combination inducement is counted as many times as the inducement appears.

The identical cross-tabulation was made on the Phase II data base. Because the Phase II data collection permitted more than one inducement to be recorded (as a substantial savings with an express warranty), some cases appear more than once in the cross-tabulation; Table 10 is based on 1,306 transactional sequences derived from the 1,147 cases.

Table 10. Phase II Cross-Tabulations in Transactional Sequence

I. INDUCEMENT	A	B	C	D	E	F			Total	Percent of Total
	A B C	A B C	A B C	A B C	A B C	A	B	C		
III. OUTCOME A	- 19 5	3 26 2	14(36)15	- (27) 2	7 14 7	(46)	(156)	(79)	458	35
B	- 9 8	- 3 10	20 9 9	- 1 2	10 2 5	(47)	19	(55)	209	16
C	13 7 6	16 12 6	(47)17 15	12 11 4	26 6 13	(272)	(67)	(89)	639	49
Totals	13 35 19	19 41 18	81 62 39	12 39 8	43 22 25	365	242	223	1306	100

In Table 10, the circled entries consist of the nine patterns which appeared most frequently in Phase II (each accounting for 4% or more of the cases) and two patterns which were frequent in Phase I but less common in Phase II. Table 11 lists these 11 patterns in order of their Phase II frequency.

Table 11. Highest Combinations of Sequences

Combination	Inducement	Obligation	Outcome	Explanation (in order of three components)	Number		Percent	
					Phase		Phase	
					I	II	I	II
F	A	C		Warrant, Paid all/part, Not correspond to expectations	49	272	15	21
F	B	A		Warrant, Prepaid, No receipt	3	156	1	12
F	C	C		Warrant, Long term, Not correspond to expectations	20	89	6	7
F	C	A		Warrant, Long term, No receipt	7	79	2	6
F	B	C		Warrant, Prepaid, Not correspond to expectations	2	67	1	5
F	C	B		Warrant, Long term, Extra charges	2	55	1	4
F	A	B		Warrant, Paid all/part, Extra charges	4	49	1	4
C	A	C		Savings, Paid all/part, Not correspond to expectations	20	47	6	4
F	A	A		Warrant, Paid all/part, No receipt	3	46	1	4
C	B	A		Savings, Prepaid, No receipt	21	36	6	3
D	B	A		Unique, Prepaid, No receipt	23	27	7	2

It is obvious from Table 11 that the major difference between the phases is the predominance of warranty among the Phase II cases. The eight patterns involving warranty are more frequent in Phase II; the three which do not involve warranty show decreases of 2 to 5 percent. With this exception, the data from the two phases are in essential agreement; the correlation between Tables 8 and 10 is .74. The dominance of warranty as a factor raises questions about the nature of warranty as an inducement. Why does warranty appear so frequently? We propose two reasons:

- a. the scarcity of other reported allures or temptations to enter into the business transaction; and
- b. the assumption by the consumer that an honest transaction will occur.

The strong emergence of warranty as an inducement really suggests the absence of a specific inducement, which leads us to the notion that most merchant/consumer transactions begin as "normal" business procedures that turn sour, resulting in a consumer grievance. The principal motivating factor that leads the consumer to the merchant is internal rather than external. A real or perceived consumer need provides the stimulus for the transaction rather than an overt merchant behavior. Perhaps warranty should not be considered in the same context as other subcategories of inducement. There is a qualitative difference between a purchase based on the opportunity to save money or to buy a business franchise and one based on the existence of either an implied or express warranty. Among the highest combinations of sequences in the Phase I data, warranty accounted for 28 percent of the cases; in Phase II, the comparable representation was 63 percent. If we consider warranty as an inappropriate inducement, the character of the patterns introduced by warranty changes and consumers purchasing merchandise . . . because of . . . an implied or express warranty does not accurately represent the transaction. Consumers were not swayed in their purchases by the notion or the existence of a warranty.

The dominance of warranty led to an examination of the other two transactional components--obligation and outcome. The table on the next page illustrates the findings from this perspective and highlights the most prominent pairs.

Table 12. Cross-Tabulation of Agreement and Outcome Variables

Agreement	Outcome			Total
	A	B	C	
A	70	77	386	533
B	278	43	120	441
C	110	89	133	332
Total	458	209	639	1,306

The most frequently occurring pair is AC, which accounted for 30 percent of the Phase II cases. In this pattern, the consumer paid for all or part of the merchandise or service at the time of purchase, yet the outcome did not correspond to what was expected. Several reasons may explain what happened: a) the product or service was inferior or defective; b) a substitute item replaced the original purchase; or c) the value of the service or product was worth substantially less than the cost. Often, there is inconclusive evidence indicating that these outcomes should be attributed to the merchant. Whether or not the value of a product or service was worth less than the cost may simply be the consumer's opinion; the files contain no evidence about the reasonableness of this statement. It isn't clear that such a consumer complaint was justified; it is clear that some consumers were dissatisfied. Evidence suggesting merchant responsibility for defective items or substitutions for the original purchase is easier to acquire. However, the merchant responses to the outcome may shed some light on the attribution issue. In approximately 25 percent of the 386 cases, the merchant took corrective action upon hearing about the complaint. But in 60 percent of the 386 cases, the merchant hassled the consumer by such behaviors as ignoring the consumer's inquiry about the outcome, arguing about price or product claim, and disclaiming knowledge about the outcome.

The BA combination appeared three times among the most popular sequences and represented 19 percent of the Phase II data. This pair informs us that the consumer prepaid for merchandise or a service prior to delivery but received only a portion or none of what he or she was supposed to receive.

There is no ambiguity about the consumer's role in this combination--if the consumer never received the purchase to which he or she was entitled, someone else must be responsible for the outcome. Merchant response to this grievance doesn't offer much hope of consumer recovery for the loss. In 75 percent of the 278 cases, the merchant indicated little or no interest in addressing the consumer's problem by using numerous avoidance techniques--ignoring an attempted contact by the consumer, if the merchant was still in town. Frequently, the merchant skipped out. In approximately 18 percent of the cases, the merchant responded with some form of corrective action.

The next most frequently reported obligation/outcome combination is CC (7% in Phase II) in which the consumer agrees to a long-term arrangement with the merchant which may involve periodic payments, an immediate payment plus some non-financial personal investment. The outcome was that the merchandise or service did not correspond to the consumer's expectations, for the same reasons stated above. We can also repeat the attribution statements associated with this outcome made above.

Merchant response to this obligation/outcome combination bears a strong resemblance to the merchant response associated with the other two combinations. It is negative in the sense that the merchant is apparently unwilling to convert a dissatisfied consumer to a satisfied consumer. The same avoidance techniques specified above account for 60 percent of the 133 cases represented by this combination. Some merchants did respond positively to consumer grievances, as shown in 23 percent of these cases. Aggregation of these three pairs of components accounts for a substantial portion of the Phase II cases.

Cluster Analysis

We selected a second analytic method to determine whether or not it was possible to create any new and different patterns from the basic set of transactional variables. If new patterns emerged, the next step was to examine them for variance in suggesting intervention strategies. In a cluster analysis, homogeneous subsets of cases are labeled in terms of their corresponding transactions. Data are summarized by referring to properties of clusters rather than to properties of individual objects.

This method contains both similarities and differences when compared to our initial approach of cross-tabulating the major components of the transactional sequence.

One major difference is the detail in which it treats the data by using ten variables rather than the three major components employed previously, since each of the types of inducements is treated separately. Another difference is the sorting procedure used to organize and interpret the data. In this method, computer algorithm is used to define clusters or sets of cases that are homogeneous in terms of the transactional sequences involved.* The process begins by identifying groups of cases that are very homogeneous (essentially identical) in terms of the particular transactional sequence they represent. Each set or cluster of cases is then represented by a single prototypic case for the next pass, which forms clusters of the sets or clusters that have already been defined; these second-order clusters are, naturally, somewhat less homogeneous. The program continues through successive passes, each time forming clusters of clusters found in previous passes. The final result is a hierarchy of clusters of cases; at any level in the hierarchy it is possible to list the set of cases belonging to each cluster, and to describe those aspects of their transactional sequences that are common to all cases within a cluster. Coincidental with the clustering of cases, the program also clusters the transactional variables, identifying particular patterns of transactions that correspond to clusters of cases.

The output of the cluster analysis is interpreted by seeking clusters of cases, associated with particular transactional sequences (determined from the patterns of the transaction variables associated with each cluster of cases). Since the clusters of cases are hierarchical, one can select many small and highly homogeneous clusters (low in the hierarchy), or a few large and less well-defined clusters (high in the

*The clustering algorithm employed was a two-way, direct block, amalgamative leader procedure, developed by Hartigan (1972, 1975). The program used was BMDP3M (revised April 1977), developed at the Health Sciences Computing Facility, UCLA (Dixon, 1975).

hierarchy). The cluster analysis generally locates some large homogeneous clusters near the start of the process, and these are immediately selected for interpretation. More divergent or unusual cases only collect into large clusters when the demand for homogeneity is relaxed. Thus, the result of the interpretation process will be some large and homogeneous clusters, and some moderate or large clusters that are less well-defined.

Thirty-four clusters within seven hierarchies appeared worthy of examination. The clusters represent the majority of the data base; a cluster may contain as few as 15 cases or as many as 492. Each cluster is characterized by key variables that uniquely define the cluster. The table below shows the frequency distributions by hierarchical cluster.

Table 13. Number of Cases Within Hierarchical Clusters

Type of Case	Cluster						
	First Pass	Third Pass	Fifth Pass	Seventh Pass	Ninth Pass	Eleventh Pass	Thirteenth Pass
INDUCEMENTS							
No Inducement	79	260	633	492	948	—	—
Business Opportunity				72			18
Self Improvement							
Savings				155		18	37
Unique							
Pressure							18
Additional Products					930	18	
Express Warrant	35	184	515	591	465		
Implied Warrant	44	93	118	722	483		19
OBLIGATION							
Pay All/Part or Long Term	67	219	425	742	930		
Prepayment or Down Payment	12	58	148	207	948	18	37
Merchandise Surrendered			60				19
No Purchase						18	
POST PAY							
Products Don't Correspond		189	402	775	948		19
Merchant Adds Extra Fee	43		201	742	948	18	19
Unsolicited Merchandise							
Non-receipt	36	58	208	849	948	18	37
Consumer Wants Cancel		30		539	930		
MERCHANT RESPONSE							
Merchant Ignores Contact	12	31	47	71	18		19
Merchant Skips Out			47				18
Bankruptcy							
Corrective Action	12	62	137	206	930	18	
Hard Time	55	184	449	681	930	18	
Total Cluster Groups	6	7	7	8	2	1	2

The variables within each cluster form distinct patterns of transactional sequences. The cluster illustrated below (7th pass N=25) is defined by: a business opportunity inducement; an obligation by the consumer of paying for all or part of the product at the time of purchase or entering into a long-term agreement; receipt of a product or service that doesn't correspond to what the consumer believed was purchased; during the course of the transaction, the merchant added additional fees; and when the consumer attempted to seek redress, he or she was hassled by the merchant.

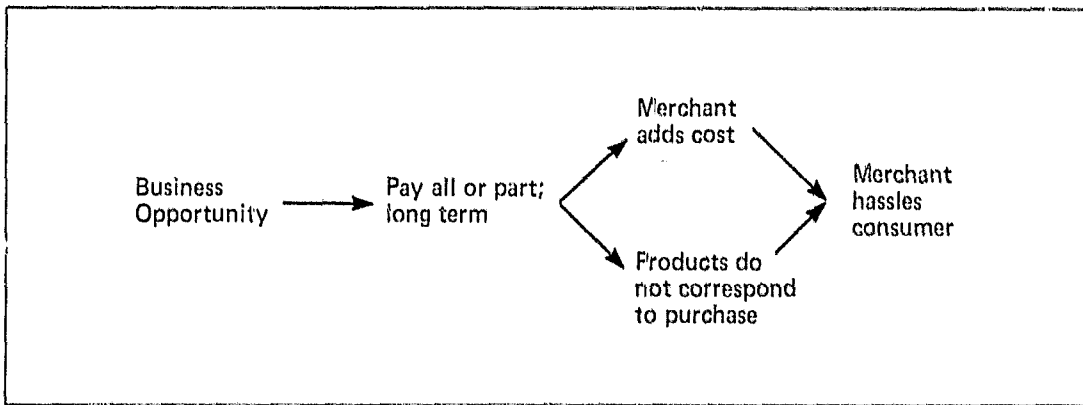


Figure 1. Schematic of Transactional Sequence Using Cluster Solution

Each of the clusters was illustrated in this manner. Our current findings suggest that the patterns produced by this method are quite similar to those of the cross-tabulation; there appears to be no additional help in using a cluster solution to identify opportunities for intervention strategies.

D. Network Analysis

The taxonomic method adopted by the network approach is analogous to a Linnaean system: several important attributes of each exemplar are measured, and exemplars with similar patterns of attribute values are sorted together. Theoretically, if attributes are demonstrated to be unimportant, or new significant attributes are discovered, each exemplar could be remeasured and reclassified. Historically, the two major problems with this approach to taxonomic development are first, the criterion of importance for an attribute, and second, the measurement or operationalization of measurement for the selected attributes.

In the current situation, the choice of attributes for each exemplar of consumer fraud cases was based on three principles: First, each attribute had to be formulated in such a way that it could be unambiguously measured; second, each attribute had to be (potentially) amenable to interventions; and third, each had to involve a decision that could be made by a consumer before, during, or after a transaction. The first principle excluded, for example, merchant's "intent" as a defining attribute of a case, since in most cases it is impossible to unambiguously measure. The second principle was an attempt to keep this taxonomy in touch with reality. It would be unproductive, for example, to classify cases according to type of product unless there were mechanisms or regulations that could be responsive to differential consumer complaints. The third principle again involves potential, future countermeasures. If the taxonomy could eventually be employed as a diagnostic or investigative tool, consumers should be capable of using the system in everyday transactions.

Consideration of these principles resulted in the generation of ten attributes of fraud cases that could serve as potential definers of taxonomic categories. Each of these attributes is formulated as a question with a yes or no answer. In addition, a flowchart was constructed that served two purposes: first, it sequenced the ten questions in such a way as to minimize the redundancies and eliminate unnecessary questions; and second, the pattern of answers could themselves be grouped in a taxonomy. This grouping might indicate recurring patterns of cases. Figure 2 presents the organized network of questions that was used to analyze the set of cases.

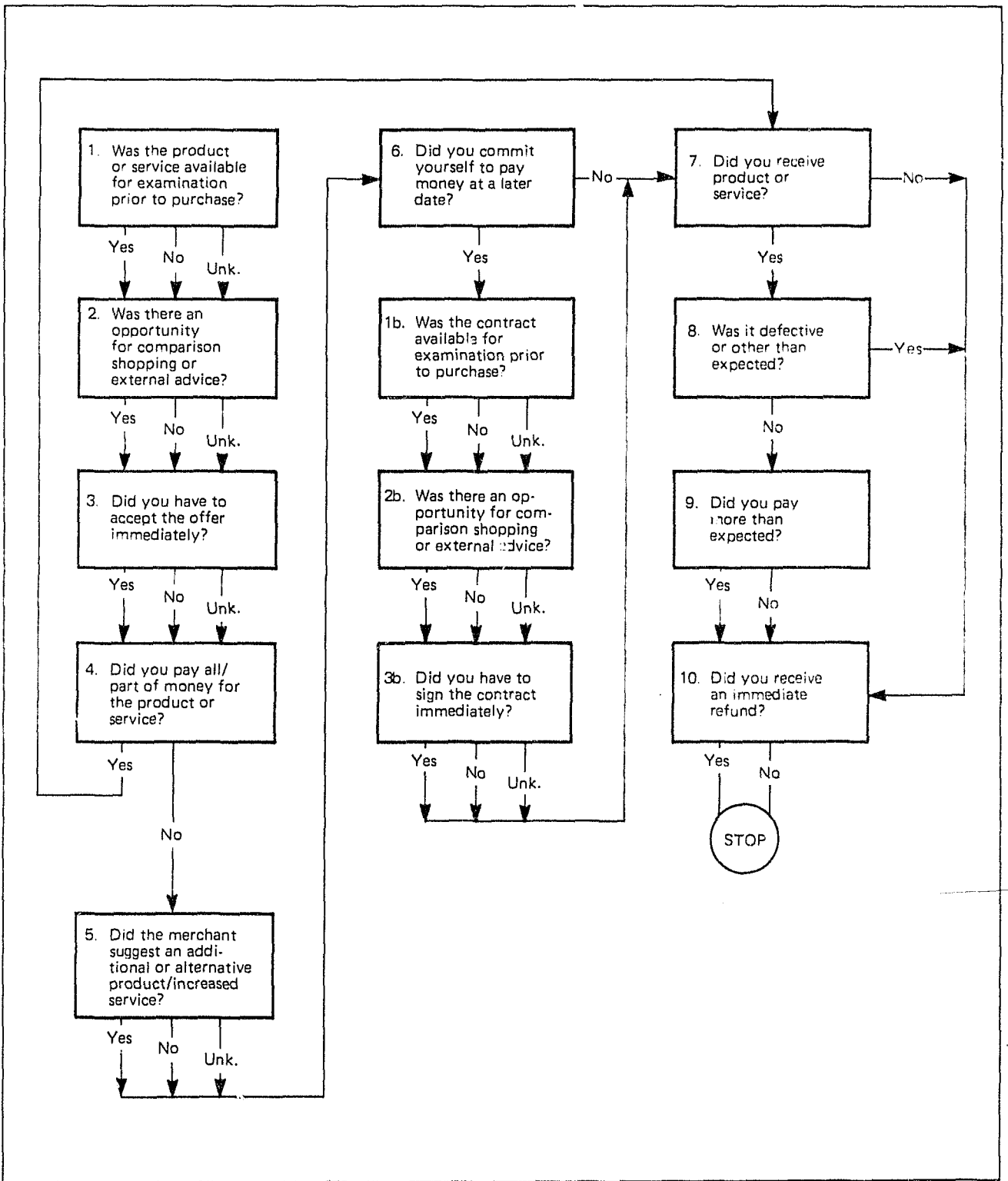


Figure 2. Network Analysis

With respect to operationalization of these questions, responses were defined using combinations of variables* obtained from the data base. An explanation of these derived definitions follows.

The first question asked was, "Was the product available for examination prior to purchase?" A case could be categorized as a "no" to Question 1 if the offer was for a business opportunity or was a self-improvement offer, since in either case the product or service would be available only after purchase. Therefore, if a case was coded as a "yes" for either Inducement #1 (Was the offer for a business or investment opportunity?) or for Inducement #2 (Did the offer include claims for consumer self-improvement?), it could be assumed that the product or service was unavailable prior to purchase. If the offer was not for a business opportunity and there were no self-improvement claims, then the product or service was coded as having been available prior to purchase.

Question 2 in the network discerns if there was an opportunity for comparison shopping. A case could only be categorized as having no opportunity to do comparison shopping if the product or service was so unique that it could not be found in competitive lines and the consumer had no desire or no need to shop for anything else. A "no" to this question was defined by a positive response to Inducement #3 (Did the offer include claims of unique features not found in competitive lines?) or by a substantial savings inducement (#4) when consumers reported that they were told that they won a prize. A case did have the opportunity for comparison shopping if there was no uniqueness inducement or a savings inducement other than "winning a prize."

Question 3 of the network asks if the consumer had to accept the offer immediately; in other words, did the consumer encounter any pressure to purchase the product or service without having the opportunity to consider the offer? Inducement #6--did the offer include or imply time pressure--directly answers this question: the consumer did not have to accept the offer immediately if there was no evidence of pressure, but did have to accept immediately if there existed any yes values for the pressure inducement.

* This variable list can be obtained from the Data Acquisition Guide, Appendix B.

Question 4 of the network inquires as to the type of payment made: did the consumer pay for all or part of the product or service at the time of possession? If the consumer signs a long-term agreement for the product or if there was no purchase made at all, it is safe to assume that no money changed hands at the time of possession. Therefore, a case was counted as a "no" to Question 4 if there was no purchase made or if a consumer signed an agreement or contract with the merchant. If the consumer made a downpayment or prepayment, or paid for all or part of the product or service, then it was categorized as a "yes." Only those cases categorized as "no" in Question 4 continue to Question 5, since additional information about the transaction would be necessary. "Yes" cases to Question 4 or those cases where money has actually traveled to the merchant at the time of possession then are channeled to Question 7, since questions 5, 6, and 1A-3A are not applicable.

Question 5 of the network revealed whether the merchant suggested an additional or alternative product or service, given that there was no full (or partial) payment. (If the merchant suggested an additional product after payment, this should have been considered a new and independent transaction. However, since there was no initial payment, this suggestion to purchase something additional was considered a component of the original transaction.) An entry under Inducement #7 (Did the merchant suggest an additional product or service?) again answers this question directly. A case is categorized as "no" if there was no additional product inducement, and a "yes" if this inducement was present.

Question 6 of the network separates those cases where the consumers commit themselves to pay money at a later date from those "no purchase" cases. did the consumer commit her/himself to pay money at a later date? Those noncommittal (no purchase) cases were categorized as "no" and then continued to Question 7. Those cases with contracts or long-term agreements were categorized as "yes" and then went to a sub-path (questions 1A-3A) for further analysis.

Questions 1A-3A simply ask the same questions as 1-3; but this time only for those cases that involve a commitment for payment at a later date. Also, the questions are phrased in terms of the contract and not the product or service itself (e.g., Question 3A, "Did you have to sign the contract immediately?" versus Question 3, "Did you have to accept the offer

immediately?"). For questions 1A-3A, the same variables were used to define these questions as were used for questions 1-3.

All cases went to Question 7 where it was asked if the consumer received the product or service. Questions 7-9 all utilized the post-payment information. A case was categorized as a "no" to Question 7 if, after payment, the consumer's major complaint was the nonreceipt of merchandise or service. Question 7 was answered as "yes" if the post-payment variable was anything other than nonreceipt.

Given that the consumer had received the product, if it was defective or other than expected it was discovered and tabulated in Question 8 (i.e., only "yes" to Question 7 continued to Question 8; "no" cases went to the next applicable question, #10). Again, postpayment information was utilized. If a case arose where the products/services did not correspond to what was offered or expected, it was tabulated as a "yes" for Question 8. If another postpayment value was recorded, the case was counted as a "no."

Question 9 asked if the consumer paid more than expected, given there was no other postpayment value. A case was considered a "yes" if the merchant added undisclosed costs or charges, "no" if otherwise--namely, if (1) after payment the consumer wanted to cancel the agreement for no apparent reason, (2) not applicable, or (3) receipt of unsolicited merchandise.

All cases entered Question 10 where the following was asked: Did the consumer receive an immediate refund? Since the question was time-laden, and there were no variable values that answered this type of question, a different approach was used. Although we knew whether or not the merchant took corrective action, we did not know when--whether the action was taken immediately, as soon as the merchant received the complaint, or whether it was taken as a result of some administrative or civil consent order, etc. To answer this it was necessary to examine individually all cases where the merchant had taken corrective action, and to make a time-laden decision.

Figure 3 presents the results of processing 1,147 cases through the network. The percentage of "yes," "no," or "unknown" answers to each of the 13 distinct questions asked of each appropriate case are also displayed. These

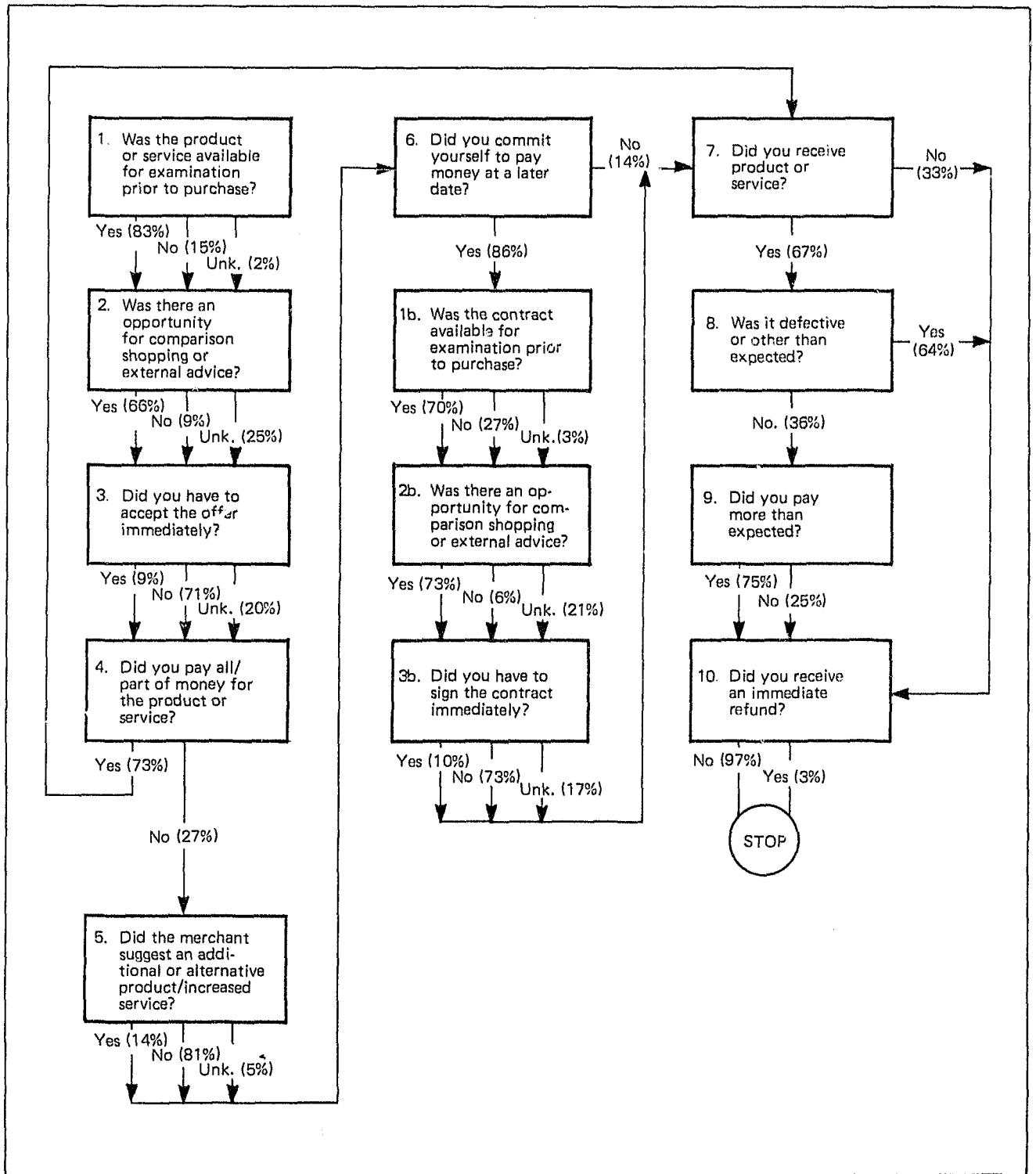


Figure 3. A NETWORK ANALYSIS (Step Proportions Using 1147 Cases)

percentages were computed only for cases that were applicable to the particular questions; for example, the 81 percent "no" to Question 5 is based on 305 rather than 1,147 cases.

In examining the results, one must first consider whether or not the questions could be unambiguously answered. Note that these questions and operational definitions were created largely post hoc. Nevertheless, the proportion of cases receiving "unknown" designations for most of the questions is gratifyingly low. There were very few cases where these questions could not be answered, even though in several instances the operationalization was indirect.

It is possible to develop a general picture of the entire set of cases based on these percentages. However, some cautions must be noted. First, we have no "normative" data; the expected percentages for non-fraud cases are unknown. Although we would like to assume that all of the questions would be answered affirmatively for "honest" transactions, we only have this sample of consumer abuses from which to generalize. Similarly, it must be kept in mind that these are cases that were reported to various law enforcement and consumer affairs agencies. We can assume that consumers who filed these complaints believed that something was wrong; "undetected" abuses would never reach this stage of analysis. The final caution is that an examination of single-question percentages masks the inter-response relationships present in the data.

With these cautions in mind, some of the reported percentages are still quite intriguing. For example, we did not expect that fully 83 percent of the cases would be coded with an affirmative answer to the first question ("Was the product or service available for examination prior to purchase?"). As pointed out in previous reports, an answer other than "yes" to this question does not in and of itself constitute a clearly defined consumer abuse; rather, the node itself is an indication of a potential source of fraudulent activities. Simply because a product or service is not available to the consumer for examination at the time of purchase does not preclude a legitimate transaction. However, circumstances wherein the consumer cannot examine the product or service prior to purchase may be a predisposing condition to fraud. Similarly, if the actual and advertised product or service could be compared prior to purchase, one of

the principal predisposing conditions to fraud may be eliminated. Presumably, if a consumer could make this inspection, two of the more common, intuitive types of fraud might not occur--one being the misrepresentation or omission of facts about a product, the second being the intent to never supply the product. As coded, our data indicate, however, that for most of the cases in our sample, an opportunity for inspection was present. But we do not know what proportion of consumers actually made the inspection.

The distribution of answers to questions 2 and 3 are also a little surprising. For the former, it appears as if many consumers did not know if there was an opportunity for comparison shopping (or alternatively, very few were aware that they could not comparison shop). Similarly, the responses to Question 3, suggest that consumers only infrequently believed that they were under time pressure.

One interesting feature of the percentages is the picture they paint of those aspects of the transaction that occur after consumers have completed their side of the bargain (questions 7-10). In approximately one-third of the reported cases, no product was received. In a majority of those situations, cases were referred to criminal investigation units. In other words, for these cases there was agreement that something illegal had occurred, whether or not it was called a fraud. Of the products and services that were received, 64 percent were classified as being defective or other than expected. There seems to be a need for another "obligation," namely an examination of the product at the time of possession; this examination would be a precursor to receipt of the merchandise. The network analysis currently does not include a time component for this question. It would be interesting to learn whether or not (for example) most instances of defective merchandise were cases of prepayment, so that the consumer could not have examined the product before payment or before possession.

Another consumer "obligation" is suggested by the response to Question 9 concerning whether the consumer paid more than expected. It should be possible for a consumer to compare the actual price to the agreed price prior to possession, thereby reducing the number of cases with affirmative answers to this question. However, the general tendency for these cases was that there were sale items involved that later proved not to be

truly sale-priced. Therefore, a cost comparison at time of possession would not obviate this difficulty.

There are other specific hypotheses or tentative generalizations that could be made, based on the results presented in this figure. Although it is usually unwise to theorize before the data, it appears that several potential intervention techniques are implied by these findings. It remains to be seen if specific countermeasures designed to alter the response probabilities would have impact on instances of consumer abuse. In order to have a more substantial basis from which to make recommendations, it is important to know something about the patterns of answers to these questions. This type of information would potentially reveal whether an altered response probability for any question would have any more far-reaching consequences. Therefore, a cluster analysis was performed that grouped together "similar" cases by the answers to these questions.

The results of this cluster analysis were, in a sense, predictable. Statistically, this was a very "successful" cluster solution, in that very few patterns could account for practically all of the cases. The largest cluster of cases (N = 180 or 15%) was defined by the highest probability response for each question.* That is,

- Q1. The product/service was available for inspection prior to purchase;
- Q2. There was an opportunity for comparison shopping;
- Q3. The consumer did not have to accept the offer immediately;
- Q4. The consumer paid for the product/service at the time of purchase;
- Q5-Q6. Not applicable;
- Q7. The consumer received the product/service;
- Q8. It did not correspond to what was expected;
- Q9. Unnecessary;
- Q10. The consumer did not receive an immediate refund.

Another 124 (11%) of the cases deviated from this pattern by only one answer. For example, 53 cases had the same pattern except for a NO answer to Question 2 (there was no opportunity for comparison shopping).

* This refers to Cluster #1 pattern: YNYUUYUN as shown on Table 14.

Table 14. Network Cluster Analysis

Cluster Number	Number of Cases	Percentage	QUESTIONS									
			1	2	3	4	5	6	7	8	9	10
1	180	15	Y	Y	N	Y	U	U	Y	Y	U	N
2	25	03	N	Y	N	Y	U	U	Y	Y	U	N
3	19	02	Y	Y	U	Y	U	U	Y	Y	U	N
4	16	02	Y	Y	Y	Y	U	U	Y	Y	U	N
5	53	05	Y	N	N	Y	U	U	Y	Y	U	N
6	11	01	Y	Y	N	Y	U	U	Y	Y	U	Y
7	14	01	N	N	N	Y	U	U	Y	Y	U	N
8	59	06	N	Y	U	Y	U	U	Y	Y	U	N
9	114	11	Y	Y	N	Y	U	U	Y	N	Y	N
10	120	11	Y	Y	N	Y	U	U	N	U	U	N
11	27	03	N	Y	N	Y	U	U	N	U	U	N
12	49	05	Y	N	N	Y	U	U	N	U	U	N
13	21	02	N	N	N	Y	U	U	N	U	U	N
14	63	06	Y	N	U	Y	U	U	N	U	U	N
15	47	04	Y	N	U	Y	U	U	Y	N	-	N
16	30	03	-	N	-	N	N	-	Y	N	-	N
17	24	02	Y	-	U	N	-	Y	Y	-	U	N
18	91	09	Y	Y	N	N	N	Y	Y	Y	U	N
19	109	10	Y	Y	N	N	N	Y	N	-	-	N

Y = Yes; N = No; U = Unknown; - = No consistent pattern.

Likewise, 25 cases (3%) had a no response to Question 1 (the product or service was not available for inspection prior to purchase). Thirty-five cases (4%) had either an UNKNOWN or YES response to Question 3 (the consumers had to accept the offer immediately or did not know that they did not have to accept immediately), and 11 cases (1%) had a YES answer to Question 10 (they received an immediate refund).

Thus, the general profile of the cases as depicted by the cluster analysis is relatively mundane: a consumer makes a purchase after having the opportunity to examine the product, etc., receives a defective product or something other than expected, and does not get satisfaction when the merchant is confronted with the complaint. This basic pattern and the first-order variations do not have the "scheme-like" quality of the popular conception of consumer fraud. An interesting exception is the last-mentioned variation, where the consumer receives an immediate refund. It appears that here the merchant is expecting to "get away with something" without the consumer being aware of what is happening. When a discrepancy is discovered, the merchant "covers up" by correcting the problem immediately.

Another cluster of 114 cases (11%) again had the same basic pattern, except that the product or service was not defective or other than expected (i.e., a NO response to Question 8); rather, it cost more than expected (a YES response to Question 9). The final cluster that had only a minor variation from the basic pattern consisted of 91 cases (9%), and was characterized by the presence of a time commitment for payment. These cases usually involved a written contract, occasionally with provisions that merchants used to answer consumers' complaints.

The remainder of the cases could be grouped into clusters with patterns of responses more dissimilar to the basic pattern. The entire set of cases is shown in Table 14. This table presents the number of cases in each cluster and the pattern of responses that characterized each group. Each of these clusters is self-explanatory; whether or not they constitute taxonomic categories or individual "targets" for intervention remains to be seen.

E. Comparing Transactional Sequences and Network Clusters

Our review of the transactional and network analyses suggested that the two approaches produced generally equivalent results. The network approach used more information and, as a consequence, a description of a cluster was somewhat more elaborate than a description of a transactional sequence. But they seemed to convey the same sense, and the general summaries were essentially identical. Before proceeding to Phase III tests of utility, we prepared a more formal, though still very simple analysis of similarity between the two approaches.

The transactional framework assigns each case to one or more of 54 sequences. Our 1,147 cases were actually assigned to 49 sequences; since multiple inducements were permitted, these 49 patterns covered 1,306 transactional events. The cluster analysis of the network solution resulted in nineteen interpretable clusters, plus a twentieth which grouped 76 events not included in the first nineteen. A cross-tabulation of the two approaches would therefore contain 931 cells (49 sequences x 19 clusters); one consequence of similarity would be a preponderance of empty cells. Table 15 presents the cross-tabulation.*

As predicted, most of the cells are empty; 788 of the 931 cells (85%) have no entries. Closer inspection reveals that the filled cells are not randomly distributed, but instead show an orderly relationship between the two approaches. The first obvious fact is that the clusters are not determined by the nature of the inducement. There is not a single column which has entries for but one category of inducement; on the average, columns have 3.9 (out of a possible six) inducements represented. The second obvious feature is the very strong relationship between the network clusters and the outcome element of the transactional sequence. The clearest demonstration is the entries in the first eight clusters (columns 1-8). In these eight clusters, there are 54 cells which contain 481 cases; all entries are in transactional sequences with outcome C (product is defective or fails to correspond). The predominant influence of outcome is shown more clearly in Table 16, which is the cross-tabulation of outcome X cluster. It is clear

* Cluster 20 is included in Table 15 for completeness, but no interpretation of the column will be made.

Table 15. Transactional Sequence Correspondence to Network Cluster Solution

Transactional Sequence	Network Clusters																				Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
A A C		7					2	2												2	13
A B A											12	7									19
A B B									6						2	1					9
A B C		5						1												1	7
A C A																			2	3	5
A C B									2							1	1	1	3		8
A C C		1																5			6
B A A											3										3
B A C		10					5													1	16
B B A										12	12									2	26
B B B									2						1						3
B B C		2					5	5													12
B C A																			2		2
B C B																1	4	1	3	1	10
B C C							1									2	2			1	6
C A A										8	2	1								3	14
C A B									17						3						20
C A C	20	6	4	2			7	6							1					1	47
C B A									13	7	1	7								8	36
C B B								7							2						9
C B C	4	2	1	3	1	5		1													17
C C A									4			1						1	6	3	15
C C B								1									2	5	1		9
C C C		1														3	10		1		15
D A C				8			4														12
D B A											14	13									27
D B B								1													1
D B C				5			6														11
D C A											1	1									2
D C B																	1		1		2
D C C							1											3			4
E A A													2							5	7
E A B									8						2						10
E A C				14			6	3							2					1	26
E B A													8							6	14
E B B								1							1						2
E B C				2			4														6
E C A													1					2	2	2	7
E C B																	1			4	5
E C C							1										10			2	13
F A A										30	2	2	7							5	46
F A B									40						6	1					47
F A C	149	5	10	6	39	10	6	30	11					3					3	272	
F B A										59	10	29	13	37						8	156
F B B									13					4	2						19
F B C	22	6	8	1	10	1	4	13	1											1	67
F C A										21	3	3						7	37	8	79
F C B									3					4	5	3			39	1	55
F C C	4	1	1				2	1								10	64	4	2		89
Total	199	37	28	28	67	12	28	82	124	135	39	58	33	81	31	11	27	106	104	76	1306

Table 16.
Cross-Tabulation: Network Clusters and Transaction Outcomes

Outcomes	Network Clusters																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
A	0	0	0	0	0	0	0	0	0	135	39	58	33	81	0	0	0	10	49	53
B	0	0	0	0	0	0	0	0	101	0	0	0	0	0	25	11	12	2	51	7
C	199	37	28	28	67	12	28	82	23	0	0	0	0	0	0	0	15	94	4	6

from the table that clusters 1 through 8 are associated exclusively with outcome C; clusters 10 through 14 with outcome A; and 9, 15, and 16 largely with outcome B. Clusters 17, 18, and 19 are not obviously associated with a single outcome; what they are associated with is evident in Table 17, which is a cross-tabulation of two elements of the transactional sequence against the clusters. It is clear from the table that clusters 17, 18, and 19 are associated with obligation C (committed to long-term contract, payment), whatever outcome follows that obligation.

Table 17. Correspondence of Two Transactional Sequence Components to Network Clusters

Obligation Outcome	Network Clusters																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
A A	0	0	0	0	0	0	0	0	0	38	5	4	0	10	0	0	0	0	0	13
A B	0	0	0	0	0	0	0	0	65	0	0	0	0	0	11	1	0	0	0	0
A C	163	22	18	2	10	13	49	20	0	0	0	0	0	0	6	0	0	0	0	8
B A	0	0	0	0	0	0	0	0	72	34	50	33	65	0	0	0	0	0	0	24
B B	0	0	0	0	0	0	0	0	30	0	0	0	0	0	10	3	0	0	0	0
B C	26	13	10	4	18	2	9	34	2	0	0	0	0	0	0	0	0	0	0	2
C A	0	0	0	0	0	0	0	0	0	25	0	4	0	6	0	0	0	10	49	16
C B	0	0	0	0	0	0	0	0	6	0	0	0	0	0	4	7	12	2	51	7
C C	4	2	2	0	0	0	1	4	1	0	0	0	0	0	0	0	15	94	4	6

Tables 15, 16, and 17 demonstrate that the network and transactional approaches lead to solutions which are closely related; the results of one can be understood in terms of the other. But as noted previously, the profile descriptions differ as a function of the types of information used to produce the solution. The real issue is therefore which of the two will be most useful in suggesting and/or evaluating interventions. This issue will be resolved in Phase III of the project.

REFERENCES

- Dixon, W. J. (Ed.) *BMDP: Biomedical Computer Programs*. Berkeley, CA: University of California Press, 1975. (Sponsored by NIH Special Research Resources Grant RR-3.)
- Hartigan, J. A. Direct clustering of a data matrix. *Journal of the American Statistical Association*, 1972, 67, 123-129.
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V. PROFILES OF CONSUMER FRAUD



V. PROFILES OF CONSUMER FRAUD

This chapter contains 23 profiles of consumer fraud patterns that emerge from the Phase II data. These profiles represent patterns constructed from both the transactional sequence and the network analysis; they will now be used to identify potential opportunities for intervention strategies. The method that provides the most promising ideas will be retained for the design and/or revision of intervention strategies. Each profile is presented in a format that allows the pattern to be described consistently; the format consists of four key elements.

The first element identifies the profile, the number of cases within the profile and the percent of the 1,147 cases this profile represents.

The second element summarizes the main thrust of the pattern. This description appears at the top of the page.

The third element graphically depicts the path of the transaction between the merchant and the consumer. Network paths are shown on the basic framework; the transactional sequence adds components to the obligation/outcome combination.

The fourth element lists descriptive data that represent significant deviations from the overall findings presented in Chapter III. These deviations were computed according to a likelihood ratio chi square test at .05 significance level. The descriptive variables cross-tabulated against each profile of consumer fraud appear as Appendix E.*

The nine transactional sequence profiles represent 90 percent of the 1,147 cases. Each profile is built upon two major components of the transaction--obligation and outcome; inducement is de-emphasized because of the dominance of warranty among the reported cases. When a motivation for a purchase is something other than warranty, the inducement receives con-

* Some of the descriptive variables included on the data acquisition form were not analyzed in this cross-tabulation because the responses contained too many unknowns to be useful. The variables dropped were: consumer's residence; number of other complaints filed against a merchant; amount of public loss; whether or not a complaint was received from another agency; whether or not the agency was the prime or secondary and all 7 items relating to the criminal justice system.

sideration. The profiles are defined by obligation and outcome, as stated in the verbal description.

The illustration of each profile contains additional elements of the transaction, drawn from other variables, to permit analyzing details that may lead to ideas for intervention strategies. Therefore, the illustration depicts the following elements: inducement; obligation; outcome (nature of complaint responses are shown below); and merchant response. The percentages (in parentheses) refer to the proportion of cases in the profile that fall within each category.*

Nature of Complaint Groupings

1. Misrepresentations:

- Deceptive pricing
- Misrepresentation as to warranties
- Misrepresentation as to benefits derived from purchase
- Charging hidden costs
- M misrepresents own affiliations/qualifications

Merchant Response Groupings

1. M gives C Hard Time:

- M argues product claims or
- M argues price claims or
- Disclaims knowledge
- Argues contract interpretation
- Denies advertised claims
- Harrassments or threats

2. M is Negligent:

- M ignores contact with C
- M skips out
- M becomes bankrupt
- Delays taking action

The network cluster analysis produced 19 distinct clusters, each defined by a unique pattern of answers to the ten questions. However, not all of these 19 are immediately interpretable in terms of a sequence of events or profile. The reason for this is that the cluster solution groups cases solely by similarity of responses; if cases have similar patterns of "unknown" or "missing" information, the cluster analysis could have grouped

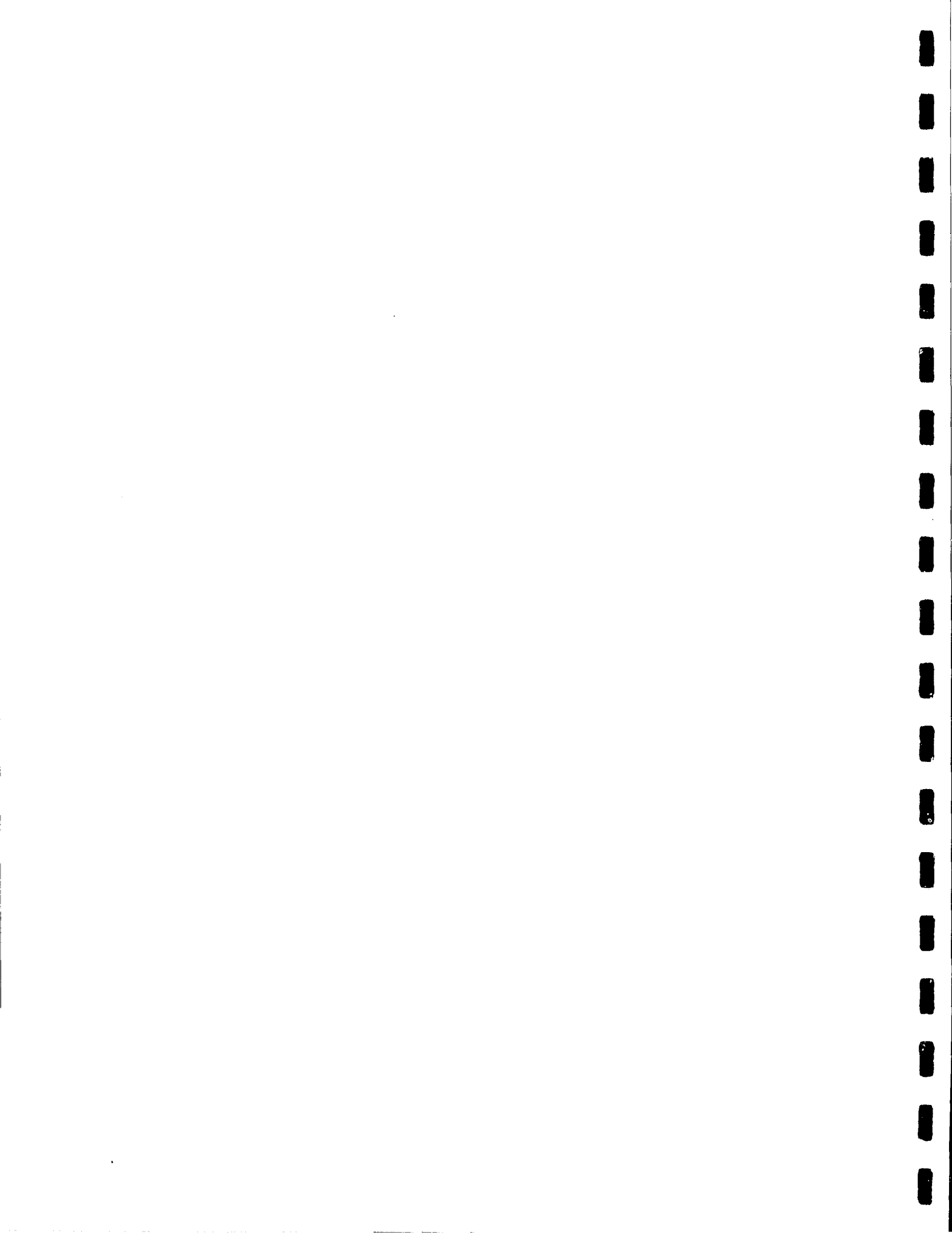
* Two new headings label several categories of responses.

them together. The result would be a distinct group, but this group would be interpretatively indistinguishable from another cluster with defined values on the missing or unknown responses. An examination of Table 14 reveals that three of the original 19 clusters were differentiated from other clusters solely by the lack of information on one question. For example, Cluster 3 is identical to Clusters 1 and 4 except for the "unknown" value on Question 3. Other clusters where this happened were Cluster 8 (similar to Cluster 2) and Cluster 14 (similar to Cluster 12). For the profile descriptions that follow, these three clusters (3, 8, and 14) have been grouped with the appropriate alternate clusters.

One other interpretative difficulty arose when a cluster was characterized by a "no consistent pattern" of responses. These occurred for Clusters 16 and 17, as shown in Table 14. We decided that Cluster 17 was similar enough in all other respects to Cluster 18 that those two could be grouped together for descriptive purposes. Cluster 16 not only contained several "no consistent pattern" responses, but was also highly dissimilar to any other cluster. Therefore, we dropped this cluster (30 cases) from further analyses.

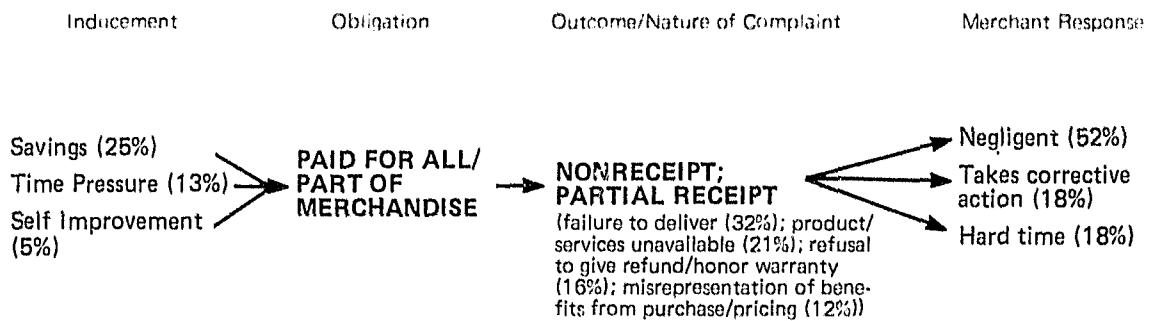
The net effect of these considerations was that the original set of 19 clusters was reduced to 14. It should be noted that these changes have no significant (i.e., interpretation) effects on the cross-tabulations between the network solutions and the transaction analysis shown in Tables 15, 16, and 17.

The 23 profiles appear on the following pages.



Profile	<u>AA</u>	The consumer paid for all or part of the merchandise or service at the time of the purchase. The outcome of the transaction (usually a service) was either non-receipt or partial receipt of the purchase.
No. of Cases	<u>56</u>	
Percent of Total	<u>04</u>	

Transactional Sequence



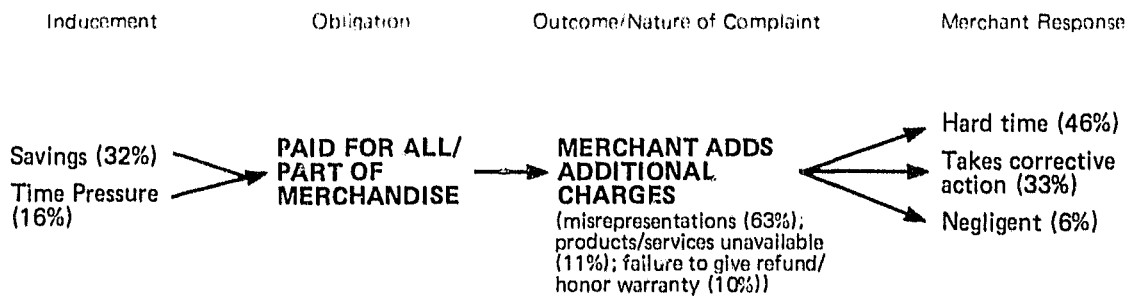
Descriptive Data

- Fewer merchants were solvent than expected.*
- Fewer merchants were available for contact.
- There were fewer instances of initial contact between the merchant and consumer at the merchant's business establishment.
- More consumers complained about failure to deliver a product than expected.
- More merchants responded to a consumer complaint by skipping out than expected.

* On this and all succeeding profiles, statements such as "more than--fewer than--more often", etc., refer to frequencies which differ in a statistically significant manner, from the overall frequencies. See explanation of the test on page 50.

Profile	<u>AB</u>	The consumer made a full or partial payment for some product or service, but prior to receipt of the purchase, the merchant requested a larger and different investment from the consumer, often of a non-monetary nature. Additional funds requested by the merchant were charges undisclosed during the transaction.
No. of Cases	<u>63</u>	
Percent of Total	<u>05</u>	

Transactional Sequence



Descriptive Data

• The following products or services were more (‘) represented than expected:

- Automotive products (+)
- Home furnishings (+)

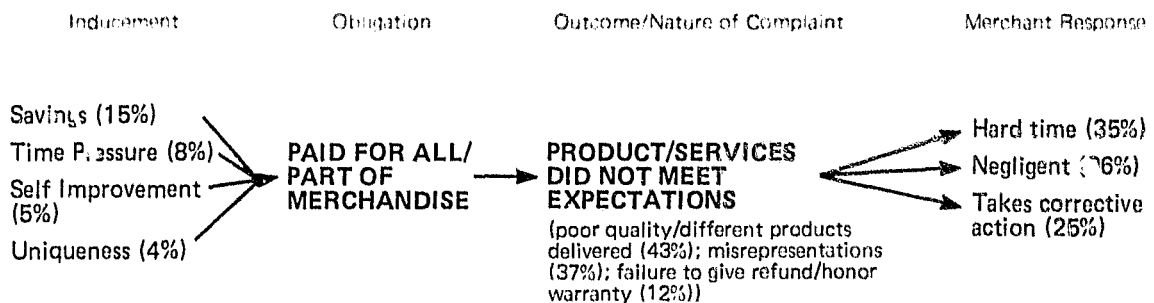
- More merchants were solvent than expected.
- More merchants were easily available for contact than expected.
- More consumers complained about hidden charges than expected.
- The following two values under 'dollars involved in a transaction' contain fewer reported cases than expected:

- The \$500-\$2,000 range (-)
- The unknowns (-)

- More merchants argued about the price agreed to when the transaction was negotiated.

Profile	<u>AC</u>	The consumer paid for all or part of the merchandise or service at the time of the purchase. Upon receipt, examination of the goods revealed that they did not correspond to the original offer or the consumer's expectations.
No. of Cases	<u>311</u>	
Percent of Total	<u>24</u>	

Transactional Sequence



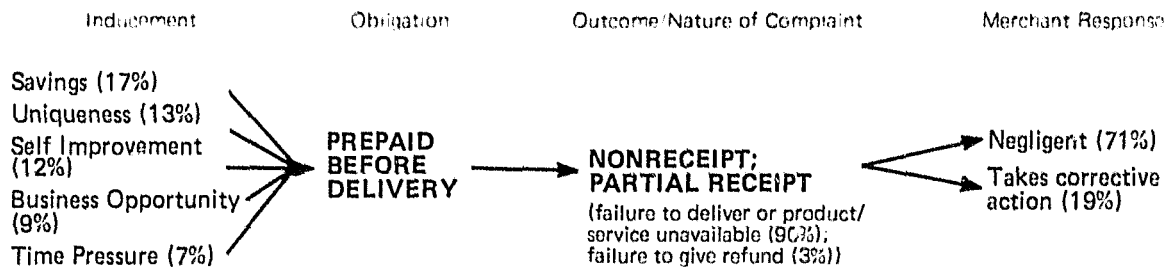
Descriptive Data

- The following products or services were more (+) represented than expected:
 - Automotive products (+)
 - Home furnishings (+)
- More sellers appeared in the reported transactions.
- More initial contacts between the merchant and the consumer were made at a business establishment of another involved party.
- The following complaints were over (+) or under (-) represented.
 - Unavailability of products or service (-)
 - Merchant misrepresented benefit(s) of product or service (+)
 - Consumers reported receipt of poor quality products (+)
 - Consumers reported receiving a product different from the one purchased (+)
- There were more reported cases of oral representation as the primary medium used to perpetrate the fraud than expected.

- The records revealed that there were more cases in which the source of the consumer complaint was unknown than expected.
 - There were more cases in which the consumer sought relief for the reported grievance by exchanging the merchandise than expected.
 - More consumers reported that merchants argued about 'product claims' when confronted with the complaint than expected.
-

Profile	<u>BA</u>	Consumers prepaid for mail order merchandise prior to delivery. Subsequently, the goods were either never or only partially received by the consumer.
No. of Cases	<u>215</u>	
Percent of Total	<u>16</u>	

Transactional Sequence



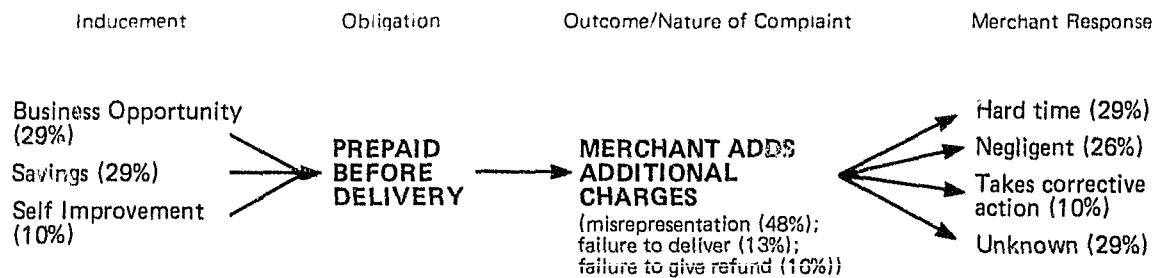
Descriptive Data

- The following products or services were underrepresented:
 - Automobiles and other vehicles (-)
 - Appliances and equipment repairs (-)
 - Automobiles or other vehicle servicing (-)
- Fewer merchants were solvent than expected.
- Whether or not the merchant was available for contact produced two significant values:
 - Fewer merchants were easily available.
 - More merchants were not at all available.
- Fewer manufacturers than expected appeared as other involved parties in the transaction.
- The initial contact by mail between the merchant and the consumer was overrepresented; initial contact at the merchant's business outlet was underrepresented.

- There were more instances of consumers who complained about nondelivery of a product or service.
 - There were more occasions than expected when the primary medium used to perpetrate the fraud was the postal system or advertisements in newspapers and periodicals; there were also more cases where the privacy medium was unknown.
 - In 'dollars involved in the transaction' there were fewer cases of unknown or zero than expected; dollar amounts between \$5-\$20 were overrepresented.
 - In the 'relief sought by consumers' category, there were fewer requests for exchanging merchandise, money to cover losses, and investigation for the public good; there was an overrepresentation of a request for both a refund and performance as promised.
 - Fewer cases of non-litigated resolution were reported than expected.
 - When consumers obtained relief, they received more performance as promised in the original agreement but fewer occasions when advice only was offered by the agency.
 - In the merchant response category, there was overrepresentation in the following:
 - Merchant ignores complaint (+)
 - Merchant skips out (+)
 - Merchant declares bankruptcy (+)
 - Merchant delays taking action (+)
 - Merchant takes corrective action (+)
-

Profile	<u>BB</u>	Consumers paid for all of the merchandise prior to delivery (usually mail order). The consumer subsequently learned that an additional investment was required before the purchase would be delivered.
No. of Cases	<u>31</u>	
Percent of Total	<u>02</u>	

Transactional Sequence

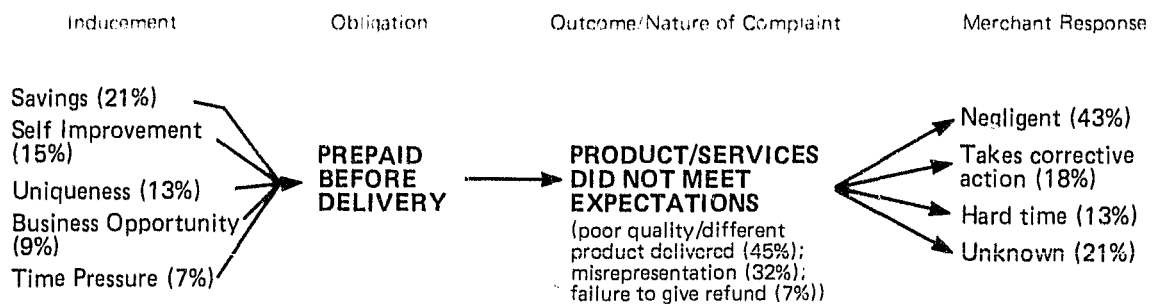


Descriptive Data

- There was an overrepresentation of business opportunities and "winning a contest" among the products/services category.
 - There was a higher frequency than expected among the 'unknowns' when trying to determine whether or not the merchant was available for contact.
 - More initial contacts between the merchant and consumer were made by mail than expected.
 - Mail as the primary medium used to perpetrate the fraud was over-represented.
 - There was an overrepresentation of 'unknowns' within the action taken by agency category.
 - There were fewer reported instances of merchants taking corrective action than expected.
-

Profile	<u>BC</u>	Consumers prepaid for the purchase prior to delivery.
No. of Cases	<u>82</u>	Consumers reported that the merchandise received did not correspond to what the consumer thought was offered.
Percent of Total	<u>06</u>	

Transactional Sequence

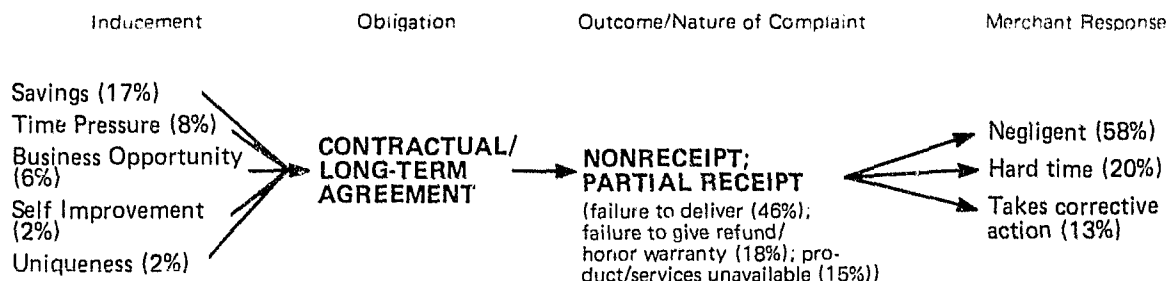


Descriptive Data

- The following products or services were more (+) or less (-) represented:
 - Automobiles and other vehicles (-)
 - Garden products and plants (+)
 - Automobiles and other vehicle servicing (-)
- In the initial contact between the merchant and consumer, mail was overrepresented; the merchant's business was underrepresented.
- Within nature of complaint, three values were overrepresented: misrepresentation about benefits derived from purchase; receipt of poor quality products or defective installation; and receipt of products that differed from ones purchased.
- There were more instances of periodicals (newspapers-magazines) reported as the primary medium used to perpetrate the fraud.
- More transactions involved dollar amounts ranging from \$5 - \$20 than expected; there were fewer reports of 'unknown.'

Profile	<u>CA</u>	The consumer signed a long-term agreement or contract with the merchant that required periodic payments. The outcome of this commitment was that the consumer received nothing or only a portion of the purchase.
No. of Cases	<u>89</u>	
Percent of Total	<u>07</u>	

Transactional Sequence

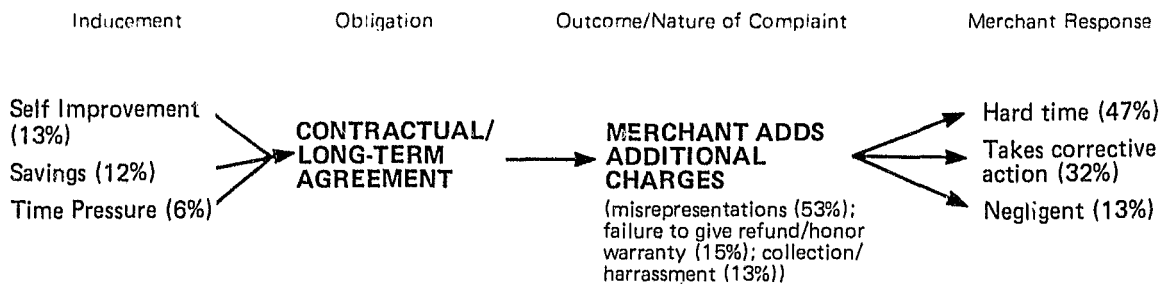


Descriptive Data

- The following products or services were more (+) represented than expected:
 - House related services (+)
 - Publishing and marketing services (+)
 - Couples agreeing to a transaction were overrepresented.
 - Merchants were less easily available for contact than expected.
 - Fewer contacts were made in the merchant's place of business than expected.
 - Merchants complained less about deceptive pricing and complained more about failure to deliver than expected.
 - Fewer investigations for the public good were conducted than expected.
 - In the relief obtained category, investigation for the public good was underrepresented.
 - Within merchant response, there was underrepresentation among the 'unknowns' and corrective action taken by the merchant; there were more occurrences of merchant skip-out than expected.
-

Profile	<u>CB</u>	The consumer agreed to a long-term obligation or contract that necessitated recurrent payments, but soon learned that a larger and different investment (such as increased time or responsibility) was necessary.
No. of Cases	<u>78</u>	
Percent of Total	<u>04</u>	

Transactional Sequence

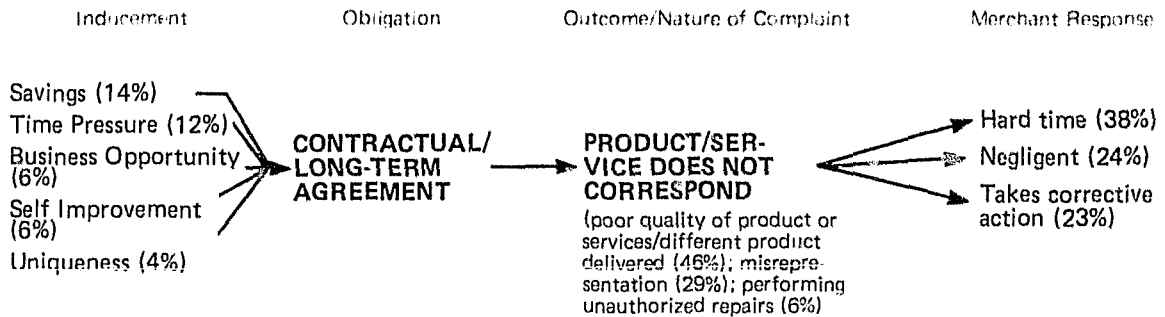


Descriptive Data

- There were more cases involving a collection agency or other holder than expected.
 - There was a higher representation of 'unknowns' in the consumer's sex category.
 - More merchants were easily available for contact than expected.
 - More consumers complained about hidden charges and collection or harassment problems than expected.
 - The number of complaints received from another agency was higher than expected.
 - There was an overrepresentation of merchants responding to a complaint by arguing price claims.
-

Profile	<u>CC</u>	The written agreement or contract obligating the consumer to payments over some time period was the basis for the transaction. After committing oneself to the agreement, the consumer discovered that the purchase did not correspond to what s/he expected or thought was offered.
No. of Cases	<u>106</u>	
Percent of Total	<u>08</u>	

Transactional Sequence



Descriptive Data

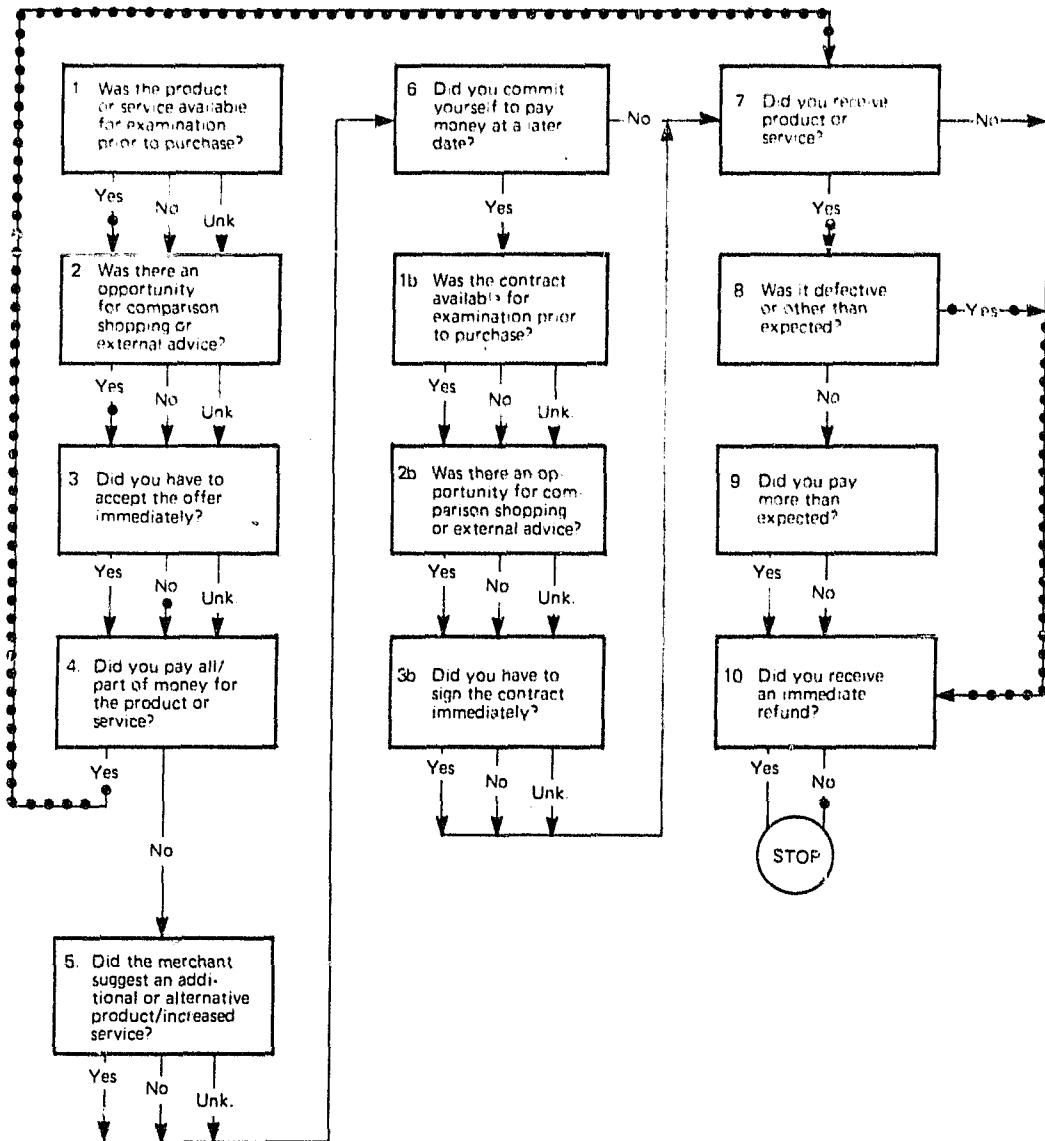
- The following products or services were more (+) or less (-) represented:
 - Automobiles and other vehicles (+)
 - Land and/or real estate (-)
 - House related services (+)
 - Three types of complaints were overrepresented:
 - Merchant misrepresented benefits derived from purchase (+)
 - Delivery of poor quality products; defective installation (+)
 - Receipt of product that differs from one purchased (+)
 - There were more reported cases of dollars ranging from \$2,000 - \$10,000 and fewer cases of transactions involving less than \$5.
 - Consumers sought less relief in asking for refunds or an investigation for the public benefit than expected.
 - More consumers than expected reported that merchants argued about product claims.
-



Profile 1
 No. of Cases 199
 Percent of Total 17

The product or service was available prior to purchase, comparison shopping was not precluded, and the consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. A product or service was received; however, it was defective or did not match the consumer's expectations. The consumer did not receive an immediate refund.

Network Analysis



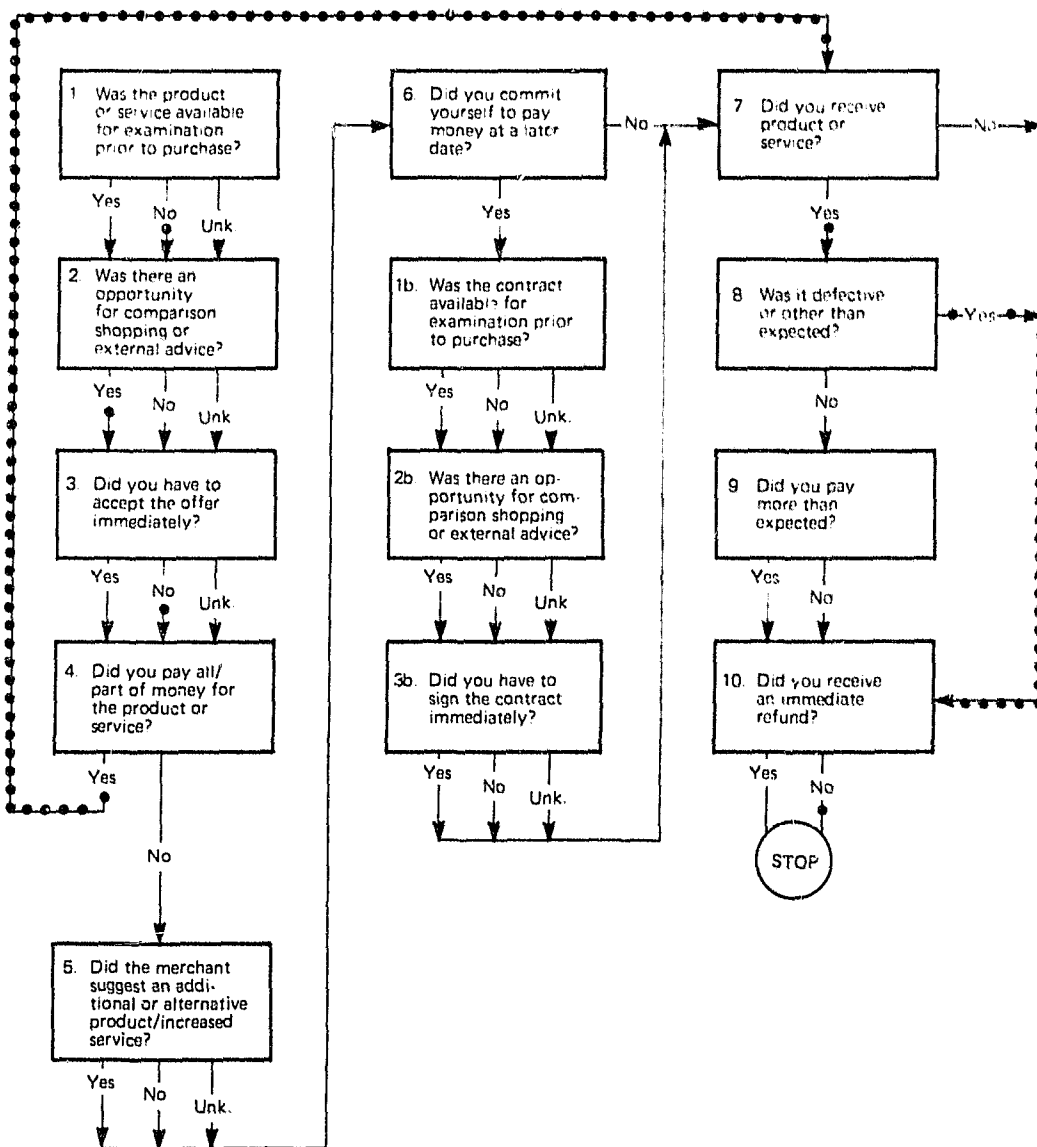
Descriptive Data

- Books, recordings, and business opportunities were underrepresented.
 - The incidence of non-solvent merchants was underrepresented.
 - Mail as the nature of the initial contact was underrepresented.
 - The media of labeling/packaging and oral representations were overrepresented.
 - No consumer involvement in the complaint was overrepresented.
 - The complaints of misrepresentation as to benefits derived from purchase, delivery of poor quality products or services, and the delivery of products or services differing from those purchased were overrepresented.
 - The exchange of merchandise was overrepresented as relief sought by the consumer.
 - The merchant response of refusal to give refund was underrepresented.
-

Profile 2
 No. of Cases 84
 Percent of Total 07

The product or service was not available prior to purchase, comparison shopping was not precluded, and the consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. A product or service was received; however it was defective or did not match the consumer's expectations. The consumer did not receive an immediate refund.

Network Analysis



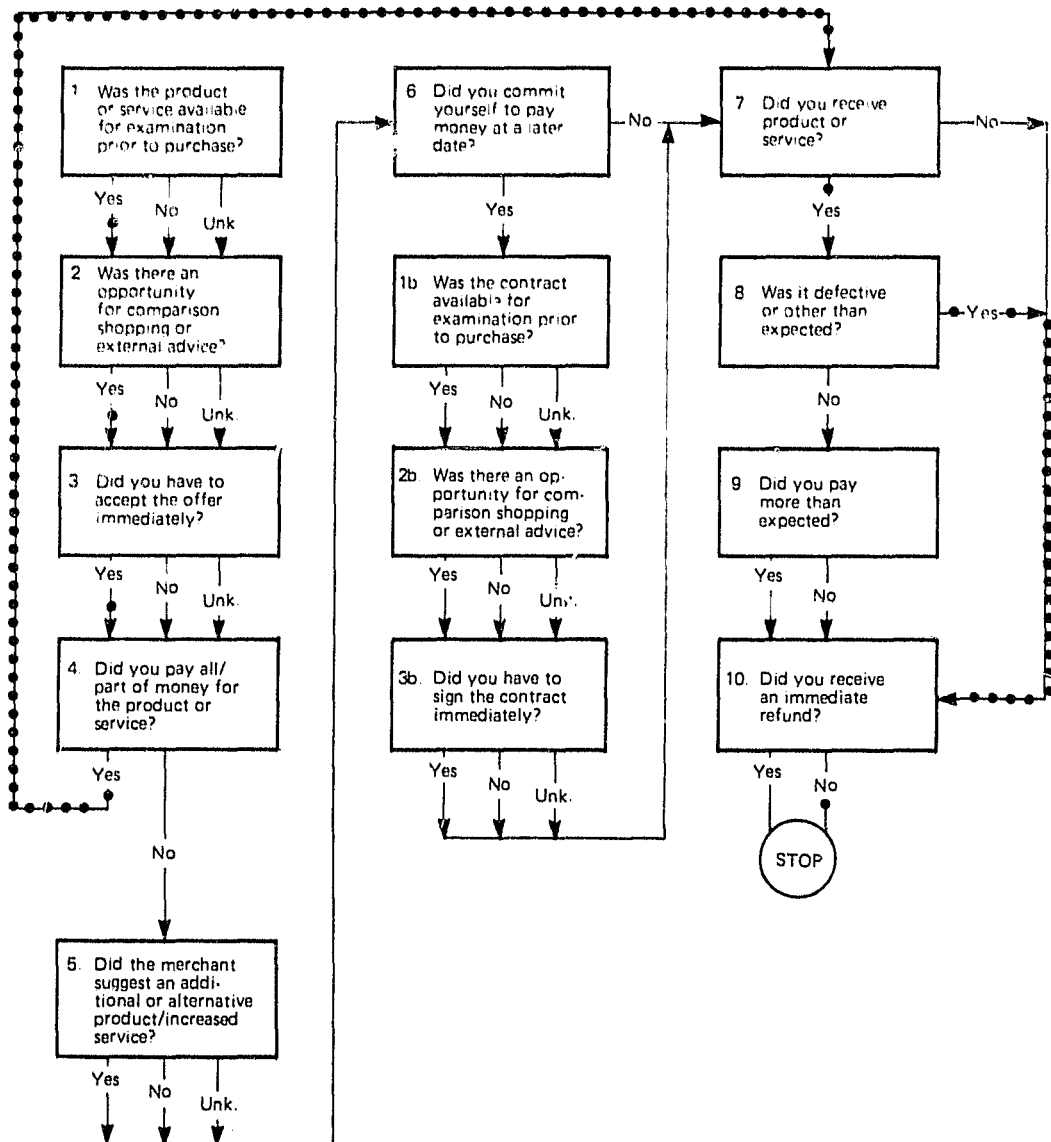
Descriptive Data

- o The complaints of misrepresentation as to benefits derived from purchase and the delivery of poor quality products or services were overrepresented.

Profile	<u>3</u>
No. of Cases	<u>16</u>
Percent of Total	<u>01</u>

The product or service was available prior to purchase, comparison shopping was not precluded, and the consumer was required to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. A product or service was received; however, it was defective or did not match to the consumer's expectations. The consumer did not receive an immediate refund.

Network Analysis



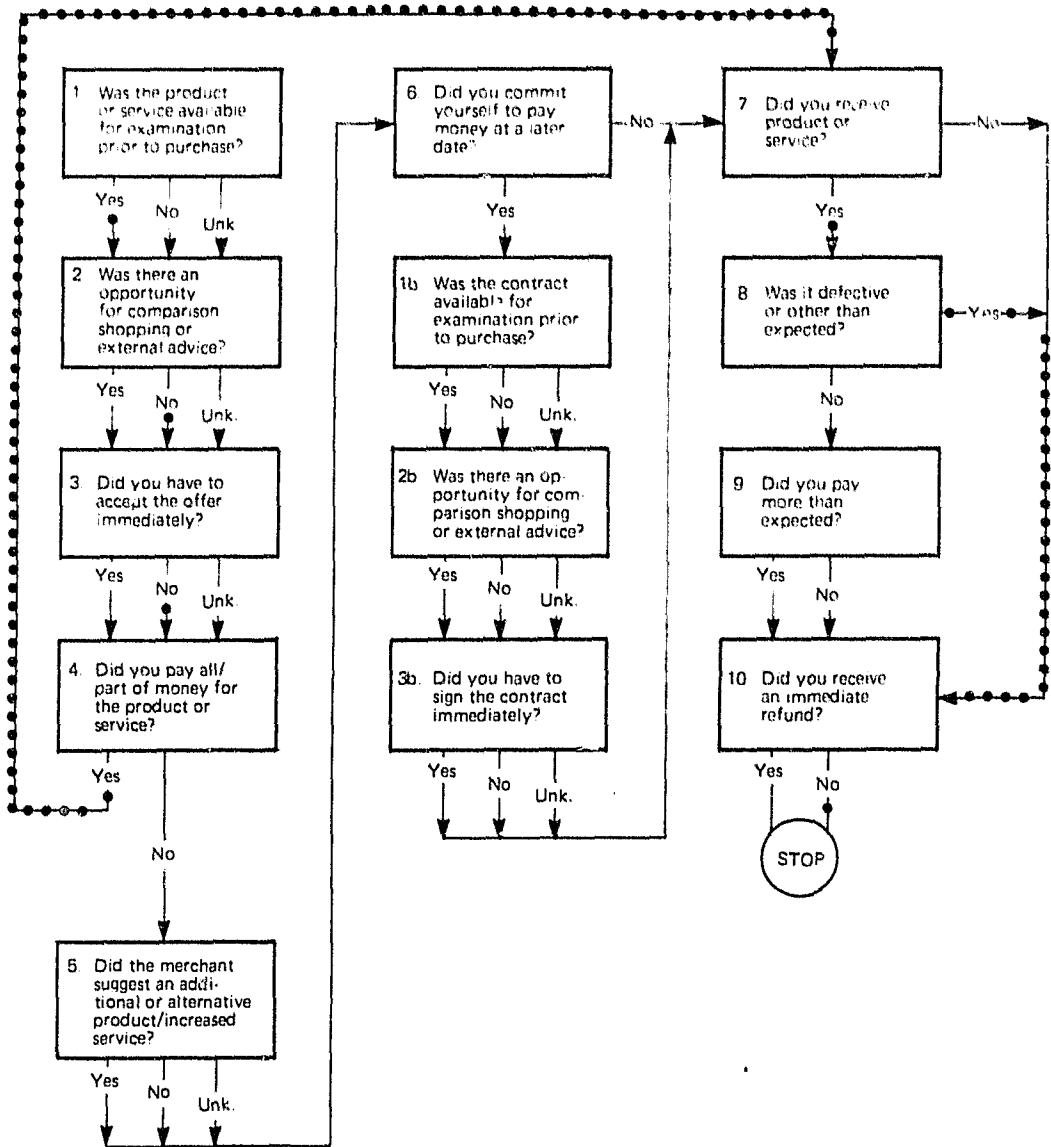
Descriptive Data

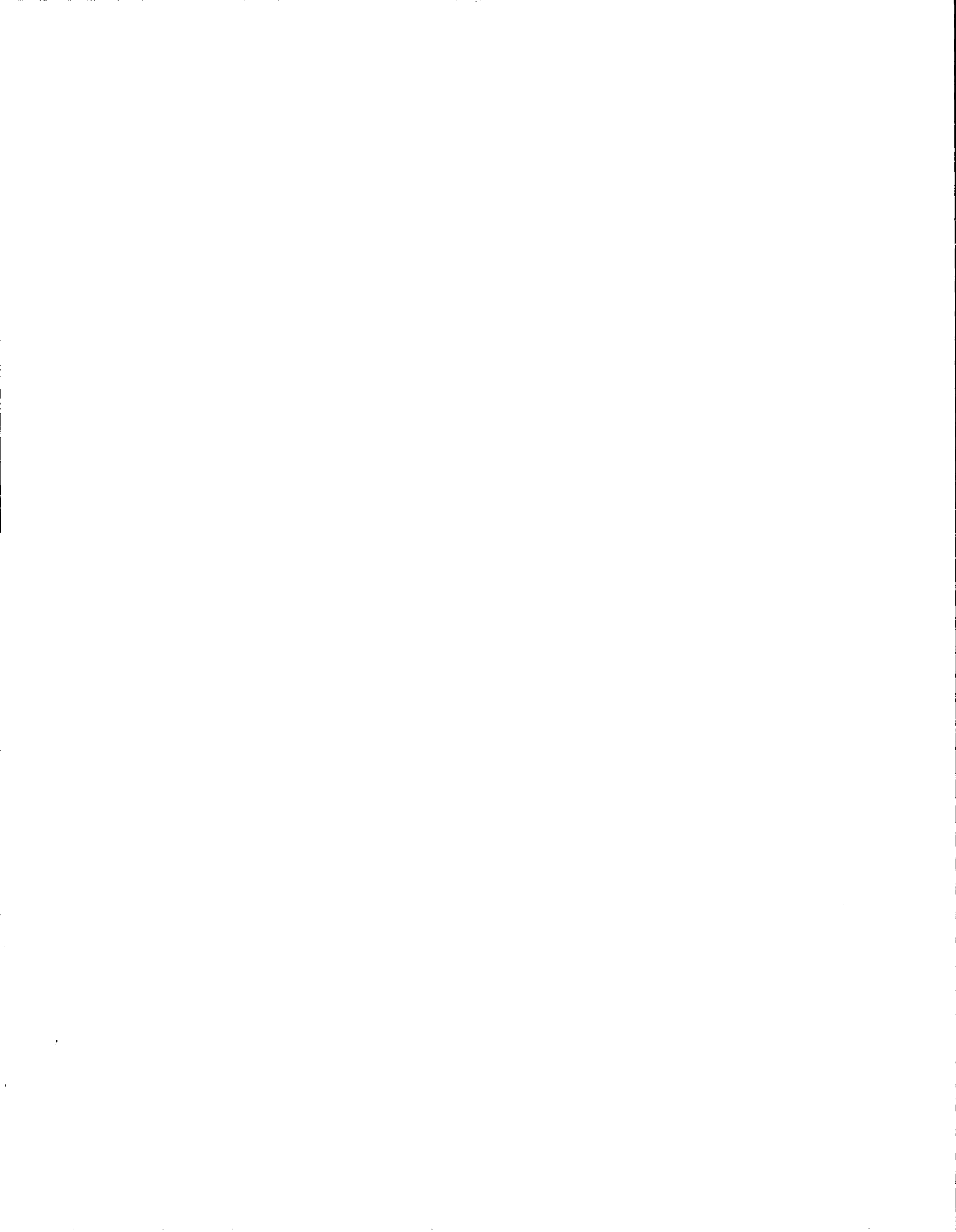
- o Telephone as the nature of the initial contact was overrepresented.

Profile 4
 No. of Cases 53
 Percent of Total 05

The product or service was available prior to purchase, comparison shopping was precluded; the consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. A product or service was received; however, it was defective or did not match the consumer's expectations. The consumer did not receive an immediate refund.

Network Analysis





CONTINUED

1 OF 3

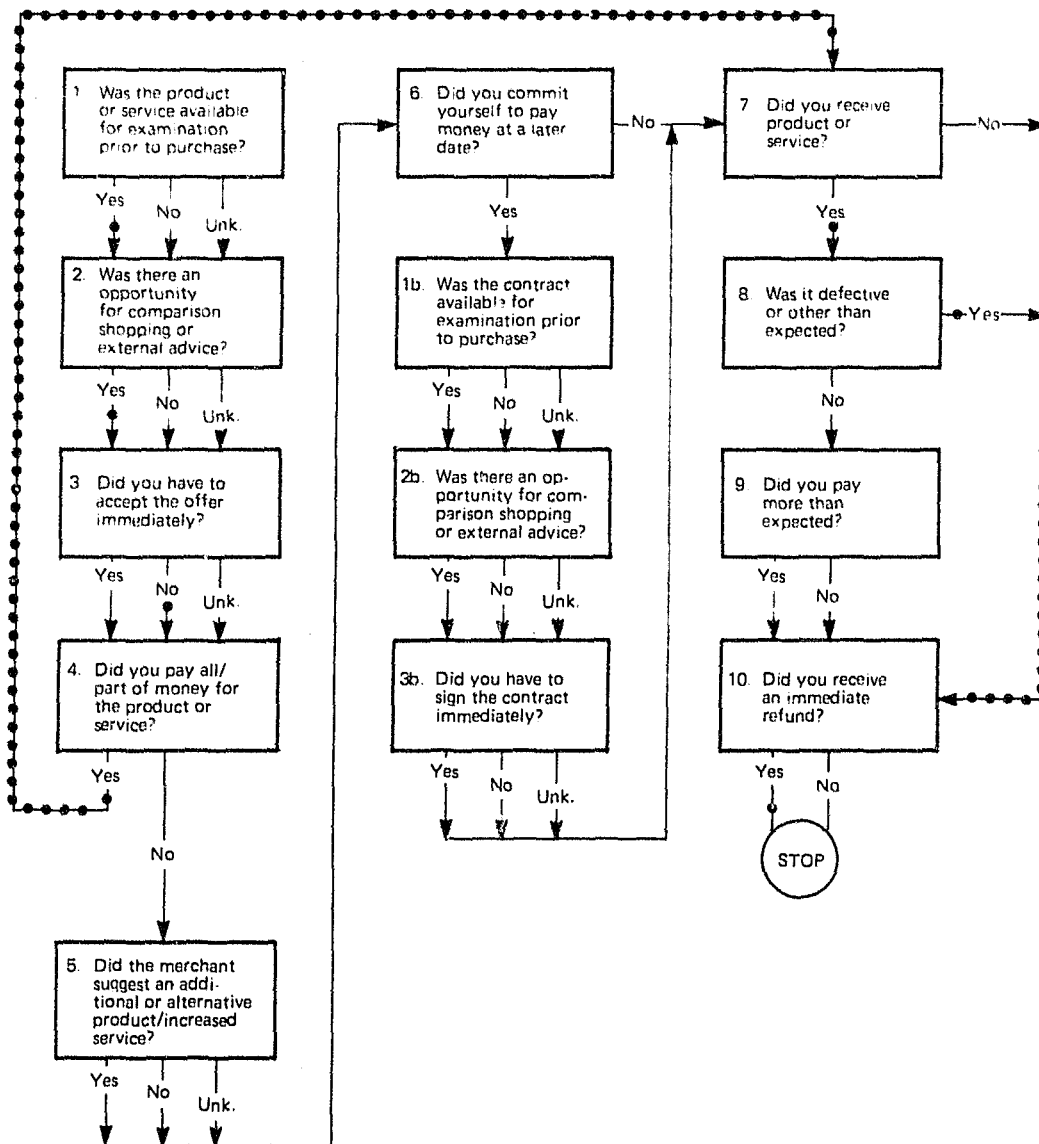
Descriptive Data

- Automotive products were overrepresented.
 - The medium of labeling/packaging was overrepresented.
 - Initial contact at the consumer's home was underrepresented, while the initial contact at the regular place of business of another third party was overrepresented.
 - Exchange of merchandise as a relief sought by the consumer was overrepresented.
-

Profile 5
 No. of Cases 11
 Percent of Total 01

The product or service was available prior to purchase, comparison shopping was not precluded, and the consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. A product or service was received; however, it was defective or did not match to the consumer's expectations. The consumer did receive an immediate refund.

Network Analysis



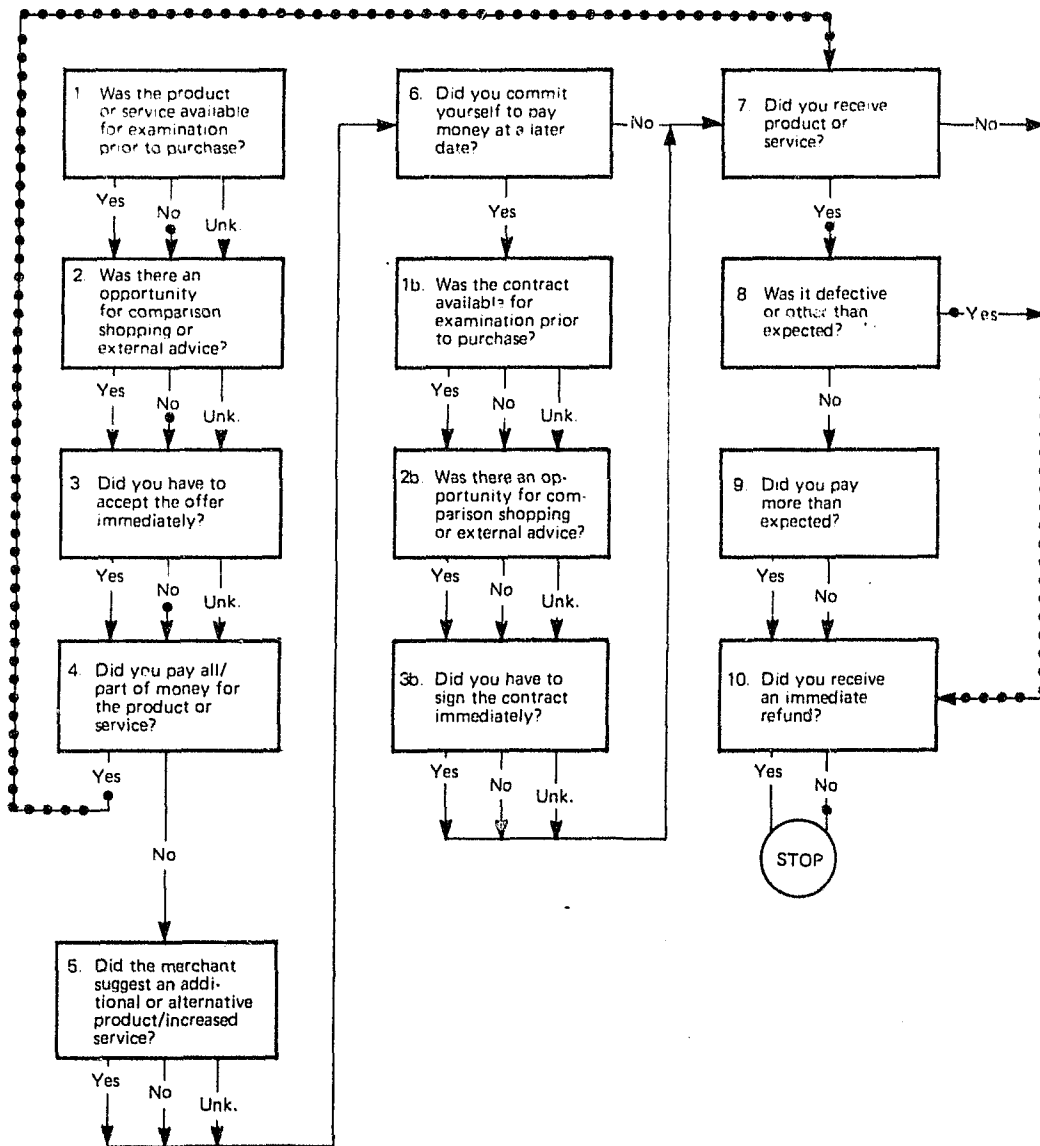
Descriptive Data

- Initial contact at the merchant's regular place of business was underrepresented.
 - The complaint of delivery of poor quality products or services was overrepresented.
 - The merchant response of taking some corrective action was overrepresented.
-

Profile 6
 No. of Cases 14
 Percent of Total 01

The product or service was not available prior to purchase, comparison shopping was precluded, and the consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. A product or service was received; however, it was defective or did not match the consumer's expectations. The consumer did not receive an immediate refund.

Network Analysis



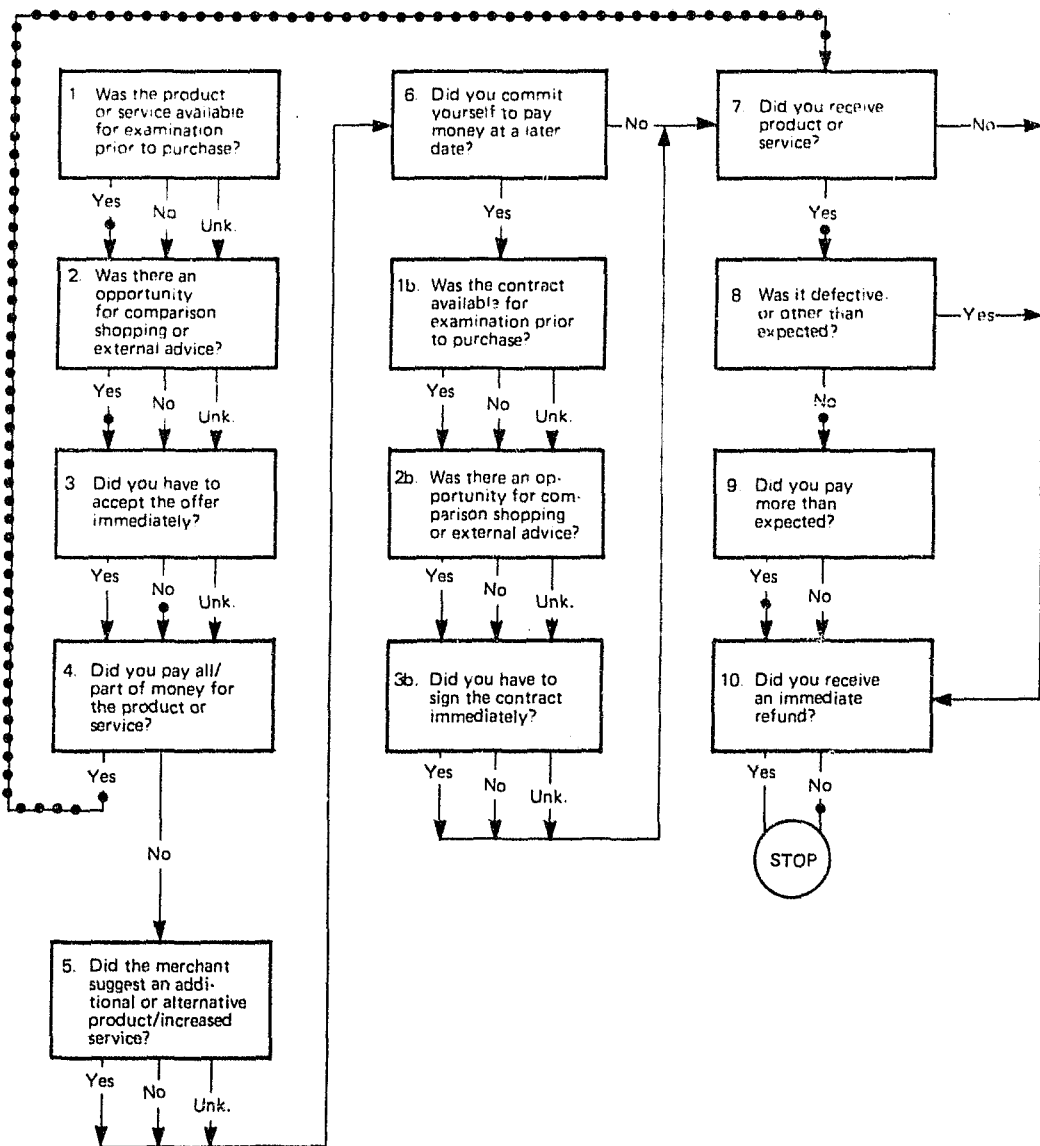
Descriptive Data

- Health products were overrepresented.
 - Initial contact at the merchant's regular place of business was underrepresented, while the incidence of no consumer involvement was overrepresented.
 - The media of television and radio were overrepresented.
 - The occurrence of another agency as the source of the complaint was overrepresented.
-

Profile 7
 No. of Cases 116
 Percent of Total 10

The product or service was available prior to purchase, comparison shopping was not precluded, and the consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. A product or service was received that did match the consumer's expectations; however, the consumer paid more than anticipated. The consumer did not receive an immediate refund.

Network Analysis



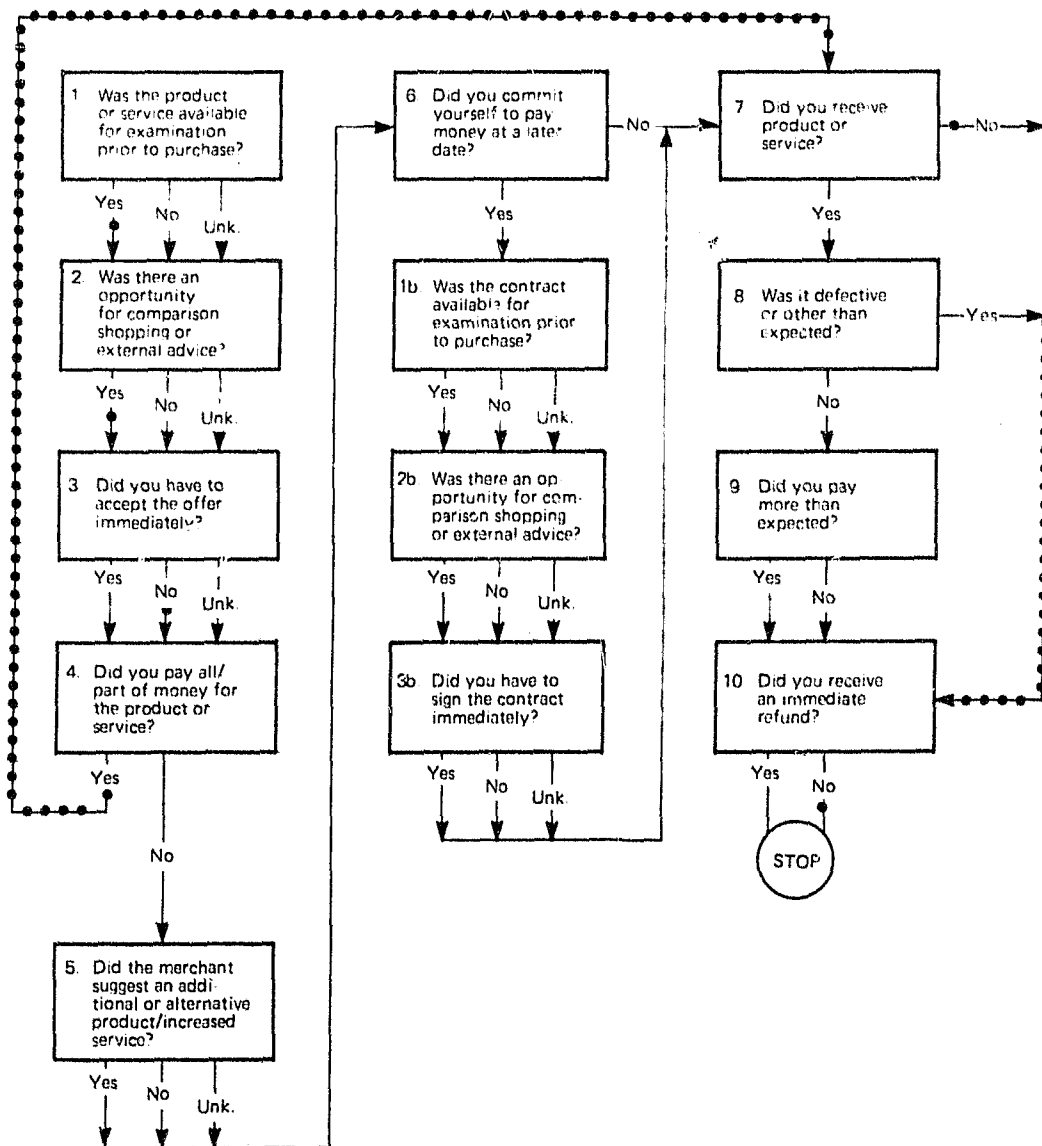
Descriptive Data

- The complaint of overcharging or charging hidden costs was overrepresented.
 - The incidence of no money being involved in the transaction was overrepresented.
 - The merchant response of arguing price claims was overrepresented.
-

Profile	8
No. of Cases	120
Percent of Total	10

The product or service was available prior to purchase, comparison shopping was not precluded, and the consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. After payment, the product or service was not received. The consumer did not receive an immediate refund.

Network Analysis



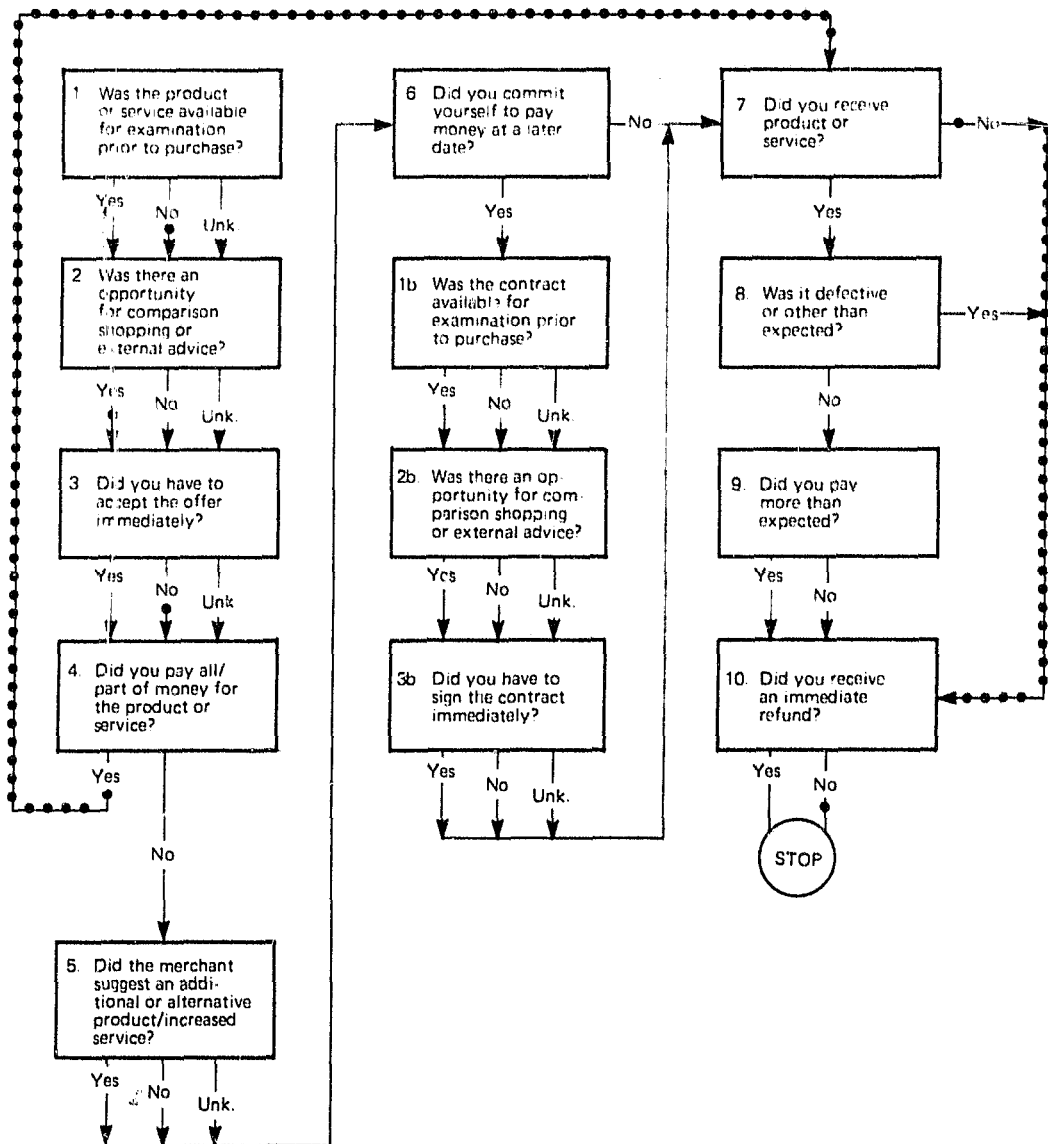
Descriptive Data

- House-related services were overrepresented.
 - The incidence of solvent merchants was underrepresented.
 - The occurrence of merchants unavailability for contact was overrepresented; the occurrence of merchant availability for contact only with difficulty was overrepresented.
 - Initial contact at the consumer's home or at the merchant's regular place of business was underrepresented.
 - The use of the medium of oral representation was underrepresented.
 - The complaints of unavailability of advertised products or services and failure to deliver all or part of purchase were overrepresented.
 - Performance as promised and a refund were overrepresented as relief sought by the consumer.
 - Merchant responses of ignoring any contact, ship-out, and delaying taking action were overrepresented.
 - Performance as promised was overrepresented as a relief obtained by the consumer.
-

Profile 9
 No. of Cases 27
 Percent of Total 02

The product or service was unavailable prior to purchase, comparison shopping was not precluded, and the consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. After payment, the product or service was not received. The consumer did not receive an immediate refund.

Network Analysis



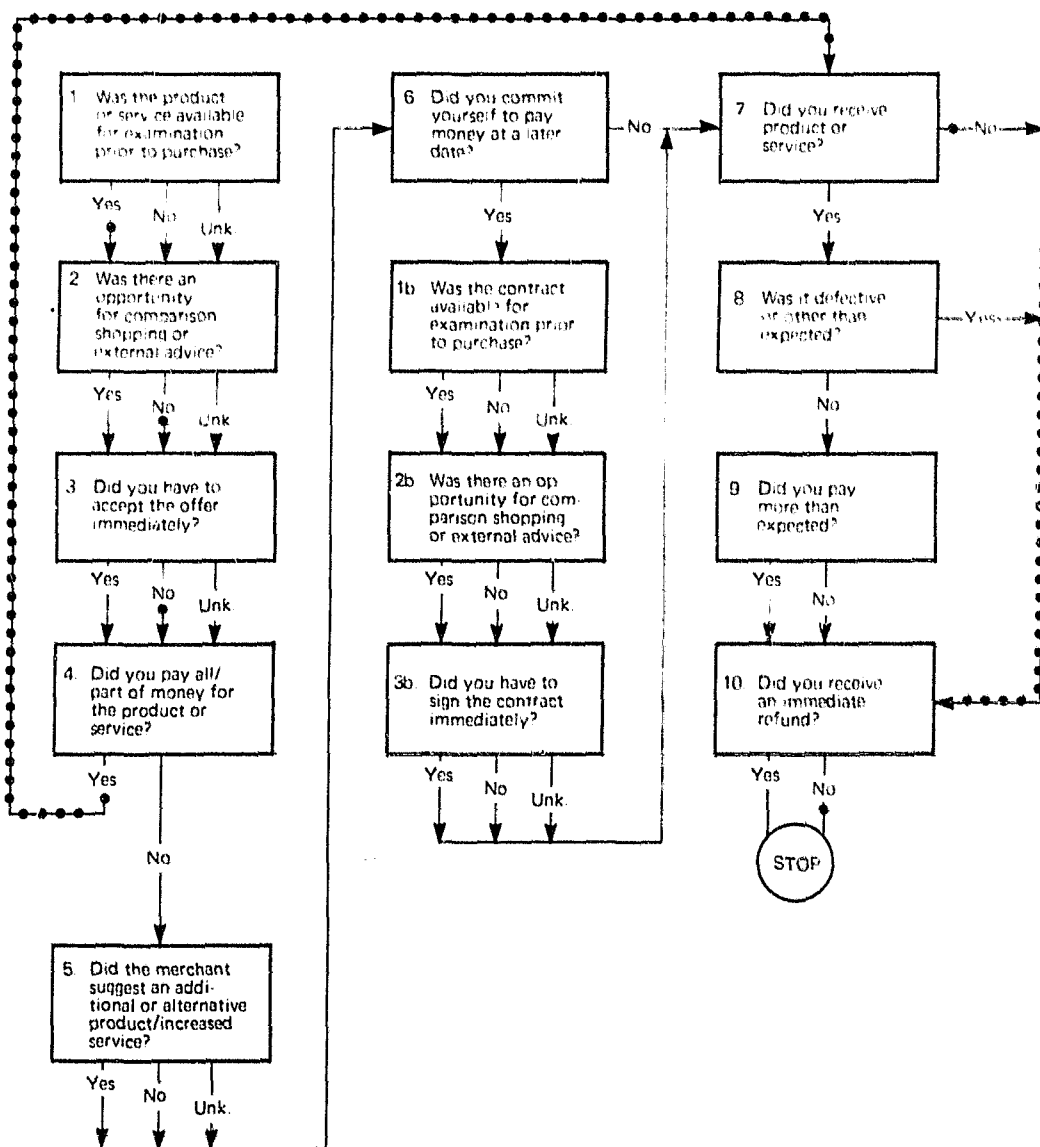
Descriptive Data

- Business opportunities and educational services were overrepresented.
 - The incidence of solvent merchants was underrepresented.
 - The occurrence of merchant unavailability for contact was overrepresented.
 - Initial contact at the merchant's regular place of business was underrepresented.
 - The complaint of failure to deliver all or part of purchase was overrepresented.
 - The merchant response of ignoring any contact was overrepresented.
 - Investigation for public benefit was underrepresented as a relief sought by the consumer.
 - The occurrence of criminal guilty pleas or conviction of the merchant was overrepresented.
-

Profile 10
 No. of Cases 112
 Percent of Total 10

The product or service was available prior to purchase, but comparison shopping was precluded. The consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. After payment the product or service was not received nor was an immediate refund given by the merchant.

Network Analysis

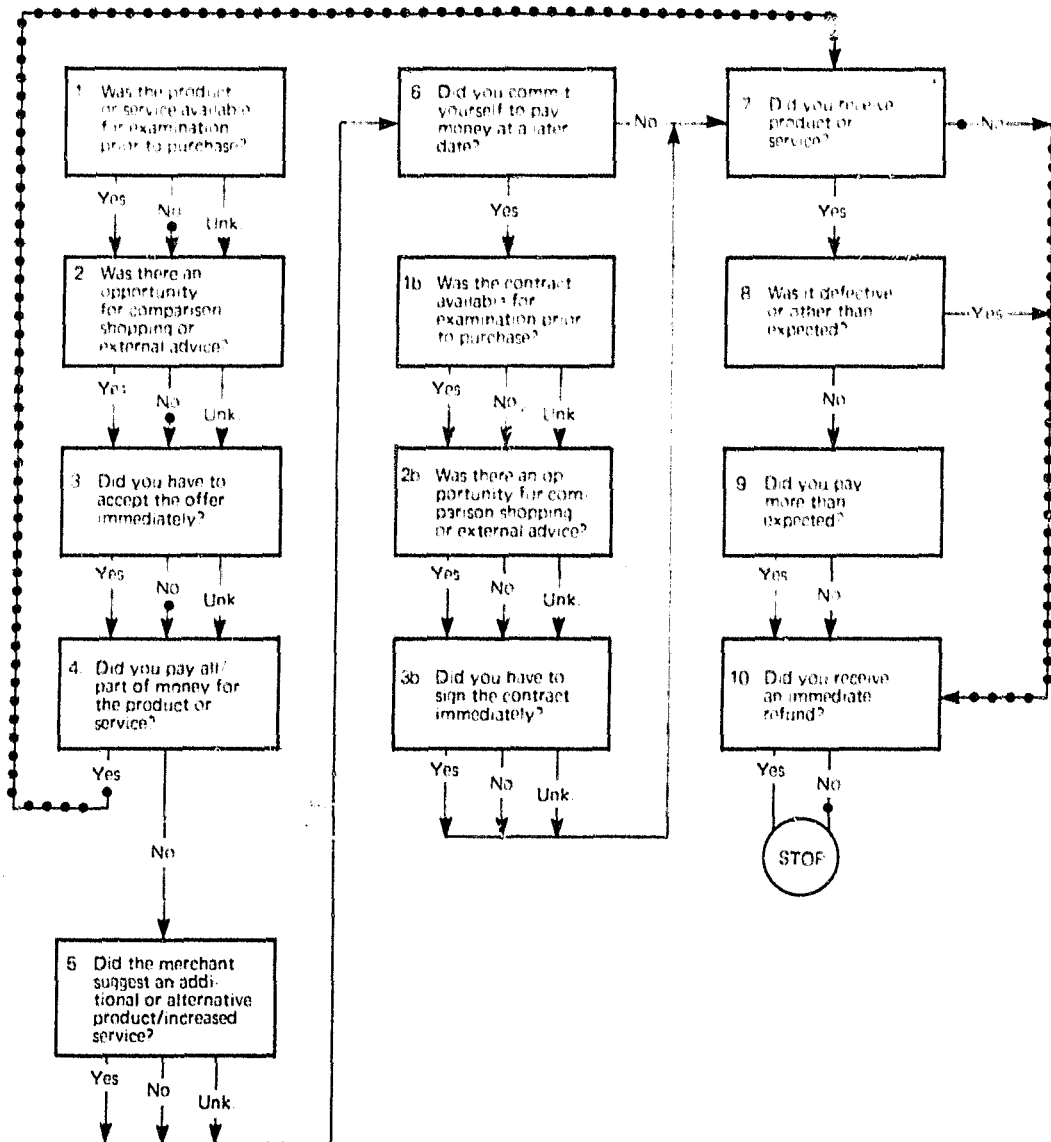


Descriptive Data

- Automobiles and other vehicles were underrepresented, while photographic services were overrepresented.
 - The incidence of solvent merchants was underrepresented and the occurrence of merchant nonavailability for contact was overrepresented.
 - Initial contact by mail was overrepresented, while initial contact at the merchant's regular place of business was underrepresented.
 - The use of mail as the primary medium was overrepresented.
 - The occurrence of transactions involving \$5 to \$19 was overrepresented.
 - The complaint of failure to deliver all or part of the purchase was overrepresented.
 - Investigation for public benefit was underrepresented and performance as promised and a refund were overrepresented as relief sought by the consumer.
 - The merchants' responses of ignoring any contact and shipping out were overrepresented, while the response of arguing product claims was underrepresented.
-

Profile	<u>11</u>	The product or service was unavailable prior to purchase, comparison shopping was precluded, and the consumer did not have to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. The consumer did <u>not</u> receive the product or service and did not receive an immediate refund.
No. of Cases	<u>21</u>	
Percent of Total	<u>02</u>	

Network Analysis



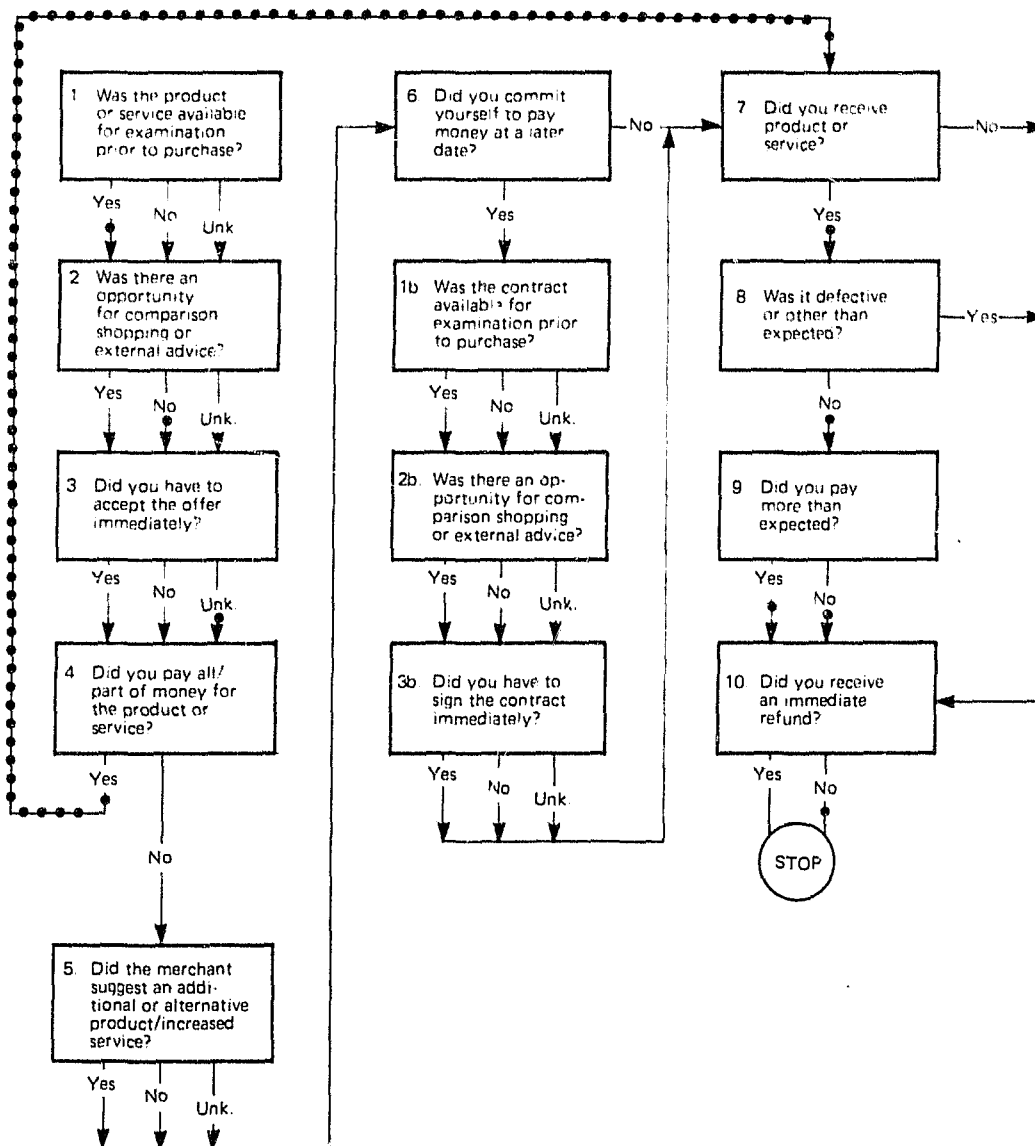
Descriptive Data

- The incidence of solvent merchants was underrepresented.
 - The occurrence of merchants easily available for contact was underrepresented.
 - Initial contact at the merchant's regular place of business was underrepresented.
 - The complaint of failure to deliver all or part of the purchase was overrepresented.
 - Performance as promised and a refund were overrepresented as relief sought by consumers.
 - The merchant response of skipping out was overrepresented.
-

Profile	<u>12</u>
No. of Cases	<u>47</u>
Percent of Total	<u>04</u>

The product or service was available prior to purchase, comparison shopping was precluded, and it is unknown as to whether or not the consumer was required to accept the offer immediately. The consumer paid for all or most of the product or service at the time of purchase. The consumer received the product or service. It was not defective and it matched consumer's expectations. There is no consistent pattern as to whether the consumer paid more than anticipated. The consumer did not receive an immediate refund.

Network Analysis

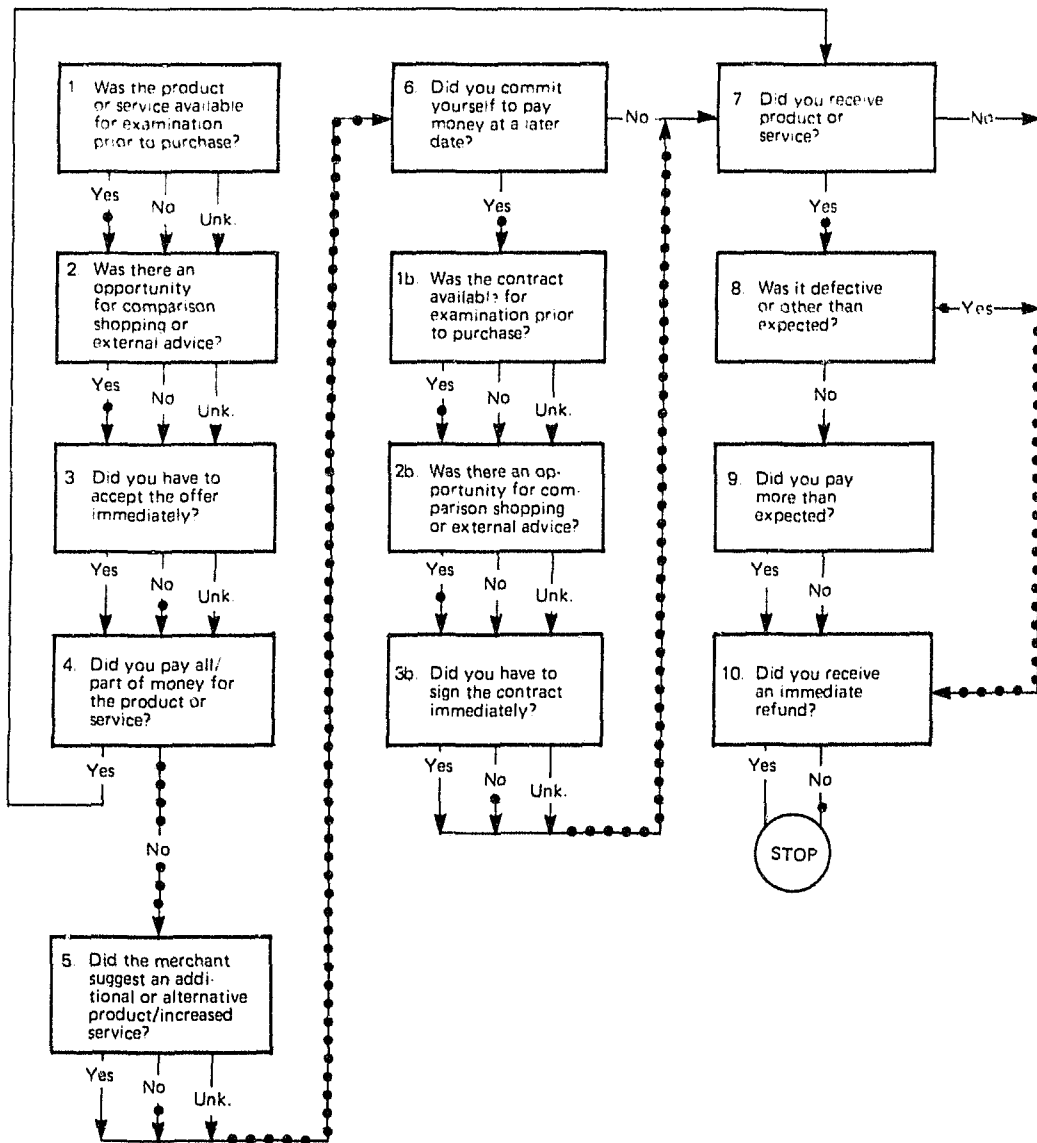




Profile	13
No. of Cases	115
Percent of Total	10

The product or service was available prior to purchase, comparison shopping was not precluded, and the consumer did not have to accept the offer immediately. The consumer did not pay for the product or service at the time of purchase. The merchant did not suggest an additional product or service. The consumer committed her/himself to paying money at a later date. The contract, or long-term agreement was available for examination prior to purchase, comparison shopping for contracts was not precluded, and the consumer did not have to sign the contract immediately. The consumer did receive the product or service; however, it was defective or did not match the consumer's expectations. The consumer did not receive an immediate refund.

Network Analysis



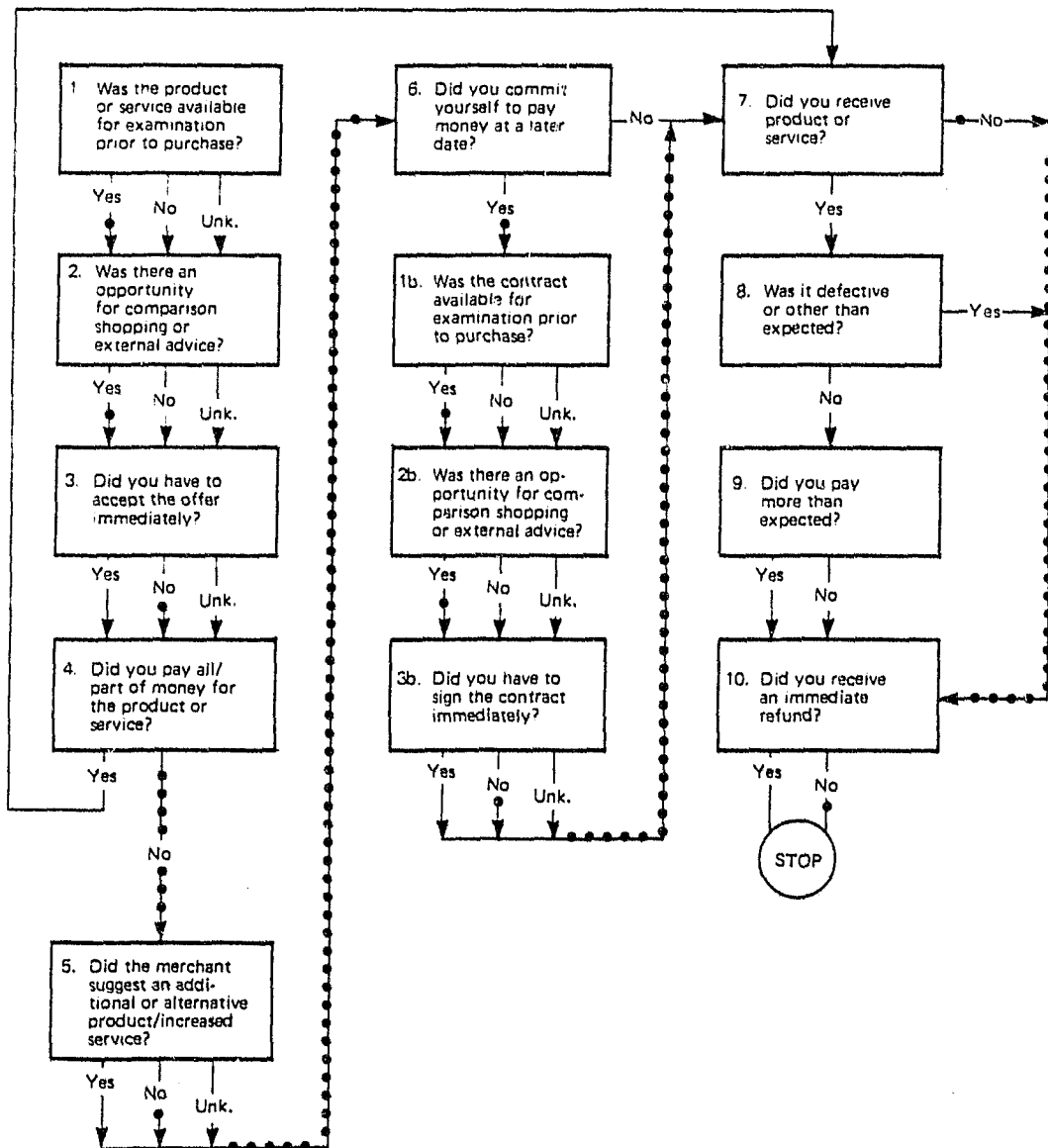
Descriptive Data

- Automobiles and other vehicles were overrepresented.
 - Initial contact by mail was underrepresented.
 - The complaints of misrepresentation as to the benefits derived from the purchase and the delivery of poor quality products or services were overrepresented.
 - The incidences of cases involving \$500 to \$1,999 and \$2,000 to \$9,999 were overrepresented.
 - A refund was underrepresented as relief sought by the consumer, while money to cover consequential losses was overrepresented.
-

Profile 14
 No. of Cases 109
 Percent of Total 10

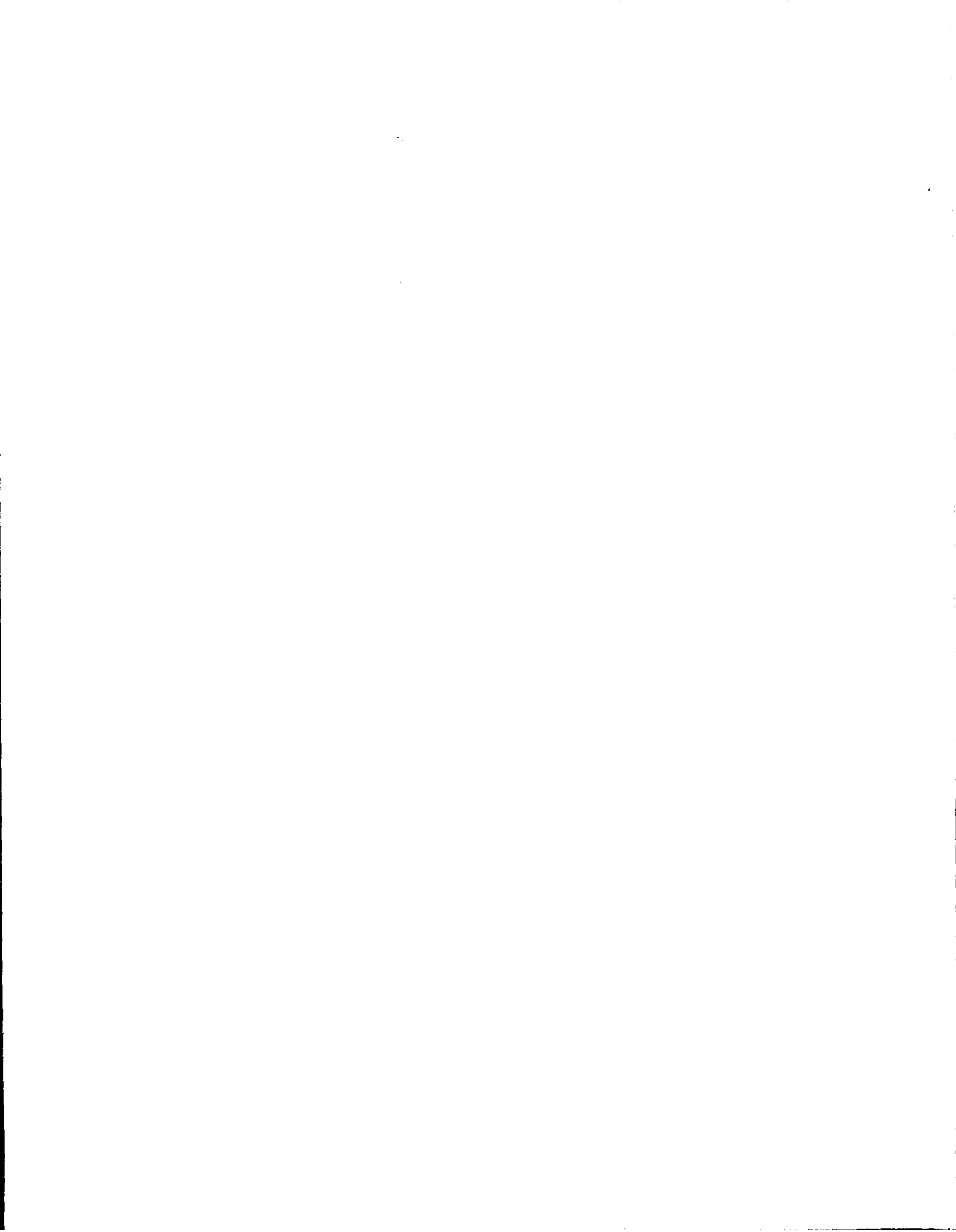
The product or service was available for examination prior to purchase, comparison shopping was not precluded, and the consumer did not have to accept the offer immediately. The consumer did not pay for the product or service at time of purchase. The merchant did not suggest an additional product or service. The consumer committed her/himself to paying money at a later date. The contract or long-term agreement was available for examination prior to purchase, comparison shopping for contracts was not precluded, and the consumer did not have to sign the contract immediately. The consumer did not receive the product or service and did not receive an immediate refund.

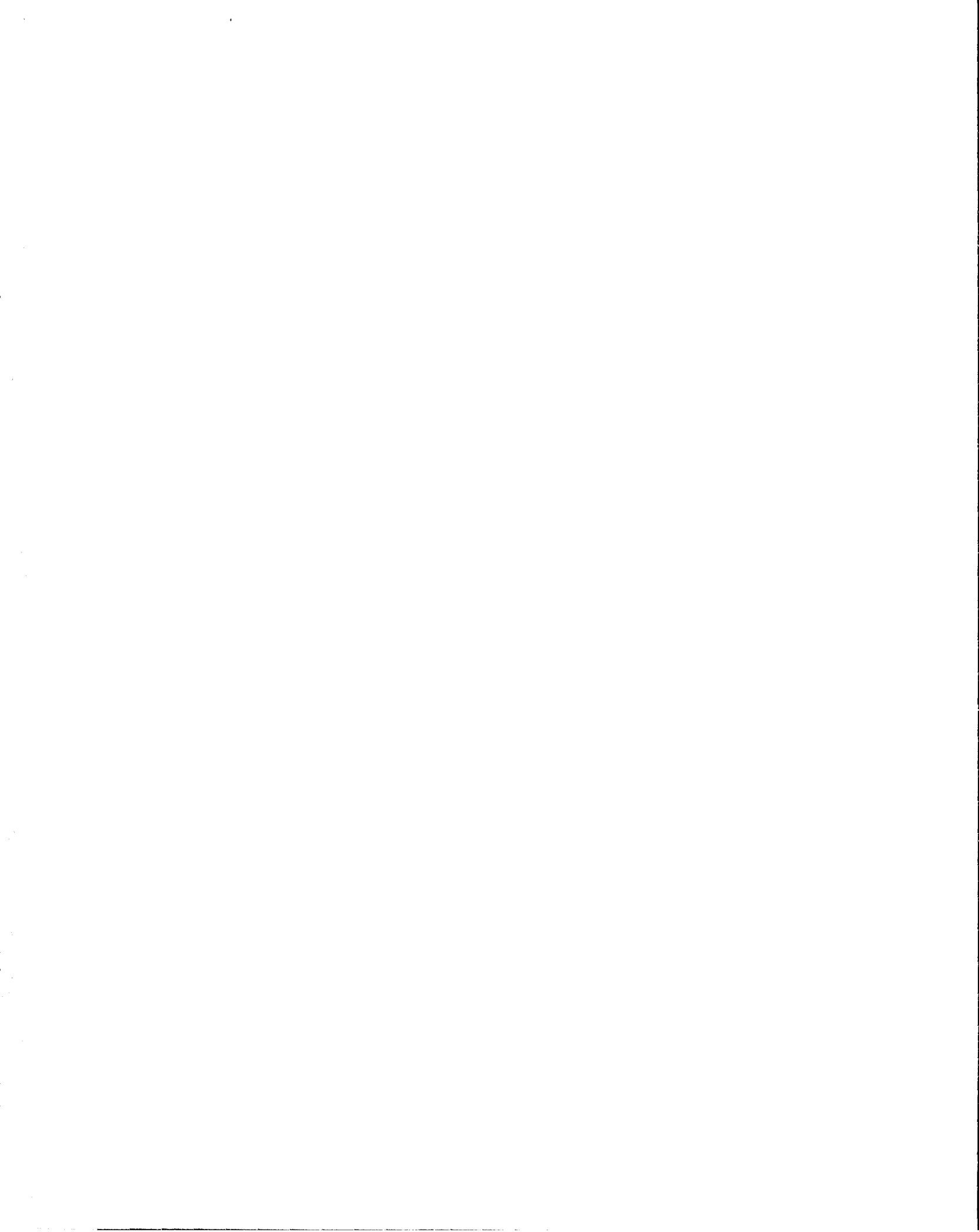
Network Analysis



Descriptive Data

- Self-improvement services were overrepresented.
 - The occurrence of transactions involving no money were overrepresented.
 - The complaints of failure to deliver all or part of the purchase, overcharging or charging hidden costs, and collection or harassment problems were overrepresented.
 - The merchant response of arguing price claims were overrepresented.
 - A billing adjustment as a relief obtained was overrepresented.
-





VI. SUMMARY AND CONCLUSIONS

VI. SUMMARY AND CONCLUSIONS

A. Case Materials

At the end of Phase I, we summarized our impressions of the initial findings and indicated what direction(s) these findings suggested for subsequent activities.

The 383 examples of alleged consumer fraud collected during Phase I yielded several surprises, which are briefly stated below:

- elegant or complex features were noticeably absent from the cases;
- merchant excesses contributed to the collapse of the transaction, extreme behaviors or demands provided stimuli for consumer complaints;
- in the early stages, most transactions are indistinguishable from "normal" purchases made in the marketplace;
- the illegality of certain behaviors did not prevent merchants from using them (e.g., refusing a refund during the allowed cancellation time);
- resolution of the cases (if it occurred) usually required substantial consumer time and effort, and from the consumer's viewpoint, the investment was often futile;
- most cases represented one-time occurrences, few patterns of the alleged activity were evident.

We repeat these impressions because the Phase II data confirm them. We can now state with greater confidence, that a substantial portion of the cases represent "normal" business transactions which result in consumer dissatisfaction. The evidence collected does not support the supposition that merchants frequently concoct elaborate schemes designed to cheat the consumer. Complicated schemes account for a very small portion of consumer complaint files. On the contrary, the file information indicates that the transactions are fairly simple. Nor can we attribute all consumer complaints to merchant misbehavior. In some cases, it appears that a complaint was lodged because the product received "wasn't as I expected it to be"; but there is no evidence of misrepresentation or deceit. Some of our cases, therefore, reflect ineffective behavior on the part of the consumer--not fraud.

B. Analysis of Typologies

During Phase I, we devised three alternative typologies for organizing the alleged fraudulent events. Each of the alternatives used process as the major criterion for developing a classification scheme. Although we originally planned to select one of these schemes as a basis for collecting Phase II data, each of the three appeared promising enough to explore its utility with an expanded data base. The data acquisition form was generated to collect information that would allow further testing of each system's ability to communicate insights regarding the nature of consumer fraud and potential opportunities for reducing the incidence of fraudulent occurrences.

All three systems were tested using the Phase II data. The analysis of the thematic approach suggested that the fifteen themes did not provide an adequate framework for the data--only 49% of the cases were handled by the approach. The transactional sequence and the network approach held more promise. Both encompassed the full range of cases. Both yielded several options for constructing common patterns of consumer abuse. The two sets of outcomes had a slightly different slant. We constructed profiles based on these two approaches - using both the process and the descriptive data. The next step will be to analyze these profiles in terms of potential intervention strategies - our initial task in Phase III.

C. The Definition

Where does this leave us in terms of defining consumer fraud? Data we collected from numerous complaint files reflect Blackstone's definition, written in 1803, which states that transactions between sellers and purchasers are based upon an implied contract of fairness and honesty.

Two significant findings emerge from the Phase II data:

1. The absence of a specific inducement. In 63 percent of the cases, consumers purchased a product or service because of a real or perceived need, rather than a "come-on" by the merchant; and
2. Most merchant/consumer transactions are "normal" in the sense that the consumer enters the transaction assuming that an honest exchange of goods and/or services for money will occur.

Our data contain far more cases that reveal a consumer grievance following a commonplace business transaction than loss from a carefully planned and executed scheme. The notion of an implied contract of fairness and honesty is assumed by the consumer.



VII. PHASE III PLANS



VII. PHASE III PLANS

During Phase III, AIR and NCLC will work closely together to:

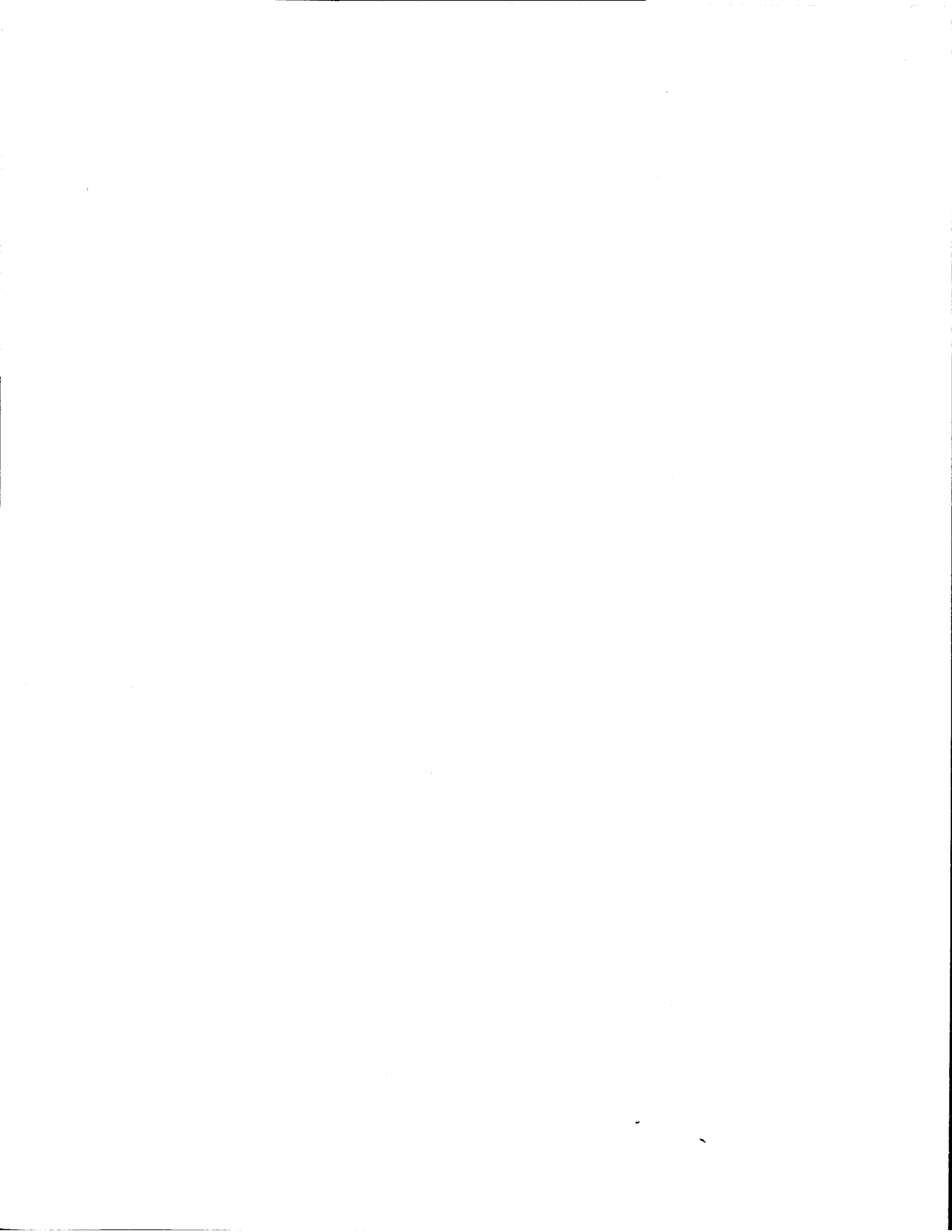
- Determine the areas of need for intervention strategies;
- Develop and evaluate intervention strategies capable of meeting those needs;
- Estimate probable costs, investment requirements for implementation and potential effectiveness; and
- Formulate recommendations on further development or implementation of each intervention strategy.

Phase II resulted in two major outcomes - profiles that depict patterns of consumer abuses and an analysis of the effectiveness of intervention strategies currently practiced by many law enforcement agencies and consumer affairs offices throughout the United States. These two, independently derived, products will enable us to pinpoint areas of significant need for intervention strategies, and to assess the probable value of alternative remedies.

We will first compile a list of potential strategies based on the data contained in the patterns of consumer abuses. Each of the strategies will be keyed to a step in the sequence of events that offers an opportunity for effective intervention. Our next step will be to screen this list of candidate strategies by assessing the strengths and weaknesses of each as it is now being used. This analysis will produce practical feedback for consideration in selecting the interventions we will propose. The third step in this procedure will be to examine a sample of cases from our data base and bench test the strategy or strategies against these actual occurrences. Our product will be a set of strategies which demonstrate promise toward reducing the incidence of consumer abuses.

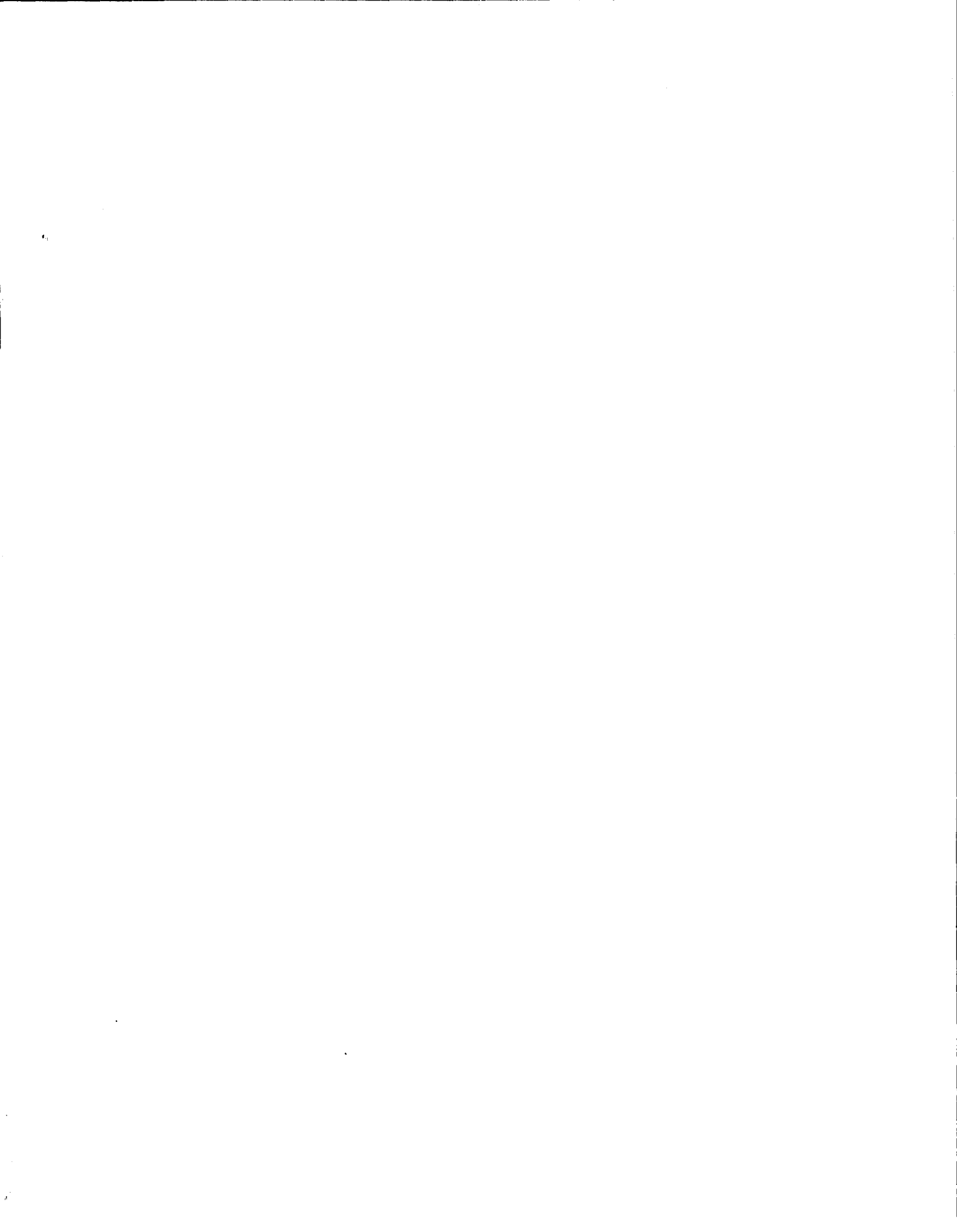
For each of the strategies we suggest, an implementation plan will be devised that takes into account some practical aspects of actually using the strategies. Among the aspects to be considered will be cost, development requirements, necessary changes in current agency procedures, or increased interaction and cooperation among agencies.

After exploring the ramifications of the proposed interventions, AIR and NCLC will prepare a series of recommendations for each. The intervention recommendations will contain these elements: purpose and anticipated benefit of the strategy; a suggested implementation plan that considers cost estimates and human resource requirements; an evaluation component to measure the results of the strategy underlying the recommendation.





Appendix A. DATA ACQUISITION FORM





**CONSUMER FRAUD
Data Acquisition Form**

AIR case no. _____
1 2 3 4

Date _____ Agency _____
5 6

**DESCRIPTIVE
INFORMATION**

1. Type of Product or Service Involved: Product, Service, Other, Unknown _____
If not on list, specify: _____ 7 8 9
2. Consumer Characteristics: A. Age B. Occupational status C. Sex D. Residence _____
10 11 12 13
3. Merchant characteristics: A. Is merchant solvent? B. Available? C. Other complaints filed _____
14 15 16
4. Other Involved Parties: If not on list, specify: _____
17 18
5. Initial Contact: If not on list, specify: _____
19
6. Nature of Complaint: If not on list, specify: _____
20 21
7. Primary Medium Used: If not on list, specify: _____
22 23
8. Dollars Involved in the Individual Transaction: If not on list, specify: _____
24 25
9. Public Loss: If not on list, specify: _____
26 27
10. Agency Receiving Complaint: If not on list, specify: _____
28 29
11. Source of Complaint: If not on list, specify: _____
30 31 32 33
12. Relief Sought: If not on list, specify: _____
34
13. Primary or Secondary Agency: If not on list, specify: _____
35
14. Action Taken by Agency: If not on list, specify: _____
36 37
15. Results of Action Taken by Agency: _____
If not on list, specify: _____
38 39 40 41 42
43 44 45 46
16. Relief Obtained: If not on list, specify: _____
47 48

INDUCEMENT

1. Was the offer for a business or investment opportunity?
If not on list, specify: _____ 49 50
 2. Did the offer include claims for consumer self-improvement?
If not on list, specify: _____ 51 52
 3. Did the offer include claims of unique features not found in competitive line?
If not on list, specify: _____ 53 54
 4. Did the offer include claims of substantial savings?
If not on list, specify: _____ 55 56
 5. Did the offer include an implied or expressed warranty, guarantee,
or cancellation clause?
If not on list, specify: _____ 57 58
 6. Did the offer include or imply time pressure?
If not on list, specify: _____ 59 60
 7. Did the merchant suggest an additional product or service?
If not on list, specify: _____ 61 62
- OBLIGATION OR AGREEMENT: If not on list, specify: _____ 63 64
- POSTPAYMENT: If not on list, specify: _____ 65 66
- MERCHANT RESPONSE: If not on list, specify: _____ 67 68

Coder comments:

IR-10/77



Appendix B. DATA ACQUISITION GUIDE



(CASENUM) Casenumber _____

(CASELOC) Agency _____

Data Acquisition Guide

Descriptive Dimensions

col. 7, 8, 9

(PRODTYP)

1. TYPE OF PRODUCT OR SERVICE INVOLVED

., 000 Unknown

Products

- 101 Automobiles and other vehicles
- 102 Automotive products and supplies
- 103 Books, recordings, and periodicals
- 104 Food, personal care, and related items
- 105 Garden products and plants
- 106 Health products and drugs
- 107 Home furnishings and appliances
- 108 Jewelry, watches, coins, stamps, and the like
- 109 Outdoor recreational goods, toys, musical instruments
- 110 Wearing apparel
- 111 Land/real estate

Services

- 201 Appliance and equipment repairs
- 202 Automobile or other vehicle related
- 203 Business opportunities
- 204 Educational
- 205 Employment
- 206 Financial, including loans
- 207 House related
- 208 Housing locator
- 209 Moving and storage
- 210 Photographic
- 211 Publishing and marketing
- 212 Self-improvement
- 213 Shipping and travel
- 214 Yard related
- 215 "Care" services: baby-sitting, house-sitting, elderly, funeral services

Miscellaneous

- 301 Charity
- 302 Contest
- 303 Collection agency or other holder
- 304 Credit reporting agency
- 305 Animal related
- 306 Recreational/Entertainment services/products

A Other - specify

B Not applicable

2. CONSUMER CHARACTERISTICS

col. 10

(AGE)

- a. Age
., 0 Unknown
1 (not used)
2 Teenager or adult
3 Senior Citizen

B Not applicable

col. 11

(OCCSTAT)

- b. Occupational status
., 0 Unknown
1 Unemployed
2 Part-time job
3 Full-time
4 Retired

B Not applicable

col. 12

(SEX)

- c. Sex
., 0 Unknown
1 Female
2 Male
3 Couple
4 Group

B Not applicable

col. 13

(RESIDE)

- d. Residence
., 0 Unknown
1 Urban
2 Suburban
3 Rural

B Not applicable

3. MERCHANT CHARACTERISTICS

col. 14

(MSOLVE)

- a. Is merchant solvent? (Is he making any claims of bankruptcy, inability to meet financial obligations?)
., 0 Unknown
1 Yes, solvent
2 Not solvent

B Not applicable

col. 15

(MAVAIL)

- b. Is merchant available for contact? (Has he responded to inquiries, etc.?)
., 0 Unknown
1 Yes, easily
2 Yes, with difficulty
3 No

B Not applicable

col. 16
(NUMCOMP)

- c. Have other complaints been filed against the merchant?
- ., 0 Unknown
 - 1 Zero
 - 2 Less than 5
 - 3 Between 5 and 10
 - 4 Eleven or more

col. 17
(O PARTY)

4. OTHER INVOLVED PARTIES
- ., 0 Unknown
 - 01 Manufacturer
 - 02 Seller
 - 03 Lender
 - 04 Holder
 - 05 No other parties involved
 - 06 Advertiser - (mail order)
 - 07 Service agencies
 - 08 Sub/prime contractors
- A Other - specify
B Not applicable

col. 18
(CONTACT)

5. NATURE OF THE INITIAL CONTACT BETWEEN CONSUMER AND MERCHANT
- ., 0 Unknown
 - 1 Mail
 - 2 Telephone
 - 3 At consumer's home
 - 4 At merchant's regular place of business
 - 5 At the regular place of business of another involved party
 - 6 At some location other than "3," "4," or "5"
 - 7 No consumer involved in the complaint
- A Other - specify
B Not applicable

col. 20, 21
(NATURE)

6. NATURE OF COMPLAINT
- ., 0 Unknown
 - 01 Deceptive pricing, including misrepresentation as to "sale" or value, omitting necessary price/credit disclosures
 - 02 Unavailability of advertised products or services
 - 03 Misrepresentation as to warranties
 - 04 Misrepresentation as to benefits derived from purchase
 - 05 Failure to deliver all or part of purchase
 - 06 Delivery of poor quality products or services, including defective installation
 - 07 Delivery of products or services which differ from those purchased
 - 08 Overcharging or charging hidden costs

- 09 Refusal to honor warranty
- 10 Undue delay in performing repairs
- 11 Performing unauthorized or unnecessary repairs
- 12 Failure to give an agreed refund or exchange, or credit a return
- 13 Collection or harassment problem
- 14 Receipt of unsolicited merchandise
- 15 Merchant unlicensed
- 16 Appearance of illegal dealings
- 17 Suggesting unnecessary repairs
- 18 Merchandise surrendered for servicing either not returned/sold/damaged
- 19 Comb. 05 & 06
- 20 M misrepresents own affiliations/qualifications

A Other - specify
B Not applicable

col. 22, 23

(MEDIUM)

7. PRIMARY MEDIUM USED TO PERPETRATE THE ALLEGED FRAUD

., 0 Unknown

Recorded

- 01 Labeling/Packaging
- 02 Mail Solicitation
- 03 Pamphlets/Circulars
- 04 Periodicals (newspapers/magazines)
- 05 Yellow Pages
- 06 Television/Radio
- 07 Defective performance of product/service (taxi meters, gas pumps, vending machines)
- 08 Verbal/Written guarantee

Unrecorded

- 11 Oral representation (face to face)
- 12 Telephone

A Other - specify
B Not applicable

col. 24, 25

(DOLLARS)

8. DOLLARS INVOLVED IN THE INDIVIDUAL TRANSACTION

., 00 Unknown

- 01 Zero
- 02 Under \$5.00
- 03 \$5 to \$19
- 04 \$20 to \$99
- 05 \$100 to \$499
- 06 \$500 to \$1,999
- 07 \$2,000 to \$9,999
- 08 \$10,000 to \$49,000
- 09 Over \$50,000

A Other - specify
B Not applicable

col. 26, 27

(PUBLOSS)

9. PUBLIC LOSS DUE TO OVERALL SCHEME
- ., 00 Unknown
 - 01 Zero
 - 02 Under \$100
 - 03 \$100 to \$999
 - 04 \$1,000 to \$4,999
 - 05 \$5,000 to \$24,999
 - 06 \$25,000 to \$99,999
 - 07 \$100,000 to \$499,999
 - 08 Over \$500,000
 - 09 Unclear whether scheme involved

A Other - specify

B Not applicable

col. 28, 29

(R_ AGENT)

10. AGENCY RECEIVING THE COMPLAINT

Federal Government

- 11 U.S. Attorney
- 12 Federal Trade Commission
- 13 United States Postal Service

State Government

- 21 Attorney General
- 22 Consumer Affairs Office

Local Government (County/Municipality)

- 31 District Attorney or Equivalent
- 32 Consumer Affairs Office
- 33 Police Department
- 41 AARP
- 42 Call for action

A Other Department or Agency - specify

B Not applicable

col. 30, 31

(SOURCE1)

11. SOURCE OF THE COMPLAINT LEADING TO AGENCY ACTION

- ., 00 Unknown
- 10 One consumer
- 20 Several consumers
- 30 Another merchant
- 40 Within the agency itself

A Other - specify

B Not applicable

col. 32, 33

(SOURCE2)

Another Agency:

- ., 00 Unknown
- 51 U.S. Attorney
- 52 Federal Trade Commission
- 53 United States Postal Service
- 54 State Attorney General
- 55 State Consumer Affairs Office

- 56 Local District Attorney or equivalent
- 57 Local Consumer Affairs Office
- 58 Local Police Department
- 59 B. B. B.
- 60 Chamber of Commerce
- 61 State Licensing Board
- 62 Bureau of Weights and Measures or Health Dept.
- 63 AARP
- 64 Action line

A Other - specify
B Not applicable

col. 34

(REL_SOT)

12. RELIEF SOUGHT BY THE CONSUMER

- ., 0 Unknown
- 1 None
- 2 Advice only
- 3 Performance as promised
- 4 Exchange merchandise
- 5 Refund or partial refund
- 6 Money to cover consequential losses
- 7 Investigation or action for the benefit of the public
- 8 No individual consumer complained
- 9 Both 3 & 5

A Other - specify
B Not applicable

col. 35

(PRIMSEC)

13. PRIMARY OR SECONDARY AGENCY?

- ., 0 Unknown
- 1 Primary
- 2 Secondary

col. 36, 37

(ACTION)

14. ACTION TAKEN

- ., 00 Unknown
- 01 Advice to consumer/no further action taken
- 02 Investigation conducted/no further action
- 03 Further investigation in preparation for referral
- 04 No investigation/referral
- 05 Non-litigated resolution sought
- 06 Formal civil proceedings instituted
- 07 Formal criminal proceedings instituted
- 08 Action pending within agency
- 09 Nothing
- 10 Investigation and advice

A Other - specify
B Not applicable

col. 38

(RESULTS)

15. RESULTS OF ACTION

- ., 0 Unknown
- 1 None within agency

- 2 Administrative consent order or other agreement
- 3 Administrative order
- 4 Civil settlement, including consent order judgment
- 5 Civil judgment
- 6 Criminal guilty plea or conviction

col. 39
(CESSATE)

Cessation activity
., 0 Unknown
1 Yes
2 No

col. 40
(CORRECT)

Taking of some corrective action
., 0 Unknown
1 Yes
2 No

col. 41
(REFUND)

Restitution or refund
., 0 Unknown
1 Yes
2 No

col. 42
(PAYMENT)

Payment of money to cover consequential losses, including fines
., 0 Unknown
1 Yes
2 No

col. 43
(COSTS)

Costs incurred by agency
., 0 Unknown
1 Yes
2 No

col. 44
(IMPRISON)

Imprisonment
., 0 Unknown
1 Yes
2 No

col. 45
(PROBATE)

Probation or suspended sentence
., 0 Unknown
1 Yes
2 No

col. 46
(SENTPEND)

Sentence or judgment pending
., 0 Unknown
1 Yes
2 No

B Not applicable (for all of items under #15)

col. 47, 48

(REL_OBT)

16. RELIEF OBTAINED BY THE CONSUMER
- ., 00 Unknown
 - 01 None
 - 02 Advice only
 - 03 Performance as promised
 - 04 Exchange merchandise
 - 05 Refund or partial refund
 - 06 Money to cover consequential losses
 - 07 Investigation or action for the benefit of the public
 - 08 No individual consumer complained
 - 09 Case still pending
 - 10 3 & 5
 - 11 5 & 7
 - 12 Billing/acct. adjustments
 - 13 Stop harassments
 - 14 Release from contract/and refund if applicable
 - 15 Return of merchandise surrendered for servicing

A Other - specify

B Not applicable

Inducement

col. 49, 50

(OPPORTU)

1. WAS THE OFFER FOR A BUSINESS OR INVESTMENT OPPORTUNITY?
- ., 00 Unknown
 - 11 Yes: Operating franchise
 - 12 Working at home
 - 13 Investment in item that may appreciate
 - 14 Retirement property
 - 15 Sales positions: brokers
 - 19 Unsolicited merchandise; no inducement
 - 20 No

A Other - specify

B Not applicable

col. 51, 52

(SELFIMP)

2. DID THE OFFER INCLUDE CLAIMS FOR CONSUMER SELF-IMPROVEMENT?
- ., 00 Unknown
 - 11 Yes: Special lessons or training; "how-to" guides
 - 12 Publication and marketing services for unknown authors
 - 13 Physical fitness programs; unique diets
 - 14 Who's who listings; talent promotions
 - 15 Educational employment products or services
 - 16 Cosmetic health features, e.g., hair replacement procedures
 - 17 Dating service
 - 20 No

A Other - specify
B Not applicable

col. 53, 54

(UNIQUE)

3. DID THE OFFER INCLUDE CLAIMS OF UNIQUE FEATURES NOT FOUND IN COMPETITIVE LINE?

., 00 Unknown

- 11 Yes: Products unavailable at retail outlet
12 Item one may not reasonably expect access to
13 Gimmick
20 No

A Other - specify
B Not applicable

col. 55, 56

(SAVINGS)

4. DID THE OFFER INCLUDE CLAIMS OF SUBSTANTIAL SAVINGS?

., 00 Unknown

- 11 Yes: Consumer pays tiny fraction of implied real cost and really should not expect this; "winning" a prize
12 Appears to be a good value
13 Personal loans without securities requirements
14 Credit sales with no/or hidden finance charges
20 No

A Other - specify
B Not applicable

col. 57, 58

(WARRANT)

5. DID THE OFFER INCLUDE AN IMPLIED OR EXPRESS WARRANTY; GUARANTEE OR CANCELLATION CLAUSE?

., 00 Unknown

- 11 Yes: Express (product only)
12 Implied or assumed due to advertised product; reputable firm and/or use of brand name
13 Implied or assumed due to claims on label
14 Express (delivery)
15 Express (delivery and claims)
16 Express (delivery) and Implied (product)
20 No

A Other - specify
B Not applicable

col. 59, 60

(PRESSURE)

6. DID THE OFFER INCLUDE OR IMPLY TIME PRESSURE?

., 00 Unknown

- 11 Yes: Consumer must purchase immediately to receive "good" offer
12 Opportunity came near holiday; seasonal delivery

- 13 Emergency situation
- 14 Special event; vacation package
- 15 Proximity to retirement
- 16 Employment service/home or apartment listings
- 17 Available only in limited quantities
- 20 No

A Other - specify
B Not applicable

col. 61, 62

7. DID THE MERCHANT SUGGEST AN ADDITIONAL PRODUCT OR SERVICE?

(ADDPROD)

- ., 00 Unknown
- 11 Yes: Differing from one mentioned in inducement
- 12 Extension of original idea
- 13 Options offered because merchant experiences "difficulty" in honoring terms
- 20 No

A Other - specify
B Not applicable

col. 63, 64

OBLIGATION OR AGREEMENT

(OBLIGAT)

- ., 00 Unknown
- 01 Pay for all of merchandise or service at the time of possession
- 02 Pay for part of merchandise or service at time of possession
- 03 Prepay for mail order purchase prior to delivery of merchandise
- 04 Prepay for other purchase prior to delivery of merchandise

- Signs an agreement or contract with the merchant:*
- 05 Long-term obligation requiring periodic payments
 - 06 Immediate payment and/or some non-financial personal investment
 - 07 Merchandise surrendered for servicing
 - 08 Consumer signs agreement involving a third party
 - 09 Down payment
 - 10 No purchase made
 - 11 Billed after servicing/receipt of merchandise

A Other - specify
B Not applicable

col. 65, 66

POSTPAYMENT

(POSTPAY)

- ., 00 Unknown
- 10 Receipt of unsolicited merchandise
- 11 Nonreceipt of merchandise or service

Products and/or services do not correspond to what was offered/expected:

- 21 Inferior or defective product or service
- 22 Substitute item/service received
- 23 Value of product or service worth substantially less than cost
- 24 Failure to give refund for returned merchandise

Merchant adds undisclosed costs/charges:

- 31 Loan transaction
- 32 Credit/installment purchase
- 33 Base price inaccurately represented
- 34 Extra service, products
- 35 Extra fees
- 40 Larger and/or different investment required of consumer (in terms of unanticipated expenditures of time, energy, or other resources)
- 50 C. wants out--wants to cancel agreement

A Other - specify
B Not applicable

col. 67, 68

(M_RESP)

MERCHANT RESPONSE

- ., 00 Unknown
- 01 Ignores any contact
- 02 Skip-out
- 03 Bankruptcy or claims insolvency
- 04 Argues product claims
- 05 Argues price claims
- 06 Delays taking action
- 07 Disclaims knowledge
- 08 Refers to third party
- 09 Takes some corrective action
- 10 Harrassment/Threats
- 11 Argues contract interpretation
- 12 Refusal to give refund
- 13 Denies (changes) advertised claims

A Other - specify
B Not applicable



Appendix C. THEMATIC DEFINITIONS



C. Thematic Definitions

a. Brooklyn: Consumer never receives a product or service which has been paid for in advance. There is an "understandable" delay between payment and delivery during which the merchant disappears.

examples:

- (1) Digital watches are offered by mail-order, but none ever are received
- (2) TV sets are offered during a telephone call, but after payment is made at the meeting place, the seller disappears
- (3) Magazine subscriptions are solicited door-to-door, but payment never reaches the publisher.

features:

- merchant is not a regular dealer, has no place of business, and would be difficult to contact
- usually a "one-time" offer extended for a limited time period
- price appears to be fair or a modest bargain
- order acknowledgements or receipts for payment may be provided for assurance during the delay.

b. Emperor's Clothes: Consumer is led to believe a paid-for product or service is being delivered when it is not. The lack of delivery is disguised by merchant assurances and superficial evidence.

examples:

- (1) Paid a service to remove a bad credit rating, but later found nothing had been done
- (2) Paid fees to an invention marketing service, but considerable time has gone by with no results
- (3) Charges were made for auto parts that were not replaced or repaired.

features:

- the lack of delivery would be difficult to detect
- repeat or continued purchases from the same merchant are common
- the merchant frequently suggests the need for the product or service, acting as a knowledgeable expert
- vanity services and difficult-to-observe repairs often are involved.

c. Trusty Label: The product is mislabeled as to content, condition, amount, or source. Difference generally is not great and would be difficult to detect, but could influence price or produce comparisons.

examples:

- (1) Fabric mislabeled as to content, with proportion of wool overstated by 10% or more
- (2) Used-car odometer was rolled back by one-third of its actual mileage
- (3) Packaged salami weighed less than indicated on the wrapper.

features:

- effectiveness of mislabeling depends on consumer confidence as to the truth of labels
- discrepancies rarely would or could be detected by the consumer without technical assistance
- most discrepancies are small, but can result in considerable profit to the merchant in the aggregate.

d. Entrapment. The consumer is maneuvered into being obligated for future payments, which may be larger or less escapable than had been anticipated. The merchant's actions typically are legal although often unconscionable.

examples:

- (1) Agreed to door-to-door offer to have lawn work done and hedge trimmed, and then was presented with bill for \$1,464
- (2) A 19-year old was talked into signing a contract with a health spa at \$24 per month for the rest of his life and then learned it was uncancellable
- (3) Took car for transmission repairs at estimated \$35 but then was told more work was required than anticipated and that car could not be reassembled unless paid \$485.

features:

- the consumer often is unhappy, but believes he has little recourse
- the transaction usually involves a product or service that would be sought infrequently
- high-pressure sales tactics often are used to obtain the initial agreement

- frequently involves encouraging installment or credit purchases where the cost of credit is not fully understood beforehand.

e. Rollover: Goods or services that have been at least partially paid for are repeatedly delayed and, before they are complete, the merchant may declare bankruptcy. During this period, the merchant accepts payments while being unable or unwilling to perform.

examples:

- (1) After receiving a downpayment of one-half of the amount for house repairs, the company went out of business
- (2) Ordered coins by mail but the dealer replied those were out-of-stock; substitute merchandise was offered but requests for a refund were ignored
- (3) A layaway deposit was made on a suit but the store went out of business before payments were complete.

features:

- inquiries about delays frequently are unanswered and request for refunds are refused
- substitute merchandise frequently is offered
- there usually is an established place of business and, frequently, the merchant has been in business some time
- the consumer almost never is aware of the merchant's impending insolvency, and believes delays are due to ineptness, unavailable supplies, or other causes.
- the merchant is likely to have a growing backlog of unfilled orders.

f. Come-and-get-it: Offers premiums, special prices, or other inducements to attract customers, but then discourages, refuses or otherwise makes it difficult to impossible for the consumer to obtain the inducement.

examples:

- (1) Advertised tires "not in stock" either during sale or period of rain check; substitutes offered at higher prices
- (2) Advertised gift of free turkey not honored after used car is purchased
- (3) Price on sign at gasoline station available only at one of ten pumps, located out of the way.

features:

- frequently involves bait-and-switch sales practices
- ads typically omit indication of "limited quantities" or "limited time" even when these are very short
- consumer often becomes aware of what is happening before making a purchase and yet does so anyway.

g. Squeeze: The consumer, because of prior investment or the urgency of the problem, is under pressure to pay more for a product or service than he normally would. The merchant limits the consumer's options by erecting a temporary monopoly.

examples:

- (1) After making a downpayment on used auto, was told credit was not large enough for the intended purchase, and that the downpayment was not refundable although it could be applied toward the purchase of a less desirable car
- (2) Paid \$35 for TV repairs which were unsatisfactory, and then told that further repairs would cost \$155
- (3) While stopping for gas on trip, station attendants apparently slashed inside of tires requiring overpriced replacements.

features:

- the need for the product or service often is created by the merchant
- frequently involves a "50/50" or comparable guarantee, with the ultimate price to the consumer equal or more to what would be paid elsewhere
- frequently involves collection of a downpayment and refusal to refund in cash
- the "squeeze" is applied before the transaction, and the consumer often is aware of what is happening before agreeing to an exorbitant price or substitute product.

h. Gilded Lily: Claims are made which lead the consumer to believe the product or service will result in more benefits than actually will be received. Because many factors may affect outcomes, these claims usually are difficult to disprove.

examples:

- (1) Advertising claims a mouthwash will reduce sore throats and colds, but this is not medically proven
- (2) Figure salon suggested reductions in clothing sizes not attainable without also exercising and dieting
- (3) Advertised "commemorative" Lincoln penny turns out to be an ordinary penny.

features:

- claims typically are implied rather than explicit, and the ads may be literally true
- the product or service is provided, and generally, the cost is not enormously excessive for what actually is received
- although the product or service often has some value, it probably would not have been purchased in the absence of the misleading claims.

i. Dust-Off: Customer is provided with a clearly defective or unsatisfactory product or service, and the merchant stalls or otherwise refuses to correct the problem.

examples:

- (1) Had an oven thermostat replaced, but the new one doesn't work and the merchant refuses to do anything about it
- (2) Purchased a sofa which is falling apart after seven months
- (3) Purchased a floor covering which shrank away from walls; complained but merchant was nonresponsive.

features:

- generally, the problem is that the product realistically lacks merchantability; this may or may not be characteristic of that merchant, and may not be his fault
- both new and used products may be involved as well as unsatisfactory repairs or services, real property
- in some instances, the consumer may be an unreasonable perfectionist as seen by the merchant.

j. Bargain-Hunter: Product or service offered at what is claimed to be a sizable discount has no unusual value. The cost to the consumer turns out to be as much or more than what it would be regularly.

examples:

- (1) Guitar is advertised as 35 percent off, but the reduced price is the normal selling price
- (2) Consumer pays fee to take advantage of claimed vacation rates at hotel which turns out to be no bargain
- (3) "Free" encyclopedia set offered with purchase of additional books at exorbitant prices.

features:

- transaction often begins with notification of having "won" a contest
- the size of the indicated discount often is very large
- a "fee" often is requested as a condition of eligibility
- the offer often involves a complex "package" which makes price comparisons difficult.

k. Cold Shoulder: Requests for refunds, cancellations, or return of deposit are not honored even though they fall within the legal cooling-off period or are a condition of the transaction.

examples:

- (1) Purchased book by mail with guaranteed full refund if not satisfied; returned book but refused refund
- (2) Paid 1/2 down on door-to-door solicited magazine subscription; tried to cancel within 3-day cooling-off period but company ignored cancellation request
- (3) Paid a deposit on a tour charter and tried to cancel for health reasons within allowable period but travel agency refuses to refund.

features:

- consumer generally has evidence, but the merchant simply refuses to make the refund
- often involves products and services typically sold on a commission basis.

l. Vigorish. The merchant adds untypical charges for supplying products or services to increase profits, including subtracting handling charges on returns or exorbitant finance charges.

examples:

- (1) Consumers billed one-half cent additional per gallon heating fuel, and were told this was an "error" only if they complained
- (2) Consumer charged 25 percent of the purchase price of an article as a return fee
- (3) Full price of bonus "free" film charged to consumer's credit card.

features:

- variety of techniques used to "pad" costs include adding sales tax where it should not be charged, charging for repairs during warranty period, charging for unneeded repairs, and charging for unordered merchandise
- generally occurs with mail-order merchandise or with repairs.

m. The Other Guy: Consumer finds it difficult to resolve a dispute because of the involvement of a third party. Often involves a holder-in-due-course, "independent contractor," or insurance tie-in.

examples:

- (1) Contractor never finished room addition, but bank had already paid the contractor and refused involvement in the dispute
- (2) Contractor recommended by the insurance company failed to perform but the insurance company refused to allow the consumer to use another contractor
- (3) Data processing school was not responsible for salesman's claims of job placement because he was performing as an "independent contractor."

features:

- shares many features with other schemes, such as Dust-Off or Squeeze if collusion is assumed
- collusion between the participating parties often seems evident.

n. Slipshod: Mail order merchandise fails to arrive and customer is unsuccessful in complaining to merchant. There is no evidence of intent to defraud, but the merchant seems unable to determine whether orders have been filled.

examples:

- (1) Ordered item by mail which was not received and the merchant did not reply to inquiries; investigation showed no pattern of nondelivery
- (2) Prepaid for clothing items which were delayed and then wrong items received; returned for refund which was not received; investigation showed merchant had evidence that the refund had been sent
- (3) Had been subscribing for horoscope for five years; but this time did not receive; investigation showed merchant sent item prior to investigation.

features:

- all are mail order, mostly involving established suppliers
- problem is not nondelivery itself, but merchant's inability and/or unwillingness to verify legitimacy of complaints or follow through on them.

o. Credit Violations: Miscellaneous consumer complaints about poor, misleading credit practices; violation generally is illegal but occurred anyway. Two subgroups:

- (i) collection agency practices (debt harrassment)
- (ii) misrepresentation as to terms of contract

examples:

- (1) Purchased TV/stereo on finance but couldn't make payments; store harrassed wife although she was not a cosigner
- (2) Collection agency suggested it would take legal action it was not authorized to take
- (3) Freezer meat merchant indicated credit available but did not disclose required information on cash price, downpayment, repayment schedule, percentage rate, and financed price.

features:

- action typically illegal, but occurred anyway; amount of harm to consumer in the sense of consumer fraud may be small.

p. Non-fraud: Business practices that are improper but may not constitute consumer fraud.

examples:

- (1) Dispute over work done by contractor who apparently had a good record
- (2) Fire destroyed laboratory and prepaid orders for film resulted in nondelivery
- (3) Realtor for house purchase suggested filling out papers at lower than agreed price so he could avoid taxes
- (4) Consumer learned two loan applications had been submitted in his name to a loan company
- (5) Although merchant stated not to mail in coins, consumer did so anyway and claimed their value at up to \$1,000 each.



Appendix D. TRANSACTIONAL SEQUENCE CLASSIFICATION SCHEME



D. Transactional Sequence Classification Scheme

- I. Inducement.
 - A. Business or investment opportunity, financial gain
 - 1. Operating franchise
 - 2. Working at home
 - 3. Investment in item that may appreciate
 - 4. Retirement property
 - 5. Sales positions; brokers
 - B. Self-improvement
 - 1. Special lessons or training; "how-to" guides
 - 2. Publication and marketing services for unknown authors
 - 3. Physical fitness programs; unique diets
 - 4. Who's who listings; talent promotions
 - 5. Educational products or services
 - 6. Cosmetic features, e.g., hair replacement procedures
 - 7. Dating service
 - C. Substantial savings
 - 1. Consumer must purchase immediately to receive "good" offer.
 - 2. Consumer pays tiny fraction of implied real cost and really should not expect this; "winning" a prize
 - 3. Appears to be a good value
 - 4. Available only in limited quantities
 - 5. Personal loans without securities requirements
 - 6. Credit sales with no/or hidden finance charges
 - D. Unique features not found in competitive line
 - 1. Products unavailable at retail outlet
 - 2. Item one may not reasonably expect access to
 - 3. Gimmick
 - E. Timeliness of offer
 - 1. Offer made on consumer's premises
 - 2. Opportunity came near holiday; seasonal delivery
 - 3. Emergency situation
 - 4. Special event; vacation package

5. Proximity to retirement
 6. Employment service/home or apartment listings
- F. Implied or express warranty; guarantee; cancellation clause
1. Entertainment ticket
 2. Advertised product; reputable firm; use of brand name
 3. Automobile purchase
 4. Home improvement/inspection
 5. Product repair or service

II. Obligation or Agreement.

- A. Pay for all or part of merchandise or service at the time of purchase
1. Home solicitation
 2. Retail outlet
 3. On the street
- B. Prepay for mail order purchase prior to delivery of merchandise
- C. Signs an agreement or contract with the merchant
1. Long term obligation requiring periodic payments
 2. Immediate payment and/or some non-financial personal investment
 3. Merchandise surrendered for servicing

III. Intermediate Activities.

- A. Merchant suggests an additional product or service
1. Differs from one mentioned in inducement
 2. Extension of original idea
 3. Options offered because merchant experiences "difficulty" in honoring terms
- B. Merchant is reluctant to interact with consumer
1. Inquiry regarding differences between oral agreement and written contract are disregarded
 2. Inquiry (letters or phone) regarding delays ignored
 3. Hassle over arrangements
- C. Merchant adds undisclosed costs/charges
1. Loan transaction

2. Credit/installment purchase
 3. Base price inaccurately represented
- D. Consumer signs agreement involving a third party
(no subcategories)
 - E. Consumer decides to cancel
(no subcategories)
- IV. Outcome.
- A. Nonreceipt or partial receipt of merchandise or service
 1. Mail order
 2. Home solicitation
 3. Franchise operation
 4. Referral service
 5. Nondelivery from retail outlet
 - B. Larger and different investment required of consumer
 - C. Products and/or services do not correspond to what was offered/expected
 1. Inferior or defective product or service
 2. Substitute item/service received or offered
 3. Value of product or service worth substantially less than cost



**Appendix E. TWO-WAY CROSS-TABULATIONS OF TRANSACTIONAL
SEQUENCE AND NETWORK ANALYSIS PROFILES**



TABLE E-1. TWO-WAY CROSS-TABULATIONS BY TRANSACTION CODES

PRODUCT OR SERVICE	TRANSACTIONAL SEQUENCE PROFILES										TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC		
UNKNOWN	0 0.00	0 0.00	0 0.00	7 63.64	1 9.09	0 0.00	1 9.09	1 9.09	1 9.09	1 9.09	11
AUTOMOBILES AND OTHER VEHICLES	3 4.55 5.36	1 1.52 1.59	28 42.42 9.00	-25.11 0.00 0.00	0 0.00 0.00	9.08 0.00 0.00	0 6.06 4.49	4 13.64 11.54	9 31.82 19.81	+7.27 21 0.94	66
AUTOMOTIVE PRODUCTS	0 0.00 0.00	+9.94 15.79 9.52	6 63.16 7.72	+3.54 10.53 1.86	24 0.00 3.23	4 2.63 0.00	1 0.00 0.00	0 2.63 1.12	1 2.63 1.28	1 2.63 0.94	38
BOOKS, RECORDINGS, AND PERIODICALS	4 7.69 7.14	1 1.92 1.59	8 15.38 2.57	24 46.15 11.16	0 0.00 0.00	8 15.38 9.76	1 1.92 1.12	2 3.85 2.56	4 7.69 3.77	52	
FOOD, PERSONAL CARE AND RELATED ITEMS	7 12.28 12.50	6 10.53 9.52	+9.38 49.12 9.00	28 19.30 5.12	11 0.00 0.00	0 3.51 2.44	2 0.00 0.00	0 5.26 3.85	3 0.00 0.00	0 0.00 0.00	57
GARDEN PRODUCTS	1 6.25 1.79	0 0.00 0.00	2 12.50 0.64	5 31.25 2.33	0 0.00 0.00	+1.47 43.75 8.54	7 6.25 1.12	1 0.00 0.00	0 0.00 0.00	0 0.00 0.00	16
HEALTH PRODUCTS	0 0.00 0.00	0 0.00 0.00	6 46.15 1.93	3 23.08 1.40	1 7.69 3.23	3 23.08 3.66	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	13
HOME FURNISHINGS	7 5.07 12.50	+5.9 10.87 23.81	15 39.13 17.36	+22.29 22 10.23	54 15.94 6.45	2 1.45 6.45	11 7.97 13.41	11 7.97 12.36	7 5.07 8.97	9 6.52 8.49	138
JEWELRY, WATCHES	1 1.96 1.79	0 0.00 0.00	15 29.41 4.82	22 43.14 10.23	2 3.92 6.45	7 13.73 8.54	2 3.92 2.25	0 0.00 0.00	2 3.92 1.89	51	
OUTDOOR, RECREATION GOODS	2 5.71 3.57	2 5.71 3.17	6 17.14 1.93	13 37.14 6.05	1 2.86 3.23	5 14.29 6.10	3 8.57 3.37	2 5.71 2.56	1 2.86 0.94	35	
WEARING APPAREL	0 0.00 0.00	2 4.88 3.17	+7.39 46.34 6.11	19 36.59 6.98	15 2.44 3.23	3 2.44 1.22	1 0.00 0.00	0 2.44 1.28	1 4.88 1.89	2 4.88 1.89	41
LAND/REAL ESTATE	0 0.00 0.00	1 3.70 1.59	4 14.81 1.29	2 7.41 0.93	1 3.70 3.23	2 7.41 2.44	4 14.81 4.49	5 18.52 6.41	-2.04 29.63 7.55	8 29.63 7.55	27
APPLIANCE AND EQUIPMENT REPAIRS	6 10.91 10.71	7 12.73 11.11	22 40.00 7.07	-21.87 5.45 1.40	3 1.82 3.23	1 3.64 2.44	2 7.27 4.49	4 5.45 3.85	3 12.73 6.60	7 12.73 6.60	55
AUTOMOBILE OR OTHER VEHICLE RELATED	7 7.95 12.50	11 12.50 17.46	39 44.32 12.54	-38.41 4.55 1.86	4 2.27 6.45	2 3.41 3.66	3 7.95 7.87	7 4.55 5.13	4 12.50 10.38	11 12.50 10.38	88
BUSINESS OPPORTUNITIES	1 2.78 1.79	0 0.00 0.00	4 11.11 1.29	13 36.11 6.05	7 19.44 22.58	4 11.11 4.88	3 8.33 3.37	1 2.78 1.28	3 8.33 2.83	36	
EDUCATIONAL	0 0.00 0.00	0 0.00 0.00	2 15.38 0.64	6 46.15 2.79	0 0.00 0.00	3 23.08 3.66	0 0.00 0.00	0 0.00 0.00	0 15.38 1.89	2 15.38 1.89	13
EMPLOYMENT	1 10.00 1.79	0 0.00 0.00	1 10.00 0.32	2 20.00 0.93	1 10.00 3.23	1 10.00 1.22	0 0.00 0.00	3 30.00 3.85	1 10.00 0.94	10	
FINANCIAL, INCLUDING LOANS	3 15.79 5.36	0 0.00 0.00	3 15.79 0.96	3 15.79 1.40	0 0.00 0.00	0 0.00 0.00	2 10.53 2.25	5 26.32 6.41	3 15.79 2.83	19	
HOUSE RELATED	8 7.14 14.29	4 3.57 6.35	21 18.75 6.75	19 16.96 8.84	2 1.79 6.45	8 7.14 9.76	+6.49 24 26.97	7 6.25 8.97	+6.99 16.96 17.92	112	
HOUSING LOCATOR	0 0.00 0.00	0 0.00 0.00	1 11.11 0.32	1 11.11 0.47	0 0.00 0.00	4 44.44 4.88	0 0.00 0.00	1 11.11 1.28	2 22.22 1.89	9	
MOVING AND STORAGE	0 0.00 0.00	3 42.86 4.76	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 28.57 2.25	1 14.29 1.28	1 14.29 0.94	7	
PHOTOGRAPHIC	1 6.25 1.79	0 0.00 0.00	0 0.00 0.00	10 62.50 4.65	0 0.00 0.00	0 0.00 0.00	2 12.50 2.25	2 12.50 2.56	1 6.25 0.94	16	

PRODUCT OR SERVICE (continued)	TRANSACTIONAL SEQUENCE PROFILES									TOTAL	
	AA	AB	AC	BA	BB	BC	CA	CB	CC		
PUBLISHING AND MARKETING	0 0.00	1 8.33	0 0.00	4 33.33	0 0.00	1 8.33	+90 41.67	5 8.33	1 0.00	0 0.00	12
SELF-IMPROVEMENT	1 2.22	0 0.00	12 26.67	8 17.78	1 2.22	4 8.84	6 13.33	8 17.78	5 11.11		45
SHIPPING AND TRAVEL	2 9.09	2 9.09	2 9.09	8 36.36	2 9.09	4 18.18	0 0.00	1 4.55	1 4.55		22
YARD RELATED	1 20.00	0 0.00	0 0.00	2 40.00	0 0.00	0 0.00	1 20.00	0 0.00	1 20.00		5
CARE SERVICES	0 0.00	0 0.00	1 20.00	0 0.00	0 0.00	0 0.00	1 20.00	3 60.00	0 0.00		5
CHARITY	0 0.00	0 0.00	1 100.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00		1
CONTEST	0 0.00	0 0.00	0 0.00	2 40.00	+21 60.00	3 9.68	0 0.00	0 0.00	0 0.00		5
COLLECTION AGENCY	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	+35 100.00	6 7.69		6
CREDIT REPORTING	0 0.00	1 50.00	0 0.00	0 0.00	0 0.00	0 0.00	1 50.00	0 0.00	0 0.00		2
ANIMAL RELATED	0 0.00	0 0.00	4 57.14	1 14.29	0 0.00	1 14.29	1 14.29	0 0.00	0 0.00		7
RECREATIONAL	0 0.00	0 0.00	4 36.36	1 9.09	2 18.18	1 9.09	2 18.18	1 9.09	0 0.00		11
TOTAL	56	63	311	215	31	82	89	78	106	1031	

CONSUMER'S SEX	TRANSACTIONAL SEQUENCE PROFILES									TOTAL	
	AA	AB	AC	BA	BB	BC	CA	CB	CC		
UNKNOWN	4 4.88	4 4.88	34 41.46	12 14.63	1 1.22	5 6.10	4 4.88	+5.18 15	3 3.66		82
FEMALE	23 5.61	23 5.61	125 30.49	103 25.12	13 3.17	37 9.02	27 6.59	23 5.61	36 8.78		410
MALE	27 5.96	33 7.28	133 29.36	90 19.87	13 2.87	33 7.28	41 9.05	32 7.06	51 11.26		453
COUPLE	2 2.50	3 3.75	16 20.00	9 11.25	4 5.00	6 7.50	+5.77 20.00	16 10.00	8 20.00		80
GROUP	0 0.00	0 0.00	3 50.00	1 16.67	0 0.00	1 16.67	1 16.67	0 0.00	0 0.00		6
TOTAL	56	63	311	215	31	82	89	78	106	1031	

IS MERCHANT SOLVENT?	TRANSACTIONAL SEQUENCE PROFILES										TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC		
UNKNOWN	13 8.28 23.21	0 0.00 0.00	29 18.47 9.32	63 40.13 29.30	7 4.46 22.58	10 6.37 12.20	17 10.83 19.10	8 5.10 10.26	10 6.37 9.43		157
YES, SOLVENT	-119.03 4.46 82.50	35 +10.83 7.91 98.41	62 268 86.17	552.28 14 34.18 53.02	22 2.81 70.97	68 8.67 82.93	-184.06 7.14 62.92	66 69 88.46	90 11.48 84.91		784
NOT SOLVENT	8 8.89 14.29	1 1.11 1.59	14 15.56 4.50	38 42.22 17.67	2 2.22 6.45	4 4.44 4.88	16 17.78 17.98	1 1.11 1.28	6 6.67 5.66		90
TOTAL	56	63	311	215	31	82	89	78	106		1031

MERCHANT AVAILABLE	TRANSACTIONAL SEQUENCE PROFILES										TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC		
UNKNOWN	2 2.82 3.57	1 1.41 1.59	21 29.58 6.75	14 19.72 6.51	+1.71 7 22.58	8 9.86 9.76	5 11.27 7.04	4 5.63 5.62	9 12.68 8.49		71
YES, EASILY	28 4.75 50.00	+20.72 54 9.15 85.71	222 37.63 71.38	-187.44 55 9.32 25.58	14 2.37 45.16	49 8.31 59.76	-115.44 32 5.42 35.96	+26.64 66 11.19 84.62	70 11.86 66.04		590
YES, WITH DIFFICULTY	12 6.63 21.43	6 3.31 9.52	42 23.20 13.50	50 27.62 23.26	8 4.42 25.81	13 7.18 15.85	25 13.81 28.09	6 3.31 7.69	19 10.50 17.92		181
NO	+5.16 14 25.00	2 1.06 3.17	26 13.76 8.36	+29.86 96 44.65	2 50.79 6.45	12 1.06 14.63	27 14.29 30.34	2 1.06 2.56	8 4.23 7.55		189
TOTAL	56	63	311	215	31	82	89	78	106		1031

OTHER PARTIES	TRANSACTIONAL SEQUENCE PROFILES										TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC		
UNKNOWN	2 8.33 3.57	2 8.33 3.17	3 12.50 0.96	8 33.33 3.72	1 4.17 3.23	0 0.00 0.00	2 8.33 2.25	1 4.17 1.28	5 20.83 4.72		24
MANUFACTURER	1 1.43 1.79	7 10.00 11.11	34 48.57 10.93	-19.69 4 5.71 1.86	1 1.43 3.23	4 5.71 4.88	8 11.43 8.99	2 2.86 2.56	9 12.86 8.49		70
SELLER	4 8.33 7.14	2 4.17 3.17	+9.65 27 56.25 8.68	5 10.42 2.33	2 4.17 6.45	0 0.00 0.00	1 2.08 1.12	3 6.25 3.85	4 8.33 3.77		48
LENDER	0 0.00 0.00	1 20.00 1.59	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 20.00 1.12	1 20.00 1.28	2 40.00 1.89		5
HOLDER	0 0.00 0.00	0 0.00 0.00	4 30.77 1.29	1 7.69 0.47	0 0.00 0.00	1 7.69 1.22	2 15.38 2.25	1 7.69 1.28	4 30.77 3.77		13
NO OTHERS INVOLVED	47 5.72 83.93	47 5.72 74.60	233 28.35 74.92	188 22.87 87.44	25 3.04 80.65	67 8.15 81.71	73 8.88 82.02	65 7.91 83.33	77 9.37 72.64		822
ADVERTISER	0 0.00 0.00	0 0.00 0.00	1 6.67 0.32	7 46.67 3.26	1 6.67 3.23	5 33.33 6.10	1 6.67 1.12	0 0.00 0.00	0 0.00 0.00		15
SERVICE AGENCIES	2 8.00 3.57	3 12.00 4.76	8 32.00 2.57	2 8.00 0.93	1 4.00 3.23	3 12.00 3.66	1 4.00 1.12	2 8.00 2.56	3 12.00 2.83		25
SUB OR PRIME CONTRACTORS	0 0.00 0.00	1 11.11 1.59	1 11.11 0.32	0 0.00 0.00	0 0.00 0.00	2 22.22 2.44	0 0.00 0.00	3 33.33 3.85	2 22.22 1.89		9
TOTAL	56	63	311	215	31	82	89	78	106		1031

INITIAL CONTACT*	TRANSACTIONAL SEQUENCE PROFILES									TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC	
UNKNOWN	16 7.51 28.57	6 2.82 9.52	47 22.07 15.11	46 21.60 21.40	4 1.88 12.90	18 8.45 21.95	26 12.21 29.21	20 9.39 25.64	30 14.08 28.30	213
MAIL	2 0.99 3.57	3 1.48 4.76	12 5.91 3.86	+10.02 22 60.10 56.74	+1.11 14 6.90 45.16	+5.20 30 14.78 36.59	10 4.93 11.24	7 3.45 8.97	3 1.48 2.83	203
TELEPHONE	7 9.72 12.50	5 6.94 7.94	24 33.33 7.72	10 13.89 4.65	2 2.78 6.45	5 6.94 6.10	5 6.94 5.62	6 8.33 7.69	8 11.11 7.55	72
CONSUMER'S HOME	4 4.40 7.14	7 7.69 11.11	22 24.18 7.07	15 16.48 6.98	1 1.10 3.23	9 9.89 10.98	14 15.38 15.73	7 7.69 8.97	12 13.19 11.32	91
MERCHANT'S PLACE OF BUSINESS	-43.34 20 5.35 35.71	39 10.43 61.90	167 44.65 53.70	-102.02 13 3.48 6.05	8 2.14 25.81	-52.88 12 3.21 14.63	-70.77 28 7.49 31.46	36 9.63 46.15	51 13.64 48.11	374
PLACE OF OTHER PARTY	3 10.34 5.36	1 3.45 1.59	+4.90 20 68.97 6.43	1 3.45 0.47	1 3.45 3.23	1 3.45 1.22	2 6.90 2.25	0 0.00 0.00	0 0.00 0.00	29
SOME OTHER LOCATION	3 10.34 5.36	2 6.90 3.17	8 27.59 2.57	8 27.59 3.72	1 3.45 3.23	3 10.34 3.66	4 13.79 4.49	0 0.00 0.00	0 0.00 0.00	29
NO CONSUMER INVOLVED	1 5.00 1.79	0 0.00 0.00	11 55.00 3.54	0 0.00 0.00	0 0.00 0.00	4 20.00 4.88	0 0.00 0.00	2 10.00 2.56	2 10.00 1.89	20
TOTAL	56	63	311	215	31	82	89	78	106	1031

* Merchant and Consumer

NATURE OF COMPLAINT	TRANSACTIONAL SEQUENCE PROFILES									TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC	
UNKNOWN	0 0.00 0.00	1 6.25 1.59	4 25.00 1.29	0 0.00 0.00	0 0.00 0.00	3 18.75 3.66	3 18.75 3.37	4 25.00 5.13	1 6.25 0.94	16
DECEPTIVE PRICING	4 7.69 7.14	8 15.38 12.70	16 30.77 5.14	4 7.69 1.86	1 1.92 3.23	5 9.62 6.10	-7.84 0 0.00	12 23.08 15.38	2 3.85 1.89	52
PRODUCTS/SERVICES UNAVAILABLE	12 21.05 21.43	7 12.28 11.11	-20.81 6 10.53 1.93	11 19.30 5.12	1 1.75 3.23	1 1.75 1.22	13 22.81 14.61	4 7.02 5.13	2 3.51 1.89	57
MISREPRESENTATION AS TO WARRANTIES	1 7.14 1.79	1 7.14 1.59	6 42.86 1.93	0 0.00 0.00	2 14.29 6.45	1 7.14 1.22	2 14.29 2.25	0 0.00 0.00	1 7.14 0.94	14
MISREPRESENTS BENEFITS FROM PURCHASE	3 2.33 5.36	3 2.33 4.76	+12.19 67 51.94 21.54	3 2.33 1.40	6 4.65 19.35	+3.08 20 24.39	3 2.33 3.37	4 3.10 5.13	+4.18 20 18.87	129
FAILURE TO DELIVER	+3.38 18 6.87 32.14	1 0.38 1.59	6 2.29 1.93	+3.17 180 68.70 83.72	4 1.53 12.90	5 1.91 6.10	+4.62 41 15.65 46.07	2 0.76 2.56	5 1.91 4.72	262
POOR QUALITY PRODUCTS	3 1.71 5.36	1 0.57 1.59	+5.85 104 59.43 33.44	3 1.71 1.40	0 0.00 0.00	+1.48 22 26.83	0 0.00 0.00	2 1.14 2.56	+2.01 40 22.86 37.74	175
DIFFERENT PRODUCTS	1 1.75 1.79	1 1.75 1.59	+2.93 30 52.63 9.65	0 0.00 0.00	1 1.75 3.23	+7.74 15 18.29	0 0.00 0.00	0 0.00 0.00	+1.00 9 15.79 8.49	57
CHARGING HIDDEN COSTS	0 0.00 0.00	+3.16 27 34.62 42.86	13 16.67 4.18	0 0.00 0.00	6 7.69 19.35	1 1.28 1.22	0 0.00 0.00	+3.72 25 32.05 32.05	6 7.69 5.66	78
REFUSAL TO HONOR WARRANTY	5 11.11 8.93	3 6.67 4.76	20 44.44 6.43	1 2.22 0.47	1 2.22 3.23	1 2.22 1.22	7 15.56 7.87	2 4.44 2.56	5 11.11 4.72	45
UNDUE DELAY WITH REPAIRS	3 15.79 5.36	1 5.26 1.59	3 15.79 0.94	2 10.53 0.93	0 0.00 0.00	1 5.26 1.22	7 36.84 7.87	1 5.26 1.28	1 5.26 0.94	19
PERFORMING UNAUTHORIZED REPAIRS	1 4.00 1.79	2 8.00 3.17	13 52.00 4.18	0 0.00 0.00	1 4.00 3.23	1 4.00 1.22	0 0.00 0.00	1 4.00 1.28	6 24.00 5.63	25
FAILURE TO GIVE AGREED REFUND	4 6.15 7.14	3 4.62 4.76	19 29.23 6.11	7 10.77 3.26	5 7.69 16.13	6 9.23 7.32	9 13.85 10.11	10 15.38 12.82	2 3.08 1.89	65
COLLECTION OR HARRASSMENT PROBLEM	0 0.00 0.00	2 10.53 3.17	1 5.26 0.32	0 0.00 0.00	1 5.26 3.23	0 0.00 0.00	3 15.79 3.37	+1.48 10 12.82	2 10.53 1.89	19
RECEIVING UNSOLICITED MERCHANDISE	0 0.00 0.00	0 0.00 0.00	1 100.00 0.32	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1
APPEARANCE OF ILLEGAL DEALINGS	0 0.00 0.00	1 25.00 1.59	0 0.00 0.00	1 25.00 0.47	2 50.00 6.45	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	4
SUGGESTING UNNECESSARY REPAIRS	0 0.00 0.00	1 50.00 1.59	1 50.00 0.32	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2
MISHAP WITH MERCHANDISE SURRENDERED	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 50.00 1.12	0 0.00 0.00	1 50.00 0.94	2
FAILURE TO DELIVER AND POOR QUALITY MERCHANDISE	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 60.00 1.40	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 40.00 1.89	5
MERCHANT MISREPRESENTS OWN AFFILIATIONS	1 25.00 1.79	0 0.00 0.00	1 25.00 0.32	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 25.00 1.28	1 25.00 0.94	4
TOTAL	56	63	311	215	31	82	89	78	106	1031

PRIMARY MEDIUM	TRANSACTIONAL SEQUENCE PROFILES									
	AA	AB	AC	BA	BB	BC	CA	CB	CC	TOTAL
UNKNOWN	10 6.62 17.86	10 6.62 15.87	31 20.53 9.97	+17.53 45 29.80 20.93	2 1.32 6.45	11 7.28 13.41	15 9.93 16.85	7 4.64 8.97	20 13.25 18.87	151
LABELING, PACKAGING	3 5.08 5.36	8 13.56 12.70	+6.27 44 74.58 14.15	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 3.39 2.25	1 1.69 1.28	1 1.69 0.94	59
MAIL	1 1.28 1.79	3 3.85 4.76	6 7.69 1.93	+5.72 37 47.44 17.21	+1.36 10 12.82 32.26	10 12.82 12.20	5 6.41 5.62	3 3.85 3.85	3 3.85 2.83	78
PAMPHLETS, CIRCULARS	4 10.00 7.14	3 7.50 4.76	8 20.00 2.57	10 25.00 4.65	1 2.50 3.23	3 7.50 3.66	4 10.00 4.49	2 5.00 2.56	5 12.50 4.72	40
PERIODICALS	9 5.33 16.07	9 5.33 14.29	26 15.38 8.36	+14.86 60 35.50 27.91	6 3.55 19.35	+8.48 29 17.16 35.37	9 5.33 10.11	13 7.69 16.67	8 4.73 7.55	169
YELLOW PAGES	1 12.50 1.79	0 0.00 0.00	4 50.00 1.29	1 12.50 0.47	0 0.00 0.00	0 0.00 0.00	1 12.50 1.12	0 0.00 0.00	1 12.50 0.94	8
TV, RADIO	1 4.17 1.79	0 0.00 0.00	9 37.50 2.89	5 20.83 2.33	1 4.17 3.23	5 20.83 6.10	0 0.00 0.00	2 8.33 2.56	1 4.17 0.94	24
DEFECTIVE PERFORMANCE OF PRODUCT	1 14.29 1.79	0 0.00 0.00	5 71.43 1.61	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 14.29 0.94	7
WRITTEN GUARANTEE	0 0.00 0.00	1 6.67 1.59	5 33.33 1.61	0 0.00 0.00	1 6.67 3.23	2 13.33 2.44	2 13.33 2.25	3 20.00 3.85	1 6.67 0.94	15
ORAL REPRESENTA- TION	23 5.32 41.07	24 5.56 38.10	+90.88 61 37.27 51.77	54 12.50 25.12	8 1.85 25.81	20 4.63 24.39	48 11.11 53.93	37 8.56 47.44	57 13.19 53.77	432
TELEPHONE	3 6.25 5.36	5 10.42 7.94	12 25.00 3.86	3 6.25 1.40	2 4.17 6.45	2 4.17 2.44	3 6.25 3.37	10 20.83 12.82	8 16.67 7.55	48
TOTAL	56	63	311	215	31	82	89	78	106	1031

DOLLARS INVOLVED	TRANSACTIONAL SEQUENCE PROFILES									
	AA	AB	AC	BA	BB	BC	CA	CB	CC	TOTAL
UNKNOWN	9 6.67 16.07	-15.40 4 2.96 6.35	62 45.93 19.94	-38.85 9 6.67 4.19	2 1.48 6.45	-15.09 3 2.22 3.66	13 9.63 14.61	12 8.89 15.38	21 15.56 19.81	135
ZERO	4 10.53 7.14	5 13.16 7.94	11 28.95 3.54	-10.17 0 0.00	4 10.53 12.90	1 2.63 1.22	5 13.16 5.62	3 7.89 3.85	5 13.16 4.72	38
UNDER \$5	6 9.84 10.71	8 13.11 12.70	24 39.34 7.72	+16.81 9 14.75 4.19	2 3.28 6.45	+6.75 6 9.84 7.32	1 1.64 1.12	5 8.20 6.41	-6.83 0 0.00	61
\$5-20	3 2.13 5.36	10 7.09 15.87	27 19.15 8.68	64 45.39 29.77	5 3.55 16.13	19 13.48 23.17	6 4.26 6.74	4 2.84 5.13	3 2.13 2.83	141
\$20-100	14 6.22 25.00	16 7.11 25.40	63 28.00 20.26	57 25.33 26.51	6 2.67 19.35	21 9.33 25.61	16 7.11 17.98	17 7.56 21.79	15 6.67 14.15	225
\$100-500	13 5.96 23.21	16 7.34 25.40	64 29.36 20.58	43 19.72 20.00	10 4.59 32.26	16 7.34 19.51	21 9.63 23.60	15 6.88 19.23	20 9.17 18.87	218
\$500-2,000	4 2.94 7.14	-12.13 3 2.21 4.76	46 33.82 14.79	21 15.44 9.77	2 1.47 6.45	10 7.35 12.20	17 12.50 19.10	12 8.82 15.38	21 15.44 19.81	136
\$2,000-10,000	1 1.49 1.79	1 1.49 1.59	13 19.40 4.18	11 16.42 5.12	0 0.00 0.00	6 8.96 7.32	8 11.94 8.99	7 10.45 8.97	+5.36 20 29.85 18.87	67
\$10,000-50,000	2 20.00 3.57	0 0.00 0.00	1 10.00 0.32	1 10.00 0.47	0 0.00 0.00	0 0.00 0.00	2 20.00 2.25	3 30.00 3.85	1 10.00 0.94	10
TOTAL	56	63	311	215	31	82	89	78	106	1031

SOURCE OF COMPLAINT *	TRANSACTIONAL SEQUENCE PROFILES										TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC		
UNKNOWN	0	0	+2.48 14	0	0	1	0	1	0		16
	0.00	0.00	87.50	0.00	0.00	6.25	0.00	6.25	0.00		
ONE CONSUMER	53	61	267	187	26	68	81	56	96		895
	5.92	6.82	29.83	20.89	2.91	7.60	9.05	6.26	10.73		
SEVERAL	3	2	16	26	5	8	6	8	8		82
	3.66	2.44	19.51	31.71	6.10	9.76	7.32	9.76	9.76		
ANOTHER MERCHANT	0	0	0	1	0	0	2	2	0		5
	0.00	0.00	0.00	20.00	0.00	0.00	40.00	40.00	0.00		
ANOTHER AGENCY	0	0	14	1	0	5	0	+1.09 11	2		33
	0.00	0.00	42.42	3.03	0.00	15.15	0.00	33.33	6.06		
TOTAL	56	63	311	215	31	82	89	78	106		1031

RELIEF SOUGHT	TRANSACTIONAL SEQUENCE PROFILES										TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC		
UNKNOWN	5	6	25	13	3	10	6	11	12		91
	5.49	6.59	27.47	14.29	3.30	10.99	6.59	12.09	13.19		
NONE	0	0	1	0	0	0	0	0	2		3
	0.00	0.00	33.33	0.00	0.00	0.00	0.00	0.00	66.67		
ADVICE ONLY	1	2	4	2	2	4	0	3	2		20
	5.00	10.00	20.00	10.00	10.00	20.00	0.00	15.00	10.00		
PERFORMANCE AS PROMISED	18	10	46	59	5	11	27	10	29		215
	8.37	4.65	21.40	27.44	2.33	5.12	12.56	4.65	13.49		
EXCHANGE	0	0	+7.16 18	-6.49 0	0	5	2	0	4		29
	0.00	0.00	62.07	0.00	0.00	17.24	6.90	0.00	13.79		
REFUND	14	25	121	111	12	36	40	30	-62.85 32		421
	3.33	5.94	28.74	26.37	2.85	8.55	9.50	7.13	7.60		
MONEY TO COVER LOSSES	2	2	15	-13.18 1	0	1	7	3	10		41
	4.88	4.88	36.59	2.44	0.00	2.44	17.07	7.32	24.39		
INVESTIGATION FOR PUBLIC BENEFIT	13	18	71	-62.62 3	8	12	-26.5 3	20	-37.46 13		161
	8.07	11.18	44.10	1.86	4.97	7.45	1.86	12.42	8.07		
NO INDIVIDUAL COMPLAINT	0	0	8	1	0	2	0	1	1		13
	0.00	0.00	61.54	7.69	0.00	15.38	0.00	7.69	7.69		
PERFORMANCE AND REFUND	3	0	2	+4.79 25	1	1	4	0	1		37
	8.11	0.00	5.41	67.57	2.70	2.70	10.81	0.00	2.70		
TOTAL	56	63	311	215	31	82	89	78	106		1031

* From the Consumer

AGENCY ACTION	TRANSACTIONAL SEQUENCE PROFILES									TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC	
UNKNOWN	1 4.17 1.79	3 12.50 4.76	2 8.33 0.64	4 16.67 1.86	+72 4 16.67 12.90	5 20.83 6.10	1 4.17 1.12	1 4.17 1.28	3 12.50 2.83	24
JUST ADVICE TO CONSUMER	3 4.62 5.36	7 10.77 11.11	19 29.23 6.11	12 18.46 5.58	4 6.15 12.90	7 10.77 8.54	4 6.15 4.49	6 9.23 7.69	3 4.62 2.83	65
JUST INVESTIGATION	11 5.76 19.64	15 7.85 23.81	55 28.80 17.68	46 24.08 21.40	5 2.62 16.13	10 5.24 12.20	17 8.90 19.10	11 5.76 14.10	21 10.99 19.81	191
INVESTIGATION FOR PUBLIC BENEFIT	7 7.45 12.50	4 4.26 6.35	19 20.21 6.11	33 35.11 15.35	2 2.13 6.45	8 8.51 9.76	8 8.51 8.99	3 3.19 3.85	10 10.64 9.43	94
JUST REFERRAL	5 4.20 8.93	3 2.52 4.76	41 34.45 13.18	29 24.37 13.49	6 5.04 19.35	10 8.40 12.20	5 4.20 5.62	8 6.72 10.26	12 10.08 11.32	119
NON-LITIGATED RESOLUTION	25 6.49 44.64	26 6.75 41.27	123 31.95 39.55	-102.09 38 15.06 26.98	6 1.56 19.35	29 7.53 35.37	37 9.61 41.57	40 10.39 51.28	41 10.65 38.68	385
FORMAL CIVIL PROCEEDINGS	1 2.56 1.79	1 2.56 1.59	13 33.33 4.18	5 12.82 2.33	3 7.69 9.68	4 10.26 4.88	3 7.69 3.37	3 7.69 3.85	6 15.38 5.66	39
FORMAL CRIMINAL PROCEEDINGS	0 0.00 0.00	0 0.00 0.00	15 31.25 4.82	20 41.67 9.30	1 2.08 3.23	2 4.17 2.44	5 10.42 5.62	2 4.17 2.56	3 6.25 2.83	48
ACTION PENDING IN AGENCY	0 0.00 0.00	1 6.25 1.59	4 25.00 1.29	3 18.75 1.40	0 0.00 0.00	4 25.00 4.88	2 12.50 2.25	1 6.25 1.28	1 6.25 0.94	16
NOTHING	2 5.13 3.57	2 5.13 3.17	19 48.72 6.11	3 7.69 1.40	0 0.00 0.00	2 5.13 2.44	5 12.82 5.62	3 7.69 3.85	3 7.69 2.83	39
INVESTIGATION AND ADVICE	1 9.09 1.79	1 9.09 1.59	1 9.09 0.32	2 18.18 0.93	0 0.00 0.00	1 9.09 1.22	2 18.18 2.25	0 0.00 0.00	3 27.27 2.83	11
TOTAL	56	63	311	215	31	82	89	78	106	1031

RESULTS OF ACTION	TRANSACTIONAL SEQUENCE PROFILES									TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC	
UNKNOWN	4 4.40 7.14	6 6.59 9.52	25 27.47 8.04	19 20.88 8.84	4 4.40 12.90	10 10.99 12.20	11 12.09 12.36	4 4.40 5.13	8 8.79 7.55	91
NONE IN AGENCY	24 5.32 42.86	30 6.65 47.62	144 31.93 46.30	84 18.63 39.07	17 3.77 54.84	34 7.54 41.46	38 8.43 42.70	29 6.43 37.18	51 11.31 48.11	451
ADMINISTRATIVE CONSENT ORDER	21 5.77 37.50	19 5.22 30.16	97 26.65 31.19	81 22.25 37.67	7 1.92 22.58	31 8.52 37.80	34 9.34 38.20	37 10.16 47.44	37 10.16 34.91	364
ADMINISTRATIVE ORDER	1 14.29 1.79	0 0.00 0.00	2 28.57 0.64	1 14.29 0.47	1 14.29 3.23	2 28.57 2.44	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	7
CIVIL SETTLEMENT	4 7.55 7.14	8 15.09 12.70	20 37.74 6.43	5 9.43 2.33	1 1.89 3.23	2 3.77 2.44	2 3.77 2.25	5 9.43 6.41	6 11.32 5.66	53
CIVIL JUDGMENT	1 7.14 1.79	0 0.00 0.00	7 50.00 2.25	3 21.43 1.40	0 0.00 0.00	0 0.00 0.00	1 7.14 1.12	1 7.14 1.28	1 7.14 0.94	14
CRIMINAL GUILTY PLEA	1 1.96 1.79	0 0.00 0.00	16 31.37 5.14	22 43.14 10.23	1 1.96 3.23	3 5.88 3.66	3 5.88 3.37	2 3.92 2.56	3 5.88 2.83	51
TOTAL	56	63	311	215	31	82	89	78	106	1031

RELIEF OBTAINED	TRANSACTIONAL SEQUENCE PROFILES									TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC	
UNKNOWN	11 5.21 19.64	12 5.69 19.05	49 23.22 15.76	48 22.75 22.33	8 3.79 25.81	15 7.11 18.29	24 11.37 26.97	11 5.21 14.10	33 15.64 31.13	211
NONE	11 7.43 19.64	12 8.11 19.05	46 31.08 14.79	36 24.32 16.74	4 2.70 12.90	13 8.78 15.85	12 8.11 13.48	5 3.36 6.41	9 6.08 8.49	148
ADVICE ONLY	3 3.90 5.36	4 5.19 6.35	33 42.86 10.61	-18.83 4 5.19 1.86	4 5.19 12.90	4 5.19 4.88	4 5.19 4.49	12 15.58 15.38	9 11.69 8.49	77
PERFORMANCE AD PROMISED	9 7.96 16.07	7 6.19 11.11	20 17.70 6.43	+18.60 40 35.40 18.60	0 0.00 0.00	6 5.31 7.32	15 13.27 16.85	5 4.42 6.41	11 9.73 10.38	113
EXCHANGE	0 0.00 0.00	0 0.00 0.00	11 47.83 3.54	0 0.00 0.00	1 4.35 3.23	5 21.74 6.10	2 8.70 2.25	1 4.35 1.28	3 13.04 2.83	23
REFUND	13 5.51 23.21	16 6.78 25.40	64 27.12 20.58	56 23.73 26.05	8 3.39 25.81	21 8.90 25.61	21 8.90 23.60	18 7.63 23.08	19 8.05 17.92	236
MONEY TO COVER LOSSES	1 8.33 1.79	0 0.00 0.00	8 66.67 2.57	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 25.00 2.83	12
INVESTIGATION FOR PUBLIC BENEFIT	5 4.50 8.93	9 8.11 14.29	41 36.94 13.18	16 14.41 7.44	5 4.50 16.13	11 9.91 13.41	-12.31 1 0.90 1.12	15 13.51 19.23	8 7.21 7.55	111
NO INDI- VIDUAL COMPLAINT	0 0.00 0.00	0 0.00 0.00	10 83.33 3.22	0 0.00 0.00	0 0.00 0.00	1 8.33 1.22	0 0.00 0.00	0 0.00 0.00	1 8.33 0.94	12
CASE PENDING	1 1.96 1.79	1 1.96 1.59	18 35.29 5.79	10 19.61 4.65	1 1.96 3.23	5 9.80 6.10	7 13.73 7.87	1 1.96 1.28	7 13.73 6.60	51
PERFORMANCE AND REFUND	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 60.00 1.40	0 0.00 0.00	1 20.00 1.22	1 20.00 1.12	0 0.00 0.00	0 0.00 0.00	5
REFUND AND INVESTIGATION	1 10.00 1.79	1 10.00 1.59	5 50.00 1.61	2 20.00 0.93	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 10.00 1.28	0 0.00 0.00	10
BILLING ADJUST- MENT	1 7.14 1.79	1 7.14 1.59	4 28.57 1.29	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 7.14 1.12	6 42.86 7.69	1 7.14 0.94	14
STOP HARRASS- MENT	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 100.00 2.56	0 0.00 0.00	2
RELEASE FROM CONTRACT (REFUND)	0 0.00 0.00	0 0.00 0.00	2 40.00 0.64	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 20.00 1.28	2 40.00 1.89	5
RETURN OF MERCHANDISE SURRENDERED	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 100.00 1.12	0 0.00 0.00	0 0.00 0.00	1
TOTAL	56	63	311	215	31	82	89	78	106	1031

MERCHANT RESPONSE	TRANSACTIONAL SEQUENCE PROFILES										TOTAL
	AA	AB	AC	BA	BB	BC	CA	CB	CC		
UNKNOWN	4 4.04 7.14	5 5.05 7.94	32 32.32 10.29	13 13.13 6.05	9 9.09 29.03	17 17.17 20.73	-15.58 3 3.03 3.37	5 5.05 6.41	11 11.11 10.36		99
IGNORES CONTACT	9 5.70 16.07	1 0.63 1.59	34 21.52 10.93	+7.77 63 29.30	2 1.27 6.45	15 9.49 18.29	18 11.39 20.22	3 1.90 3.85	13 8.23 12.26		158
SKIPS OUT	+2.12 11 12.09 19.64	1 1.10 1.59	11 12.09 3.54	+2.48 43 47.25 20.00	2 2.20 6.45	4 4.40 4.88	+4.61 15 16.48 16.85	1 1.10 1.28	3 3.30 2.83		91
BANKRUPTCY	0 0.00 0.00	0 0.00 0.00	3 15.00 0.96	+1.18 9 45.00 4.19	1 5.00 3.23	2 10.00 2.44	4 20.00 4.49	1 5.00 1.28	0 0.00 0.00		20
ARGUES PRODUCT CLAIMS	5 4.67 8.93	2 1.87 3.17	+19.38 55 51.40 17.68	3 2.80 1.40	4 3.74 12.90	6 5.61 7.32	8 7.48 8.99	2 1.87 2.56	+6.68 22 20.56 20.75		107
ARGUES PRICE CLAIMS	5 6.17 8.93	+2.84 21 25.93 33.33	18 22.22 5.79	1 1.23 0.47	4 4.94 12.90	1 1.23 1.22	3 3.70 3.37	+3.68 22 27.16 28.21	6 7.41 5.66		81
DELAYS TAKING ACTION	9 6.67 16.07	2 1.48 3.17	35 25.93 11.25	+7.95 38 28.15 17.67	4 2.96 12.90	16 11.85 19.51	15 11.11 16.85	6 4.44 7.69	10 7.41 9.43		135
DISCLAIMS KNOWLEDGE	1 2.22 1.79	6 13.33 9.52	16 35.56 5.14	2 4.44 0.93	0 0.00 0.00	2 4.44 2.44	4 8.89 4.49	4 8.89 5.13	10 22.22 9.43		45
REFERS TO THIRD PARTY	0 0.00 0.00	2 10.53 3.17	8 42.11 2.57	1 5.26 0.47	1 5.26 3.23	0 0.00 0.00	3 15.79 3.37	0 0.00 0.00	4 21.05 3.77		19
TAKES CORRECTIVE ACTION	10 4.37 17.86	21 9.17 33.33	79 34.50 25.40	+17.57 40 17.47 18.60	-13.21 3 9.68	15 6.55 18.29	-32.43 12 5.24 13.48	25 10.92 32.05	24 10.48 22.64		229
HARRASSMENTS OR THREATS	0 0.00 0.00	0 0.00 0.00	2 28.57 0.64	0 0.00 0.00	0 0.00 0.00	1 14.29 1.22	0 0.00 0.00	3 42.86 3.85	1 14.29 0.94		7
ARGUES CONTRACT IMPLEMENTATION	0 0.00 0.00	0 0.00 0.00	5 62.50 1.61	0 0.00 0.00	0 0.00 0.00	1 12.50 1.22	2 25.00 2.25	0 0.00 0.00	0 0.00 0.00		8
REFUSAL TO GIVE REFUND	1 9.09 1.79	0 0.00 0.00	1 9.09 0.32	2 18.18 0.93	0 0.00 0.00	1 9.09 1.22	1 9.09 1.12	4 36.36 5.13	1 9.09 0.94		11
DENIES ADVERTISED CLAIMS	1 4.76 1.79	2 9.52 3.17	12 57.14 3.86	0 0.00 0.00	1 4.76 3.23	1 4.76 1.22	1 4.76 1.12	2 9.52 2.56	1 4.76 0.94		21
TOTAL	56	63	311	215	31	82	89	78	106		1031

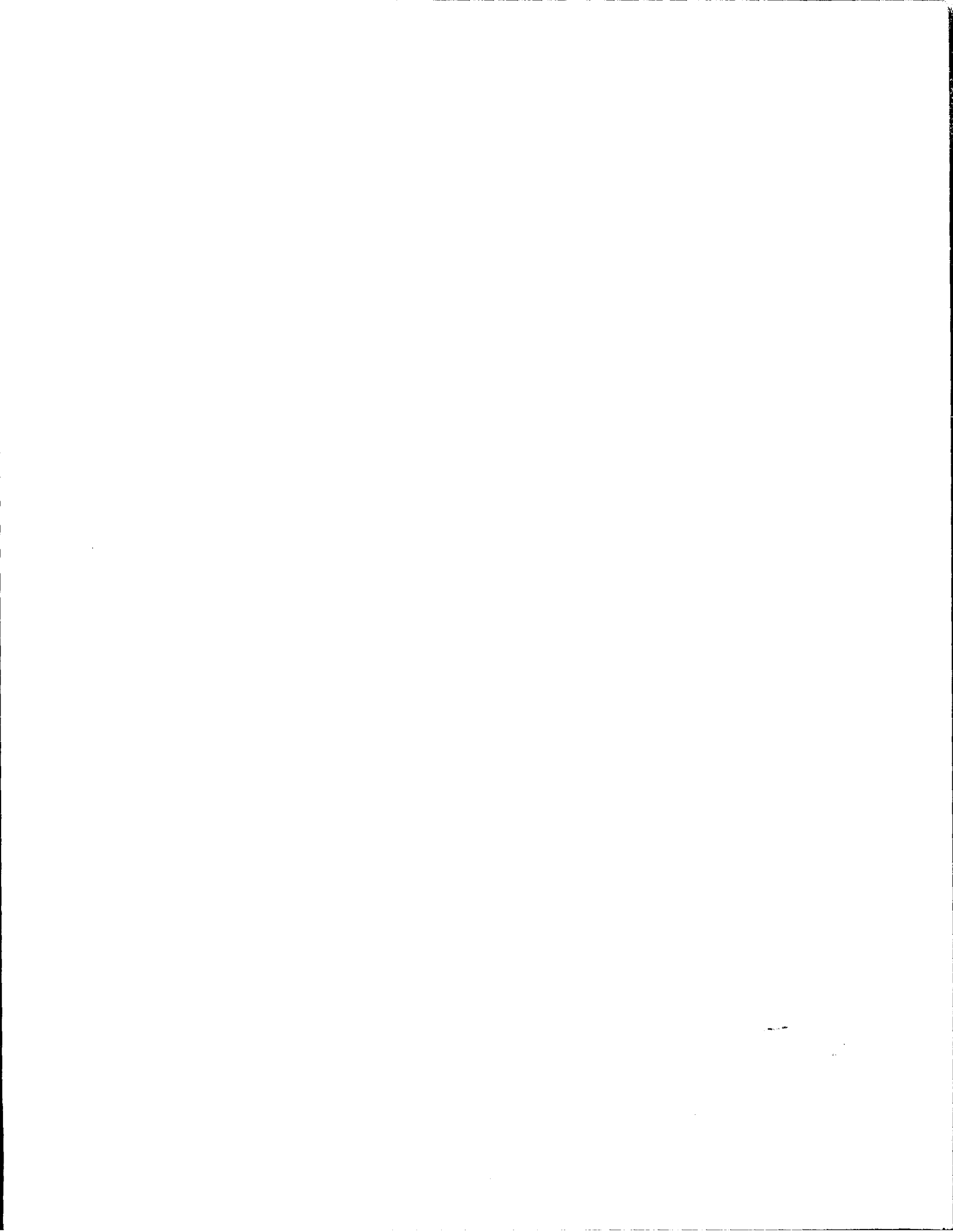


TABLE E-2. TWO-WAY CROSS-TABULATIONS BY NETWORK CLUSTER MEMBERSHIP

PRODUCT OR SERVICE	NETWORK CLUSTER PROFILES														TOTAL	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
UNKNOWN	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 10.00 0.86	3 30.00 2.50	1 10.00 3.70	1 10.00 0.89	2 20.00 9.52	0 0.00 0.00	2 20.00 1.74	0 0.00 0.00	10
AUTOMOBILES AND OTHER VEHICLES	18 25.35 9.05	5 7.04 5.95	0 0.00 0.00	5 7.04 9.43	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	9 12.68 7.76	4 5.63 3.33	0 0.00 0.00	-7.35 0.00 0.00	0 0.00 0.00	0 0.00 0.00	+6.62 29.58 18.26	21 12.68 8.26	9
AUTOMOTIVE PRODUCTS	11 29.73 5.53	3 8.11 3.57	0 0.00 0.00	+1.91 8 15.09	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	7 18.92 6.03	1 2.70 0.83	0 0.00 0.00	0 8.11 2.68	3 0.00 0.00	0 2.70 2.13	1 2.70 0.87	1 5.41 1.83	2
BOOKS, RECORDINGS AND PERIODICALS	-14.53 1.79 0.50	1 10.71 7.14	6 5.36 18.75	3 5.36 5.66	3 0.00 0.00	0 0.00 0.00	0 0.00 0.00	4 7.14 3.45	9 16.07 7.50	1 1.79 3.70	14 25.00 12.50	3 5.36 14.29	7 12.50 14.89	3 5.36 2.61	2 3.57 1.83	56
FOOD, PERSONAL CARE AND RELATED ITEMS	20 34.48 10.05	4 6.90 4.76	0 0.00 0.00	1 1.72 1.89	1 1.72 9.09	2 3.45 14.29	2 12.07 6.03	7 15.52 7.50	9 1.72 3.70	1 3.45 1.79	2 5.17 14.29	3 6.90 8.51	4 1.72 0.87	1 1.72 0.87	3 5.17 2.75	58
GARDEN PRODUCTS	4 23.53 2.01	3 17.65 3.57	0 0.00 0.00	2 11.76 3.77	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 5.88 0.83	1 0.00 0.00	0 0.00 0.00	4 23.53 3.57	0 0.00 0.00	0 0.00 0.00	1 5.88 0.87	2 11.76 1.83	17
HEALTH PRODUCTS	3 21.43 1.51	3 21.43 3.57	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	+4.0 3 21.43	3 7.14 0.86	1 7.14 0.83	1 0.00 0.00	0 14.29 1.79	2 0.00 0.00	0 7.14 2.13	1 0.00 2.13	0 0.00 0.00	0 0.00 0.00	14
HOME FURNISHINGS	40 28.37 20.10	10 7.09 11.90	1 0.71 6.25	11 7.80 20.75	3 2.13 27.27	0 0.00 0.00	0 11.35 13.79	16 12.77 15.00	18 0.00 0.00	0 9.22 11.61	13 0.00 0.00	0 4.26 12.77	6 8.51 10.43	12 7.80 10.09	11 7.80 10.09	141
JEWELRY, WATCHES	11 21.15 5.53	4 7.69 4.76	0 0.00 0.00	5 9.62 9.43	0 0.00 0.00	1 1.92 7.14	2 3.85 1.72	9 17.31 7.50	3 5.77 11.11	8 15.38 7.14	3 3.85 9.52	2 3.85 4.26	2 3.85 4.26	2 3.85 1.74	3 5.77 2.75	52
OUTDOOR, RECREATION GOODS	4 12.50 2.01	2 6.25 2.38	1 3.13 6.25	2 6.25 3.77	1 3.13 9.09	1 3.13 7.14	1 6.25 1.72	2 21.88 5.83	7 0.00 0.00	0 25.00 7.14	8 0.00 0.00	0 3.13 2.13	0 3.13 2.13	1 3.13 0.87	2 6.25 1.83	32
WEARING APPAREL	15 32.61 7.54	0 0.00 0.00	0 0.00 0.00	4 8.70 7.55	1 2.17 9.09	1 2.17 7.14	1 17.39 6.90	8 8.70 3.33	4 0.00 0.00	0 21.74 8.93	10 0.00 0.00	0 4.35 4.26	2 2.17 0.87	1 0.00 0.00	0 0.00 0.00	46
TOTAL	199	94	16	53	11	14	116	120	27	112	21	47	115	109	1044	

E 11

PRODUCT OR SERVICE

(continued)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	TOTAL	
LAND/ REAL ESTATE	8.00 1.01	12.00 3.57	0.00 0.00	0.00 0.00	0.00 0.00	4.00 7.14	16.00 3.45	4.00 0.83	0.00 0.00	12.00 2.68	0.00 0.00	4.00 2.13	24.00 5.22	16.00 3.67	25	
APPLIANCE AND EQUIPMENT REPAIRS	12 21.82 6.03	2 3.64 2.38	3 5.45 18.75	0 0.00 0.00	2 3.64 18.18	0 0.00 0.00	9 16.36 7.76	6 10.91 5.00	0 0.00 0.00	3 5.45 2.68	0 0.00 0.00	5 9.09 10.64	7 12.73 6.09	6 10.91 5.50	55	
AUTOMOBILE OR OTHER VEHICLE RELATED	22 24.44 11.06	7 7.78 8.33	2 2.22 12.50	5 5.56 9.43	1 1.11 9.09	0 0.00 0.00	19 21.11 16.38	5 5.56 4.17	0 0.00 0.00	5 5.56 4.46	0 0.00 0.00	4 4.44 8.51	10 11.11 8.70	10 11.11 9.17	90	
BUSINESS OPPOR- TUNITIES	-7.56 0.00 0.00	0 20.59 8.33	7 0.00 0.00	0 2.94 1.89	1 0.00 0.00	0 0.00 0.00	5 14.71 4.31	0 0.00 0.0	0 26.47 33.33	+99 2.94 0.89	9 11.76 19.05	1 11.76 8.51	4 8.82 2.61	3 0.00 0.00	0 0.00 0.00	34
EDUCATIONAL	1 6.67 0.50	3 20.00 3.57	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 6.67 7.14	0 0.00 0.00	0 0.00 0.00	0 26.67 14.81	+45 0.00 0.00	4 0.00 0.00	0 13.33 9.52	2 13.33 4.26	2 13.33 1.74	0 0.00 0.00	15
EMPLOYMENT	0 0.00 0.00	2 20.00 2.38	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 20.00 1.72	0 0.00 0.00	2 20.00 7.41	0 0.00 0.00	2 10.00 4.76	0 0.00 0.00	1 30.00 2.61	3 0.00 0.00	0 0.00 0.00	10
FINANCIAL, INCLUDING LOANS	0 0.00 0.00	3 16.67 3.57	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 16.67 2.50	0 0.00 0.00	3 16.67 2.68	0 0.00 0.00	0 0.00 0.00	0 16.67 2.61	3 33.33 5.50	6 0.00 0.00	18
HOUSE RELATED	18 16.07 9.05	5 4.46 5.95	2 1.79 12.50	4 3.57 7.55	2 1.79 18.18	0 0.00 0.00	8 7.14 6.90	+9.75 24.11 22.50	27 0.89 3.70	1 10.71 10.71	12 0.00 0.00	0 0.00 0.00	0 15.18 14.78	17 14.29 14.68	16 0.00 0.00	112
HOUSING LOCATOR	2 22.22 1.01	1 11.11 1.19	1 11.11 6.25	1 11.11 1.89	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 11.11 0.89	0 0.00 0.00	0 22.22 1.74	2 11.11 0.92	1 0.00 0.00	9
MOVING AND STORAGE	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 33.33 1.72	0 0.00 0.00	0 0.00 0.00	0 16.67 0.89	1 0.00 0.00	0 0.00 0.00	0 33.33 1.74	2 16.67 0.92	1 0.00 0.00	6
PHOTO- GRAPHIC	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 20.00 2.50	3 0.00 0.00	0 46.67 6.25	+1.70 0.00 0.00	7 0.00 0.00	0 6.67 0.87	1 26.67 3.67	4 0.00 0.00	15
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044	

E 12

PRODUCT OR SERVICE
(continued)

NETWORK CLUSTER PROFILES

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	TOTAL
PUBLISHING AND MARKETING	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 9.09 7.14	1 9.09 0.86	0 0.00 0.00	1 9.09 3.70	2 18.18 1.79	1 9.09 4.76	0 0.00 0.00	1 9.09 0.87	4 36.36 3.67	11
SELF-IMPROVEMENT	4 8.16 2.01	7 14.29 8.33	0 0.00 0.00	1 2.04 1.89	0 0.00 0.00	3 6.12 21.43	2 4.08 1.72	1 2.04 0.83	3 6.12 11.11	0 0.00 0.00	3 6.12 14.29	2 4.08 4.26	8 16.33 6.96	15 30.61 13.76	49
SHIPPING AND TRAVEL	3 14.29 1.51	2 9.52 2.38	1 4.76 6.25	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	5 23.81 4.31	4 19.05 3.33	0 0.00 0.00	4 19.05 3.57	0 0.00 0.00	0 0.00 0.00	2 9.52 1.74	0 0.00 0.00	21
YARD RELATED	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 25.00 0.83	0 0.00 0.00	2 50.00 1.79	0 0.00 0.00	0 0.00 0.00	1 25.00 0.87	0 0.00 0.00	4
CARE SERVICES	0 0.00 0.00	0 0.00 0.00	1 20.00 6.25	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	4 80.00 3.67	5
CHARITY	1 100.00 0.50	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1
CONTEST	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 20.00 0.86	0 0.00 0.00	0 0.00 0.00	2 40.00 1.79	0 0.00 0.00	2 40.00 4.26	0 0.00 0.00	0 0.00 0.00	5
COLLECTION AGENCY	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 20.00 0.87	4 80.00 3.67	5
CREDIT REPORTING	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 50.00 0.86	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 50.00 0.87	0 0.00 0.00	2
ANIMAL RELATED	4 57.14 2.01	1 14.29 1.19	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 14.29 0.83	0 0.00 0.00	1 14.29 0.89	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	7
RECREATIONAL	3 27.27 1.51	1 9.09 1.19	1 9.09 6.25	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 18.18 1.67	1 9.09 3.70	0 0.00 0.00	0 0.00 0.00	3 27.27 6.38	0 0.00 0.00	0 0.00 0.00	11
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

E 13

CONSUMER'S SEX	NETWORK CLUSTER PROFILES														TOTAL
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
UNKNOWN	20	7	3	5	0	2	8	9	1	5	0	2	7	10	79
	25.32	8.86	3.80	6.33	0.00	2.53	10.13	11.39	1.27	6.33	0.00	2.53	8.86	12.66	
	10.05	8.33	18.75	9.43	0.00	14.29	6.90	7.50	3.70	4.46	0.00	4.26	6.09	9.17	
FEMALE	88	31	3	19	8	4	42	53	9	52	12	19	36	41	417
	21.10	7.43	0.72	4.56	1.92	0.96	10.07	12.71	2.16	12.47	2.88	4.56	8.63	9.83	
	44.22	36.90	18.75	35.85	72.73	28.57	36.21	44.17	33.33	46.43	57.14	40.43	31.30	37.61	
MALE	81	39	10	23	2	6	60	51	15	48	6	20	57	44	462
	17.53	8.44	2.16	4.98	0.43	1.30	12.99	11.04	3.25	10.39	1.30	4.33	12.34	9.52	
	40.70	46.43	62.50	43.40	18.18	42.86	51.72	42.50	55.56	42.86	28.57	42.55	49.57	40.37	
COUPLE	8	7	0	5	1	1	6	6	2	7	2	6	14	13	78
	10.26	8.97	0.00	6.41	1.28	1.28	7.69	7.69	2.56	8.97	2.56	7.69	17.95	16.67	
	4.02	8.33	0.00	9.43	9.09	7.14	5.17	5.00	7.41	6.25	9.52	12.77	12.17	11.93	
GROUP	2	0	0	1	0	1	0	1	0	0	1	0	1	1	8
	25.00	0.00	0.00	12.50	0.00	12.50	0.00	12.50	0.00	0.00	12.50	0.00	12.50	12.50	
	1.01	0.00	0.00	1.89	0.00	7.14	0.00	0.83	0.00	0.00	4.76	0.00	0.87	0.92	
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

E 14

IS MERCHANT SOLVENT?	NETWORK CLUSTER PROFILES														TOTAL				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14					
UNKNOWN	18	7	3	9	0	1	10	31	9	34	5	4	13	12	156				
	11.54	4.49	1.92	5.77	0.00	0.64	6.41	19.87	5.77	21.79	3.21	2.56	8.33	7.69					
	9.05	8.33	18.75	16.98	0.00	7.14	8.62	25.83	33.33	30.36	23.81	8.51	11.30	11.01					
YES, SOLVENT	178	66	13	43	10	11	104	-209.53	78	-77.98	12	-292.43	53	-63.35	9	39	95	91	802
	22.19	8.23	1.62	5.36	1.25	1.37	12.97	9.73	1.50	6.61	1.12	4.86	11.85	11.35					
	89.45	78.57	81.25	81.13	90.91	78.57	89.66	65.00	44.44	47.32	42.86	82.98	82.61	83.49					
NOT SOLVENT	-13.95	3	11	0	1	1	2	2	11	6	25	7	4	7	6	86			
	3.49	12.79	0.00	1.16	1.16	2.33	2.33	12.79	6.98	29.07	8.14	4.65	8.14	6.98					
	1.51	13.10	0.00	1.89	9.09	14.29	1.72	9.17	22.22	22.32	33.33	8.51	6.09	5.50					
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044				

OTHER PARTIES	NETWORK CLUSTER PROFILES														TOTAL
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
UNKNOWN	2 8.00 1.01	0 0.00 0.00	1 4.00 6.25	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 12.00 2.59	4 16.00 3.33	3 12.00 11.11	3 12.00 2.68	0 0.00 0.00	0 0.00 0.00	5 20.00 4.35	4 16.00 3.67	25
MANU-FACTURER	21 30.88 10.55	7 10.29 8.33	0 0.00 0.00	7 10.29 13.21	2 2.94 18.18	1 1.47 7.14	8 11.76 6.90	4 5.88 3.33	0 0.00 0.00	2 2.94 1.79	1 1.47 4.76	1 1.47 2.13	9 13.24 7.83	5 7.35 4.59	68
SELLER	14 28.57 7.04	1 2.04 1.19	1 2.04 6.25	8 16.33 15.09	2 4.08 18.18	1 2.04 7.14	5 10.20 4.31	2 4.08 1.67	1 2.04 3.70	4 8.16 3.57	1 2.04 4.76	1 2.04 2.13	5 10.20 4.35	3 6.12 2.75	49
LENDER	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 16.67 0.86	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 33.33 1.74	3 50.00 2.75	6
HOLDER	2 14.29 1.01	3 21.43 3.57	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 7.14 0.86	0 0.00 0.00	0 0.00 0.00	1 7.14 0.89	0 0.00 0.00	0 0.00 0.00	6 42.86 5.22	1 7.14 0.92	14
NO OTHERS INVOLVED	151 18.11 75.88	66 7.91 78.57	11 1.32 68.75	38 4.56 71.70	6 0.72 54.55	11 1.32 78.57	94 11.27 81.03	107 12.83 89.17	22 2.64 81.48	95 11.39 84.82	19 2.28 90.48	42 5.04 89.36	83 9.95 72.17	89 10.67 81.65	834
ADVERTISER	0 0.00 0.00	4 25.00 4.76	2 12.50 12.50	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 6.25 0.83	1 6.25 3.70	6 37.50 5.36	0 0.00 0.00	2 12.50 4.26	0 0.00 0.00	0 0.00 0.00	16
SERVICE AGENCIES	8 33.33 4.02	2 8.33 2.38	0 0.00 0.00	0 0.00 0.00	1 4.17 9.09	0 0.00 0.00	3 12.50 2.59	2 8.33 1.67	0 0.00 0.00	1 4.17 0.89	0 0.00 0.00	1 4.17 2.13	4 16.67 3.48	2 8.33 1.83	24
SUB OR PRIME CONTRACTORS	1 12.50 0.50	1 12.50 1.19	1 12.50 6.25	0 0.00 0.00	0 0.00 0.00	1 12.50 7.14	1 12.50 0.86	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 12.50 0.87	2 25.00 1.83	8
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

INITIAL CONTACT*	NETWORK CLUSTER PROFILES														TOTAL		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14			
UNKNOWN	37 17.29 18.59	14 6.54 16.67	1 0.47 6.25	8 3.74 15.09	4 1.87 36.36	3 1.40 21.43	13 6.07 11.21	29 13.55 24.17	7 3.27 25.93	28 13.08 25.00	8 3.74 38.10	5 2.34 10.64	29 13.55 25.22	+16.54 13.08 25.69	214		
MAIL	-36.77 5.67 5.53	11 8.76 20.24	1 0.52 6.25	4 2.06 7.55	1 0.52 9.09	3 1.55 21.43	13 6.70 11.21	42 21.65 35.00	13 6.70 48.15	+23.75 27.32 47.32	53 4.12 38.10	8 4.12 23.40	11 5.67 23.40	-22.83 2.58 4.35	12 6.19 11.01	194	
TELEPHONE	10 12.99 5.03	5 6.49 5.95	+1.04 4 5.19 25.00	4 3 3.90 5.66	3 1 1.30 9.09	2 2.60 14.29	12 15.58 10.34	13 16.88 10.83	1 1.30 3.70	4 5.19 3.57	1 1.30 4.76	3 3.90 6.38	8 10.39 6.96	10 12.99 9.17	77		
CONSUMER'S HOME	14 15.38 7.04	12 13.19 14.29	2 2.20 12.50	-5.01 0 0.00	0 2.20 18.18	2 0.00 0.00	0 10.99 8.62	10 5.49 4.17	5 1.10 3.70	1 13 11.61	2 14.29 9.52	2 2.20 14.89	7 7.69 10.43	12 13.19 10.09	11 12.09 10.09	91	
MERCHANT'S PLACE OF BUSINESS	104 26.60 52.26	30 7.67 35.71	6 1.53 37.50	28 7.16 52.83	-11.13 0.26 9.09	1 -10.97 14.29	2 0.51 14.29	64 16.37 55.17	192.82 6.14 20.00	24 0.77 11.11	-22.67 3 7.14	-64.06 8 4.76	-19.37 1 36.17	17 4.35 50.43	58 14.83 41.28	45 11.51 41.28	391
PLACE OF OTHER PARTY	9 31.03 4.52	1 3.45 1.19	1 3.45 6.25	+1.29 7 13.21	7 6.90 18.18	2 3.45 7.14	1 3.45 0.86	1 10.34 2.50	3 0.00 0.00	0 3.45 0.89	1 0.00 0.00	0 6.90 4.26	2 0.00 0.00	0 0.00 0.92	1 3.45 0.92	29	
SOME OTHER LOCATION	3 10.71 1.51	5 17.86 5.95	1 3.57 6.25	1 3.57 1.89	0 0.00 0.00	1 3.57 7.14	3 10.71 2.59	3 10.71 2.50	2 7.14 7.41	5 17.86 4.46	1 3.57 4.76	2 7.14 4.26	0 0.00 0.00	1 0.00 0.00	1 3.57 0.92	28	
NO CONSUMER INVOLVED	+2.76 55.00 5.53	11 0.00 0.00	0 0.00 0.00	0 10.00 3.77	2 0.00 0.00	0 10.00 14.29	+31 0.00 0.00	2 0.00 0.00	0 5.00 0.83	1 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 15.00 2.61	1 5.00 0.92	20	
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044		

* Merchant and Consumer



CONTINUED

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NATURE OF COMPLAINT	NETWORK CLUSTER PROFILES														TOTAL	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
UNKNOWN	3 21.43 1.51	3 21.43 3.57	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 21.43 2.59	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 7.14 2.13	4 28.57 3.48	0 0.00 0.00	14
DECEPTIVE PRICING	12 25.53 6.03	2 4.26 2.38	3 6.38 18.75	0 0.00 0.00	0 0.00 0.00	2 4.26 14.29	10 21.28 8.62	2 4.26 1.67	0 0.00 0.00	4 8.51 3.57	0 0.00 0.00	2 4.26 4.26	2 4.26 1.74	2 4.26 7.34	8 17.02 7.34	47
PRODUCTS/SERVICES UNAVAILABLE	1 1.69 0.50	2 3.39 2.38	4 6.78 25.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	8 13.56 6.90	+3.54 19 15.83	19 32.20	1 1.69 3.70	7 11.86 6.25	2 3.39 9.52	2 3.39 4.26	6 10.17 5.22	7 11.86 6.42	59
MISREPRESENTATION AS TO WARRANTIES	5 23.81 2.51	0 0.00 0.00	0 0.00 0.00	2 9.52 3.77	0 0.00 0.00	0 0.00 0.00	4 19.05 3.45	1 4.76 0.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 9.52 4.26	2 9.52 1.74	5 23.81 4.59	21
MISREPRESENTS BENEFITS FROM PURCHASE	+7.35 25.00 16.08	32 +4.17 24.22 36.99	0 0.00 0.00	15 +2.59 11.72 28.30	1 0.78 9.09	7 5.47 50.00	8 6.25 6.90	2 1.56 1.67	3 2.34 11.11	1 0.78 0.89	0 0.00 0.00	1 0.78 2.13	23 +5.82 17.97 20.00	4 3.13 3.67	128	
FAILURE TO DELIVER	8 3.29 4.02	1 0.41 1.19	0 0.00 0.00	1 0.41 1.89	1 0.41 9.09	0 0.00 0.00	4 1.65 3.45	+2.70 70 28.81 58.33	20 +1.02 8.23 74.07	20 +2.70 37.45 81.25	19 +0.71 7.82 90.48	2 0.82 4.26	3 2.47 5.22	20 +4.34 8.23 18.35	243	
POOR QUALITY PRODUCTS	+5.61 43.18 38.19	76 +3.17 9.66 20.24	5 2.84 31.25	19 +1.97 10.80 35.85	7 +0.87 3.98 63.64	2 1.14 14.29	4 2.27 3.45	5 2.84 4.17	0 0.00 0.00	1 0.57 0.89	0 0.00 0.00	0 0.00 0.00	38 +4.44 21.59 33.04	2 1.14 1.83	176	
DIFFERENT PRODUCTS	+6.02 46.43 13.07	26 10 17.86 11.90	1 1.79 6.25	7 12.50 13.21	1 1.79 9.09	1 1.79 7.14	2 3.57 1.72	1 1.79 0.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	7 12.50 6.09	0 0.00 0.00	56	
CHARGING HIDDEN COSTS	7 9.33 3.52	2 2.67 2.38	2 2.67 12.50	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	+5.34 32 42.67 27.59	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	7 9.33 14.89	2 2.67 1.74	23 +4.02 30.67 21.10	75
REFUSAL TO HONOR WARRANTY	13 28.89 6.53	4 8.89 4.76	0 0.00 0.00	3 6.67 5.66	0 0.00 0.00	0 0.00 0.00	4 8.89 3.45	2 4.44 1.67	0 0.00 0.00	2 4.44 1.79	0 0.00 0.00	3 6.67 6.38	8 17.78 6.96	6 13.33 5.50	45	
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044	

NATURE OF COMPLAINT (continued)	TOTAL														TOTAL
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
UNDUE DELAY WITH REPAIRS	3 15.79 1.51	0 0.00 0.00	0 0.00 0.00	1 5.26 1.89	0 0.00 0.00	0 0.00 0.00	1 5.26 0.86	6 31.58 5.00	0 0.00 0.00	2 10.53 1.79	0 0.00 0.00	0 0.00 0.00	1 5.26 0.87	5 26.32 4.59	19
PERFORMING UNAUTHORIZED REPAIRS	2 7.69 1.01	2 7.69 2.38	1 3.85 6.25	1 3.85 1.89	1 3.85 9.09	0 0.00 0.00	9 34.62 7.76	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	5 19.23 10.64	3 11.54 2.61	2 7.69 1.83	26
FAILURE TO GIVE AGREED REFUND	10 11.11 5.03	9 10.00 10.71	0 0.00 0.00	4 4.44 7.55	0 0.00 0.00	2 2.22 14.29	18 20.00 15.52	10 11.11 8.33	2 2.22 7.41	1 1.11 0.89	0 0.00 0.00	15 16.67 31.91	6 6.67 5.22	13 14.44 11.93	90
COLLECTION OR HARRASSMENT PROBLEM	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	5 20.83 4.31	1 4.17 0.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	4 16.67 8.51	3 12.50 2.61	+2.50 45.83 10.09	24
RECEIVING UNSOLICITED MERCHANDISE	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 25.00 0.86	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 50.00 4.26	0 0.00 0.00	1 25.00 0.92	4
APPEARANCE OF ILLEGAL DEALINGS	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 50.00 1.72	0 0.00 0.00	1 25.00 3.70	0 0.00 0.00	0 0.00 0.00	1 25.00 2.13	0 0.00 0.00	0 0.00 0.00	4
SUGGESTING UNNECESSARY REPAIRS	1 50.00 0.50	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 50.00 0.86	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2
MISHAP WITH MERCHANDISE SURRENDERED	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 50.00 0.87	1 50.00 0.92	2
FAILURE TO DELIVER AND POOR QUALITY MERCHANDISE	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 60.00 2.68	0 0.00 0.00	0 0.00 0.00	2 40.00 1.74	0 0.00 0.00	5
MERCHANT MISREPRESENTS OWN AFFILIATIONS	0 0.00 0.00	1 25.00 1.19	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 25.00 0.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 25.00 0.87	1 25.00 0.92	4
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

PRIMARY MEDIUM	NETWORK CLUSTER PROFILES															TOTAL
	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
UNKNOWN	29 18.83 14.57	7 4.55 8.33	2 1.30 12.50	5 3.25 9.43	0 0.00 0.00	1 0.65 7.14	13 8.44 11.21	25 16.23 20.83	3 1.95 11.11	24 15.58 21.43	5 3.25 23.81	4 2.60 8.51	21 13.64 18.26	15 9.74 13.76	154	
LABELING, PACKAGING	+4.14 31 52.54 15.58	0 0.00 0.00	1 1.69 6.25	+1.53 8 13.56 15.09	2 3.39 18.18	1 1.69 7.14	8 13.56 6.90	2 3.39 1.67	0 0.00 0.00	1 1.69 0.89	0 0.00 0.00	1 1.69 2.13	2 3.39 1.74	2 3.39 1.83	59	
MAIL	4 5.41 2.01	4 5.41 4.76	1 1.35 6.25	1 1.35 1.89	0 0.00 0.00	2 2.70 14.29	9 12.16 7.76	12 16.22 10.00	3 4.05 11.11	+6.90 18 24.32 16.07	2 2.70 9.52	8 10.81 17.02	3 4.05 2.61	7 9.46 6.42	74	
PAMPHLETS, CIRCULARS	4 9.76 2.01	4 9.76 4.76	0 0.00 0.00	2 4.88 3.77	1 2.44 9.09	0 0.00 0.00	5 12.20 4.31	10 24.39 8.33	0 0.00 0.00	5 12.20 4.46	0 0.00 0.00	2 4.88 4.26	5 12.20 4.35	3 7.32 2.75	41	
PERIODICALS	17 10.43 8.54	19 11.66 22.62	3 1.84 18.75	7 4.29 13.21	0 0.00 0.00	3 1.84 21.43	20 12.27 17.24	25 15.34 20.83	8 4.91 29.63	26 15.95 23.21	7 4.29 33.33	4 2.45 8.51	15 9.20 13.04	9 5.52 8.26	163	
YELLOW PAGES	3 37.50 1.51	0 0.00 0.00	0 0.00 0.00	1 12.50 1.89	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 37.50 2.50	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 12.50 0.87	0 0.00 0.00	8	
TV, RADIO	2 8.00 1.01	5 20.00 5.95	0 0.00 0.90	2 8.00 3.77	0 0.00 0.00	+40 4 16.00 28.57	0 0.00 0.00	2 8.00 1.67	0 0.00 0.00	4 16.00 3.57	0 0.00 0.00	4 16.00 8.51	1 4.00 0.87	1 4.00 0.92	25	
DEFECTIVE PERFORMANCE OF PRODUCT	4 44.44 2.01	0 0.00 0.00	0 0.00 0.00	1 11.11 1.89	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 11.11 0.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 33.33 2.61	0 0.00 0.00	9	
WRITTEN GUARANTEE	3 20.00 1.51	0 0.00 0.00	1 6.67 6.25	2 13.33 3.77	0 0.00 0.00	0 0.00 0.00	3 20.00 2.59	1 6.67 0.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 6.67 0.87	4 26.67 3.67	15	
ORAL REPRESENTA- TION	+58.79 96 21.43 48.24	43 9.60 51.19	5 1.12 31.25	23 5.13 43.40	7 1.56 63.64	3 0.67 21.43	50 11.16 43.10	66.35 34 7.59 28.33	13 2.90 48.15	31 6.92 27.68	7 1.56 33.33	22 4.91 46.81	55 12.28 47.83	59 13.17 54.13	448	
TELEPHONE	6 12.50 3.02	2 4.17 2.38	3 6.25 18.75	1 2.08 1.89	1 2.08 9.09	0 0.00 0.00	8 16.67 6.90	5 10.42 4.17	0 0.00 0.00	3 6.25 2.68	0 0.00 0.00	2 4.17 4.26	8 16.67 6.96	9 18.75 8.26	48	
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044	

DOLLARS INVOLVED

NETWORK CLUSTER PROFILES

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	TOTAL
UNKNOWN	27 19.85 13.57	13 9.56 15.48	1 0.74 6.25	+5.58 14 10.29 26.42	2 1.47 18.18	3 2.21 21.43	10 7.35 8.62	8 5.88 6.67	1 0.74 3.70	7 5.15 6.25	2 1.47 9.52	4 2.94 8.51	+8.84 26 19.12 22.61	18 13.24 16.51	136
ZERO	4 9.09 2.01	3 6.82 3.57	1 2.27 6.25	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	+3.82 11 25.00 9.48	3 6.82 2.50	0 0.00 0.00	1 2.27 0.89	0 0.00 0.00	3 6.82 6.38	6 13.64 5.22	+3.54 12 27.27 11.01	44
UNDER \$5	17 28.81 8.54	2 3.39 2.38	1 1.69 6.25	6 10.17 11.32	2 3.39 18.18	0 0.00 0.00	10 16.95 8.62	6 10.17 5.00	1 1.69 3.70	4 6.78 3.57	2 3.39 9.52	3 5.08 6.38	2 3.39 1.74	3 5.08 2.75	59
\$5 - 20	17 11.56 8.54	13 8.84 15.48	4 2.72 25.00	8 5.44 15.09	0 0.00 0.00	2 1.36 14.29	17 11.56 14.66	25 17.01 20.83	4 2.72 14.81	+11.08 36 24.49 32.14	3 2.04 14.29	6 4.08 12.77	5 3.40 4.35	7 4.76 6.42	147
\$20 - 100	53 23.14 26.63	16 6.99 19.05	2 0.87 12.50	6 2.62 11.32	3 1.31 27.27	1 0.44 7.14	31 13.54 26.72	31 13.54 25.83	7 3.06 25.93	26 11.35 23.21	6 2.62 28.57	10 4.37 21.28	19 8.30 16.52	18 7.86 16.51	229
\$100 - 500	35 15.77 17.59	19 8.56 22.62	4 1.80 25.00	10 4.50 18.87	4 1.80 36.36	4 1.80 28.57	28 12.61 24.14	29 13.06 24.17	6 2.70 22.22	22 9.91 19.64	3 1.35 14.29	15 6.76 31.91	18 8.11 15.65	25 11.26 22.94	222
\$500 - 2,000	36 27.48 18.09	8 6.11 9.52	3 2.29 18.75	8 6.11 15.09	0 0.00 0.00	2 1.53 14.29	7 5.34 6.03	13 9.92 10.83	3 2.29 11.11	12 9.16 10.71	2 1.53 9.52	5 3.82 10.64	+9.57 21 16.03 18.26	11 8.40 10.09	131
\$2,000 - 10,000	10 15.15 5.03	9 13.64 10.71	0 0.00 0.00	1 1.52 1.89	0 0.00 0.00	2 3.03 14.29	2 3.03 1.72	3 4.56 2.50	5 7.58 18.52	4 6.06 3.57	2 3.03 9.52	1 1.52 2.13	+4.56 17 25.76 14.78	10 15.15 9.17	66
\$10,000 - 50,000	0 0.00 0.00	1 10.00 1.19	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 20.00 1.67	0 0.00 0.00	0 0.00 0.00	1 10.00 4.76	0 0.00 0.00	1 10.00 0.87	5 50.00 4.59	10
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

MERCHANT AVAILABLE	NETWORK CLUSTER PROFILES														TOTAL
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
UNKNOWN	10 13.70 5.03	9 12.33 10.71	1 1.37 6.25	7 9.59 13.21	0 0.00 0.00	0 0.00 0.00	9 12.33 7.76	4 5.48 3.33	2 2.74 7.41	7 9.59 6.25	5 6.85 23.81	6 8.22 12.77	9 12.33 7.83	4 5.48 3.67	73
YES, EASILY	138 22.89 69.35	54 8.96 64.29	10 1.66 62.50	36 5.97 67.92	8 1.33 72.73	9 1.49 64.29	86 14.26 74.14	43 7.13 35.83	8 1.33 29.63	-114.88 26 4.31 23.21	-37.18 4 0.66 19.05	32 5.31 68.09	77 12.77 66.96	72 11.94 66.06	603
YES, WITH DIFFICULTY	31 16.67 15.58	7 3.76 8.33	3 1.61 18.75	8 4.30 15.09	3 1.61 27.27	5 2.69 35.71	17 9.14 14.66	28 15.05 23.33	5 2.69 18.52	32 17.20 28.57	4 2.15 19.05	4 2.15 8.51	18 9.68 15.65	21 11.29 19.27	186
NO	20 10.99 10.05	14 7.69 16.67	2 1.10 12.50	2 1.10 3.77	0 0.00 0.00	0 0.00 0.00	4 2.20 3.45	45 24.73 37.50	12 6.59 44.44	+17.10 47 25.82 41.96	8 4.40 38.10	5 2.75 10.64	11 6.04 9.57	12 6.59 11.01	182
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

E 21

SOURCE OF COMPLAINT *	NETWORK CLUSTER PROFILES														TOTAL	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
UNKNOWN	+2.98 11 61.11 5.53	1 5.56 1.19	1 0.00 0.00	2 11.11 3.77	0 0.00 0.00	1 5.56 7.14	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 5.56 0.87	2 11.11 1.83	18
ONE CONSUMER	172 18.96 86.43	69 7.61 82.14	15 1.65 93.75	45 4.96 84.91	9 0.99 81.82	9 0.99 64.29	107 11.80 92.24	109 12.02 90.83	21 2.32 77.78	96 10.58 85.71	21 2.32 100.00	45 4.96 95.74	97 10.69 84.35	92 10.14 84.40	907	
SEVERAL	8 9.64 4.02	11 13.25 13.10	1 1.20 6.25	1 1.20 1.89	2 2.41 18.18	0 0.00 0.00	7 8.43 6.03	10 12.05 8.33	6 7.23 22.22	15 18.07 13.39	0 0.00 0.00	2 2.41 4.26	13 15.66 11.30	7 8.43 6.42	83	
ANOTHER MERCHANT	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 25.00 0.83	0 0.00 0.00	1 25.00 0.89	0 0.00 0.00	0 0.00 0.00	1 25.00 0.87	1 25.00 0.92	4	
ANOTHER AGENCY	8 25.00 4.02	3 9.38 3.57	0 0.00 0.00	5 15.63 9.43	0 0.00 0.00	+4.40 4 12.50 28.57	2 6.25 1.72	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 9.38 2.61	7 21.88 6.42	32	
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044	

* From the Consumer

NETWORK CLUSTER PROFILES

RELIEF SOUGHT	1	2	3	4	5	6	7	8	9	10	11	12	13	14	TOTAL	
UNKNOWN	15 14.15 7.54	10 9.43 11.90	0 0.00 0.00	6 5.66 11.32	1 0.94 9.09	0 0.00 0.00	14 13.21 12.07	6 5.66 5.00	4 3.77 14.81	7 6.60 6.25	1 0.94 4.76	8 7.55 17.02	14 13.21 12.17	20 18.87 18.35	106	
NONE	0 0.00 0.00	1 33.33 1.19	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 66.67 1.74	0 0.00 0.00	3	
ADVICE ONLY	2 11.76 1.01	3 17.65 3.57	1 5.88 6.25	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 17.65 2.59	1 5.88 0.83	1 5.88 3.70	1 5.88 0.89	0 0.00 0.00	1 5.88 2.13	3 17.65 2.61	1 5.88 0.92	17	
PERFORMANCE AS PROMISED	43 20.38 21.61	8 3.79 9.52	2 0.95 12.50	4 1.90 7.55	1 0.47 9.09	0 0.00 0.00	14 6.64 12.07	+10.14 18.01 31.67	38 2.84 22.22	6 11.85 22.32	25 2.84 28.57	6 1.90 8.51	4 13.74 25.22	29 14.69 28.44	211	
EXCHANGE	+4.07 14 46.67 7.04	2 6.67 2.38	0 0.00 0.00	+1.13 5 16.67 9.43	1 3.33 9.09	1 3.33 7.14	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 4.35	5 16.67 1.83	2 6.67 1.83	30
REFUND	75 17.48 37.69	40 9.32 47.62	8 1.86 50.00	15 3.50 28.30	5 1.17 45.45	8 1.86 57.14	52 12.12 44.83	+23.02 54 12.59 45.00	13 3.03 48.15	60 13.99 53.57	11 2.56 52.38	25 5.83 53.19	-54.63 30 26.09	33 7.69 30.28	429	
MONEY TO COVER LOSSES	8 19.51 4.02	2 4.88 2.38	0 0.00 0.00	4 9.76 7.55	0 0.00 0.00	0 0.00 0.00	4 9.76 3.45	1 2.44 0.83	0 0.00 0.00	2 4.88 1.79	0 0.00 0.00	0 0.00 0.00	0 0.00 12.17	14 14.63 5.50	41	
INVESTIGATION FOR PUBLIC BENEFIT	33 20.63 16.50	16 10.00 19.05	5 3.13 31.25	16 10.00 30.19	3 1.88 27.27	5 3.13 35.71	28 17.50 24.14	11 6.88 9.17	-6.98 0 0.00	-22.45 4 3.57	0 0.00 0.00	9 5.63 19.15	16 10.00 13.91	14 8.75 12.84	160	
NO INDIVIDUAL COMPLAINT	7 58.33 3.52	2 16.67 2.38	0 0.00 0.00	1 8.33 1.89	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 16.67 1.74	0 0.00 0.00	12	
PERFORMANCE AND REFUND	2 5.71 1.01	0 0.00 0.00	0 0.00 0.00	2 5.71 3.77	0 0.00 0.00	0 0.00 0.00	1 2.86 0.86	+1.03 9 25.71 7.50	3 8.57 11.11	+2.25 13 37.14 11.61	+42 3 14.29	0 0.00 0.00	0 0.00 0.00	2 5.71 1.83	35	
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044	

E 22

AGENCY ACTION	NETWORK CLUSTER PROFILES														TOTAL	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
UNKNOWN	5 20.83 2.51	1 4.17 1.19	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 33.33 6.90	8 8.33 1.67	2 4.17 3.70	1 8.33 1.79	2 0.00 0.00	0 4.17 2.13	1 16.67 3.48	4 0.00 0.00	0 0.00 0.00	24
JUST ADVICE TO CONSUMER	12 19.05 6.03	5 7.94 5.95	2 3.17 12.50	2 3.17 3.77	0 0.00 0.00	2 3.17 14.29	12 19.05 10.34	3 4.76 2.50	1 1.59 3.70	8 12.70 7.14	3 4.76 14.29	1 1.59 2.13	4 6.35 3.48	8 12.70 7.34		63
JUST INVESTIGATION	28 14.81 14.07	18 9.52 21.43	4 2.12 25.00	8 4.23 15.09	2 1.06 18.18	2 1.06 14.29	20 10.58 17.24	35 18.52 29.17	2 1.06 7.41	20 10.58 17.86	2 1.06 9.52	10 5.29 21.28	22 11.64 19.13	16 8.47 14.68		189
INVESTIGATION FOR PUBLIC BENEFIT	14 15.73 7.04	11 12.36 13.10	1 1.12 6.25	1 1.12 1.89	0 0.00 0.00	0 0.00 0.00	6 6.74 5.17	13 14.61 10.83	5 5.62 18.52	18 20.22 16.07	3 3.37 14.29	3 3.37 6.38	9 10.11 7.83	5 5.62 4.59		89
JUST REFERRAL	24 19.83 12.06	11 9.09 13.10	3 2.48 18.75	8 6.61 15.09	0 0.00 0.00	2 1.65 14.29	12 9.92 10.34	11 9.09 9.17	5 4.13 18.52	13 10.74 11.61	4 3.31 19.05	4 3.31 8.51	15 12.40 13.04	9 7.44 8.26		121
NON-LITIGATED RESOLUTION	85 20.63 42.71	24 5.83 28.57	4 0.97 25.00	22 5.34 41.51	8 1.94 72.73	6 1.46 42.86	50 12.14 43.10	41 9.95 34.17	8 1.94 29.63	33 8.01 29.46	4 0.97 19.05	23 5.58 48.94	44 10.68 38.26	60 14.56 55.05		412
FORMAL CIVIL PROCEEDINGS	9 24.32 4.52	3 8.11 3.57	1 2.70 6.25	2 5.41 3.77	0 0.00 0.00	1 2.70 7.14	3 8.11 2.59	2 5.41 1.67	0 0.00 0.00	4 10.81 3.57	0 0.00 0.00	3 8.11 6.38	6 16.22 5.22	3 8.11 2.75		37
FORMAL CRIMINAL PROCEEDINGS	9 20.00 4.52	4 8.89 4.76	0 0.00 0.00	3 6.67 5.66	0 0.00 0.00	0 0.00 0.00	1 2.22 0.86	4 8.89 3.33	5 11.11 18.52	9 20.00 8.04	4 8.89 19.05	1 2.22 2.13	3 6.67 2.61	2 4.44 1.83		45
ACTION PENDING IN AGENCY	0 0.00 0.00	4 23.53 4.76	1 5.88 6.25	3 17.65 5.66	0 0.00 0.00	0 0.00 0.00	1 5.88 0.86	1 5.88 0.83	0 0.00 0.00	2 11.76 1.79	1 5.88 4.76	0 0.00 0.00	4 23.53 3.48	0 0.00 0.00		17
NOTHING	10 27.78 5.03	3 8.33 3.57	0 0.00 0.00	4 11.11 7.55	1 2.78 9.09	1 2.78 7.14	2 5.56 1.72	5 13.89 4.17	0 0.00 0.00	2 5.56 1.79	0 0.00 0.00	1 2.78 2.13	3 8.33 2.61	4 11.11 3.67		36
INVESTIGATION AND ADVICE	3 27.27 1.51	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 9.09 0.86	3 27.27 2.50	0 0.00 0.00	1 9.09 0.89	0 0.00 0.00	0 0.00 0.00	1 9.09 0.87	2 18.18 1.83		11
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044	

NETWORK CLUSTER PROFILES

RESULTS OF ACTION

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	TOTAL
UNKNOWN	19 21.84 9.55	6 6.90 7.14	0 0.00 0.00	6 6.90 11.32	0 0.00 0.00	2 2.30 14.29	10 11.49 8.62	12 13.79 10.00	1 1.15 3.70	12 13.79 10.71	1 1.15 4.76	4 4.60 8.51	10 11.49 8.70	4 4.60 3.67	87
NONE IN AGENCY	89 19.65 44.72	38 8.39 45.24	11 2.43 68.75	23 5.08 43.40	3 0.66 27.27	6 1.32 42.86	56 12.36 48.28	42 9.27 35.00	10 2.21 37.04	51 11.26 45.54	13 2.87 61.90	17 3.75 36.17	54 11.92 46.96	40 8.83 36.70	453
ADMINISTRATIVE CONSENT ORDER	66 17.28 33.17	24 6.28 28.57	4 1.05 25.00	17 4.45 32.08	7 1.83 63.64	6 1.57 42.86	39 10.21 33.62	53 13.87 44.17	4 1.05 14.81	40 10.47 35.71	5 1.31 23.81	22 5.76 46.81	41 10.73 35.65	54 14.14 49.54	382
ADMINISTRATIVE ORDER	1 12.50 0.50	2 25.00 2.38	0 0.00 0.00	1 12.50 1.89	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 12.50 0.83	0 0.00 0.00	0 0.00 0.00	1 12.50 4.76	1 12.50 2.13	1 12.50 0.87	0 0.00 0.00	8
CIVIL SETTLEMENT	12 22.22 6.03	5 9.26 5.95	0 0.00 0.00	3 5.56 5.66	1 1.85 9.09	0 0.00 0.00	11 20.37 9.48	4 7.41 3.33	3 5.56 11.11	1 1.85 0.89	0 0.00 0.00	2 3.70 4.26	6 11.11 5.22	6 11.11 5.50	54
CIVIL JUDGMENT	4 30.77 2.01	1 7.69 1.19	1 7.69 6.25	1 7.69 1.89	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 23.08 2.68	0 0.00 0.00	0 0.00 0.00	1 7.69 0.87	2 15.38 1.83	13
CRIMINAL GUILTY PLEA	8 17.02 4.02	8 17.02 9.52	0 0.00 0.00	2 4.26 3.77	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	8 17.02 6.67	9 19.15 33.33	5 10.64 4.46	1 2.13 4.76	1 2.13 2.13	2 4.26 1.74	3 6.38 2.75	47
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

NETWORK CLUSTER PROFILES

RELIEF OBTAINED	1	2	3	4	5	6	7	8	9	10	11	12	13	14	TOTAL
UNKNOWN	33 15.87 16.58	17 8.17 20.24	3 1.44 18.75	9 4.33 16.98	0 0.00 0.00	2 0.96 14.29	23 11.06 19.83	24 11.54 20.00	6 2.88 22.22	26 12.50 23.21	5 2.40 23.81	10 4.81 21.28	31 14.90 26.96	19 9.13 17.43	208
NONE	26 17.69 13.07	14 9.52 16.67	1 0.68 6.25	11 7.48 20.75	1 0.68 9.09	3 2.04 21.43	22 14.97 18.97	15 10.20 12.50	3 2.04 11.11	25 17.01 22.32	7 4.76 33.33	3 2.04 6.38	10 6.80 8.70	6 4.08 5.50	147
ADVICE ONLY	20 26.32 10.05	5 6.58 5.95	3 3.95 18.75	4 5.26 7.55	1 1.32 9.09	0 0.00 0.00	10 13.16 8.62	2 2.63 1.67	0 0.00 0.00	4 5.26 3.57	0 0.00 0.00	3 3.95 6.38	10 13.16 8.70	14 18.42 12.84	76
PERFORMANCE AS PROMISED	18 16.36 9.05	3 2.73 3.57	0 0.00 0.00	2 1.82 3.77	2 1.82 18.18	0 0.00 0.00	6 5.45 5.17	^{+9.96} 26 23.64 21.67	2 1.82 7.41	15 13.64 13.39	4 3.64 19.05	2 1.82 4.26	15 13.64 13.04	15 13.64 13.76	110
EXCHANGE	10 45.45 5.03	2 9.09 2.38	0 0.00 0.00	4 18.18 7.55	0 0.00 0.00	0 0.00 0.00	1 4.55 0.86	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 9.09 1.74	3 13.64 2.75	22
REFUND	45 18.07 22.61	18 7.23 21.43	2 0.80 12.50	10 4.02 18.87	6 2.41 54.55	2 0.80 14.29	32 12.85 27.59	37 14.86 30.83	8 3.21 29.63	29 11.65 25.89	2 0.80 9.52	16 6.43 34.04	20 8.03 17.39	22 8.84 20.18	249
MONEY TO COVER LOSSES	5 41.67 2.51	0 0.00 0.00	0 0.00 0.00	2 16.67 3.77	1 8.33 9.09	0 0.00 0.00	0 0.00 0.00	1 8.33 0.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 25.00 2.61	0 0.00 0.00	12
INVESTIGATION FOR PUBLIC BENEFIT	21 19.09 10.55	14 12.73 16.67	4 3.64 25.00	8 7.27 15.09	0 0.00 0.00	5 4.55 35.71	14 12.73 12.07	8 7.27 6.67	5 4.55 18.52	6 5.45 5.36	0 0.00 0.00	5 4.55 10.64	8 7.27 6.96	12 10.91 11.01	110
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

E 25

RELIEF OBTAINED

(continued)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	TOTAL	
NO INDIVIDUAL COMPLAINT	+2.05 75.00 4.52	9 8.33 1.19	1 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 16.67 1.74	0 0.00 0.00	12
CASE PENDING	10 20.83 5.03	8 16.67 9.52	2 4.17 12.50	1 2.08 1.89	0 0.00 0.00	1 2.08 7.14	2 4.17 1.72	4 8.33 3.33	2 4.17 7.41	5 10.42 4.46	2 4.17 9.52	2 4.17 4.26	8 16.67 6.96	1 2.08 0.92		48
PERFORMANCE AND REFUND	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 20.00 7.14	0 0.00 0.00	1 20.00 0.83	0 0.00 0.00	2 40.00 1.79	1 20.00 4.76	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	5
REFUND AND INVESTIGATION	0 0.00 0.00	2 22.22 2.38	1 11.11 6.25	2 22.22 3.77	0 0.00 0.00	0 0.00 0.00	1 11.11 0.86	1 11.11 0.83	1 11.11 3.70	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 11.11 0.92	9
BILLING ADJUSTMENT	2 10.00 1.01	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 10.00 1.72	1 5.00 0.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 15.00 6.38	3 15.00 2.61	+1.89 45.00 8.26	20
STOP HARRASSMENT	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	2 100.00 1.83	2
RELEASE FROM CONTRACT (REFUND)	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 23.08 2.59	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 23.08 6.38	2 15.38 1.74	5 38.46 4.59	13
RETURN OF MERCHANDISE SURRENDERED	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 100.00 0.87	0 0.00 0.00	1
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044	

E 26

MERCHANT RESPONSE

NETWORK CLUSTER PROFILES

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	TOTAL
UNKNOWN	12 12.24 6.03	^{+7.04} 21 21.43 25.00	2 2.04 12.50	9 9.18 16.98	0 0.00 0.00	1 1.02 7.14	14 14.29 12.07	5 5.10 4.17	2 2.04 7.41	11 11.22 9.82	0 0.00 0.00	5 5.10 10.64	11 11.22 9.57	5 5.10 4.59	98
IGNORES CONTACT	28 15.66 13.07	8 4.82 9.52	1 0.60 6.25	10 6.02 18.87	0 0.00 0.00	3 1.81 21.43	7 4.22 6.03	^{+9.66} 29 17.47 24.17	^{+3.29} 10 6.02 37.04	^{+10.55} 35 21.08 31.25	4 2.41 19.05	7 4.22 14.87	16 9.64 13.91	10 6.02 9.17	166
SKIPS OUT	7 8.54 3.52	6 7.32 7.14	2 2.44 12.50	1 1.22 1.89	0 0.00 0.00	0 0.00 0.00	3 3.66 2.59	^{+3.67} 16 19.51 13.33	3 3.66 11.11	^{+4.01} 22 26.83 19.64	^{+7.76} 12 14.63 57.14	1 1.22 2.13	3 3.66 2.61	6 7.32 5.50	82
BANKRUPTCY	1 4.76 0.50	3 14.29 3.57	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 4.76 7.14	0 0.00 0.00	4 19.05 3.33	2 9.52 7.41	3 14.29 2.68	1 4.76 4.76	4 19.05 8.51	1 4.76 0.87	1 4.76 0.92	21
ARGUES PRODUCT CLAIMS	38 35.85 19.10	10 9.43 11.90	3 2.83 18.75	6 5.66 11.32	0 0.00 0.00	2 1.89 14.29	8 7.55 6.90	7 6.60 5.83	1 0.94 3.70	^{-10.76} 0 0.00 0.00	0 0.00 0.00	2 1.89 4.26	23 21.70 20.00	6 5.66 5.50	106
ARGUES PRICE CLAIMS	11 13.10 5.53	1 1.19 1.19	1 1.19 6.25	2 2.38 3.77	0 0.00 0.00	0 0.00 0.00	^{+5.15} 29 34.52 25.00	7 8.33 5.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	7 8.33 14.89	6 7.14 5.22	^{+5.28} 20 23.81 18.35	84
DELAYS TAKING ACTION	32 24.43 16.08	8 6.11 9.52	1 0.76 6.25	9 6.87 16.98	0 0.00 0.00	2 1.53 14.29	5 3.82 4.31	^{+9.76} 25 19.08 20.83	5 3.82 18.52	16 12.21 14.29	2 1.53 9.52	2 1.53 4.26	12 9.16 10.43	12 9.16 11.01	131
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

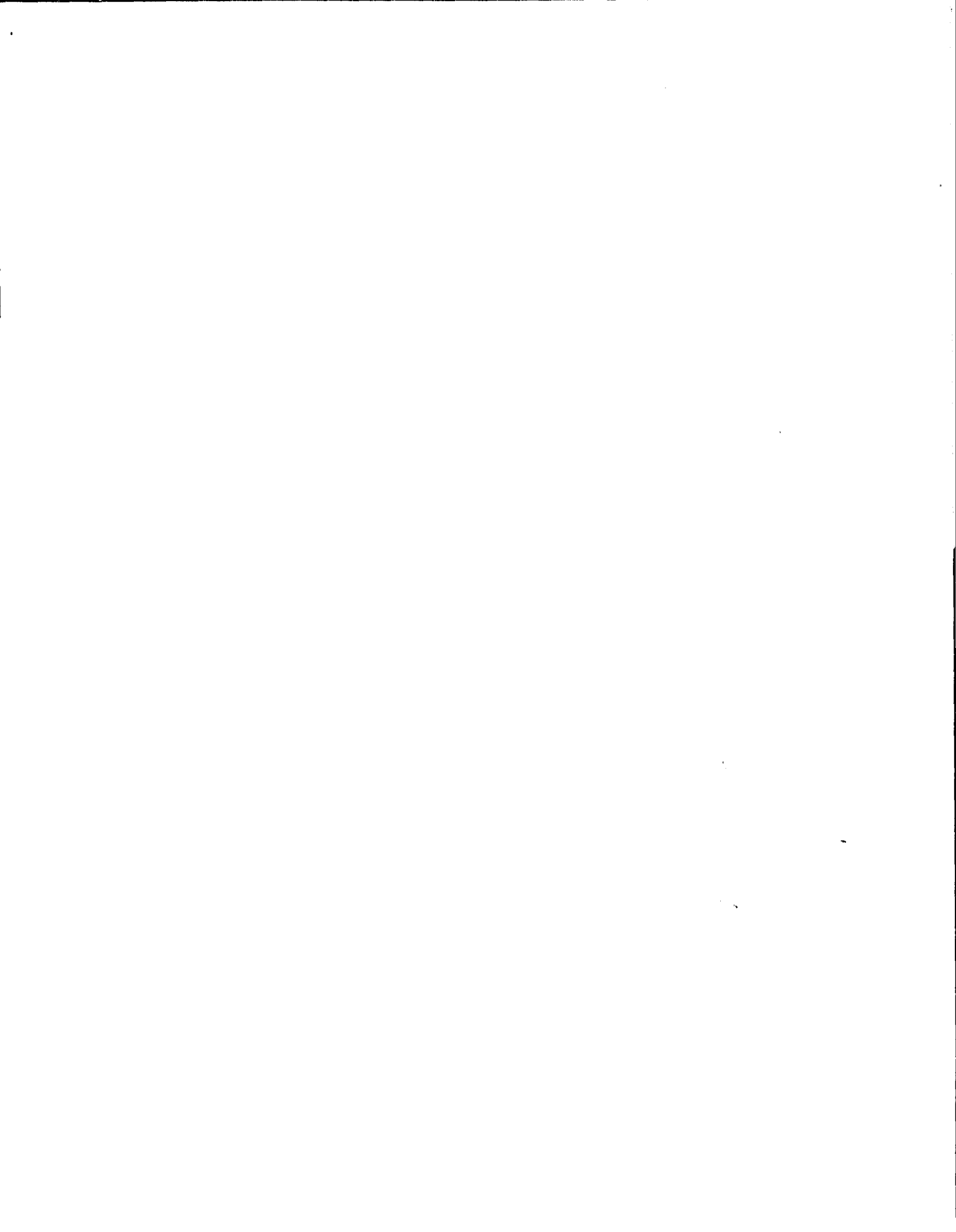
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MERCHANT RESPONSE

(continued)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	TOTAL
DISCLAIMS KNOWLEDGE	10 21.74 5.03	6 13.04 7.14	0 0.00 0.00	1 2.17 1.89	0 0.00 0.00	0 0.00 0.00	8 17.39 6.90	1 2.17 0.83	0 0.00 0.00	2 4.35 1.79	0 0.00 0.00	1 2.17 2.13	11 23.91 9.57	6 13.04 5.50	46
REFERS TO THIRD PARTY	6 31.58 3.02	3 15.79 3.57	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 15.79 2.59	0 0.00 0.00	0 0.00 0.00	1 5.26 0.89	0 0.00 0.00	1 5.26 2.13	2 10.57 1.74	3 15.79 2.75	19
TAKES CORRECTIVE ACTION	41 18.89 20.60	17 7.83 20.24	4 1.84 25.00	12 5.53 22.64	11 5.07 100.00	5 2.30 35.71	23 10.60 19.83	21 9.68 17.50	3 1.38 11.11	21 9.68 18.75	2 0.92 9.52	9 4.15 19.15	22 10.14 19.13	26 11.98 23.85	217
HARRASSMENTS OR THREATS	3 27.27 1.51	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 27.27 2.61	5 45.45 4.59	11
ARGUES CONTRACT IMPLEMENTATION	2 10.00 1.01	1 5.00 1.19	0 0.00 0.00	1 5.00 1.89	0 0.00 0.00	0 0.00 0.00	5 25.00 4.31	2 10.00 1.67	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	3 15.00 6.38	1 5.00 0.87	5 25.00 4.59	20
REFUSAL TO GIVE REFUND	7 35.00 6.03	0 0.00 0.00	1 5.00 6.25	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	7 35.00 6.03	2 10.00 1.67	1 5.00 3.70	1 5.00 0.89	1 5.00 0.00	4 20.00 8.51	1 5.00 0.87	3 15.00 2.75	20
DENIES ADVERTISED CLAIMS	10 43.48 5.03	0 0.00 0.00	1 4.35 6.25	2 8.70 3.77	0 0.00 0.00	0 0.00 0.00	4 17.39 3.45	1 4.35 0.83	0 0.00 0.00	0 0.00 0.00	0 0.00 0.00	1 4.35 2.13	3 13.04 2.61	1 4.35 0.92	23
TOTAL	199	84	16	53	11	14	116	120	27	112	21	47	115	109	1044

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END