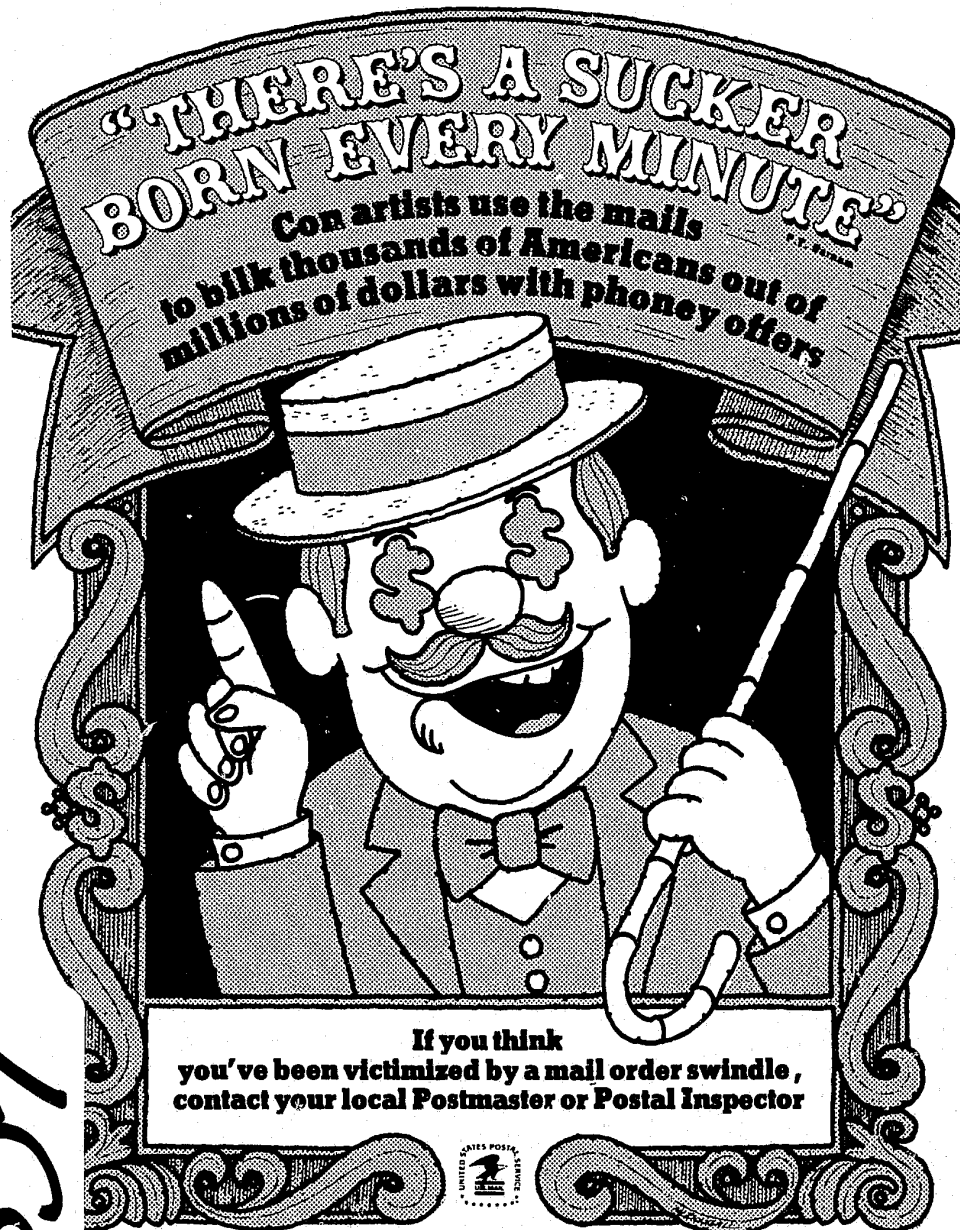


Important!
Open Immediately!

POSTMASTER KIT



1 Consumer Protection Week

April 10-15, 1978

55634

Dear Postmaster:

The Postal Service's third annual Postal Consumer Protection Week is April 10-15. As in the past, it is designed to focus attention on the Postal Service's interest in - and protection of - its consumers.

The Inspection Service believes our Consumer Protection Weeks have greatly increased public awareness of an ever-growing problem - the use of the mails to carry out schemes or misrepresent product offerings.

The week centers upon the reliability of mail-order buying and the procedures available to postal customers in resolving mail-order problems and handling suspected false representation by mail or fraud cases. The week also gives us an opportunity to remind customers of the Consumer Service Card program. Consequently, the availability of the cards and the nature of this important program should also be stressed during the week, including emphasis on use of the cards by postal employees to record inquiries and complaints received by telephone and letter.

Enclosed is a media kit which includes instructions, press releases, radio and television scripts, a consumer protection speech, and a suggested proclamation.

Your usual cooperation and assistance will insure yet another successful Consumer Protection Week.

Sincerely,



Walter E. Duka
Assistant Postmaster General
Public & Employee Communications

NCJRS

MAR 9 1979

ACQUISITIONS

POSTMASTER INSTRUCTIONS FOR POSTAL CONSUMER PROTECTION WEEK

STEPS FOR EFFECTIVE PUBLIC COMMUNICATIONS

1. Fill-in, retype and distribute the press release announcing Postal Consumer Protection Week.
2. Fill-in broadcast announcements are included for 30 and 60-second radio/TV spots. Stations can tape your announcements for public service use. Check with both the public service director and the consumer reporter or talk with the program director of each station to achieve widest possible coverage. Consumer Service Card scripts are also included.
3. Reproduce the fact sheet which is included in this booklet and distribute to the media.
4. Consult the "Postmaster's Guide to Communications" to familiarize yourself with media relations.
5. Be available for interviews on local radio and television interview programs during Consumer Protection Week and periodically thereafter.
6. Contact various civic groups to give talks on consumer protection. Include a Postal Inspector, if possible. A consumer protection speech is included in this kit.
7. Follow-up articles and features will be required in the local media to maintain public awareness. Fill-in releases for this purpose are included in your kit.
8. A Consumer Protection poster will be forwarded under separate cover. It can be used throughout the year to maintain public awareness about consumer frauds.
9. Have the following available in your lobby for customers:
 - a. PI 19 - "Mail Fraud Laws" - available from Supply Centers for free distribution.
 - b. Consumer Service Cards - available from Supply Centers for free distribution.
10. A possibility: contact local government officials (mayor or police chief, in particular) and suggest they declare a Postal Consumer Protection Week. A sample fill-in proclamation is enclosed.

FOR IMMEDIATE RELEASE

PUBLIC LOST \$1 BILLION TO MAIL FRAUD IN FY 77

American consumers lost an estimated \$1 billion to mail fraud and misrepresentation by mail in Fiscal Year 1977, Postmaster (name) said today.

In order to heighten public awareness of the problem, April 10-15 has been designated the third annual Postal Consumer Protection Week by Postmaster General William F. Bolger.

"The public must be constantly on guard against fantastic claims and get-rich-quick schemes," (name) said. "The nation's best defense against unscrupulous con artists using the mails is an informed public."

The Postal Service actively investigates mail fraud and false representation by mail, and assists with mail-order and service problems.

(name) stressed that the overwhelming majority of companies making up the \$60-billion mail-order industry are honest and dedicated to customer satisfaction. But, as in many other industries, a few operators are out to bilk the public.

"Schemes directed at consumers are limited only by the imagination of the con artist," (name) said. "They know many people are willing to invest their hard-earned money on offers which sound too good to be true."

Typical examples of mail frauds and false representations by mail include work-at-home schemes, phony franchises, miraculous "cures" for a variety of illnesses, weight reducing plans with no proven medical value, and a variety of investment offers such as buying land through the mail.

Businesses also become victims of mail frauds and false representations, _____ (name) said. "Companies pay out millions of dollars each year for imaginary or useless business directories, phony invoices and contributions to non-existent organizations."

_____ (name) urged consumers to ask companies to back up their claims if an offer sounds too good to be true. "That's the best way to protect yourself and your money," he said. "But if you feel you've been victimized by a fraud, or have not received the merchandise you ordered, contact my office or a postal inspector." Phone numbers are listed under U.S. Government - Postal Service in local telephone directories.

_____ (name) reminded consumers that whenever they have a problem with their mail service to fill-out a postal Consumer Service Card, available at post offices and from letter carriers.

"We can't help someone with a mail problem until we know about it and the easy-to-complete card assures prompt action on our part."

#

Consumer Protection Speech

CONSUMER PROTECTION IS POSTAL BUSINESS

According to the legendary circus magnate, P.T. Barnum, "There's a sucker born every minute." I regret to say he may have been right.

During my postal career, I've heard of, read about and helped report dozens of instances where a postal customer has been taken by a con artist using the mails to ply his trade.

For that reason, protecting mail users, large or small, is an important part of the Postal Service's daily business.

Like its predecessor, the Post Office Department, the Postal Service has a distinguished history of protecting the American public from mail fraud.

Back in the 1870's, P.H. Woodward, a chief special agent for the Post Office Department, was one of the first attempting to protect the users of the mails.

He wrote in his diary that he was attempting to "protect the ignorant, the weak and the unwary from the wolves who stand ready to devour them."

He was armed in his mission with a recently passed law which made it a prison offense to use the mails for the purpose of defrauding others. This law -- the Mail Fraud Statute -- had been passed by Congress in June 1872.

Woodward was concerned with the fraudulent use of the mails. Just after the Civil War and before the mail fraud statute was passed, he wrote in his diary: "Professional cheats were working the most wholesale and barefaced operations mostly through the mails without fear of punishment."

After the law was on the books, Woodward had occasion to arrest a Windsor, Ohio man. The fellow was selling what was called: "Allan's New Low-Priced Seven-Shooter."

The swindler, it seems, subscribed to the previously mentioned, "there's-a-sucker-born-every minute" doctrine, after reading Barnum's life story.

He told Woodward that he had phrased the advertising circular "to cover the points within the law."

Unfortunately, the promoter had no "seven-shooter" when he began the scheme.

When he did produce the product, it was, in Woodward's words: "A duplicate of a toy long used by boys to delight each other, and to annoy their elders."

They cost six or eight cents each to make and he was selling them at \$1.50 a piece or \$13 a dozen.

The swindler protested his innocence loudly, saying: "I advertised a seven-shooter. I didn't say anything about a revolver. It will shoot seven shots, or twice that number, if you only put them in."

Unfortunately, little has changed over the years since Inspector Woodward capped the "Seven-Shooter" scheme. Mail fraud and false representation schemes by mail still exist.

The schemes are basically the same. Only the presentation changes to fit the times.

Work-at-home schemes, vanity frauds such as diets and body builders, unordered merchandise and land frauds are still with us. Some are shoestring operations and others appear to have unlimited funds.

The latter could probably apply to a recent case where Postal Inspectors arrested the operators of a large West Coast advertising firm which had been in business about four years.

They were charged with mail fraud and found guilty. Their lucrative scheme was the largest false billing scheme ever uncovered.

Their M.O. -- modus operandi -- was invoicing victim-firms for non-existent advertising in fictitious publications.

This group was smart. They used 50 different trade names of supposed minority, ethnic or veterans' organizations. When a firm receiving an invoice didn't pay, it was invoiced again. One victim had received 127 false invoices.

Collection action was threatened if the victim company failed to pay.

The known public loss totaled \$2.2 million.

The operation was sophisticated. The scheme took advantage of what seemed to be the ultimate in modern-day wizardry and "gadgetry."

It owned its personal printing plant. Its headquarters was equipped with closed circuit television, hidden microphones, and electronically locked doors.

Vibration sensors dotted the hallways and stairwells. Escape hatches were on the roof and at the rear of its four-story building to prevent being caught without warning by law enforcement officers.

Although few schemes are this elaborate, it is an example of the length to which some modern-day swindlers will go to bilk the unsuspecting public.

Another, smaller budget operator, might work out of an apartment. A recent case of this type involved a man who peddled bogus college degrees through the mail.

Or there was another who worked his mail-order operation out of a pool hall. This version of "Snake-oil Sam" advertised Santa Claus would visit the kids on Christmas Eve for only \$9.95...a promise he was unprepared to fulfill.

Whether large or small, schemes using the mail have one thing in common: divesting you of your money.

In fiscal year 1976, such schemes produced an estimated loss to the public of \$514 million. Increasing sophistication, inflation and uses of major media outlets contributed to raising the loss to \$1 billion in fiscal 1977.

Of this, \$15.6 million was due to fraudulent stock and other investments.

Over \$15 million was due to real estate schemes.

More than \$73 million was lost in purchased merchandise which mail-order firms never furnished.

Shipping by mail is a convenience and many times -- for those unable to leave their homes -- a necessity.

Your right to shop by mail with confidence is of great importance. Both to the Postal Service and to the \$60 billion mail-order industry.

The overwhelming majority of mail-order firms have developed well-deserved reputations for trustworthiness, legitimacy and reliability. Unfortunately, as in any other industry, a few individuals trade on this confidence. They use the industry's hard-earned reputation for purposes of fattening their purse by making a "quick buck."

Obviously, this is bad for the industry, bad for the Postal Service, and bad for the postal consumer.

Over seventeen hundred postal inspectors and other employees using an amended version of the same mail fraud statute used by Special Agent Woodward, back in 1872, work to protect the public and the nation's economy whenever the mails are involved. It's no small job.

Complaints of mail fraud and misrepresentation are continually being received by the Postal Service. However, even before the first complaint is received, postal inspectors often are alert to promotions involving the mails which don't seem "to ring true."

When one of the resulting investigations instituted by a postal inspector reveals a possible violation of the mail fraud statute, the case is referred to the appropriate U.S. Attorney for consideration of criminal prosecution.

In some cases, concurrent civil action is begun to deprive the promoter of receipts by mail pending administrative action under postal misrepresentation laws.

Postal Inspection Service activities during fiscal 1977 resulted in 1,993 arrests for mail fraud. This was, in part, instrumental in putting an end to over 1,952 questionable promotions and saving consumers untold millions in potential losses.

Much to their credit, postal inspectors have a 98.5 percent conviction rate of cases tried. A thought which should unnerve any "would-be" mail defrauder.

Although the Postal Service has no control over court-ordered or voluntary restitutions to victims in mail-fraud schemes, over \$11 million was recovered in fiscal 1977.

Court-ordered fines amounted to \$2.5 million.

In fiscal 1977 the Inspection Service received well over 31,845 mail-order complaints representing a value of \$1.2 million. These particular complaints fall under an activity known as the Consumer Protection Program.

Under this innovative and flexible program begun in 1974, the Inspection Service brings these complaints directly to the attention of the company.

Nearly 29,534 or 92.7 % of the customer complaints were voluntarily adjusted by the mail-order firms last year. The majority of them were found to be poor business practices rather than false representation by mail or mail fraud.

Other Postal Service units actively involved in the consumer protection area are the Consumer Protection Office of the Postal Service Law Department, the Judicial Office and the Postal Service Consumer Advocate.

The Consumer Advocate's consumer service card program is another distinct aspect of consumer protection.

Since the Postal Service began its nationwide consumer service card program in September of 1975, more than one million customers have taken the time to notify us about their mail problems. By the way, thousands of the cards contained compliments on the program.

In the _____ post office area alone, we have received _____ and resolved _____ percent to the customer's satisfaction. I'm proud of that record. But we want to do better.

Locally, the largest problem turned out to be _____, followed by _____.

If you have a mail problem....or a compliment....the easy-to-use consumer service card is available from your letter carrier or in our post office lobbies. If you don't see any, just ask. It takes only a minute or two to complete and we both benefit.

If your problem concerns possible mail fraud or false advertising by mail, contact me and I'll put you in touch with a postal inspector.

The most effective and best way of containing and halting misuse of the mails is an informed and alert public.... ready to let the Postal Service know what's happening so it can take action.

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SUPPLEMENTAL PRESS RELEASES

The following section contains press releases concerning the Postal Service consumer protection programs and includes a release on the Consumer Service Card Program. These releases can be distributed to the press during the week of April 10-15, or thereafter, since consumer protection is a continuing effort.

Releases referring to Consumer Protection Week can be edited for use throughout the year to maintain public awareness concerning the Postal Service interest in and assistance to consumers.

POSTAL SERVICE ACTS QUICKLY TO STOP MISLEADING CLAIMS

"Although they are the exception rather than the rule, some mail-order promoters use the mails to get money through misleading or fraudulent claims that prey upon the public's hopes and aspirations, Postmaster _____ said today.

In an effort to increase public awareness of Postal Service activities, the third annual Postal Consumer Protection Week is being held nationwide and in the _____ area, April 10-15.

"Most mail-order advertisers are aboveboard in their promotional material, but there are some who, intentionally or unintentionally, make less-than-accurate claims that confuse and raise the hopes of many people," _____ said.

Based on Postal Inspection Service investigations, the Postal Service's Consumer Protection Office takes action to stop schemes involving products and services ranging from weight loss and sexual potency aids to diploma mills and non-existent medical schools.

One recent case involved a school in San Juan, Puerto Rico, that bought advertising in many major metropolitan newspapers in the U.S. claiming it would open a four year medical school in February of 1978 for English language students.

Acting quickly, Postal Inspectors obtained a mail-stop order as Consumer Protection lawyers filed a formal complaint. They estimated about \$150,000 was collected from about 36 prospective students before inquiries and remittances intended for the school -- called Borinquen University -- could be delivered. A decision against the operators of the school, returned in February, means any remittances will be returned to senders.

(more)

A Postal Service administrative law judge ruled that the operators of Borinquen University made a number of false representations, including claims it had physical facilities for a medical school, faculty, finances, staff, curriculum, and accreditation or provisional accreditation of the Association of American Medical Colleges and the American Medical Association. On February 1, 1978 the Postal Judicial Officer upheld this decision.

Postal Inspectors found Borinquen University occupied four floors of a 14 story condominium in San Juan, but its library contained nothing "apparently related to a medical school," there was only one faculty member, and its claim of affiliation with a hospital in the U.S. was false.

According to _____, mail-stop orders, such as the one issued against the Puerto Rican school under the Postal False Representation Statute, require the return to senders of all subsequent mail related to the mail-order scheme. The Postal Service does not have to prove that intent to defraud was behind any scheme, but only that claims for a product or service were not true.

Postmaster _____ stressed that any advertisement offering "unusual or easy solutions to problems should be viewed skeptically, especially when the seller and his reputation are unknown."

THEY GET UP EARLY IN THE MORNING TO DEFRAUD BUSINESSES

Businesses have recently become the targets of intense, nationwide solicitations for nonexistent goods, services and causes, according to Postmaster _____.

"Clever thieves, often posing as minority group representatives, have developed a \$25 million-a-year racket through early morning use of the telephone and mailed invoices that look legitimate," _____ said.

Operating out of California, they begin calling companies in the East at 5 a.m., Pacific Time, to reach their victims just as their business day begins.

"They often solicit contributions to nonexistent minority causes by phone using phony accents, solicit payments on previously mailed bills for imaginary business directories, and press for payment of previously mailed bills for office supplies and services that did not exist," _____ said.

Investigations by Postal Inspectors have determined that the swindlers use fake speech patterns to make themselves sound like members of minority groups such as blacks and chicanos, to make businessmen feel ashamed about ignoring the phony bills.

The operators have been successful because they know they can collect up to 20 percent of the bogus invoices. Small companies have been losing an average of \$200 and larger businesses between \$1,000 and \$3,000 annually.

"Businessmen who are solicited by phone, or who receive an invoice that appears questionable, should say that no payment will be made until the validity of the bill or soliciting organization is established," _____ said.

_____ urged businesses which feel they may be victims of the phony solicitations to contact his office or a Postal Inspector for action.

Postmaster; Use this release at the beginning of Consumer Protection Week to remind customers about the Postal Service's Consumer Service Program. Please fill-in the blanks, adapt it to your local situation as you see fit, have it retyped on your own masthead or letterhead, and distribute it, together with a Consumer Service Card, to all of the news media in your community.

AREA RESIDENTS GET HELP FROM CONSUMER SERVICE CARD PROGRAM

Prompt response to customer mail problems has received important support from the Postal Service's Consumer Service Card program, according to Postmaster _____.

"Since the program began in Sept., 1975," the postmaster said, "locally we've received more than _____ Consumer Service Cards, and we've been able to resolve more than _____ percent of them to the satisfaction of our customers. Our efforts to improve the quality of mail service to _____ area residents," he said, "have received a significant contribution from the program."

The local program is part of the Postal Service's nationwide Consumer Service Program. "It reflects Postmaster General William F. Bolger's determination that mail services to the public will be courteous and efficient, as well as prompt and reliable," _____ said.

The cards are designed to help customers bring their problems about mail service directly to postal management so that everything possible can be done to attempt to resolve them. Postal Employees are required to use the cards for recording customer telephone and correspondence inquiries and complaints.

Available from letter carriers and in post office lobbies, the Consumer Service Card consists of two postal cards with carbon paper between them. No postage is required. One copy is sent to the local postmaster for action and the other goes to the Consumer Advocate at Postal Service Headquarters in Washington, DC, for analysis. The cards help spot problem areas and trends, as well as assist individual customers.

(more)

In reviewing cards submitted to the _____ post office, Postmaster _____ found that _____ percent of the complaints involved _____. The cards identified _____ as the next most frequent problem.

"But not everyone used the card to register a complaint," according to _____. "Many customers used a Consumer Service Card to offer suggestions to improve local mail service or to compliment a postal employee."

He added that the Consumer Service Card takes only a minute or two to fill out.

"It's well worth the time and effort," he said. "We need to hear from people when they have mail problems. That's the only way we can resolve them."

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POSTAL INSPECTORS DEAL WITH MAIL ORDER DELAYS

The Postal Inspection Service's program to deal with unsatisfactory mail order transactions had a higher percentage of complaints resolved last year than ever before, according to Postmaster_____.

"Postal Inspectors were able to resolve mail order complaints nearly 93% of the time in 1977, compared to 90% of the previous year," _____ said.

The Inspection Service resolved 29,534 out of 31,845 such complaints last year, according to the postmaster.

The Consumer Protection Program was begun in July of 1974 to separate fraud and misrepresentation complaints from those involving inefficient business practices on the part of a mail order company or a simple lack of communication between the consumer and the business.

"When a preliminary inquiry to my office indicates that's the case," _____ said, "the Inspection Service contacts a firm on behalf of the consumer and asks for an appropriate adjustment."

Postmaster _____ said he will forward details of any unsatisfactory mail order transaction to Postal Inspectors.

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SUGGESTED PROCLAMATION
CONSUMER PROTECTION WEEK

(This format may be used in developing a text for issuance by your mayor or other appropriate office in promoting your local Postal Consumer Protection Week program. Fill-in the blanks, retype single spaced and furnish complete copy to the selected official.)

(PHOTO SUGGESTION: On the day the proclamation is issued, arrange to have the selected official photographed by your local media as he or she talks with you and a local Postal Inspector.)

PROCLAMATION

WHEREAS the U.S. Postal Service and various mail-order business associations are joining together to alert our community to the ways in which employees of the Postal Service protect the mail-using consumer;

WHEREAS the needs of the postal consumer require awareness of the methods by which a few unscrupulous schemers subvert the postal system to their own ends, and of the means available to protect the consumer from misuse of the mails;

WHEREAS the able, dedicated staff of the (community) Post Office is working to protect the mail and provide reliable and efficient mail service;

NOW THEREFORE, I, (full name, title and city) do hereby proclaim the period of (date) as

POSTAL CONSUMER PROTECTION WEEK

in the city of (complete).

AND, I urge all my fellow citizens to use this occasion to familiarize themselves with consumer protection programs and procedures in order to assure the best utilization possible of the assistance provided by the Postal Service to prevent misuse of the mails and resolve complaints.

SIGNATURE OF OFFICIAL

(SEAL)

RADIO AND TV SCRIPTS

The following section contains public service announcements that should be used during Postal Consumer Protection Week by you and your local radio and television stations.

Although keyed for use during the week of April 10-15, you can eliminate the local announcer reference to specific dates so that the announcements can be used throughout the year to keep the public aware of the Postal Service's interest in consumer protection.

Some broadcast outlets will prefer that you record the scripts at their studios and others may find that the telephone is the best way to record your portion of the announcements. To be sure, check with the public service director, consumer reporter or program director of your stations.

As your postmaster in _____, I'd like to remind you about a Postal Service program that makes it easier for customers to let me know when they think they aren't getting good mail service.

The key is an easy-to-use Consumer Service Card which is available in post office lobbies and from your letter carrier.

The card consists of two postal cards with carbon paper between them. No postage is necessary. One copy is sent to me so action can be taken locally. The other goes to the Postal Service's Consumer Advocate in Washington for analysis.

Since the program began here in 1975, we have received more than _____ cards. And we have been able to help customers with problems more than _____ percent of the time.

We want mail service to be courteous and efficient as well as speedy and reliable. With the Consumer Service Card program, we can help you with your mailing problem.

This is Postmaster _____.

Every year, the Postal Service processes and delivers close to 90 billion pieces of mail. Here in _____ alone, we handle _____ pieces each year. From time to time, something may go wrong.

A package you were expecting was delayed or was damaged in handling. The line in your post office seems to go on forever. Whatever your mailing problem, we want to hear about it.

The Postal Service's Consumer Service Card program is the way to get action.

The easy-to-use Consumer Service Card is available from your letter carrier or in the lobby of your nearest post office. The card consists of two parts with carbon paper between them. One copy is sent to me so action can be taken locally and the other goes to the Postal Service's Consumer Advocate in Washington for analysis.

Remember, we want to hear about your mail service problems. Only then can we resolve them.

LOCAL ANNOUNCER: Obtain a college degree the easy way. Our school is accredited. M.D. degree included. For brochure and application, send one dollar to: Medical School, Box 3620....

POSTMASTER: This is Postmaster_____. Anyone who wants to improve his or her education and credentials should be careful not to prove P.T. Barnum was right when he said: "There's a sucker born every minute." Local, state, or U.S. Office of Education officials can help you determine if an offer for a degree or any kind of training is authentic. And when any mail order offer makes you suspicious let me know about it and I'll bring it to the attention of postal inspectors.

LOCAL ANNOUNCER: Postal Consumer Protection Week runs from April tenth through the fifteenth.

LOCAL ANNOUNCER: You can get a permanent cure if you suffer from arthritis.
We guarantee results in 90 days. Mail \$12.95 to box 350....

POSTMASTER: This is Postmaster_____. For more than one-
hundred years the Postal Service has been concerned about
advertising that promises permanent cures for a variety of
medical problems. Don't help prove that P.T. Barnum was
right when he said; "There's a sucker born every minute."
Let me know about any mail order offer that makes you suspicious
about its claims and I'll bring it to the attention of postal
inspectors.

LOCAL ANNOUNCER: Postal Consumer Protection Week runs from April tenth through
the fifteenth.

LOCAL ANNOUNCER: Attention welfare recipients, senior citizens and low income groups. You qualify for added assistance on your weekly food purchases. For an application send a self-addressed stamped envelope to Independent Food Aid Program, Box

POSTMASTER: Offers for welfare assistance not directly connected with a local, state or federal agency come from people who eventually take your money and give you nothing in return. This is Postmaster _____. Don't help prove that P.T. Barnum was right when he said: "There's a sucker born every minute." And when you hear or see a mail order offer that makes you suspicious, let me know about it so I can bring it to the attention of postal inspectors.

LOCAL ANNOUNCER: Postal Consumer Protection Week runs from April tenth through the fifteenth.

LOCAL ANNOUNCER: Our wrinkle and stretch mark remover will make you look years younger. Send \$6.95 to Box 3000 for guaranteed results....

POSTMASTER: Doctors agree there is nothing short of surgical techniques that will remove wrinkles and stretch marks. Look out for offers that might prove P.T. Barnum was right when he said: "There's a sucker born every minute." If you receive a suspicious offer contact me, Postmaster_____. I'll bring it to the attention of a postal inspector.

LOCAL ANNOUNCER: Postal Consumer Protection Week runs from April tenth through the fifteenth.

POSTMASTER: This is Postmaster_____. Racketeers who use the phone to get you to send them money by mail have recently been bilking businessmen out of millions of dollars. They often pose as members of minority groups, and use phoney invoices to get companies to send checks for goods, services and causes that don't exist. Don't help prove that P.T. Barnum was right when he said: "There's a sucker born every minute." Don't pay for anything until the validity of a bill or solicitation is established. And let me know about the pitch so I can contact a postal inspector.

LOCAL ANNOUNCER: Postal Consumer Protection Week runs from April tenth through April fifteenth.

LOCAL ANNOUNCER: The developers of the amazing Herbal pill for long-term birth control, tested clinically by millions of women in the Far East, is now looking for distributors in the U.S. For more information write to Box

POSTMASTER: The only one who benefits from selling products not backed by any kind of scientific or medical proof is the swindler who started the scheme. All the others including the distributor and those few who bought it from him are losers. Don't help prove that P.T. Barnum was right when he said: "There's a sucker born every minute." Consult a lawyer before you invest in a distributorship. And contact me, Postmaster _____, if the offer is suspect, so I can bring it to the attention of postal inspectors.

LOCAL ANNOUNCER: Postal Consumer Protection Week runs from April tenth through April fifteenth.

ANNOUNCER: Since the Postal Service handles about 300 million pieces of mail a day, even a tiny margin of error is going to cause some complaints. Here with some facts about getting such complaints resolved to your satisfaction is Postmaster_____.

POSTMASTER: The Postal Service has an easy to complete form, called the Consumer Service Card, available at all post offices and from letter carriers. It consists of two postal cards with carbon paper between. One comes to me for action, the other goes to the Consumer Advocate at Postal Service Headquarters for analysis.

ANNOUNCER: Does the Postal Service really encourage people to complain?

POSTMASTER: The Postal Service takes the position that it can't solve problems until it knows about them. As your Postmaster, I can solve a problem that involves my office. But the Consumer Advocate can spot trends from the cards he gets, especially if a larger geographic area is involved.

ANNOUNCER: Postmaster_____ on the best way to get action if you have some problems with your mail.

POSTAL CONSUMER PROTECTION FACT SHEET
1978

The U.S. Postal Service provides consumer help in five major areas:

1. Mail Fraud (criminal investigations)
2. False Representation (administrative action)
3. Mail-Order Problems
4. Mail Protection
5. Consumer Service Complaints

U.S. Postal Service departments involved in consumer protection are:

1. Postal Inspection Service
2. Consumer Protection Office of the Law Department
3. Consumer Advocate's Office
4. Judicial Office

MAIL FRAUD

The U.S. Postal Service has been protecting the rights of mail users since 1872, when Congress enacted the Mail Fraud Statute providing criminal penalties. Although the statute makes no provision for restitution, millions of dollars have been returned to victims.

In FY 1977, 166,917 complaints were received by the Inspection Service. Total public loss in this same year rose to an estimated \$1 billion compared to \$514 million in fiscal 1976. Postal Inspectors completed 5,037 investigations and obtained 1,617 convictions. Fines imposed during this period amounted to \$2,522,911 and \$9,227,547 was returned to victims.

Common mail fraud schemes include: Chain-referral plans; fake contests; investment schemes; home improvements; debt consolidation; job opportunities; retirement homes; missing heirs; charity rackets; business franchises; distributorships; work-at-home; business directories; membership offers; correspondence schools, etc. (For more information, see Publications, page 8).

FALSE REPRESENTATIONS

The Mail Fraud Statute was followed in 1890 by the False Representations Statute which gives the Postmaster General the power to stop mail in false advertising schemes. Under this statute, mail-stop orders are issued which result in the return of all subsequent mail to the senders except that which clearly is not related to the mail-order scheme. Payment of outstanding postal money orders is also forbidden.

In FY 1977, the Law Department's Consumer Protection Office initiated 112 formal cases. In 60 of the cases, the schemes were terminated by action of the Postal Service Judicial Office and 52 consent agreements were accepted.

Following are examples of misrepresentation cases in which action has been taken by the Postal Service over the past few years:

Firms sending what appear to be bills or invoices for subscriptions to "Telex" -- and other business directories or services -- but are mere solicitations for advertising services, often in publications which do not currently exist.

Promoters of work-at-home schemes falsely promising that the purchaser will be able to earn a stated sum for stuffing or addressing envelopes.

Sellers of a variety of nostrums falsely described as having the ability to cure such diseases or disabilities as cancer, cataracts and arthritis. Such promotions are regarded as particularly dangerous in that the user may, to his or her detriment, rely upon the seller's false promise to cure instead of seeking competent medical assistance.

Diet plans in which grapefruit juice, vitamins and other harmless but ineffective ingredients are falsely alleged to have the ability to cause one to lose weight.

Persons offering various worthless methods of obtaining loans without regard to credit standing or ability to repay.

Sample types of false representations:

Various pills and "love potions" promoted as effective aphrodisiacs. (A number of firms have been held in violation of the statute in the face of medical testimony that there are no effective aphrodisiacs).

A product guaranteed to "create a permanent aversion to all alcoholic beverages."

A program promising purchasers a "pre-approved application" for a nationally recognized credit card.

A cream falsely alleged to "quickly enlarge bustline up to five times while sleeping." (Many other products advertising devices alleged to have the ability to permanently increase the size of the female breasts have also been found in violation of the statute).

Criminal and Administrative Actions

If a complaint indicates that the mails are being used to further a scheme to defraud, the Inspection Service investigates to determine whether the postal misrepresentation statute or the mail fraud statute, or both, are being violated.

Where violation of the mail fraud statute is indicated, the matter is referred to the appropriate U.S. Attorney for consideration of criminal prosecution and, in appropriate cases, concurrent civil action to deprive the promoter of receipts by mail pending administrative action under the postal misrepresentation statute.

Where it appears to the Consumer Protection Office, based upon investigation by the Postal Inspection Service and, in many cases, the advice of scientific experts, that the misrepresentation statute is being violated, a formal administrative complaint is filed with the Postal Service Judicial Office. The person against whom the complaint is directed (respondent) is notified of the complaint and accorded an opportunity to participate in a full administrative hearing and present a defense to the charges.

The administrative hearings are conducted by an independent administrative law judge who renders an initial decision which may be appealed to the Postal Service Judicial Officer for final decision.

If the Judicial Officer concludes that the evidence presented adequately supports the complaint, a mail-stop order is issued, requiring the return to senders of all mail responding to the deceptive scheme and directing the appropriate postmaster not to pay postal money orders made payable to the promoter of the scheme. The order permits the respondent to examine the detained mail in the presence of postal employees and to claim any mail not relating to the falsely represented product(s) or service(s).

In the administrative proceeding the Consumer Protection Office has a burden of proving that the charges in the complaint are supported by a preponderance of the evidence. If it fails to do so the Judicial Officer will refuse to issue the mail-stop order; this decision is final.

However, an unsuccessful respondent can bring a lawsuit in the U.S. District Court seeking judicial review of the Postal Service Decision and Order and, if unsuccessful there, appeal further to a U.S. Court of Appeals and, possibly, the U.S. Supreme Court.

In many instances, in lieu of participating in an administrative hearing, respondents elect to enter into a Consent Agreement by which they agree to discontinue all of the questionable parts of the challenged promotion and permit the return to senders of all mail in response to that promotion.

MAIL-ORDER PROBLEMS

Mail-order problems are handled by the Postal Inspection Service, the Consumer Advocate's Office, and the Consumer Protection Office. The Postal Service, through one or all of these departments, works to resolve mail-order complaints of unsatisfactory transactions when postal customers fail to receive merchandise ordered, refunds promised, or find that the service or product purchased is not as advertised.

This program provides a flexible means of notifying mail-order firms of complaints against them. When a complaint is received by the Postal Service, a decision is made to investigate for commercial deception or to resolve it informally under the consumer protection program. Many times the problem is found to be only poor business practices. Whatever the case, the customer will be notified of the action taken.

MAIL PROTECTION

Under the law the Postal Service is mandated to protect the mail from the time it is deposited in a postal receptacle until the recipient has removed it from the mail box. These laws, many of which incorporate strong criminal penalties, make crimes against the Postal Service federal offenses. The primary mission of the Postal Inspection Service is to protect the mail by enforcement of postal statutes.

Postal Inspectors investigate theft of mail after delivery to the more than 66 million families in America which receive about 750 million federal, state and local checks annually. Inspectors work with other law enforcement groups and local officials to insure investigative coordination.

Postal Inspectors also investigate burglaries and holdups of postal facilities, mail theft, narcotics, mail bombs, embezzlements, etc.

CONSUMER SERVICE COMPLAINTS

In October 1975, the Postal Service launched a nationwide Consumer Service Card Program to handle individual problems about mail service and since then through December 30, 1977, has processed 1,143,755 Consumer Service Cards. Available at post offices and from letter carriers, the two-part postal card -- basic tool of the program -- is designed so that, after being filled out, one copy goes to the postmaster for resolving the problem and the other to Postal Service Headquarters for cataloging and analysis.

The focus of the program is to provide a quick and easy way for customers to let the Postal Service know their problems, an efficient process for resolving them, and an overall analysis of mail service as provided by the customers' concerns, problems and suggestions. Postal employees are also required to use the cards for recording consumer telephone and correspondence inquiries and complaints.

Postal Service Departments protecting the consumer:

1. Postal Inspection Service

The Inspection Service is the law enforcement and audit arm of the Postal Service which performs security, investigative, law enforcement and audit functions.

2. Consumer Protection Office

Part of the Law Department, this office protects consumers from commercial deception-by-mail through administrative enforcement of laws prohibiting use of the mails to obtain money or property by false representation. It also handles legal questions concerning mailability of products and materials, lotteries, administration of pandering laws and complaints involving misuse of post office boxes.

3. Consumer Advocate's Office

Representing the interests of postal customers before top management, the Consumer Advocate handles mailing problems not resolved at the customer's post office, and administers the Consumer Service Card program.

The Consumer Advocate analyzes complaints in order to focus attention on specific types of mail, certain cities and/or geographic areas which appear to be the sources of an unusual number of problems. With these studies, postal managers are better able to identify problems and take corrective action.

4. Judicial Office

Composed of the Judicial Officer and Administrative Law Judges, this department provides the quasi-judicial hearing to the parties, and issues the final administrative decisions for the Postal Service.

WHERE TO TURN

Mail fraud and false representation complaints should be directed to a local postmaster or the nearest office of the Postal Inspection Service.

For assistance with other mail order or service problems, customers should write to the Consumer Advocate, U.S. Postal Service, Washington, DC 20260.

A postal customer may take action to have his or her name removed from mailing lists for sexually-oriented material by securing a USPS form #2201, Application for Listing Pursuant to 39 USC 3010, from a local post office. This form, which states that a resident does not want to receive sexually-oriented advertisements, should be completed and returned to USPS. The Postal Service will provide these names to mailers of sexually-oriented advertising. Postal Customers who receive advertisements which they consider erotically arousing or sexually provocative may obtain Prohibitory Orders directing the

mailer not to send any further mail to them by filing USPS form 2150 with a local post office.

Mail-order purchasers may also contact the Direct Mail/Marketing Association (DMMA), 6 East 43rd Street, New York, NY 10017. DMMA has an Action Line to handle mail-order problems. If after DMMA has intervened, the problem is found to be mail fraud or misrepresentation, it will be referred to the Postal Inspection Service.

Under Federal Trade Commission (FTC) regulations (16 C.F.R. Part 435), mail-order buyers have the right to be told of shipment delays, cancel the order and get their money-back if the item isn't shipped on time.

Mail-order companies must ship most orders within the time promised or, if not stated, within 30 days, or offer to refund the buyer's money. The customer must be notified of a delay in delivery and provided a cost-free method to inform the company of cancellation.

If the customer wants a refund, the company must return the money if it was paid by check, cash or money order. If the item was charged, the company is allowed one billing cycle to credit the account.

Also, by statute, the Federal Trade Commission has authority to prevent continuing use of the mails to send unordered merchandise. By law, such merchandise may be treated by the recipient as a "gift" for which he or she is not legally obligated to pay.

In the event the customer should have a problem arising under these programs, he or she should contact a local postmaster, postal inspector, or write:

Consumer Advocate
U.S. Postal Service
Washington, DC 20260

SUGGESTED GUIDELINES WHEN BUYING THROUGH THE \$60 BILLION MAIL-ORDER INDUSTRY

1. Examine the offer carefully: If it sounds too good to be true, it often is. Beware of exaggerated claims on products or price. If the claims relate to your health or physical appearance, your family doctor may be a good source of advice as to the likely value of the product. Be particularly wary of claims by unknown sellers that they have achieved a "scientific discovery" that somehow eluded the big companies or established professionals. Read advertising claims for what they actually say rather than what you might hope they offer.
2. Do not rely solely on a picture of the item. Note the description, size, weight, color, and contents. Be sure to completely describe the article or service you are purchasing in the order.
3. Give explicit instructions.

4. When ordering holiday gifts by mail be sure to do so well in advance to avoid heavy seasonal mail volume. If the company offers such a service, be sure to specify whether or not the gift should be sent directly to the recipient. Clearly indicate recipient's name and address and how the gift card should be signed.
5. Look for a company policy on returns. If the policy isn't stated, ask for it.
6. If a substitute is acceptable, indicate it.
7. Be sure to enclose shipping, handling or tax charges with the order.
8. Do not send cash with the order. Pay only by check, money order or, if acceptable, credit card.
9. Keep a record of the order, including name and address of the company with which you are dealing.
10. If there are any doubts about a company, check it before placing an order. You might be guided on a company's reliability by inquiries to the Better Business Bureau and Chamber of Commerce in the area of the company or you can consult your state or local consumer protection office. Because a product is advertised in a responsible newspaper or magazine, don't assume the claims have necessarily been verified by the publishers. In most cases the publishers have no choice but to assume the advertiser is honest. Similarly, the fact that a product is offered for sale by mail does not mean the Postal Service has verified the advertisers claims.

Name-Removal Service

A person wishing to receive less mail advertising should ask DMMA for a "name removal" form requesting removal from as many direct mail advertising lists as possible. The form is available by writing to:

Mail Preference Service
Direct Mail/Marketing Association
6 East 43rd Street
New York, NY 10017

When a completed form is received, the postal customer's name is placed on a list provided to DMMA's participating member companies. Since DMMA represents 65 percent of the industry, a person wishing to receive more mail advertising can request DMMA to send an "add-on" form which contains a variety of mail-order solicitation categories from which to choose.

Publications

U.S. Postal Service

'Mail Fraud Laws - Protection: Consumers, Investors, Businessmen, Patients, Students' (Dec. 1970, publication No. PI-19) - Details common frauds and mail fraud law. Available free from post offices or by mail from Consumer Information, Pueblo, CO 81009

DMMA Consumer Programs

Mail Preference Service (MPS) and Mail Order Action Line (MOAL), including tips for shopping by mail, available free from: DMMA, 6 East 43rd St., New York, NY 10017

Council of Better Business Bureaus, Inc.

"Tips on ... Work At Home Schemes"

"Tips on ... Mail Order Profit Mirages"

Available free from: Council of Better Business Bureaus, Inc. 1150 - 17th St., N.W., Washington, DC 20036

Federal Trade Commission

"Shopping by Mail? You're Protected!" available free by writing FTC, Washington, DC 20580, or Consumer Information, Public Documents Distribution Center, Pueblo, CO 81009

"THERE'S A SUCKER BORN EVERY MINUTE"

Con artists use the mails
to bilk thousands of Americans out of
millions of dollars with phoney offers



**If you think
you've been victimized by a mail order swindle,
contact your local Postmaster or Postal Inspector**



Postmaster: This drawing can be reproduced for use by newspapers
or in postal installations.

END