Joel Bernhard

N9938 Highway 175

Lomira WI, 53048

Dear Ms. Williams:

Hi, my name is Joel Bernhard, from Lomira Wisconsin. I am a senior at Lomira High School. I am blind, and I was wondering if you could help me with something.

I find it very hard for myself, or any other blind person, to go to a vending machine and independently select a product. I would like the companies to put their vending machines in braille so the blind people can read them.

I have tried to do this at my high school with the soda and juice machines. My principal and I have contacted the Pepsi and Coke companies to see if they would do anything. They let me put on some braille labels that I had, however the labels aren't permanent. This worked for me until the labels were pealed off by other students. The companies wouldn't do anything else to label all of the machines better, so any blind person can walk up to any vending machine and independently purchase a soda or snack.

I was wondering if you could do something to get the vending machines labeled. I would be willing to help you if you would need anymore information.

Thank you very much for your time and help. I look forward to hearing from you soon.

Sincerely,

Joel Bernhard

Joel Bernhard

J. Berkhard
N9938 Hwy. 175
Lomira, WI 53048

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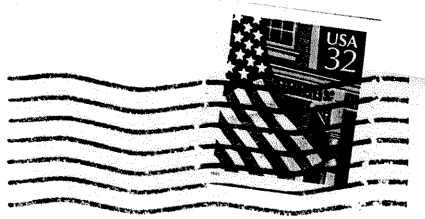


Antonette Williams, Chairperson
Consumer Affairs Committee
Wisconsin Assembly, State Capital
Madison, WI 53702

# Wisconsin Legislature
# Assembly

**ANNETTE POLLY WILLIAMS**
STATE REPRESENTATIVE
10TH ASSEMBLY DISTRICT

*January 22, 1997*

*Mr. Joel Bernhard*
*N9938 Highway 175*
*Lomira, WI 53048*

*Dear Mr. Bernhard:*

*Thank you for your letter which I received on January 16, 1997 regarding the Braille labeling of vending machines.*

*Due to legislative courtesy, I have forwarded a copy of your letter to your legislator, State Rep. Carol Owens. In addition, I am no longer the chairperson for the Consumer Affairs Committee. However, I will bring your letter to the attention of Rep. Clifford Otte who is currently the chair of that committee. I am sure that they will be of assistance to you.*

*Again, thank you.*

*Sincerely,*

Polly

*Rep. A. Polly Williams*
*10th Assembly District*

Capitol Address: State Capitol, P.O. Box 8953, Madison, WI 53708 • (608) 266-0960
Residence: 3927 North 16th Street, Milwaukee, WI 53206 • (414) 374-7474
Legislative Hotline • 1-800-362-9472

**Paul Goldblatt**

43 Sheppard Lane
Huntington, NY 11743-6416

3rd mailing!

March 7, 1997

Dear Representative Otte,

Thank you very much for taking the time to answer my letter dated Feb. 21. I understand that your time is valuable and my complaint concerns only a matter of $9.95. It should have been apparent though from my letter that my intentions are very serious inasmuch as I have been soliciting the State of Wisconsin for well over six months now. Although, I am aware that the Legislature is not an enforcement agency, you are the Chairman of the Assembly Committee on Consumer Affairs and I would imagine that, in that capacity, you do carry some influence. I did mention in my letter that the Wisconsin Dept. of Agriculture, Trade & Consumer Protection has been extremely unresponsive to my complaint and Mr. Alan Tracy and Mr. Thomas Brennan have been particulary unhelpful. They have been telling me for the last three months that they would make a determination regarding Mr. Ellis' violation of Wisconsin's fraudulent representations law, but have failed to follow through on their stated intentions and refuse to answer my inquiries requesting a status report.

I would ask you, again, Mr. Otte, to personally involve yourself in this matter and please telephone Mr. Tracy and urge him to cite Mr. Ellis on his violation and require Mr. Ellis to refund my money. The State of Wisconsin, including the Governor's Office, the Better Business Bureau, The Attorney General's Ofiice, and the Dept. of Consumer Protection have been exceptionally unresponsive and very dismissive towards my very serious complaint. It is my understanding that using the U.S. Mails for fraudulent advertising is a criminal offense. The State of Wisconsin has been extremely lax with respect to this matter during the past seven months and I do not believe that Wisconsin wants it to drag on for another seven months. I am therefore urging you, Mr. Otte, to personally involve yourself in resolving this matter by telephoning Mr. Tracy to discuss my complaint against Mr. Ellis.

Thank you, once again, Mr. Otte, for your attention in this matter. I feel confident that as Chairman of the Assembly Committe on Consumer Affairs, you will be able to use your influence to bring this matter to a just resolution. I look forward to hearing from you at your earliest convenience.

Sincerely yours,

Paul Goldblatt

Paul Goldblatt

April 9, 1997

Dear Representative Otte,

I implore you, as the chairman of the Assembly Committee on Consumer Affairs, to contact Mr. Tracy and Mr. Brennan. They promised me an <u>official</u> evaluation of Mr. Ellis' product, which I have not yet received. Thank you very much.

Sincerely,

Paul Goldblatt

*Paul Goldblatt*

43 Sheppard Lane
Huntington, NY 11743-6416

~~March 7,~~ 1997
MARCH 24, 1997

Dear Representative Otte,

Thank you very much for taking the time to answer my letter dated Feb. 21. I understand that your time is valuable and my complaint concerns only a matter of $9.95. It should have been apparent though from my letter that my intentions are very serious inasmuch as I have been soliciting the State of Wisconsin for well over six months now. Although, I am aware that the Legislature is not an enforcement agency, you are the Chairman of the Assembly Committee on Consumer Affairs and I would imagine that, in that capacity, you do carry some influence. I did mention in my letter that the Wisconsin Dept. of Agriculture, Trade & Consumer Protection has been extremely unresponsive to my complaint and Mr. Alan Tracy and Mr. Thomas Brennan have been particulary unhelpful. They have been telling me for the last three months that they would make a determination regarding Mr. Ellis' violation of Wisconsin's fraudulent representations law, but have failed to follow through on their stated intentions and refuse to answer my inquiries requesting a status report.

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Sincerely yours,

Paul Goldblatt

Paul Goldblatt

**Paul Goldblatt**

43 Sheppard Lane
Huntington, NY 11743-6416

March 7, 1997

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Sincerely yours,

Paul Goldblatt

Paul Goldblatt

P.S.- Could you also please tell me who the best person is for me to contact in the Governor's Office inasmuch as Scott Fromader has been completely unresponsive?

Thank you very much.

Paul Goldblatt
43 Sheppard Lane
Huntington, NY 11743

Feb. 21, 1997

Dear Representative Otte,

Please find enclosed a copy of a letter that I just received from Rick Skindrud in which he informs me that you are the new Chairman of the Consumer Affairs Committee. Mr. Skindrud also mentions that he has forwarded my letters to you which I hope that you have received by now. I am enclosing a copy of my letter which I wrote to Governor Thompson on Nov. 30, 1996. To date, no one from the Governor's Office has responded to my letter of complaint against Mr. Lee Ellis of 54 Woodbridge Drive West, River Falls, WI 54022 who is guilty of fraudulent representations. I have written several follow-up letters since that time but every one has been ignored.

I am astonished at the lack of responsiveness on the part of the State of Wisconsin from the Governor's Office, The Dept. of Agriculture, Trade and Consumer Protection, The Attorney General's Office, The Better Business Bureau, and the Office of Congressman Steve Gunderson. I have been actively solicting these departments since last August, Mr. Otte, but in that time there has been virtually no action taken on the part of your State to contact Mr. Ellis and retrieve my deserved refund of $9.95.

I would ask, Mr. Otte, that you personally involve yourself in this matter and please contact Mr. Ellis and especially Mr. Alan Tracy of the Dept. of Agriculture, Trade & Consumer Protection who has promised but not delivered any action from his department. I honestly do not believe that the State of Wisconsin wants this matter to drag on for another seven months as it already has. The photocopied letters which I am sending you, Mr. Otte, are only a small sampling of my many many solicitations that I have made since last August regarding Mr. Ellis' fraudulently advertised so-called "book."

I greatly look forward to your response to my letter at your earliest convenience. Thank you for your help in this matter.

Sincerely yours,

Paul Goldblatt

March 3, 1997

Mr. Paul Goldblatt
43 Sheppard Lane
Huntington, NY 11743

Dear Mr. Goldblatt:

I received your letter and the correspondence that Representative Rick Skindrud forwarded to me. I am sorry I am unable to help you, as the Legislature is not an enforcement agency that can prosecute anyone if they have violated the law. We make the laws, but we do not have the power to enforce them. It does seem that you have contacted all of the appropriate authorities, and as Wisconsin Department of Agriculture, Trade & Consumer Protection has told you, you also have the option of filing a civil suit.

While the "book" that you purchased was not what you expected and did not fit the dictionary definition of a book in that the pages were not fastened between the covers, I am sure that had the materials been fastened together, thus fitting the dictionary definition of a book, you still would have felt cheated, even though Mr. Ellis would have been within the definition of a book. As to your point that an "unadvertised no-fund policy does not seem fair", since refunds are not mandatory by law, it is important as a consumer that you are either sure that you want the product or that the business does have a refundable or satisfaction guaranteed policy, otherwise, especially with mail order, you are taking a risk when you make a purchase. However, for Mr. Ellis to refuse you a refund, seems to be bad business policy on his part.

Again, you seem to have contacted all the parties who may be able to help you resolve your problem, so I have no further suggestions to help you. I do hope you are able to get the refund.

Sincerely yours,

CLIFFORD OTTE
Chairman
Assembly Committee on Consumer Affairs

CO:day

Paul Goldblatt
43 Sheppard Lane
Huntington, NY 11743

Feb. 21, 1997

Dear Representative Otte,

Please find enclosed a copy of a letter that I just received from Rick Skindrud in which he informs me that you are the new Chairman of the Consumer Affairs Committee. Mr. Skindrud also mentions that he has forwarded my letters to you which I hope that you have received by now. I am enclosing a copy of my letter which I wrote to Governor Thompson on Nov. 30, 1996. To date, no one from the Governor's Office has responded to my letter of complaint against Mr. Lee Ellis of 54 Woodbridge Drive West, River Falls, WI 54022 who is guilty of fraudulent representations. I have written several follow-up letters since that time but every one has been ignored.

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I greatly look forward to your response to my letter at your earliest convenience. Thank you for your help in this matter.

Sincerely yours,

Paul Goldblatt

Paul Goldblatt

STATE REPRESENTATIVE
Rick Skindrud

Committee Assignments:
**Chair, Consumer Affairs**
**Vice Chair, State Affairs**
Member, Agriculture
Member, Colleges and Universities
Member, Tourism and Recreation
Member, Veterans and Military Affairs
Member, Legislative State Supported Program Study and Advisory Committee

February 18, 1997

Paul Goldblatt
43 Sheppard Lane
Huntington, NY 11743

Dear Mr. Goldblatt:

On January 6, 1997, the new Wisconsin State Assembly was sworn in. At that time the newly elected leadership then reassigned committee appointments. I am no longer chair of the Consumer Affairs Committee. The new chair of that committee is Representative Clifford Otte. His address is P. O. Box 8953 State Capitol, Madison, WI 53708. His phone number is
(608) 266-8530.

I have forwarded your letter to Representative Otte.

Sincerely,

Rick

Representative Rick Skindrud
79th Assembly District



Office: P.O. Box 8953, State Capitol • Madison, WI 53708–8953 • (608) 266–3520 • Toll-Free (800) 362-9472
District: 1261 LaFollette Road • Mt. Horeb, WI 53572 • (608) 832-6272

Mr. Paul Goldblatt
43 Sheppard Lane
Huntington, NY 11743-6416

Nov. 30, 1996

Governor Tommy G. Thompson
c/o Governor's Office
State Capitol
P.O. Box 7863
Madison, WI 53707

Dear Governor Thompson,

Thank you very much for taking the time to read my letter regarding a matter of grave concern to me. It seems that a citizen of your state, Mr. Lee Ellis of 54 Woodbridge Drive West, River Falls, WI 54022 is apparently guilty of false advertising and using the U.S. Mails for fraudulent representations.

Please find enclosed a photocopy of Mr. Ellis' advertisement for a so-called "book" of addresses as published in the "Autograph Times" classified section for Aug. 1996. I mailed Mr. Ellis a check for $9.95 in good faith for his product. When it arrived, I was astonished at just what Mr. Ellis was passing off as a book. It was nothing more than a poorly assembled computer list print-out placed inside a report cover. The pages were not even fastened together! There was nothing about Mr. Ellis' product that, in any way, even suggested a book. The "book," as described in his promising advertisement, was simply not there. Indeed Mr. Ellis was being deceitful in his description of his product.

It just seems to me, Governor Thompson, that if a person is going to sell a computer list, they are obliged to advertise it as a list and not as a book. A book suggests an entirely different product than what Mr. Ellis was selling. To advertise a list as a book is pure fraudulent representations. Had Mr. Ellis' advertisement accurately described his product as a list, I would never have mailed him my $9.95 in good faith! The consumer who is purchasing an item through the mails is at a big disadvantage because he can not inspect the product he is buying. The consumer, through the mails, is relying on the honesty and integrity of the vendor. When I decided to return Mr. Ellis' so-called "book" for a refund, he angrily wrote back to me that he has a no-refund policy. What is more, Governor Thompson, Mr. Ellis actually kept both my $9.95 check and the returned "book!" It was only after weeks of coaxing, on the part of Marty Marsh of "Autograph Times," that Mr. Ellis realized that he was compounding his false advertisement with theft and he returned his so-called "book" to me. I firmly believe, however, that I am entitled to a refund on Mr. Ellis' fraudulently advertised "book." An unadvertised no-refund policy does not seem fair to me. It has always been my experience that a reputable vendor will provide an immediate refund with no questions asked because the consumer has not had the opportunity to inspect beforehand what he is buying. Mr. Ellis, on the other hand, steadfastly hides behind his unadvertised no-refund policy.

To date, I have written letters of complaint to Attorney General James Doyle, The Department of Agriculture, Trade and Consumer Protection, and the Better Business Bureau of Wisconsin. The Attorney General's office never even responded to my letter of complaint. Mr. Thomas J. Brennan of the "Bureau of Consumer Protection," initiated a case against Mr. Ellis but ceased his investigation for some unspecified reason. The BBB of Wisconsin did contact Mr. Ellis but also dropped their investigation without even examining a copy of Mr. Ellis' product. Jody L. Mullock of the BBB wrote me a very dismissive letter!

I would be most appreciative, Governor Thompson, if you would kindly involve the offices of the Governor of Wisconsin in the above described matter. I honestly do not understand how a fair determination of this case can be made without an examination of Mr. Ellis' so-called "book." Perhaps you might be able to pursuade the Attorney General, The Bureau

of Consumer Protection, and the Better Business Bureau of Wisconsin to procure copies of Mr. Ellis' product for examination. Additionally, Governor Thompson, perhaps your office might be willing to contact Mr. Ellis and require that he send you a copy of his so-called "book" for your inspection. If he honestly believes that his product is accurately described in his ad, he should have no hesitation in sending your office a copy for verification.

I am also in contact with Patricia B. Skidmore of the Federal Trade Commission who is very concerned about this situation. Ms. Skidmore assures me that her offices will be evaluating the Lee Ellis advertising practices to determine what action would be appropriate in this case. I would be most appreciative, Governor Thompson, if you would send me any/all names and addresses of other state and federal agencies that might be willing to assist me in resolving this matter. I also hope, Governor Thompson, that you will not dismiss my complaint because it only involves a mere $9.95. I feel just as ripped-off as if it had been $99.95! I sometimes wonder about other persons who have also sent Mr. Ellis their $9.95, in good faith, only to be vastly disappointed by his promisingly advertised product. It is unfortunate that most people are not willing to file a complaint about a falsely advertised product when it sells for a price of "only" $9.95.

I would like to thank you, Governor Thompson, in advance, for any consideration that you may chose to give to my complaint. I feel assured that the Governor's Office will take this matter seriously and use its offices to insure that Mr. Ellis' product is examined carefully and thoroughly against its advertised claims. I look forward to your efforts on my behalf.

Sincerely yours,

Paul Goldblatt

Paul Goldblatt

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Bureau of Consumer Protection

November 18, 1996

Mr. Paul Goldblatt
43 Sheppard Lane
Huntington, New York 11743-6416

Dear Mr. Goldblatt:

This is in response to your letter concerning your dissatisfaction with a "book" of addresses advertised by Mr. Lee Ellis in the Autograph Times and your inability to obtain a refund from him. You enclosed copies of your correspondence on the subject with the Better Business Bureau in Milwaukee, Wisconsin, and with the Wisconsin Department of Agriculture, Trade and Consumer Protection.

Each complaint received by the Federal Trade Commission is reviewed by our staff and evaluated with regard to the type and scale of deception involved, the degree of consumer injury, and the current priorities of the Commission in allocating its limited resources for the investigation of unfair and deceptive advertising claims. Unfortunately, the Commission does not have the resources to investigate every complaint or to pursue every potentially misleading ad.

We will evaluate the Lee Ellis advertising to determine what action, if any, would be appropriate in this case. However, the Commission acts in the name of the public in general and can not act on behalf of individuals. Therefore, unfortunately, we can not obtain the refund you request.

Thank you for writing the Commission. Letters such as yours provide valuable information that is frequently used to develop or support Commission enforcement initiatives.

Sincerely,

Patricia B. Skidmore

Patricia B. Skidmore
Division of Advertising Practices

# Classifieds

**REACH THOUSANDS** of autograph collectors and dealers with your classified ad. Rate is just $10 for the first 30 words; 20¢ for each additional word. Add $5.00 for boxed ad. Send your ad (typed or printed) and check or money order to: *Autograph Times*, 1125 W. Baseline Rd., #2-153, Mesa, AZ 85210.

Deadline for classified and classified display ads for the August issue is August 1, 1996.

## ADDRESSES

**ADDRESSES FOR SALE:** Book of addresses with helpful tips on how to obtain autographs by mail with sample letters. Addresses of: Baseball, Football and Basketball HOFers. Astronauts - Academy Award Winners - Authors - Cartoonists - Comedians - Government Leaders - Journalists - Nobel Prize Winners - Singers - Scientists - Sports - Auto Racing, Boxing, Golf, Tennis - Olympic Gold Medal Winners. And many more! Autographs worth thousands of dollars! Send $9.95 to: Lee Ellis, 54 Woodbridge Dr. W., River Falls, WI 54022.

**I USE OVER A DOZEN DIFFERENT SOURCES** to keep my list of celebrity addresses current. This is the same list that I use to add to my already-huge collection of signed photos, all obtained for free through the mail. And I make it available inexpensively to help people get started in this great hobby! Over 4000 names and addresses, from all categories, for $10. All orders processed immediately. Scott Johnson, PO Drawer 12, Whitefield, ME 04353.

**AFTER SENDING OUT 150 LETTERS,** my second listing of 50 celebrities who recently sent me FREE autographed photos is ready. $6.00 postpaid. Eddie Lee, 1613 Sunny Street, Kissimmee, FL 34741-6070.

**CELEBRITY ADDRESSES.** Names and addresses of over 300 celebrities who have responded with signed 8 x 10 photos during the past 12 months. $5.00 per 100. S.A.S.E. for 24 copy samples. Robert Ellinport, Apt. 2218, 20225 NE 34th Ct., Aventura, FL 33180.

## WANTED

**ABRAHAM LINCOLN ACTORS** - Looking for pre-1939 Lincoln impersonators' photos and letters. Also buy Lincoln photos and political items. Stuart Schneider, Box 64, Teaneck, NJ 07666. (201) 261-1983 eves.

**WANTED: ROSA HARTWICK THORPE** (Poet) Wrote poem, "Curfew Must Not Ring Tonight." Nathan T. Clevinger, 3032 Verona Rd., Palm Springs, CA 92262.

## FOR SALE

**FOR SALE**

**'RARE' 1942** 35-page typed radio script. Ben Gage and Bob Hope master-of-ceremonies of this military show featuring Frances Langford, Jerry Colona and Rita Hayworth! Most of the dialogue between Hope and Hayworth. MINT! $150. Have similar scripts featuring John Wayne, Bette Davis, and etc. 1970s Hayworth Xmas card handwritten and signed Rita H. $75. 1-pg handwritten letter from Geo Masters to Rita with his logo. Second page missing. Excellent content. $45. 1970s Rebecca Welles Xmas cards to Rita inscribed "Mom from Becky." $20. 1953 Western Union telegram from Cobina Wright and John Wayne to Johnny Green. $50. 23-pages of school papers of Tori Spelling (1984-88). $150. Two class absentee reports on Tori. $25 ea. Profile self-portrait drawing by Tori and inscribed and written to "Mom and Dad." Very good! $100. A fantastic 8-page book report by Tori entitled "The Diary of the Knight Rover. Captain's Log." $100. Phone Harrison (812) 282-5132.


**Autograph Times**
*The International Newspaper for Autograph Collectors*

**Publisher**
Marty Marsh

**Editors**
BARD ENTERPRISES
(Barbara Bigham & Ardith Wilson)

**Contributing Editors** Jeff Curtis, Edward Bell, Kathy Deane, Jim Sargent, Darrel W. Wilson

**Cartoonist** Bruce Petush

**Production** Mike Rhodes

**Circulation** Alan LeVan

**Editorial Support** Delores Pohlhammer

**Office Manager** Lilla Brown

**Printing** Valley Newspapers

**Mailing** Drum Printing and Mailing

1125 W. Baseline Rd., #2-153
Mesa, AZ 85210
Phone: 602-777-0842 • Fax: 602-777-0844
E-mail: MarianPub@aol.com

*Member Universal Autograph Collectors Club, CompuServe Autograph Collectors Club, Manuscript Society*




**HOLLYWOOD AUTOGRAPHS.** Extensive listing of vintage film autographs, including stars, character actors, directors, etc. Also current entertainers, rock and jazz legends, literary, historical and more. Friendly, courteous service. Catalog: send 2 stamps to Golden Age Autographs, P. O. Box 20408, Park West Financial Station, Ny, NY 10025-1513. Member UACC.

Reach autograph collectors the world over with an ad in Autograph Times... call **602-777-0842** for ad information!

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to: Autograph Times, 1
W. Baseline Rd., #2-15
Mesa, AZ 85210.

Paul Goldblatt
43 Sheppard Lane
Huntington, NY 11743

Feb. 15, 1997

Representative Richard Skindrud
Chairman, Consumer Affairs Committee
Wisconsin State Assembly
P.O. Box 8952
Madison, WI 53708

Dear Representative Skindrud,

This is now my second letter to you regarding my complaint against a citizen of your state: Mr. Lee Ellis, 54 Woodbridge Drive West, River Falls,WI 54022. To date, the State of Wisconsin has been extremely unresponsive to my complaint regarding Mr. Ellis' violation of section 100.18 - Wisconsin's fraudulent representations law (see photocopy from Thomas J. Brennan, Senior Investigator, Bureau of Consumer Protection). I am also enclosing another copy of a letter which I have written to Governor Thompson which explains my complaint against Mr. Ellis in detail, a copy of Mr. Ellis' original advertisement as it appeared in the "Autograph Times" of August 1996, and several other photocopies to various government agencies which will demonstrate to you the seriousness of my intent.

I am writing to you, Representative Skindrud,because you are the highest ranking official for consumer protection in the State of Wisconsin. It is my sincerest hope that you will personally involve yourself in this matter so that it does not have to drag on for another six months or more. I am amazed that the State of Wisconsin is so lax in its monitoring its citizens for instances of fraudulent representations through the U.S. Mails. My understanding is that this is a very serious infraction of the law and should not be dismissed so easily. I also hope that the Sate of Wisconsin is not taking my complaint seriously because it involves only $9.95.

Thank you very much for your attention in this matter and I look forward to hearing from you at your earliest convenience.

Sincerely yours,

Paul Goldblatt

Paul Goldblatt

State of Wisconsin
Tommy G. Thompson, Governor

**Department of Agriculture, Trade and Consumer Protection**
Alan T. Tracy, Secretary

*Consumer Protection Regional Office*
927 Loring Street
Altoona, WI 54720-1199

September 13, 1996

Mr. Paul Goldblatt
43 Sheppard Lane
Huntington, NY 11743-6416

Re: **File #316712** *(Refer to this number when contacting our agency.)*
Mr. Lee Ellis
54 Woodbridge Drive
River Falls, WI 54022

Dear Mr. Goldblatt:

We have received your complaint regarding the above. The case has been assigned for further investigation to determine whether there has been a violation of section 100.18, Wisconsin Statutes, Wisconsin's fraudulent representations law, and whether state enforcement action should be taken.

Regardless of what action is finally taken by this office concerning your complaint, you are free to commence a private civil suit to recover your damages, court costs and reasonable attorney's fees in accordance with section 100.18(11)(b). Enclosed is a copy of the law, which may prove useful to you if you should decide to pursue this matter in court.

Although we are contacting the above concerning your complaint, we cannot give you any assurance that this matter will be resolved to your satisfaction. You may wish to seek the advice of your own attorney as to possible alternatives for recourse. We are also enclosing information on how to begin a civil suit in small claims court.

Thank you for bringing this matter to our attention.

Sincerely,

Thomas J Brennan

Thomas J. Brennan,
Senior Investigator
BUREAU OF CONSUMER PROTECTION
715-839-3840
715-839-1645 (fax)

Enc.: Small Claims Court Procedure
Sec. 100.18, Wis. Stats.

C-11

# Classifieds

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Deadline for classified and classified display ads for the August issue is August 1, 1996.

## ADDRESSES

**ADDRESSES FOR SALE:** Book of addresses with helpful tips on how to obtain autographs by mail with sample letters. Addresses of: Baseball, Football and Basketball HOFers. Astronauts - Academy Award Winners - Authors - Cartoonists - Comedians - Government Leaders - Journalists - Nobel Prize Winners - Singers - Scientists - Sports - Auto Racing, Boxing, Golf, Tennis - Olympic Gold Medal Winners. And many more! Autographs worth thousands of dollars! Send $9.95 to: Lee Ellis, 54 Woodbridge Dr. W., River Falls, WI 54022.

**I USE OVER A DOZEN DIFFERENT SOURCES** to keep my list of celebrity addresses current. This is the same list that I use to add to my already-huge collection of signed photos, all obtained for free through the mail. And I make it available inexpensively to help people get started in this great hobby! Over 4000 names and addresses, from all categories, for $10. All orders processed immediately. Scott Johnson, PO Drawer 12, Whitefield, ME 04353.

**AFTER SENDING OUT 150 LETTERS**, my second listing of 50 celebrities who recently sent me FREE autographed photos is ready. $6.00 postpaid. Eddie Lee, 1613 Sunny Street, Kissimmee, FL 34741-6070.

**CELEBRITY ADDRESSES.** Names and addresses of over 300 celebrities who have responded with signed 8 x 10 photos during the past 12 months. $5.00 per 100. S.A.S.E. for 24 copy samples. Robert Ellinport, Apt. 2218, 20225 NE 34th Ct., Aventura, FL 33180.

## WANTED

**ABRAHAM LINCOLN ACTORS** - Looking for pre-1939 Lincoln impersonators' photos and letters. Also buy Lincoln photos and political items. Stuart Schneider, Box 64, Teaneck, NJ 07666. (201) 261-1983 eves.

**WANTED: ROSA HARTWICK THORPE** (Poet) Wrote poem, "Curfew Must Not Ring Tonight." Nathan T. Clevinger, 3032 Verona Rd., Palm Springs, CA 92262.

## FOR SALE

**FOR SALE**

**'RARE' 1942** 35-page typed radio script. Ben Gage and Bob Hope master-of-ceremonies of this military show featuring Frances Langford, Jerry Colona and Rita Hayworth! Most of the dialogue between Hope and Hayworth. MINT! $150. Have similar scripts featuring John Wayne, Bette Davis, and etc. 1970s Hayworth Xmas card handwritten and signed Rita H. $75. 1-pg handwritten letter from Geo Masters to Rita with his logo. Second page missing. Excellent content. $45. 1970s Rebecca Welles Xmas cards to Rita inscribed "Mom from Becky." $20. 1953 Western Union telegram from Cobina Wright and John Wayne to Johnny Green. $50. 23-pages of school papers of Tori Spelling (1984-88). $150. Two class absentee reports on Tori. $25 ea. Profile self-portrait drawing by Tori and inscribed and written to "Mom and Dad." Very good! $100. A fantastic 8-page book report by Tori entitled "The Diary of the Knight Rover. Captain's Log." $100. Phone Harrison (812) 282-5132.


**Autograph Times**
*The International Newspaper for Autograph Collectors*

**Publisher**
Marty Marsh

**Editors**
BARD ENTERPRISES
(Barbara Bigham & Ardith Wilson)

Contributing Editors: Jeff Curtis, Edward Bell, Kathy Deane, Jim Sargent, Darrel W. Wilson
Cartoonist: Bruce Petush
Production: Mike Rhodes
Circulation: Alan LeVan
Editorial Support: Delores Pohlhammer
Office Manager: Lilla Brown
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Mailing: Drum Printing and Mailing

1125 W. Baseline Rd., #2-153
Mesa, AZ 85210
Phone: 602-777-0842 • Fax: 602-777-0844
E-mail: MarianPub@aol.com

*Member Universal Autograph Collectors Club, CompuServe Autograph Collectors Club, Manuscript Society*




**HOLLYWOOD AUTOGRAPHS.** Extensive listing of vintage film autographs, including stars, character actors, directors, etc. Also current entertainers, rock and jazz legends, literary, historical and more. Friendly, courteous service. Catalog: send 2 stamps to Golden Age Autographs, P. O. Box 20408, Park West Financial Station, Ny, NY 10025-1513. Member UACC.

Reach autograph collectors the world over with an ad in Autograph Times... call **602-777-0842** for ad information!

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to: Autograph Times, 1
W. Baseline Rd., #2-15
Mesa, AZ 85210.

Mr. Paul Goldblatt
43 Sheppard Lane
Huntington, NY 11743-6416

Nov. 30, 1996

Governor Tommy G. Thompson
c/o Governor's Office
State Capitol
P.O. Box 7863
Madison, WI 53707

Dear Governor Thompson,

Thank you very much for taking the time to read my letter regarding a matter of grave concern to me. It seems that a citizen of your state, Mr. Lee Ellis of 54 Woodbridge Drive West, River Falls, WI 54022 is apparently guilty of false advertising and using the U.S. Mails for fraudulent representations.

Please find enclosed a photocopy of Mr. Ellis' advertisement for a so-called "book" of addresses as published in the "Autograph Times" classified section for Aug. 1996. I mailed Mr. Ellis a check for $9.95 in good faith for his product. When it arrived, I was astonished at just what Mr. Ellis was passing off as a book. It was nothing more than a poorly assembled computer list print-out placed inside a report cover. The pages were not even fastened together! There was nothing about Mr. Ellis' product that, in any way, even suggested a book. The "book," as described in his promising advertisement, was simply not there. Indeed, Mr. Ellis was being deceitful in his description of his product.

It just seems to me, Governor Thompson, that if a person is going to sell a computer list, they are obliged to advertise it as a list and not as a book. A book suggests an entirely different product than what Mr. Ellis was selling. To advertise a list as a book is pure fraudulent representations. Had Mr. Ellis' advertisement accurately described his product as a list, I would never have mailed him my $9.95 in good faith! The consumer who is purchasing an item through the mails is at a big disadvantage because he can not inspect the product he is buying. The consumer, through the mails, is relying on the honesty and integrity of the vendor. When I decided to return Mr. Ellis' so-called "book" for a refund, he angrily wrote back to me that he has a no-refund policy. What is more, Governor Thompson, Mr. Ellis actually kept both my $9.95 check and the returned "book!" It was only after weeks of coaxing, on the part of Marty Marsh of "Autograph Times," that Mr. Ellis realized that he was compounding his false advertisement with theft and he returned his so-called "book" to me. I firmly believe, however, that I am entitled to a refund on Mr. Ellis' fraudulently advertised "book." An unadvertised no-refund policy does not seem fair to me. It has always been my experience that a reputable vendor will provide an immediate refund with no questions asked because the consumer has not had the opportunity to inspect beforehand what he is buying. Mr. Ellis, on the other hand, steadfastly hides behind his unadvertised no-refund policy.

To date, I have written letters of complaint to Attorney General James Doyle, The Department of Agriculture, Trade and Consumer Protection, and the Better Business Bureau of Wisconsin. The Attorney General's office never even responded to my letter of complaint. Mr. Thomas J. Brennan of the "Bureau of Consumer Protection," initiated a case against Mr. Ellis but ceased his investigation for some unspecified reason. The BBB of Wisconsin did contact Mr. Ellis but also dropped their investigation without even examining a copy of Mr. Ellis' product. Jody L. Mullock of the BBB wrote me a very dismissive letter!

I would be most appreciative, Governor Thompson, if you would kindly involve the offices of the Governor of Wisconsin in the above described matter. I honestly do not understand how a fair determination of this case can be made without an examination of Mr. Ellis' so-called "book." Perhaps you might be able to pursuade the Attorney General, The Bureau

of Consumer Protection, and the Better Business Bureau of Wisconsin to procure copies of Mr. Ellis' product for examination. Additionally, Governor Thompson, perhaps your office might be willing to contact Mr. Ellis and require that he send you a copy of his so-called "book" for your inspection. If he honestly believes that his product is accurately described in his ad, he should have no hesitation in sending your office a copy for verification.

I am also in contact with Patricia B. Skidmore of the Federal Trade Commission who is very concerned about this situation. Ms. Skidmore assures me that her offices will be evaluating the Lee Ellis advertising practices to determine what action would be appropriate in this case. I would be most appreciative, Governor Thompson,if you would send me any/all names and addresses of other state and federal agencies that might be willing to assist me in resolving this matter. I also hope, Governor Thompson, that you will not dismiss my complaint because it only involves a mere $9.95. I feel just as ripped-off as if it had been $99.95! I sometimes wonder about other persons who have also sent Mr. Ellis their $9.95, in good faith, only to be vastly disappointed by his promisingly advertised product. It is unfortunate that most people are not willing to file a complaint about a falsely advertised product when it sells for a price of "only" $9.95.

I would like to thank you, Governor Thompson, in advance, for any consideration that you may chose to give to my complaint. I feel assured that the Governor's Office will take this matter seriously and use its offices to insure that Mr. Ellis' product is examined carefully and thoroughly against its advertised claims. I look forward to your efforts on my behalf.

Sincerely yours,

Paul Goldblatt

Paul Goldblatt

Mr. Paul Goldblatt
43 Sheppard Lane
Huntington, NY 11743-6416

December 4, 1996

Alan T. Tracy, Secretary
Dept. of Agriculture, Trade and Consumer Protection
2811 Agriculture Drive
Madison, WI 53704-6777

Dear Secretary Tracy,

Thank you very much for taking the time to read my letter regarding a matter of grave concern to me. Please find enclosed a copy of a letter which I have mailed to Senior Investigator Thomas J. Brennan two times now without a reply from him. I mailed this letter to Mr. Brennan on Oct. 28 and, again, on Nov. 21. I must assume, at this point, that Mr. Brennan has no intention of responding to my letter and I find this very unfair and insulting.

I have been working very hard to get a refund from Mr. Lee Ellis of 54 Woodbridge Drive West, River Falls, WI 54022 for months now. Understand, that I would not be putting this amount of energy in this matter if I did not feel that my complaint was justified. In my letter to Mr. Brennan, I am asking him how he can possibly make a fair determination about whether Mr. Ellis'product lives up to its advertised claims without examining a copy of the so-called "book?" It seems that Mr. Ellis filled out a form letter and, after receiving this letter, Mr. Brennan closed the case. As you can see, I believe that I am entitled to an explanation from Mr. Brennan and I'm sure you agree with me Mr. Tracy.

I would be most appreciative, therefore, if you might be so kind, Mr. Tracy, to speak to Mr. Brennan about answering the enclosed letter to him from me. When Mr. Brennan initially looked into this matter for me, he believed that Mr. Ellis may very well be guilty of Fraudulent Representations section 100.18. I agree with that finding very much and would like to know what changed his mind? A letter from Mr. Ellis? This does not seem fair to me. I firmly believe that the Dept. of Consumer Protection should require Mr. Ellis to send a copy of his so-called "book" to you for examination. I hope that you agree with me, Mr. Tracy.

Please find enclosed, also, a copy of a letter which I have written to Governor Thompson. My position regarding my complaint is fully detailed in this letter. I look forward to hearing from either you or Mr. Brennan on this matter as soon as possible. Thank you very much for your attention in this matter.

Sincerely,

Paul Goldblatt

Paul Goldblatt

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Bureau of Consumer Protection

November 18, 1996

Mr. Paul Goldblatt
43 Sheppard Lane
Huntington, New York 11743-6416

Dear Mr. Goldblatt:

This is in response to your letter concerning your dissatisfaction with a "book" of addresses advertised by Mr. Lee Ellis in the Autograph Times and your inability to obtain a refund from him. You enclosed copies of your correspondence on the subject with the Better Business Bureau in Milwaukee, Wisconsin, and with the Wisconsin Department of Agriculture, Trade and Consumer Protection.

Each complaint received by the Federal Trade Commission is reviewed by our staff and evaluated with regard to the type and scale of deception involved, the degree of consumer injury, and the current priorities of the Commission in allocating its limited resources for the investigation of unfair and deceptive advertising claims. Unfortunately, the Commission does not have the resources to investigate every complaint or to pursue every potentially misleading ad.

We will evaluate the Lee Ellis advertising to determine what action, if any, would be appropriate in this case. However, the Commission acts in the name of the public in general and can not act on behalf of individuals. Therefore, unfortunately, we can not obtain the refund you request.

Thank you for writing the Commission. Letters such as yours provide valuable information that is frequently used to develop or support Commission enforcement initiatives.

Sincerely,

Patricia B. Skidmore

Patricia B. Skidmore
Division of Advertising Practices

UNITED STATES POSTAL INSPECTION SERVICE

OPERATIONS SUPPORT GROUP

January 6, 1997

Paul Goldblatt
43 Sheppard Ln
Huntington NY 11743-6416

Dear Postal Patron:

This concerns your complaint against:

Lee Ellis
54 Woodbridge Dr W
River Falls WI 54022

A review of our records and the information you provided indicates that at the present time your complaint will be most appropriately handled through our Consumer Protection Program. Under this program, we are contacting the firm on your behalf in an attempt to resolve your complaint. You should allow at least 45 days for this matter to be resolved.

As information, the Postal Inspection Service has no authority to require a firm or person to provide a product or service or effect refunds or adjustments. As an investigative agency, we are responsible for gathering facts and evidence to determine if the mails are being used in violation of federal statutes.

To establish a case of mail fraud, it is necessary to prove that there has been an intentional scheme to defraud. Evidence of this sort is based largely on the number and pattern of complaints received concerning a particular mailer. If there is sufficient indication that violation of the Mail Fraud Statute is occurring, information compiled by the Postal Inspection Service can be turned over to the appropriate United States Attorney for consideration of prosecution or forwarded to our Law Department so that administrative action can be taken to deprive the violator of the receipt of mail.

Thank you for making us aware of this situation.

Sincerely,

L. M. Byam, Manager
U.S. Postal Inspection Service
Operations Support Group
222 S Riverside Plz Ste 1250
Chicago, IL 60606-6100
(312)669-5663

Ref: C|IS0903|034|S0264737|C0701044

January 13, 1997

Mrs. Doris Robertson
1425 Nevada Road
Madison, WI 53704

Dear Mrs. Robertson:

Thank you for your letter about tax relief for senior citizens and credit card security and protection.

I have always been a strong supporter of tax relief and will continue to be. However, tax relief proposals are not a subject matter that would be dealt with by the Assembly Committee on Consumer Affairs.

Credit card issues could possibly come before the Assembly Committee on Consumer Affairs, although they would more likely go to the Assembly Committee on Financial Institutions.

If the State were to require that credit cards have photos, the federal courts would probably overturn such a law, as the courts have already ruled against states regulating interstate credit card transactions. Such a law would probably have to be passed on a federal level in order to be possibly be upheld by the federal courts. The option of photo id credit cards is available to consumers who wish to choose such a credit card.

-continued-

The unauthorized use of a credit card is already illegal.

If someone loans a credit card to another person that is the responsibility of the person loaning the card. Unauthorized use of a loaned credit card can be avoided by not loaning out a credit card.

Wisconsin law prohibits merchants from asking a consumer for additional identification when the consumer uses a credit card. This law is to protect consumers from having to give out information that a dishonest merchant or employee would be able to use to defraud the consumer.

Generally, the credit card company or merchant is financially responsible for credit card fraud. To avoid financial responsibility, merchants are generally required to get authorization on credit card transactions. Consumers are generally protected against unauthorized charges as long as they contest them in a timely manner.

Thank you for sharing your concerns. I hope that this information is helpful.

Sincerely yours,

CLIFFORD OTTE
Chairman
Assembly Committee on Consumer Affairs

CO:day

January 3, 1997

Clifford Otte
Consumer Affairs Com. Chair
PO Box 8953
Madison, WI 53708

Dear Mr. Otte:

I am asking you to bring to the floor of the Wisconsin Congress etc for consideration, debate, and passage into law the two important subjects listed below:

#1. TAX RELIEF FOR SENIOR CITIZENS:

Raise the income limit for the HOMESTEAD RELIEF for senior citizens and low income residents who own or buying their homes. This would eliminate residents from being taped out of their homes -- especially senior citizens.

or

Establish a direct credit to aid senior citizens to stay in their home. This would not be a welfare type of credit, but a lifting-up aid. This is critical for immediate action and long overdue!

#2. CREDIT CARD SECURITY + PROTECTION:

Pass a State Law prohibiting anyone other than the card holder to use the card, the best way for identification is to require card companies to have picture of card holder on the credit card. This would make identification absolute! If any merchant accepts the card from

anyone other than the card holder to be fined or be responsible for those charges. Most of the merchants in Wisconsin are very careless on checking I.D., all they care about is making a sell. Several of our neighboring States have similar laws. Wisconsin is known as a progressive State, why are we dragging our feet regarding this? We have laws protecting card holders on stolen cards, but nothing to protect them from miss abuse on a loaned card, loaned for a one-time use and was abused. Passing this type of law would save thousands of residents money and a lot of heartache!

Please investigate these requests and do everything in your power to get these bills passed. My husband and I (both senior citizens) have had bad experiences in both areas.

Also please excuse this hand written letter, we do not have a computer or even a type-writer.

a hopeful Senior Citizen

Doris Robertson
1425 Nevada Rd
Madison, WI 53704

# CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT


March 27, 1997

TO: MEMBERS,
ASSEMBLY COMMITTEE ON CONSUMER AFFAIRS

FROM: CLIFFORD OTTE, CHAIR C.O.

RE: GENERAL PROCEDURAL GUIDELINES

Welcome to the Assembly Committee on Consumer Affairs.

I am establishing the following procedural guidelines:

1. Every effort will be made to start meetings on time. Please notify the committee clerk if you will be late or absence. An oral roll call will only be taken for executive session.

2. Please report anticipated absences as soon as possible. Requests for excused absences should be in writing.

3. Executive sessions will usually not be held on the same day as the public hearing on a bill.

4. If you intend to propose amendments at an executive session, please attempt to have them prepared by the LRB or Legislative Council and to provide them in advance to all members and our Legislative Council attorney. I believe this helps the process. I will not require a strict rule on amendments as long as this flexibility is conducive to getting our work done in an efficient manner.

I look forward to work with all of you and serving as the chair of the Assembly Committee on Consumer Affairs.


**Office:** P.O. Box 8953, Madison, WI 53708-8953 (608) 266-8530
**Home:** N5385 Bridgewood Road, Sheboygan Falls, WI 53085 (414) 467-4794
**Legislative Hotline (toll-free):** 1-800-362-9472

To: Representative Otte, Chair
Committee on Consumer Affairs

From: Bruce Munson

Date: August 19, 1997

Re: Unconscionable consumer finance charges.

Spoke with Mr. Munson via phone - no need to followup. DMY

I received a "live" check for $1,599.99 yesterday (copy enclosed). I receive many unsolicited offers of consumer credit and normally throw the unopened envelopes away. I opened this envelope because through its window I could see what looked like a live check (I had just read a news article about the problems caused by unsolicited live checks).

I was outraged to see that this unsolicited loan offer carried an annual percentage rate of **29.99%**. I was even more outraged to learn that this rate of interest does not violate Wisconsin law. I forward this information to your committee for its consideration.

# Just Cash Or Deposit This Check!

August 8, 1997

Dear Bruce E Munson:

It's true. You're holding a real check for a $1,599.99 loan. If you want the loan, all you have to do is take the check to your bank and cash or deposit it.* That's it! This separate loan will be in addition to your present account. No application to fill out, not even a phone call. Here's all you do:

1. Read the Loan Agreement and Disclosure Statement on the other side of this letter and keep it for your records.
2. Endorse the check on the back and cash or deposit it. (If you are married, please complete and return the enclosed Notice to Married Applicants.)

**You'll have an instant $1,599.99 loan for $67.91 a month.**

***NOTE:** Availability of funds may be affected by your bank's internal policies on cashing or depositing checks.

If you have questions, please feel free to call me at (608) 833-6757. I'll gladly help in any way I can!

Sincerely,

Nicholas Toman
Nicholas Toman
Manager

P.S. If you don't want the $1,599.99 loan, then just destroy the check.

41767 FSWI3

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ASSOCIATES FINANCIAL SERVICES
COMPANY OF WISCONSIN, INC.
7944 Tree Lane
Madison, WI 53717-2011

009903 0248-6712

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710

CHECK NO. 4867122951

DATE: August 8, 1997
Void 30 days from date of issue.

PAY TO THE ORDER OF: Bruce E Munson
5304 Midmoor Rd
Monona, WI 53716-3049

AMOUNT: **$1,599.99**

The sum of One Thousand Five Hundred Ninety-Nine And 99/100 Dollars

Bank of America Illinois • Chicago, Illinois 60697

Treasurer Authorized Signer

⑈4867122951⑈ ⑆071923284⑆ 49⑈09216⑈

# LOAN AGREEMENT AND DISCLOSURE STATEMENT

LENDER/CREDITOR: ASSOCIATES FINANCIAL SERVICES COMPANY OF WISCONSIN, INC.

| ANNUAL PERCENTAGE RATE<br>The cost of your credit as a yearly rate. | FINANCE CHARGE<br>The dollar amount the credit will cost you. | AMOUNT FINANCED<br>The amount of credit provided to you or on your behalf. | TOTAL OF PAYMENTS<br>The amount you will have paid after you have made all payments as scheduled. | Your Payment Schedule Will Be: | |
|---|---|---|---|---|---|
| | | | | Number of Payments | Amount of Each Payment |
| 29.99% | $844.77 | $1,599.99 | $2,444.76 | 36 | $67.91 |

LATE CHARGE: If a payment is more than 10 days late, you will be charged $10.00 or 5% of the unpaid amount of the payment, whichever is less.
PREPAYMENT: If you pay off early, you will be entitled to a rebate of part of the finance charge.
See your contract for additional information about nonpayment, default, any required repayment of your indebtedness in full before the scheduled date and prepayment rebates.
e means estimate.

Payments are payable monthly beginning one month after the date of loan. Exact due dates will be provided before the first payment is due. e

Itemization of Amount Financed: the entire Amount Financed of $ 1,599.99 is given directly to you.

AGREED RATE OF CHARGE: The Annual Percentage Rate stated above.
REPAYMENT: For value received, I promise to pay to Lender, or order at its office, the total of payments stated above which includes the amount financed and finance charge. The total c payments is payable in monthly installments, as indicated above, beginning on the First Monthly Payment Date and continuing on the same day of each succeeding month until fully paid. The date of the making of this loan shall be the next business day after the day the check clears the payor bank. I agree to pay interest after maturity at the Agreed Rate of Charge. When such interest is charged, a late charge may not be taken on the final scheduled payment.
LATE CHARGES: If any payment is more than 10 days late, I will pay a late charge not to exceed $10.00 or 5% of the unpaid amount of the payment, whichever is less.
DEFERRAL: A deferral is to delay making a payment until some definite time in the future. If any one or more payments is deferred for one or more full months, I agree that Lender may make and collect a charge not to exceed the Agreed Rate of Charge times the amount(s) deferred for the period of deferral. I further agree that if a payment is not paid within 30 days after its due date, Lender may at any time, but only once during any twelve month period, unilaterally grant a deferral and make a charge as provided in this paragraph, provided notice thereof is sent to me at least 10 days prior to deferral advising me of the total dollar amount of the deferral charge and the periods of deferral.
DEFAULT: I will be in default when more than one full payment remains unpaid more than 10 days after the scheduled or deferred due dates when the interval between payments is two months or less, or when the first or last payments remain unpaid more than 40 days after their scheduled or deferred due dates. If I am in default and have been given notice of default by Lender and fail to cure the default within 15 days of such notice or to pay the unpaid balance in full if not entitled to cure the default, the entire unpaid balance, less the rebate of the unearned finance charge which would be allowed in case of prepayment in full, shall then become due and payable.
NSF CHECK CHARGE: I will pay a $15.00 charge for each check given as payment on this loan which is returned unsatisfied because drawer has no account with drawee, or if there are insufficient funds in drawer's account, or if drawer does not have sufficient credit with drawee.
REBATE FOR PREPAYMENT IN FULL: If I prepay this loan in full, I will receive a rebate of the unearned portion of the finance charge which shall be the portion of the finance charge for the unexpired payment periods computed on an actuarial basis. However, if the amount financed is less than $5,000.00 and the loan term is less than 37 months, the rebate shall be the unearned portion of the finance charge for the months prepaid computed by the "Rule of 78's". If the total of all rebates, including any insurance refund, is less than $1.00, no refund will be made. No rebate shall be made for the finance charge attributable to that portion of any first payment period which exceeds 1 month, which shall be considered fully earned if the loan is paid in full on or after the first payment due date.
CONVERSION TO INTEREST-BEARING: If two or more payments or parts thereof are past due 10 days or more, Lender may convert this loan to an interest bearing loan and thereafter I agree to pay interest on the actual unpaid balance at the Agreed Rate of Charge.

Notice to Married Borrowers: No provision of a marital property agreement, a unilateral statement under Section 766.59 or a court decree under Section 766.70 adversely affects the interest of the creditor unless the creditor, prior to the time credit is granted (i.e., the check is cashed), is furnished a copy of the agreement, statement, or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred.

## NOTICE TO CUSTOMER

A) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES.
B) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN.
C) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.

BORROWER'S SIGNATURE: (Endorsement of the check constitutes acceptance of the terms and conditions of this Loan Agreement and Disclosure Statement.)

WISCONSIN

FORM #18-1/94

Payments, pursuant to the terms and conditions of the Loan Agreement and Disclosure Statement (Form #18-1/94), which is incorporated herein by reference, until paid in full. I acknowledge I have received and read a copy of the Loan Agreement and Disclosure Statement. If I default, Lender/Associates may declare the entire unpaid amount owing immediately due.
**NOTICE TO CONSUMER:** (a) DO NOT SIGN THIS BEFORE YOU READ THE WRITING BELOW, EVEN IF OTHERWISE ADVISED. (b) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES. (b) ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (d) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.

BORROWER SIGNATURE

Bob Richards CAPITAL TIMES 8/16/97 **CONSUMER WATCH**

# Make sure you know who you're banking with


Richards

It wasn't that long ago when the term "bank" or "national bank" in a business name would provide consumers with the comfort that they would always encounter reputable business practices when doing business with an institution using that word in its name.

Maybe the definition of reputable business practice is changing, but the type of letter recently sent to some consumers by at least two out-of-state national bank corporations makes me wonder if the title bank still deserves such high regard.

The envelope looks like something typically sent by the junk mail firms. The return address is simply "Credit Department" with a post office box as the address.

Once you open the envelope, the letter from Dial National Bank in Iowa says that Dial "maintains information" about you and your account and "We will share this information with our corporate affiliates unless you tell us not to."

Several consumers who had not heard of the bank and didn't realize they were customers, contacted the Department of Agriculture, Trade and Consumer Protection. Some of them say their only possible connection with the bank is from a credit promotion with an electronics retailer, and they didn't recall which institution had actually provided the credit.

One consumer was alarmed that her account number was printed on the outside of the envelope. "I'm certain they didn't intend to increase the possibility of fraud," says DATCP Administrator William Oemichen, "but we are concerned that a disreputable person might obtain the customer's name and account from the envelope and attempt to defraud the customer."

The letter asks the customer to provide the bank with his account number or social security number if he wants to prevent release of his credit history with Dial to Dial's "corporate affiliates."

"We have been working hard to educate Wisconsin consumers NOT to release sensitive information such as bank account numbers and social security numbers unless they have solicited the business or have an established relationship with the business," Oemichen writes in a letter to Dial National Bank President Tom Greteman.

"It's a negative option from our perspective," Oemichen says. "It's not illegal, but we are concerned that a lot of consumers will look at this envelope and letter, decide its either junk mail or a scam and simply throw it away."

Oemichen's letter recommends that any future correspondence from a bank contain the bank's name on the outside of the envelope and that customer account information be listed only on the inside of a sealed envelope.

It's one more example of why it's worth spending time evaluating the policies of the institutions from which you borrow money or where you keep your bank accounts. You may think you've borrowed money from a store, when in fact that store has a business relationship with a bank in some other state.

It's unfortunately also one more reminder of the need to carefully read mail that is sent to you from financial institutions, if you want to avoid being the victim of a negative option.

Oemichen says he's still waiting for a response to his letter.

• • •

A company that offers consumers the chance to become a distributor of Disney or Warner Brothers toys has been visiting cities around the country. Oemichen says customers should think long and hard before signing up.

He says the Kansas attorney general is investigating a company called Toys Unlimited, which also allegedly operates under other names such as Parade of Toys, Universe of Toys, Carousel of Toys USA, Global Toy Distributors Inc., and Toys Unlimited International Inc.

The company holds meetings at local hotels or convention centers in which consumers are asked to initially invest between $18,500 and $55,000 to become "licensed distributors." Oemichen says Kansas consumers have complained that the toys they receive were outdated and vastly over-priced.

*Bob Richards is a Madison-based consumer advocate.*

# CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT


February 26, 1997

TO: Members, Assembly Committee on Consumer Affairs

FROM: Representative Clifford Otte, Chairman C.O.

RE: Scheduling our first hearing

For your scheduling information, I intend to schedule the first meeting of the Assembly Committee on Consumer Affairs on the morning of Thursday, March 27th. You will receive an official notice during the week of March 10.


**Office:** P.O. Box 8953, Madison, WI 53708-8953 (608) 266-8530
**Home:** N5385 Bridgewood Road, Sheboygan Falls, WI 53085 (414) 467-4794
**Legislative Hotline (toll-free):** 1-800-362-9472

# CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT


March 27, 1997

TO: MEMBERS,
ASSEMBLY COMMITTEE ON CONSUMER AFFAIRS

FROM: CLIFFORD OTTE, CHAIR C.O.

RE: GENERAL PROCEDURAL GUIDELINES

Welcome to the Assembly Committee on Consumer Affairs.

I am establishing the following procedural guidelines:

1. Every effort will be made to start meetings on time. Please notify the committee clerk if you will be late or absence. An oral roll call will only be taken for executive session.

2. Please report anticipated absences as soon as possible. Requests for excused absences should be in writing.

3. Executive sessions will usually not be held on the same day as the public hearing on a bill.

4. If you intend to propose amendments at an executive session, please attempt to have them prepared by the LRB or Legislative Council and to provide them in advance to all members and our Legislative Council attorney. I believe this helps the process. I will not require a strict rule on amendments as long as this flexibility is conducive to getting our work done in an efficient manner.

I look forward to work with all of you and serving as the chair of the Assembly Committee on Consumer Affairs.


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# CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT


May 13, 1997

TO: Members
Assembly Committee on Consumer Affairs

FROM: Representative Clifford Otte, Chair
Assembly Committee on Consumer Affairs

RE: Consumer Watch columns

As you may know, Bob Richards writes the Consumer Watch column in the weekend edition of *The Capital Times*. A couple of his recent columns have dealt with issues that our committee has been or will be dealing with. I thought that you would be interested in seeing these columns, which I am attaching.

Since many of you may not see the weekend edition of *The Capital Times*, and you may find them of interest, I will probably send you copies of Mr. Richards columns from time-to-time – without a cover letter.

Attachments: Consumer Watch columns, *The Capital Times,* from April 2, May 3 and May 10, 1997.


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Bob Richards

CONSUMER WATCH

# 'Negative option' billing gets thumbs down

Richards

Try a free issue of our magazine, the offer pleads. If you don't like it, just write "cancel" on the invoice and you can keep the free issue but owe nothing.

Jim Rabbitt says his 12-year-old daughter did that a few times while she was trying out different publications, but she then encountered a magazine that kept sending her bills even though she repeatedly tried to cancel.

Eventually, he says, Young and Modern Magazine sent her a "confidential" collection notice which threatened that if she didn't pay she would have difficulty obtaining college loans or borrowing other money in the future.

Rabbitt, a consumer protection supervisor at the state Department of Agriculture, Trade and Consumer Protection, related the story recently while testifying at a hearing on a bill that would regulate "negative option" billing and sales practices.

Negative options billing plans such as book and record clubs generally involve a company offering you a "deal" or something for free if you agree to let them send you other merchandise.

Young adults and senior citizens are particularly vulnerable, Rabbitt said. After he wrote a strongly worded letter, the magazine stopped bothering his daughter, but he says many people in similar circumstances simply pay the bill.

The new law proposed by state Rep. Clifford Otte (R-Sheboygan Falls) would prohibit certain "negative option" billing practices such as:

- Billing a person for goods or services they did not order unless the billing complies with the federal law that regulates "negative option plans."
- Failing to provide a buyer who has made an agreement for additional goods or services with a right to cancel.
- Failing to provide a buyer who has made an agreement for additional goods and services with a written confirmation.
- Billing a buyer for postage, handling or similar charges without stating in the agreement that those charges will be part of the billing.

"Unless the terms of such agreements are clearly spelled out," Otte told the Assembly Committee of Consumer Affairs, "the consumer loses." Businesses are also hurt, he said, because "competitors are forced to adopt questionable billing practices to remain competitive."

Assistant Attorney General Bruce Craig, the author of a law review article about negative option plans, says an amendment may be needed to cover "continuity plans."

The way they work, he explains is that you order the first in a series of books or videos and agree to buy the first one for a specific price. Somewhere in the solicitation, however, is the understanding that they will send you additional releases at various points in the future. "It's a concern," Craig says, "because you didn't really order those other videos or books and don't know how much they will cost. You just went along with a general proposition."

State officials say they currently receive 90 to 100 complaints each year that relate to negative option billing practices, but told the committee they feel that may be "the tip of the iceberg."

Otte says he already has received a number of suggested changes that may be incorporated into a substitute bill. If you've encountered problems or were irritated by a negative option solicitation, now would be good time to contact your legislator, or write to me at Consumer Watch, The Capital Times, P.O. Box 8060, Madison WI, 53718.

• • •

"Records indicate you will soon change your name," is the way the official looking notice reads. Ed Malcheski says his daughter received the letter from a company called Federal Record Service Corp. after her engagement notice appeared in a newspaper.

The company offers to handle the "clerical details" of a name change if you mail them $15. Malcheski says the letter upset him, because "some people may not realize you can do this yourself free of charge."

Social Security Administration officials say they will provide the form and complete a name change free of charge for anyone who asks and provides the appropriate identification. They say they are "aware" of Federal Record Service Corp. and there is nothing illegal about the offer. That's because the company's solicitation says the charge is not a Social Security charge, but fees for the service the company provides.

*Bob Richards is a Madison-based consumer advocate.*

Capital Times 4-12-97

Bob Richards Capital Times **CONSUMER WATCH** 5-10-97

# Beware of the 'win a prize' booths at the fair

Richards

Several weeks ago we reported the story of Bob Hunt, a Madison reader who has lost money more than once after signing up for vacation giveaways.

For Hunt and many consumers like him, the place it all starts is often at a fair or a trade show where they encounter booths inviting them to sign up for the chance to win.

A fair is a great place for a guy to set up a "win a prize" drop box to collect names that are then later used for telemarketing, explains Jim Rabbitt, Consumer Investigation Supervisor at the Department of Agriculture, Trade and Consumer Protection. "Typically it's just an empty booth with a prize drawing box."

Rabbitt says he and his staff have been speaking to the citizen boards that operate County Fairs throughout Wisconsin. "The scammers," he says, "look exactly like the legitimate guys because the legitimate guys are also set up in temporary booths with card tables."

"One of the things that became clear is that people going to fairs or those types of outdoor events are relaxed, in a social setting, and not in a protective mode, and it's a perfect place for those guys to set up."

Rabbitt says he suggests that fair boards consider rules for all their booths, such as requiring consumers to be told if their name will be used for telemarketing and requiring all booths to be attended. "Many of these guys," he says, "won't stand and face the customers."

Rabbitt says every fair board he spoke with told him that, "Yes, they did have people last year soliciting consumers for these phony vacations."

So far, he says, fair boards in Sheboygan and Waukesha Counties have notified him that they have denied entrance to promoters that they had trouble with last year.

It's still very important, however, for consumers not to let their guard down.

Hunt thought he could resist the high-pressure sales tactics that he knew he would encounter, but found out otherwise. "It's too much of a throw of the dice," he says, "and they get your credit card number from you right away."

• • •

The Internal Revenue Service recently seized financial records of an Iowa company which had been the subject of a DATCP consumer alert. Home Business Technologies, of Fairfield, Iowa, offers to help consumers start home businesses and sells starter kits. The company sells its product through television "infomercials" and at seminars held at hotels and motels.

"There is significant risk associated with a number of the home business programs and other types of 'get rich quick' schemes offered through these infomercials," says Trade and Consumer Protection Administrator Bill Oemichen. "Our experience is that the consumer spends significant amounts of money and the promised rewards certainly were not there."

Oemichen has urged Wisconsin television stations to air consumer warnings if they chose to accept the money that infomercial producers pay to get their programs aired, and to consider avoiding the more questionable programs.

Oemichen says consumers who decide to attend a seminar need to be very careful. It's important, he says, to find out exactly what's being offered, what is the basis for the income claims, and what is the refund policy for the money they will ask you to pay.

Consumers often later learn, he says, that the income claims were "widely exaggerated," and then "you have trouble getting your money back."

• • •

Can there be such a thing as "geographic misrepresentation?" Local florists in a number of Wisconsin communities apparently think so.

Oemichen says his agency is investigating complaints from flower shops in Appleton and other communities about a flower company whose telephone book advertising "makes it appear as though it is a local company."

When consumers call the company, Oemichen says, they don't know they are being forwarded to a New Jersey company that takes their order and arranges for the flowers to be delivered.

Oemichen says the situation has prompted some legislators to consider a law that would define geographic misrepresentation. His staff is also investigating whether consumers "are being misled into paying more because the company is located out of state."

*Bob Richards is a Madison-based consumer advocate.*

Bob Richards CT 5/3/97 **CONSUMER WATCH**

# We're lagging Europe in privacy protections


Richards

She predicts it will only be a matter of time before the American public demands better privacy protection regarding personal information being collected about all of us.

When I talked with her about a month ago, President Clinton's Special Assistant for Consumer Affairs, Leslie Byrne, had just returned from Europe where she says consumers now have far more protection than Americans.

Since being named Director of the United States Office of Consumer Affairs last August, Byrne has made privacy issues one of her prime focuses.

More people are becoming aware, she says, that technology now makes it easy for personal information collected by agencies such as credit bureaus, motor vehicle licensing agencies, and professional licensing agencies to be merged and layered into other databases allowing almost anyone to "surf through people's private lives."

"It's a marketing gold mine," Byrne says. "They'll be able to tell what kind of medicines you take, what kind of vacations you take, what your income level is, what kind of cars you drive, and on, and on, and on."

However, the unrestricted sale of this private information, Byrne says, "really flies in the face of what I consider to be a constitutional question, your Fourth Amendment right to be secure in your person, papers and property.

Byrne says she is working to organize a White House Conference on Consumer Issues for next year centering on privacy and other "information age" issues.

"Consumerism hasn't kept up with the new economy," she says. "I think it's important that we all look to the best ways to explore consumerism in the new economy instead of trying to do these holding actions related to consumer protections born of the industrial age."

She points as an example to the European Union's Directive on Privacy.

Under these laws, she says, anyone doing business with European citizens must disclose what information about the consumer is going to be kept, where it will be stored, how it will be used and who the end users may be. Consumers must also be given the chance, without any penalty, to say yes or no to whether they want their information used in this way and consumers also must be given the opportunity to correct inaccurate information.

As European consumers begin to accept and expect these new rights, Byrne says, the global economy might mean that American businesses could be put at a competitive disadvantage. "They're not going to be able to trade overseas if we don't start to look at privacy the way the EU countries have looked at it. I think this is where the impetus is going to come for change."

Another strong reason for better data privacy standards, Byrne says, is the need to encourage consumers to feel they can trust conducting their business electronically. "It becomes an issue," she says, "of how do you make electronic commerce flourish when people have a distrust of it?"

Privacy advocates such as Wisconsin's Carole Doeppers point out that new federal laws dealing with topics such as illegal immigration, health insurance portability and welfare reform have added additional data privacy concerns.

The illegal immigration bill, for example, creates a new national database of information about everyone hired into a new job beginning in 1999, and will require states to either emboss or encrypt a person's social security number onto their driver's license. Both the health insurance bill and the welfare reform laws will create large new national databases.

Byrne says it's all part of the momentum building to comprehensively address privacy concerns. Prior to next year, however, her tiny federal agency may yet again be facing Congressional budget cutters.

"It's only through the insistence of the President that we are here today," she says. The U.S. Office of Consumer Affairs each year produces the "Consumer's Resource Handbook," a comprehensive national listing of telephone numbers and addresses where consumers can get help. You can get a free copy by writing to U.S. Office of Consumer Affairs, 750 17th Street, NW, Washington D.C. 20006-4607.

*Bob Richards is a Madison-based consumer advocate.*

## Young, Dan

**From:** Young, Dan
**Sent:** Friday, May 09, 1997 11:25 AM
**To:** Rep.Hasenohrl; Rep.Lehman; Rep.Black; Rep.Ott; Rep.Johnsrud; Rep.Urban; Rep.Williams
**Cc:** Whitesel, Russ
**Subject:** Consumer Affairs exec session - May 22

Please reserve 8:30 a.m. to 9:30 a.m.on Thursday, May 22, for the purpose of an executive session of the Committee on Consumer Affairs. A notice as to the exact bills that we will be taking action on will be distributed to your office, probably next week.

# CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT

September 9, 1997

To: The Members
Assembly Committee on Consumer Affairs

From: Representative Clifford Otte, Chair CO

Re: Scheduling

For your scheduling information, I wanted to let you know that the Assembly Committee on Consumer Affairs *will not meet on October 9th*. **We will be meeting on October 23rd** and will likely do so for most of the work day. **Please try to keep your calendars cleared for this date**. Thank you.

Also, we may have an executive session sometime this month, prior to session or between session days.

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# CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT


MEMO

TO: Members,
Assembly Committee on Consumer Affairs

FROM: Representative Clifford Otte, Chair C.O.

RE: News Articles

In addition to the weekly Consumer Watch column that I have been sending you, I am also sending you an article from this past weekend about privacy, particularly relating to consumer credit records, which I thought that you might find of interest.


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Bob Richards Capital Times 9/13/97 **CONSUMER WATCH**

# 'Open end' financing could have hidden costs


Richards

Sales people know.

If they can make it quick, easy and convenient, for their customers to borrow money, they will be more likely to sell their goods and services.

It wasn't that long ago that most consumers used credit cards almost exclusively for relatively small ticket items such as clothing and gasoline purchases, while installment loans were used for larger purchases, but that's changing.

In 1994, William J. Wesley, formerly of Waunakee, and his partner James Schendel, formerly of Menasha, began selling home satellite television dishes, using an "open end" type of financing similar to a credit card.

Their company, Home Cable Concepts, sold approximately 3,000 satellite dishes before seeking bankruptcy court protection in early 1995. Many consumers who purchased the satellite equipment for approximately $3,000 later complained that they did not find out that they had also agreed to pay 18 percent interest, until they received their first monthly statement.

Before consumers borrow money by signing an installment finance contract, the Wisconsin Consumer Act requires the seller to fully disclose costs such as the total number of payments, the monthly charge, all interest charges, and the total of all payments to be made.

Those same disclosures are not required at the time that a consumer applies for a credit card or other "open ended" types of credit, according to Assistant Attorney General Jim Jeffries, who says Wesley and Schendel were able to use that difference to their advantage by getting their customers to apply for open ended credit, rather than using a traditional installment finance loan contract.

"It's a way of getting around full disclosure," Jeffries says.

Consumers usually apply for an open ended or revolving credit arrangement like a credit card prior to making a purchase, he explains. The law requires consumers to be told all the conditions for this type of loan arrangement at the time they receive their credit card or their first statement.

The Justice Department did charge Wesley and Schendel with violating the state's home solicitation law. That law does require that before any door-to-door sale is consummated, "the seller shall fully disclose credit or finance charges . . . other than those made pursuant to prior existing open end credit arrangements."

Jeffries says the Justice Department's Office of Consumer Protection has helped 1,005 customers of Home Cable receive reductions of the interest being charged on their credit account, and that has resulted in refunds or credits of more than $650,000.

Wesley and Schendel were also ordered to pay civil forfeitures totaling $627,300 for 51 violations of the state's home solicitation law. Jeffries says many other consumers who initially made a purchase from Home Cable did exercise their three-day right to cancel.

"It's kind of a new twist," he says, "using an open end credit arrangement for door-to-door sale of a big ticket item." Illinois and Iowa, he says, "have run into the same problem with some home improvement contractors."

The bottom line is that before making any purchases with a credit card or any other type of "open end" or "revolving" credit, it's very important to know all the costs that will be later added to the purchase price. Don't use the credit line until you've received and understand that information.

• • •

The numbers are now in and they are large.

As Consumer Watch reported in July, Sears Roebuck and Co. has agreed to change its debt collection practices involving consumers who file for bankruptcy.

Attorney General James Doyle says as many as 1,100 Wisconsin consumers were affected by Sears' improper use of a "reaffirmation" agreement, in which consumers were allowed to keep their Sears credit card or keep the merchandise they had purchased in return for continuing to pay their Sears debt.

Doyle says a settlement negotiated by all 50 state attorneys general will return approximately $1.01 million to Wisconsin residents in the form of restitution.

*Bob Richards is a Madison-based consumer advocate.*

# Thieves use technology to steal identity

## Data services under fire

By Stacey Singer
Sun-Sentinel, Fort Lauderdale

William Dwyer lost his identity in 1994 at a Hollywood, Fla., used-car dealership in which he had never set foot.

That year, authorities told him, someone at the dealership probably dialed into the Equifax credit reporting bureau and rifled through electronic credit reports, looking for a good target.

The thief settled on Dwyer, an aerospace engineer for NASA in Houston. He copied Dwyer's private information and sold it to a Nigerian organized crime ring.

**'They usually get away with it — and it ruins people's credit for the rest of their lives.'**

Ed Madge
Broward County Sheriff's Office

"They got my Social Security number, and they were off to the races," Dwyer said.

Dwyer became victim of one of the fastest-growing crimes in the nation — identity theft.

Over the next four years the personal data about Dwyer and his wife, Sandy, were used to obtain 42 credit cards. The impostor Dwyers racked up charges throughout South Florida totaling $35,000. They bought everything from gas to groceries, leaving bill collectors to hound the real Dwyers.

The ordeal came to an end this year, Dwyer said, after the couple filed suit against more than 20 creditors for negligence in issuing the cards.

"People don't believe you," Dwyer said. "That was the worst part. They treated you like you were some sort of real, slick crook."

With a Social Security number and a few facts, thieves can appropriate identities to apply for driver's licenses, telephone service, car loans and charge cards, or to steal benefits such as pensions and Social Security payments. By one industry

Please see IDENTITY, Page 8A

Continued from Page 1A

estimate, about 1,000 people a day in the United States fall victim to the crime.

As personal information becomes easier to disseminate via computer, and more widely available to criminals, politicians are calling for new privacy protections.

They include banning the sale of credit headers, the identifying data used by credit rating firms, prohibiting the sale of Social Security numbers and making identity theft a specific federal crime.

In early August, President Clinton signed a related law barring Internal Revenue Service employees from snooping through tax files without a legitimate reason.

But South Florida police say it may be impossible to stop identity theft, which they say has become as commonplace as pickpocketing.

As politicians debate solutions, they're looking to the firms profiting from personal data.

Those companies range from Atlanta-based Equifax to Database Technologies in Pompano Beach, Fla. Feeling that glare, the firms argue that the benefits they provide, such as easy credit and fraud-fighting tools, far outweigh the risks of inadvertently assisting identity thieves.

Police say the crime of stealing someone's name and credit is so common that officers can do little except shrug.

When a report comes in about unauthorized utility hookups or charge-card applications, they file the crime report and hope a lead drops out of the sky, said Ed Madge, who supervises the economic crimes unit for the Broward (Fla.) County Sheriff's Office.

Unless the criminal is caught in the act of using the fraudulent documents, the cost and effort of an investigation is too much for the scale of the nonviolent crime, police say.

"They usually get away with it — and it ruins people's credit for the rest of their lives," Madge said.

Thieves obtain personal data in many high-tech and low-tech ways, he said.

Some thieves have stolen bills from a home mailbox or pulled receipts from the garbage. Some rifle through public records or misuse their access to credit bureaus such as Equifax and a similar, newer industry known as the individual reference, or "look-up" services. These services compile detailed dossiers on people, from buying habits to driving records.

Look-up services have generated the most controversy.

For a fee, companies such as Westlaw, Lexis-Nexis, Axciom, IRSC Inc. and Database Technologies Inc. sell data about anyone in the United States. Their customers include collection agencies, private investigators and prospective employers.

Data can include information such as Social Security numbers, as well as detailed descriptions of assets, purchasing patterns and anything available electronically through public records.

The profiles they develop are used by law enforcement, private investigators, journalists, businesses doing employee background checks, finance companies verifying records, bill collectors checking for assets, and more.

Fred Joseph, a Pompano Beach private investigator, uses his access to Database Technologies for nearly all of his investigations, whether it's for a business owner looking into a potential partner or future in-laws checking up on a prospective bride.

The look-up service charges $1.50 a minute. A person's profile, complete with Social Security number, latest address, driving history, professional licenses, gun ownership, car ownership and incarceration history costs between $15 and $30.

"I might order a criminal record or a driving record, I might pull up past addresses or see if they own any real estate or boats, see what kind of cars they drive," Joseph said. "You can run, but you can't hide."

As members of the public learn of look-up services, they're protesting, asking for their names to be removed from databases and alerting their congressional representatives.

over

Last year, three senators asked the Federal Trade Commission to investigate the industry after growing concerns about misuse of the data through identity theft. Sen. Dianne Feinstein, D-Calif., was outraged when her staff successfully pulled her Social Security number from the Internet in three minutes. A report is due later this year.

Feinstein isn't waiting. In April she introduced a bill to bar the sale of credit headers and to prevent state motor vehicle departments from disclosing Social Security numbers.

"We don't know where this information is going, or how it is being used," Feinstein said as she introduced the bill, dubbed the Personal Information Privacy Act of 1997. "These records can be disseminated around the world in seconds."

The look-up industry insists its members can police themselves.

Most refuse to sell to customers who don't have an obvious professional use for the information, such as lawyers or journalists. Others require users to agree to the responsible and legal use of the data, although they don't track their use.

Above all, look-up services say, they serve an enormous need in today's fast-moving, disconnected society, helping regulators and police fight fraud and find missing persons. They assist journalists' investigations and help single parents find ex-spouses behind on child support.

One police department found an abducted child, thanks to resources sold by Database Technologies, the company reports. The noncustodial parent had gone into hiding with the child — yet the address turned up in the database.

And the Association for Children for Enforcement of Support Inc., known as ACES, reports a 90 percent success rate locating deadbeat parents using the P-TRAK service of Lexis-Nexis.

If government tries to restrict look-up services, a group of the services warned in a paper presented to the FTC in June, they will assert First Amendment free-speech rights.

"They can't stop it — we're using public records," said George Bruder, spokesman for Database Technologies. The industry says it can and is policing itself.

Since Feinstein's staff easily bought her Social Security number, the company responsible, Westlaw, has made it much more difficult to access its databases online.

And after protests erupted last year throughout cyberspace over Lexis-Nexis' P-TRAK service, the company responded in two ways: It now allows people to see their own reports for about $10, compared to the $80 it normally charges its customers, and it no longer sells information with complete Social Security numbers.

Still, people's deep-seated fear of look-up services is justified, argues Beth Givens, director of the Privacy Rights Clearinghouse, based in California, and author of "The Privacy Rights Handbook: How to Take Control of Your Personal Information."

Her group has tracked several cases of people being denied jobs because of a shoplifting or drunken driving charge in their past — sometimes, in error. One of those was Bronti Kelly, a temporary department store worker in Temecula, Calif. Unknown to him, a person who found Kelly's missing wallet was caught shoplifting. The thief presented Kelly's ID as his own.

For the next four years, Kelly could not find work at another department store, and he didn't know why. Finally one store told him: a shoplifting incident appeared on his background check.

Today, Kelly is suing the look-up service, Stores Protective Association of California. The case is expected to go to trial in October.

"It is an invisible industry to the American public," Givens said. "If someone makes a decision about you, whether it's insurance or employment, you have no ability to know what they used to base that decision on."

She wants look-up services to notify people when information is sought about them, and to give them the opportunity to correct damaging errors.

The industry won't voluntarily go that far, saying it would be too costly. But it has vowed to educate the public about its resources and its role. In its remarks to the FTC, the look-up industry also promised to "protect against the misuse of the information" and to "take reasonable steps" to ensure its accuracy.

Where children are concerned, it promised not to sell nonpublic information, such as buying habits, without parental consent.

The industry argues that look-up services will help fight identity theft in the long run, not increase it, primarily by giving investigators a valuable search tool.

"In reality," the industry told the FTC, "eliminating or sharply restricting individual reference services would not curb identity fraud, but instead would permit it to continue with one less tool for preventing or stopping it."

In Dwyer's case, it took a Secret Service task force, investigating the Nigerian ring and others, to uncover the fraud and explain to him what happened to his stolen identity.

"A person who has this happen to them is totally innocent. You're just walking down the street and it just hits you," he said. "And then nobody believes you."

# CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT


MEMO

November 17, 1997

TO: Members,
Assembly Committee on Consumer Affairs

FROM: Representative Clifford Otte, Chair C.O.

RE: Credentialing and Licensing

The last issue of *Governing* magazine had a very interesting commentary on the issue of credentialing and licensing. In case you did not see it, I wanted to share a copy with you.

Enclosure: "Why We're So Hooked On Credentialism", *Governing,* Nov. 1997


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# Why We're So Hooked On Credentialism

My daughter's soccer coach recently completed a 32-hour training program and received her Class "D" coaching license. That means she has spent more time in training than coaches who have only an "E" or "F" license, but not as much as those whose credentials are stamped "A," "B" or "C."

As of now, this is really just a certificate; she could continue to coach a soccer team whether she had one or not. But within the next few years, it's speculated that the sport's governing bodies will create a National Youth License and give it an all-but-mandatory status. Lacking a properly trained and credentialed coach, teams would not be admitted into the local leagues that feed into the state and national soccer federations.

I don't plan to lose a lot of sleep over this. All in all, it will probably improve the quality of instruction that America's soccer-playing children receive. On the other hand, it seems a remarkable amount of effort to go to in regulating a job that can't really hurt anybody.

But, of course, we do that all the time. Human beings are credential-touting, license-loving creatures, and we have a well-documented history of imposing strict entry and training requirements on occupations and activities that by any rational policy standard wouldn't seem to need them.

Medieval Europe set the all-time standard for this. In the town of Flanders, for example, in the 14th century, anybody who wanted to work in the textile industry had to go to enormous lengths to prove he was up to the job. Becoming a draper required four full years of apprenticeship; certification to be a carpetmaker took eight years. I don't know what the life expectancy was in Flanders in the 14th century, but I suspect quite a few of these craftsmen spent more time waiting for the license than they had remaining to use it.

**We impose licensing on a whole range of occupations that don't warrant a great deal of vigilance.**

What could there be to making drapes or carpets that could possibly take so long to learn? Nothing, of course. The goal for these interminable periods of apprenticeship wasn't to protect the public or guarantee the purity of the cloth—it was to limit the number of workers and allow the lucky licensed few to rake in as many guilders as possible.

SOMEWHERE IN THE past 600 hundred years, we discarded that particular form of discrimination. I could open up as a master tailor tomorrow, my inability to sew notwithstanding. But the truth is, we are still nearly as irrational on the whole question of licensing as the burghers of Flanders were. We continue to impose credentialism on a whole range of occupations and activities that don't appear to warrant a great deal of vigilance.

When you get your hair cut, you can be reasonably certain that the person who cuts it attended barber or beauty college and passed a test to work in the state where he or she operates. When you sell your house, the agent who negotiates the deal is required to be a graduate of an officially recognized real estate training program.

Like the drapers' apprenticeship in the Middle Ages, this kind of licensure has more to do with maximizing the income of the practitioners than with protecting the public. A bad barber can cause you quite a bit of embarrassment, but he can't kill you. (Sweeney Todd was fiction.) Word of mouth is sufficient to force the incompetent practitioners out of business very quickly. It's not clear that governmental or quasi-governmental licensing of these occupations serves any public purpose here at all. The barbers and the Realtors won't agree with that, but I wouldn't either if I were in their position.

Not every profession or occupation is over-licensed. Some are under-licensed in the most perverse and incongruous ways. When you ride in an elevator, for example, you are very likely entrusting your safety to a crew of mechanics who don't have to meet any test of competence at all. Such training is available, but it is labor-sponsored training, and non-union mechanics aren't required to take the course. In Chicago, where there have been 11 elevator fatalities in the past five years, Mayor Richard M. Daley recently called for an elevator safety program that would license mechanics for the first time.

But such cases are the exception. Much more commonly, we don't make entry into a job too easy, but too hard. And we're very reluctant to roll back any licensing system once we've put it in place.

THE CASE AGAINST over-licensing is almost as well established as the existence of the practice: Milton Friedman made it forcefully more than three decades ago in *Capitalism and Freedom*, his libertarian economic manifesto. As far as Friedman was concerned, virtually all licensing was a vestige of the guild exclusionism of the Middle Ages, and none of it could be justified. "The pressure on the legislature to license an occupation," Friedman wrote, "rarely comes from the members of the public who have been mulcted or in other ways abused by the members of the occupation. On the contrary, the pressure invariably comes from the members of the occupation itself."

Friedman hated licensing so much he wouldn't even impose it on the medical profession. In his view, a 30-year-old certificate in Latin on an office wall is no guarantee of a doctor's compe-

tence, and patients shouldn't be fooled by it. He felt that allowing the open and unrestricted practice of medicine, subject only to legal liability for negligence, would do more to improve the quality of American medical care than the most careful licensing procedure ever devised.

What this argument mainly demonstrates to me is that even the most sensible ideas can be carried to the point of absurdity. But it does suggest a common-sense principle of licensing that most ordinary consumers would probably agree with: Where life and physical health are concerned, the burden of proof should be on the practitioner. Where they are not involved, the burden of proof should be on those who believe licensing is necessary.

I WOULD IMPOSE a second standard as well. I would argue that we should subject a job to licensing only when there is clear societal agreement about how the job is supposed to be performed. That argument brings us smack up against what is by far the most interesting licensing question in the country at the moment. What should we do about the training of teachers?

**The idea of de-licensing teachers has made little progress through the political thicket of education reform.**

Of all the reforms that have been proposed in recent years as ways to cure the national educational malaise, none makes more intuitive sense to most people than the idea that schools should be free to hire anybody who shows promise of teaching ability—whether that person has an education degree and a bagful of credit hours or not. The truth is, we still don't know much about what makes young children learn best. Why not let all sorts of people try teaching and see whose methods work?

But as reasonable as this is, it has so far made very little progress through the political thicket of American education reform. Although quite a few states have loosened certification rules by relaxing the requirement that teachers hold degrees in education, no state has made the radical move that makes the most sense: de-licensing teachers altogether and letting them learn their craft from anybody whose wisdom they respect.

It's no mystery why this is so hard to do: It faces massive opposition from the teachers' unions and the faculty and administration of the education schools. Recently, when the state of Arizona proposed to eliminate the requirement that teachers hold an education degree, the dean of the University of Arizona education college complained that "as soon as we open the gates to almost anyone to have the possibility or the responsibility for training teachers, we're entering a situation where we can't possibly have any quality assurance."

IT SOUNDS FAMILIAR. Change the name of the profession, and you have an argument that might just as easily have been used by the Arizona Embalmers Board or the National Association of Realtors—or the Flemish Drapers Guild.

It might be argued that the teaching establishment is merely using credentialism as a smokescreen for monopoly and economic privilege, just as Friedman would say, but I don't really think so. Teachers aren't out to defend a monopoly. They are out to defend the prestige and sense of self-worth that comes from having an occupational license that takes effort to obtain. Requiring a license doesn't make teachers better or weed out the incompetent, but it does create a badge of endurance that sets the holder apart from everyone else. If we just let anybody be a teacher, it would in some sense be a gesture of disrespect not only to the credential but to the person who studied a long time to get it.

Friedman understood this, in a way. "The puzzle is not why we have so many silly licensure laws," he wrote, "but why we don't have far more." But in treating the license issue purely as an economic phenomenon, I think he underestimated its larger psychological significance. When we penetrate to the core of the licensing problem, we are striking something very deep and stubborn in the human psyche.

The fact is, nearly all of us are hooked on credentialism more than we realize. We want to believe in licenses, certificates and training as reliable emblems of well-ordered competence in the everyday world. And we want to believe, in many phases of life, that if we simply do our homework and play by the rules, there will be a piece of paper waiting for us at the end that proclaims to the world that we should be taken seriously.

Sometimes there is. Many years ago, in a campaign for county judge in Florida, one of the candidates came across a potent issue to use against his opponent. The man had served time in a mental institution. And his challenger mentioned it in a debate. But the intended victim was quick to respond. "I've got a discharge certificate from the state hospital that proves my sanity," he said. "What have you got?"

Guess who won the election. G