

MAGAZINE TELEPHONE SCAMS



prepared by
**MOUNTAIN HOME AFB
GUNFIGHTER LEGAL OFFICE**



INTRODUCTION

If a telephone caller offers you a “special deal” on magazine subscriptions, listen carefully before you answer. A hurried “yes” may bind you to years of monthly payments for magazines you don’t want or could purchase elsewhere for less. In some states, including Idaho, an oral agreement to buy magazine may legally obligate you to pay for them.

Of course, thousands of consumers buy magazines from legitimate salespeople over the phone every year. Yet, according to the Federal Trade Commission (FTC), some consumers are tricked by fraudulent salespeople into paying hundreds of dollars for multi-year subscriptions.

RECOGNIZING DECEPTIVE SALES TECHNIQUES

Sales techniques for these magazine subscriptions vary. Sometimes, instead of an initial phone call, you may receive a postcard that mentions nothing about magazine subscriptions. The postcard may ask you to call about a contest, prize, or sweepstakes entry. If you call, you may be told about drawing dates or prizes. However, the conversation may soon turn into a sales talk about buying magazine subscriptions.

Examples of other deceptive sales tactics include the following:

- The caller may encourage you to buy without giving you total costs. They may offer magazines for small weekly payments. It may sound like a bargain until you find that you could be paying hundreds of dollars for subscriptions that regularly sell for less.
- The caller may say you are buying multi-year subscriptions for several magazines, when, in fact, the subscriptions will be for a shorter time.
- The caller may say they are “approved” or “regulated” by the federal, state, or local government; in fact, no governmental body actually approves magazine-selling operations.

HANDLING TELEPHONE CALLS

Listen carefully to the initial telephone sales presentation. If you are not interested in the offer, reject the offer and hang up. If you are interested but busy, ask the caller to contact you at a later time when you can focus on the sales offer. Some sellers may ask to tape your telephone conversation, saying it is for your protection. In reality, they might use the recording to “prove” you legally agreed to buy the magazines. Remember, an oral agreement can be a legally binding contract in some states, including Idaho.

To protect yourself, be suspicious when anyone tries to sell you something over

the phone. Ask detailed questions to gain complete information about what is being sold and the total costs involved. If your questions are not answered completely, dismiss the caller.

The following are questions to ask and tips to use when you get a telephone solicitation for magazines:

- Ask the caller's name, and the name, address, and phone number of their company. Ask what magazines they sell. Contact the company for verification before you place an order.
- Ask the total yearly cost of each magazine and the whole package.
- Always ask for a **written** copy of the sales terms to be sent to you before you agree to buy.
- Never give your credit card number over the phone or online unless you initiate the call or are familiar with the company.
- If you initially order magazines through a telephone solicitation, you may be called again. They may say they are calling to be sure you are satisfied, but they may also try to sell you more. Listen carefully.
- Be wary of giving your bank account number or sending your signature to telemarketers. Fraudulent sellers may say they need the information to send you a "gift." They may actually use it to debit your checking account.

CANCELLING SUBSCRIPTIONS

Once you agree to buy a subscription over the phone, you cannot simply call to cancel your order. If you want to cancel a verbal magazine subscription, take the following steps:

- When your sales agreement arrives, often in a plain or "junk mail" envelope, find the provision in the agreement that allows you to cancel your subscription (generally within 3 days of receipt). The cancellation notice may be difficult to find. It is often attached to an inside page of multiple copies of the sales agreement.
- Sign and return the cancellation notice by certified mail to the proper address, which may also be difficult to find because several addresses may be listed. If you cannot send it certified, photocopy the signed and dated notice for your records.
- Once you mail the cancellation, promptly contact your bank or credit card company to stop unauthorized payments.
- If the cancellation period has passed, the magazine company may not have to refund your money upon cancellation. If you fail to meet the contract terms for payment, you may receive notices and calls from collection agencies, or you may be threatened with legal action and a bad credit rating.

If you believe you have been victimized by a magazine telephone scam, call your state Attorney General or consumer protection office.

***This handout is general in nature. It is not a substitute for legal advice from an attorney regarding individual situations. (August 2021)**

For additional information on this and other legal topics, see the Air Force Legal Assistance Website: <https://aflegalassistance.law.af.mil>