

An Ethical Salesperson Will:

- Identify themselves as a salesperson. They'll explain the purpose of their visit upfront, naming the company or product brands represented.
- Respect the privacy of consumers by making sales calls at times that best suit the customer's convenience and wishes.
- Respect the consumer's right to end a sales call or visit at any time.
- Clearly explain the offer so that the consumer understands exactly what they are buying and how much they will have to pay. This information should be accurately represented on the order form, contract, or receipt.
- Use testimonials and product comparisons that are truthful, based on documented fact, and are not misleading.
- Not confuse the consumer, abuse the consumer's trust, or exploit the lack of experience or knowledge of the consumer.
- Show the name of the sales representative and his or her address or the name, address and telephone number of the firm whose product is sold on the order form, contract, or receipt.
- Clearly explain the terms and conditions for returning a product or canceling an order and ensure this information is on the order form, contract, or receipt.
- Not try to make the consumer cancel a contract made with another salesperson.



Reputable Direct Seller or Traveling Sales Crew?



Traveling sales crews are most often loose outfits, where teenagers and young adults are recruited to sell magazine subscriptions and candy, as well as other consumer items. The crews are constantly moving around the country in vans, peddling goods door-to-door. The young sales force live in a string of hotels, and most often walk away with no money for their efforts.

Danger to Young Salespersons

Youth and young adults are recruited by traveling sales crews with promises of high pay and nationwide travel. Often, the reality is long hours of work for little or no pay; malnourishment; and physical, sexual, and psychological abuse. Sometimes, those who do not “produce” are abandoned hundreds of miles away from home without a cent in their pockets. Others die in highway accidents or are assaulted on the streets or in customer's homes.

Rip-Offs

Common complaints from consumers include non-delivery of magazines or other products, non-receipt of refunds when requested, and incomplete receipts that make canceling the orders impossible. Other complaints involve overpriced goods, with prices for products like magazine subscriptions running at double or triple what a consumer would pay directly through the publisher.

Danger to Consumers

After long work days, the salespeople turn their earnings over to the crew leaders who dole out \$5 – 10 to each salesperson a day for food, laundry, and other personal needs. Some sellers survive by scamming or stealing from their customers, or worse. On a few occasions, traveling salespeople have even been convicted of rape and murder.

Fraudulent Claims

Many of these companies claim to be a not-for-profit company that supports programs to help kids or raise money for a community group or local charity. Often, the salespeople are instructed to tell potential customers that they live in the community or are a student at a local school. Others claim they are working to earn money towards a trip, scholarship, or prize. Whatever the ploy, the sales pitch is designed to play upon people's sympathy.



How Can I Spot a Traveling Sales Crew?

- **No ID:** A salesperson from a legitimate company will have an identification card (ID) or information confirming their relationship with the company.
- **No Permit:** Most traveling sales crews do not possess a local permit to sell. Your local police department can tell you if door-to-door salespeople are required to have a permit.
- **No Permanence:** Most traveling sales crews travel through multiple states. Casually ask if they get to travel to a lot of states in their job. If the answer is “yes,” they are probably part of a traveling sales crew.

If you're still not sure, and you like the product, ask them to return the next week. A traveling sales crew member is unlikely to still be in the area. A reputable direct seller will arrange for a later appointment.

What You Can Do

Buying from traveling sales crews risks your personal safety and encourages the companies' growth. If you suspect a salesperson is part of a traveling sales crew:

- ▶ Don't let them into your house.
- ▶ Don't buy.
- ▶ Don't give any personal information.
- ▶ Try to get the organization's name, whether they have a selling permit, and the license plate number, and report it to the police right away.

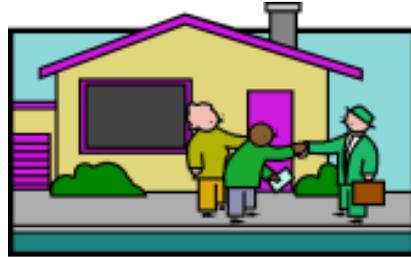
For more information on traveling magazine sales crews, visit:

www.nclnet.org/travelingsales

How a Good Company Operates

A good company is truthful.

Ethical companies instruct their salespeople to be truthful about themselves, the company, and the product. Salespeople are trained to introduce themselves and state the company and product at the beginning of the sales call. They will clearly present their product and accurately state the selling price, payment method, and delivery details.



Unethical companies will often use false or misleading statements in their sales calls. Listen carefully to what you are told and ask questions. Look closely at sales calls that tell or imply to customers that:

- they are in a contest and will win prizes for making sales — ask to see contest literature from the company to verify that this is not a trick or a gimmick.
- part of the purchase price of the product will benefit a charitable organization — ask to see company documentation on which charity will benefit and how much, or what percentage, the charity will receive.
- the customer has been “specially selected” to receive some benefit, or that any offer is special or limited — ask to see a company coupon or written details of the limited time offer.

A good company respects its customers.

The use of high-pressure tactics, such as intimidating or threatening customers, or refusing to leave until they buy something, is unethical. This is not the way a reputable company treats its customers.

A good company follows the law.

For door-to-door sales, federal law requires that salespeople tell customers purchasing more than \$25 worth of goods that they have a “cooling off” period of three business days in which they can change their minds and cancel the order. This right to cancel (and the company’s contact information) must also be clearly stated on the purchase order, receipt, or contract.

Some cities, counties, and states require a permit for companies to sell door-to-door. If required, an ethical company will obtain the permit and can produce it for customers and local authorities when they’re asked to show it.



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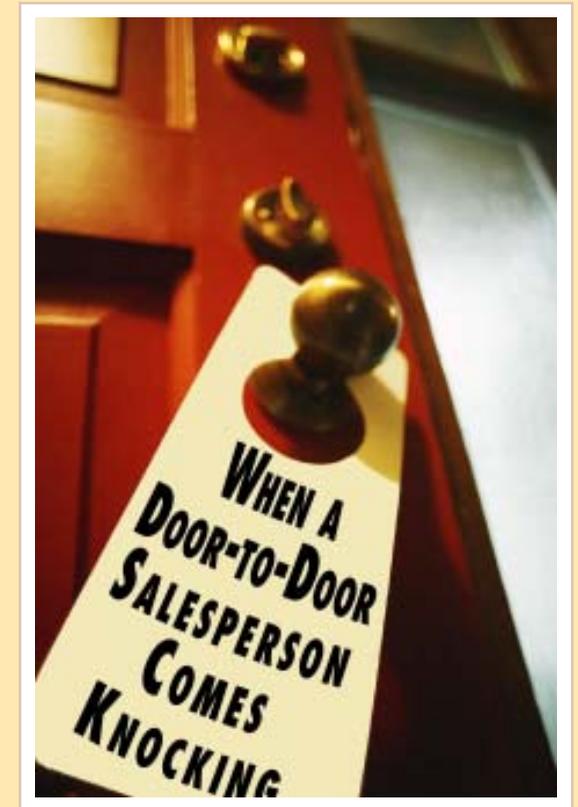


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Salespeople may come to your door to sell household items, cosmetics, magazine subscriptions, or educational materials.

Some may be honest and others may not. How can you spot the difference?



A consumer guide from the National Consumers League