

June 11, 1971

Q -- What would you say is the most common type of problem that the elderly come to the Consumer Protection Division about?

A -- Actually, it would be hard to say, for there really isn't any one area which far outweighs the others. But certainly one of the most common types of complaints we get concerns the investment of their retirement funds.

In many of these deals, problems arise when there has been an investment in a franchise and the company will not assist the franchise holder once the money has been received. Most elderly people who get involved, know very little about business and have been told how simple the operation will be for them once they buy the franchise. Actually, some of these companies are only interested in getting the money of the franchise purchaser -- not in promoting a business venture.

Examples -- Vending machines (stamps, candy, gum) up to Restaurants

Q -- In what other areas of business are elderly persons sometimes victimized?

A -- Misrepresentations designed to frighten a person into buying something he really has no need for is one of the most vicious practices I know of.

The home improvement area has a great deal of this in which salesmen tell people of "new laws" requiring thus and so, or do free inspections and then warn of dangerous consequences of failure to make repairs.

Not only do people buy what they don't need, but they obligate themselves to pay over long periods of time.

Q -- What about the area of criminal frauds. Do you find that many older people are victims of these flim-flam schemes?

A -- Yes I do, and I'm afraid it is because usually they are so trusting of strangers.

One common practice is the old "con" game in which someone is approached by a person who claims he has just "found" a pocketbook full of money and wants to "share" his good fortune.

Another scheme involves a call from someone who represents themselves to be a law officer or bank official who seeks the victim's help supposedly in "catching" someone, such as a teller, who he claims is suspected of embezzling money from the bank. The victim is asked to withdraw some of his own money to be used as part of the "plan" to trip this supposed thief.

Q -- Do you think that the proposed "Buyer Protection Act" now in the legislature will provide more protection for the elderly?

A -- Yes, very definitely. I think that in two areas it will be especially helpful to older people.

- (1) It will provide a 3-day "cooling-off" period for home solicitation sales.
- (2) It will provide some defense not now available against the holders of negotiable instruments which have been obtained on the basis of fraudulent representation.

Q -- Do elderly persons need any special protection from fraud?

A -- Many times, the elderly are lonely people, and I think this makes ^{them} more susceptible to the type of friendly persuasion that is typical of so many "con" artists.

When these elderly people are seldom visited by their children and friends, they are usually quite delighted to have somebody to talk to, and it is easy for them to mistake salesmanship for friendship.

Q -- How do you think that elderly people can best protect themselves from being defrauded?

A -- My advice to them would be to delay any purchase from a stranger, no matter how urgent a matter he might make it out to be and no matter how friendly he is. If he really has your interest at heart, he would want you to seek the advice of someone you trust.