

# **Consumer Protection**

## **CORRESPONDENCE SCHOOLS**

Education through correspondence schools can be a convenient source of real self-improvement for many people. However, disreputable persons sometimes use this desire for self-improvement to promote worthless schools and courses.

These organizations may promise degrees of high-paying jobs which they can't deliver. Some charge exorbitant prices for courses which may be offered at a minimal cost by a local college or university. Some require prepayment and then suddenly go out of business.

The courses may be out-dated over-simplified, inadequate or not prepare the student to take the requisite licensing exam. In addition, many types of professions cannot be adequately prepared for through correspondence alone.

The individual considering a correspondence course is encouraged to check the qualifications, reputation, and promises and performances of the school before payments.

The following guidelines are offered to assist the consumer:

1. Find out whether there are state or local licensing requirements in the desired field. Ask the licensing agency if the school's graduates qualify for licenses. In some fields, successful completion of correspondence courses is not enough. Actual classroom attendance or work experience in the field may be required.

2. Check with potential employers or unions to find out if jobs are available in the field for which training is offered and if the school's training will help obtain the job.

3. Compare the prices, promises and performances of dif-

ferent correspondence schools. Check with former students of the school. Request the names of local persons who have taken the courses.

4. Examine the school's catalog or brochure carefully.

5. Before signing, understand all the terms of the agreement, including the total cost, the method of payment, the course of study and any provisions for refund upon withdrawal. Get a copy of the signed agreement.

Any misrepresentation by a school should be reported to the Consumer Protection Office or the State Department of Education.

## **BUSINESS OPPORTUNITIES**

There are two basic types of legitimate franchises. The first involves the purchase of a sales territory for a product. The second involves the purchase of a business with property.

There are many people who haven't made profits through such franchises. But many have lost life savings by jumping into something they didn't understand. Some franchisers misrepresent the profit possibilities, the service they will provide and/or the quality or success of the product.

When considering a franchise investment, first find out about the company. Ask for a formal audited financial report. Have an attorney explain exactly what property and services are being purchased and what the commitment to the franchise holder will be. Ask a banker or tax accountant to explain the financial aspects.

Check with existing franchise dealers and talk to them about their operations, including income and any problems they might have. Look at the product and rely on common sense to judge whether it will sell.