

## DEPARTMENT OF THE ATTORNEY GENERAL

## **News Release**

NEIL ABERCROMBIE GOVERNOR

> DAVID M. LOUIE ATTORNEY GENERAL Phone: (808) 586-1500

RUSSELL A. SUZUKI FIRST DEPUTY ATTORNEY GENERAL

For Immediate Release: March 16, 2012

News Release 2012-07

## DOOR-TO-DOOR SOLICITATION BY FREEDOM UNITED SALES, LLC TIPS FOR DEALING WITH DOOR-TO-DOOR SALES CAMPAIGNS

HONOLULU –On March 15, 2012, the Department of the Attorney General issued a Cease and Desist Order to Freedom United Sales, LLC. Sales representatives of Freedom United Sales, LLC have been going door-to-door in Windward Oahu soliciting contributions for "care packages" for active U.S. Military service men and women. The sales representatives display identification and provide donors with receipts for the "care packages." Donors could easily assume the Freedom United Sales LLC is a charitable organization, but it is not.

Freedom United Sales appears to be a for-profit entity located in Beaverton, Oregon. Donations to Freedom United Sales, LLC are not tax deductible. The Better Business Bureau of Oregon has issued a consumer alert regarding Freedom United Sales, LLC, which indicates that this company is affiliated with a door-to-door sales company "Smartraiser, LLC." See <u>http://www.bbb.org/oregon/business-reviews/sales-promotionservice/freedom-united-sales-in-portland-or-22670351</u>. On March 1, 2011 the Oregon Attorney General issued a "Scam Alert" regarding door-to-door sales by representatives of Smartraiser, LLC.

In addition, Freedom United Sales, LLC is not currently registered with the Attorney General as a charitable organization that solicits contributions from the public as required by section 467B-2.1, Hawaii Revised Statutes. Hawaii law generally requires any organization that solicits contributions for a charitable, civic, patriotic, or benevolent purpose to register with the Attorney General.

The Better Business Bureau generally provides the following "tips" for responding to door-to-door sales campaigns:

Listen carefully and be aware of high pressure sales tactics. Some unscrupulous door-to-door sellers will put pressure on you to close the deal at that

News Release 2012-07 Freedom United Sales, LLC March 16, 2012 Page 2

moment, and even make special offers to entice you. Listen to their tone. Are they increasing in volume as they speak to you? Are they ignoring you despite saying you are not interested? Find a way to end the conversation quickly to avoid long, drawn-out pressure sales pitches.

**Stand strong.** Do not invite unsolicited salespeople into your home. If you do allow a salesperson inside and decide during the presentation that you are not interested in making a purchase, simply ask him or her to leave. If the salesperson refuses to leave, threaten to call the police, and follow through if they don't leave immediately.

Verify the individual and the company. If you are interested in buying from a door-to-door seller, get everything in writing including price, warranty and all conditions. Tell the salesperson you will check it out and get back to him or her. Ask for a business card and contact information. Look the company up yourself and check to verify that this person is an employee. Also, take the time to check out the company's BBB Business Review at www.bbb.org.

**Know your rights.** The Federal Trade Commission's Three-Day Cooling-Off Rule gives the customer three days to cancel purchases over \$25 that are made in their home or at a location that is not the seller's permanent place of business. Along with a receipt, salespeople should also include a completed cancellation form that customers can send to the company to cancel the agreement. By law, the company must give customers a refund within 10 days of receiving the cancellation notice.

Victims of fraudulent door-to-door sales can file a complaint with their Better Business Bureau at www.bbb.org or 1-800-388-2222, local law enforcement, and your state Attorney General's office.

###

For more information, contact:

Hugh R. Jones Supervising Deputy Attorney General (808) 586-1473 hugh.r.jones@hawaii.gov www.Hawai`i.gov/ag/charities Joshua Wisch Special Assistant to the Attorney General (808) 586-1284 Joshua.a.wisch@hawaii.gov http://hawaii.gov/ag/