

NEGATIVE OPTION CLUBS

If you are thinking about joining a CD, cassette tape, book, or video club, be sure you know what you're getting into. Most of these clubs offer deals which involve negative option marketing. That means you have to do something to decline an offer. If you do not make your own selection or notify the club that you do not want to make a purchase, the club will send you its selection for the month, and you will be billed.

Once you fill out and send in a coupon or agree to receive an "introductory offer" over the phone, you are committed to a binding contract with the company, agreeing to all the rules and regulations spelled out in the fine print of the offer. The offer may require you to buy a specific amount of merchandise during a limited period of time at regular club prices. The company will send out catalogs every few weeks with a card for you to send back. If you don't return the card, you might automatically receive the "special of the month" selection.

Read the Fine Print

Make sure you really want to join the club and can afford to make the necessary payments within the given time period. Read the entire offer thoroughly and make sure you understand all the terms of the contract.

Address Problems Promptly

When unwanted shipments and their invoices arrive, too many consumers toss the packages on a shelf and throw the bills in the wastebasket. To protect yourself, don't open unwanted shipments. If you do open the package, you will have to pay the cost of repackaging and mailing it. Unless you deal with the problem right away, the bills will keep coming -- each with a more threatening collection notice.

Contracts With Minors

If the contract was made by a minor without the consent of the parent or guardian, the contract can be canceled. Notify the company that the contract was entered into by a minor and return all previous shipments.

Everything in Writing

If you decide that you want to cancel a contract after you have met all the terms of the agreement, write a letter to the company telling them that you want to cancel. Include the date and your signature. Make a copy of the contract before you send it in. Record dates and times of calls and keep copies of all correspondence between you and the company. If you do run into problems, these records can be a big help in settling your complaint.

Consider your options - including buying locally - before joining a negative option club.