

## If It's Too Good To Be True . . .



Wouldn't it be great if you could just sit in your recliner, watching TV, and have all the disgusting toxins in your body pulled out through your feet with no effort on your part? That was a basic claim by the makers of the Kinoki "Detox" Foot Pads. It sounded too good to be true, but the images on TV showed white pads being placed on feet and then coming off very dirty, apparently full of the purged toxins. Surely, the potential health benefits were worth \$19.95 plus the \$9.95 for shipping.

### FTC Warning

Unfortunately, it wasn't true. On November 4, 2010 the Federal Trade Commission announced that these "ancient Japanese secrets to perfect health" were false, and subsequently banned the makers of the Detox Pads from selling or promoting these or any other products. While the defendants in this case were fined \$14.5 million the bad news is they have

no money with which to pay the fine. The bottom line is that thousands of people bought into the promise of something that was too good to be true and lost their money.

**\$20.00 to \$30.00 may not be much of a loss to some individuals, but this story is just one reminder of much larger too good to be true scams that have the potential to seriously hurt people financially. This wasn't the first time an entity such as the Federal Trade Commission caught and fined someone who was lying about their product while collecting millions in revenue from unsuspecting consumers.**



### FREE Money?

In 2009 the Better Business Bureau released a warning about a company called BBZ Resource Management. For about a year, BBZ was selling gift card vouchers to retailers who in turn could give them to customers as an incentive for their business. With the voucher, all you had to do was send in \$100.00 worth of receipts for the gasoline or groceries you purchased and you would receive a \$25.00 VISA gift card every month for 20 months. It sounded like an extraordinary deal. Someone could get up to \$500.00 in VISA gift cards just for buying gas or groceries like they usually did. The best part was that BBZ was selling the vouchers for about \$25.00 to store owners.

Retailers, around the country, bought millions of the vouchers. Their ads drew new customers in as they promised a voucher worth \$500.00 along with their purchases. As you may suspect, it was too good to be true. BBZ did not fulfill their promise.

When thousands of people started complaining there was an investigation. At one point investigators found mountains of unopened mail, containing customer receipts and claims, in the closets of BBZ's office. The store owners faced lawsuits, false advertising claims, and demands for cash as angry customers became aware of the truth. Just like the makers of the Detox Foot Pads, the owners of BBZ were found to have no money with which to reimburse customers.

## How Dangerous Can Shopping Be?

Consumers are surrounded by all kinds of offers, advertising, and gimmicks as they traverse the shopping arena. Even though they have many legitimate and reliable retailers from which to choose, they need to remember that there are still many bad guys out there as well.

In 2009 60 Minutes ran a story about the migration of the wildebeests and the challenges they faced on their journey. During one part of the journey, massive numbers of wildebeests had to cross a river

in order to get to food and shelter. The problem was that the river was crawling with alligators waiting for a meal of wildebeest.

Thousands of wildebeests crossed the river, they had to, in order to get the things they needed. However, a percentage of them were caught by the alligators. Consumers face a similar, although less dramatic, problem when they visit the market place. Just like those hungry alligators the wildebeests faced, consumers face predators as they traverse through the marketplace.



## Don't Get Eaten By The Alligators

The challenge to do better financially and improve your quality of life takes place on two fronts. The first is to outpace the challenges that have the potential to chip away at your standard of living. You fend those off, for example, by furthering your education, making yourself more marketable, and creating a safety net by living below your means. The second way is to take preventative measures in order to prevent harmful financial losses that can come from things such as sickness, divorce, job loss, car or appliance breakdowns, or trouble from bad purchasing decisions.

One way to safeguard yourself from losing money on purchases is to do your homework prior to spending. Thoroughly understand the seller, product, and circumstances under which you are purchasing. If the offer sounds too good to be true, be extremely skeptical. The web offers your best option in learning more about the legitimacy of offers you come across. Being an educated and savvy consumer will allow you to safely navigate the sometimes dangerous shopping experience! **TQR**

