

Approved March 28, 1997  
date

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Alicia Salisbury at 8:00 a.m. on March 25, 1997 in Room 123-S of the Capitol.

Members present: Senators Salisbury, Barone, Brownlee, Donovan, Feleciano, Jordan, Ranson, Steffes, Steineger and Umbarger.

Committee staff present: Lynne Holt, Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Betty Bomar, Committee Secretary

Conferees appearing before the committee:  
C. Steven Rarrick, Deputy Attorney General, Consumer Protection Division  
Bob W. Storey, Direct Marketing Association

Others attending: See attached list

**Confirmation of the reappointment of Gregory M. Windholz, Member, Public Employees Relations Board, term expires March 15, 2001.**

The Committee reviewed the material submitted by the Appointment Division of the Governors Office and determined to defer action until the required information is brought up to date by the appointee.

**HB 2462 - Consumer protection; three-day right to cancel in certain telemarketer business transactions**

C. Steven Rarrick, Deputy Attorney General, stated pursuant to the direction of the Committee at its March 14, 1997 meeting, he had consulted with Representative Herman G. Dillon regarding the redrafting of amendments to narrow the focus of the legislation. Mr. Rarrick submitted a suggested amendment to **HB 2462** to insert on page 2, Line 28 the following language: "any plans, packages and/or memberships related to health spa, physical fitness center, travel, vacation, resort, timeshare and/or campground promotions and/or clubs, or similar plans, packages and/or memberships." Attachment 1

Senator Donovan moved, seconded by Senator Brownlee, that **HB 2462 be amended**, on Page 2, Line 28, by striking the words "any goods or services", and further by inserting the following language: "any plans, packages and/or memberships related to health spa, physical fitness center, travel, vacation, resort, timeshare and/or campground promotions and/or clubs, or similar plans, packages and/or memberships." The voice vote was unanimous in favor of the motion.

The Committee took no further action on **HB 2462**

**HB 2479 - Notification of eligibility or selection to win a prize; application of restrictions**

C. Steven Rarrick, Deputy Attorney General, testified in support of **HB 2479** which includes oral prize notification in the definition of "prize notice" and changes the definition of "prize notice" by adding a definition of "promotion". The bill also increases from \$500 to \$1,000 the minimum amount that would be recovered by a person who suffered a monetary loss due to violation of the statute and eliminates exemptions for certain catalog sales, subscription or series purchase arrangements, and book, recording, and similar membership groups or clubs regulated by the Federal Trade Commission. Attachment 2

Mr. Rarrick stated the request for **HB 2479** is due to the number of complaints filed with the Consumer Protection Division related to mail order, contests, sweepstakes and telemarketing. The elderly are often the primary targets and victims of these companies believing their chance of winning big prizes increase with each entry, subscription or order. Mr. Rarrick stated there are 10 states which have legislation similar to current Kansas law.

Bob W. Storey, Direct Marketing Association (DMA), testified in opposition to **HB 2479**. Mr.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCE, Room 123-S Statehouse, at 8:00 a.m. on March 25, 1997.

Storey stated the proposed legislation deletes an important exemption currently in the law, an exemption approved by the Attorney General when enacted in 1994. DMA companies sell products and use promotional advertising to interest the public in opening the envelope to find out about the product and decide whether to buy it or not. The public can open the envelope or throw it away; it is up to the individual. **HB 2479** discriminates against the interstate direct marketing of products. Mr. Storey stated the present law adequately protects the public. Attachment 3

The Committee discussed the effect of the bill, but took no action.

Upon motion by Senator Donovan, seconded by Senator Ranson, the Minutes of the March 24, 1997 Meeting were unanimously approved.

Thee meeting adjourned at 9:00 a.m.

The next meeting is on call of the Chair.

# SENATE COMMERCE COMMITTEE GUEST LIST

DATE: March 25, 1997

NAME	REPRESENTING
Dino Corant	KCC
Bob Storey	DMA
Roger Franke	Nationsbk
Susan Baker	Hein + Weir
Jensen Salt	A. G
Steve Lavik	A. G



CARLA J. STOVALL  
ATTORNEY GENERAL

State of Kansas

## Office of the Attorney General

### CONSUMER PROTECTION DIVISION

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Supplemental Testimony of  
C. Steven Rarrick, Deputy Attorney General  
Consumer Protection Division  
Office of Attorney General Carla J. Stovall  
Before the Senate Commerce Committee  
RE: HB 2462  
March 25, 1997

Chairperson Salisbury and Members of the Committee:

Thank you for the opportunity to appear before you again on behalf of Attorney General Carla J. Stovall in support of House Bill 2462.

Pursuant to the Committee's request at the time of my original testimony on March 14, 1997, our office has reviewed the proposed language in HB 2462 and prepared some alternative language to narrow the focus of this particular bill. My staff did have an opportunity to visit with Representative Herman G. Dillon with regard to the concerns prompting the submission of this bill for consideration.

Attached is a balloon amendment with the proposed changes (page 2, line 28). We believe the simplest method to resolve the concerns of the Committee is to change "any goods or services" to "any plans, packages and/or memberships related to health spa, physical fitness center, travel, vacation, resort, timeshare and/or campground promotions and/or clubs, or similar plans, packages and/or memberships".

I would be more than happy to answer any additional questions you might have in regard to the proposed language and would urge your favorable consideration of HB 2462 as amended.

Thank you.

*Senate Commerce Committee*  
*March 25, 1997*

*Attachment 1-1 thru 1-7*

HOUSE BILL No. 2462

By Representatives Dillon, Adkins, Alldritt, Burroughs, Dean, Flaharty,  
Garner, Gilbert, Grant, Kirk, Klein, Kuether, Larkin, E.Peterson,  
Phelps, Reardon, Ruff, Sawyer, Toelkes and Welshimer

2-14

12 AN ACT concerning consumer protection; relating to telemarketers;  
13 amending K.S.A. 50-672 and 50-673 and repealing the existing  
14 sections.

15 *Be it enacted by the Legislature of the State of Kansas:*

16 Section 1. K.S.A. 50-672 is hereby amended to read as follows: 50-  
17 672. (a) (1) Any verbal agreement made by a consumer to purchase any  
18 goods or services from a telemarketer shall not be considered valid and  
19 legally binding unless the telemarketer receives from the consumer a  
20 signed confirmation that discloses in full the terms of the sale agreed  
21 upon.

22 (b) (2) The confirmation shall include, but is not limited to, the fol-  
23 lowing information:

24 (1) (A) The name of the telemarketer;

25 (2) (B) the address and telephone number at which personal or voice  
26 contact with an employee or agent of the telemarketer can be made dur-  
27 ing normal business hours;

28 (3) (C) a list of all prices or fees being requested, including any han-  
29 dling, shipping, delivery, or other charges;

30 (4) (D) the date of the transaction;

31 (5) (E) a detailed description of the goods or services being sold;

32 (6) (F) a duplicate copy with the complete information as presented  
33 in the original confirmation, to be retained by the consumer as proof of  
34 the terms of the agreement to purchase; and

35 (7) (G) in a type size of a minimum of twelve points, in a space im-  
36 mediately preceding the space allotted for the consumer signature, the  
37 following statement:

38 "YOU ARE NOT OBLIGATED TO PAY ANY MONEY UNLESS  
39 YOU SIGN THIS CONFIRMATION AND RETURN IT TO THE  
40 SELLER."

41 (e) (3) A telemarketer may not make or submit any charge to the  
42 consumer's credit card account until the telemarketer has received from  
43

1-2

1-2

1 the consumer an original copy of a confirmation, signed by the consumer,  
2 that complies with this section. Any merchandise sent or services provided  
3 without such written confirmation shall be considered as unsolicited  
4 goods subject to the provisions of K.S.A. 50-617 and amendments thereto.

5 ~~(4)~~ (4) No consumer shall be held liable for payment for any good or  
6 service provided by a telemarketer unless such telemarketer has first re-  
7 ceived the written consent of the consumer in the form of a confirmation  
8 as defined in this section.

9 ~~(e)~~ (5) In the event that the consumer sends payment to the tele-  
10 marketer in the form of a personal check, cash money, or any other form  
11 of payment other than credit card without having included a signed copy  
12 of such confirmation, the consumer shall have the right to choose at any  
13 time to cancel the sale by notifying the telemarketer in writing, provided  
14 the consumer returns to the telemarketer the goods sold in substantially  
15 the same condition as when they were received by the consumer. A tele-  
16 marketer that has received such notice to cancel from a consumer shall  
17 then, within 10 business days of the receipt of such notice:

18 ~~(1)~~ (A) Refund all payments made, including any down payment  
19 made under the agreement;

20 ~~(2)~~ (B) return any goods or property traded in to the seller on account  
21 of or in contemplation of the agreement, in substantially the same con-  
22 dition as when received by the telemarketer; and

23 ~~(3)~~ (C) take any action necessary or appropriate to terminate  
24 promptly any security interest created in connection with the agreement.

25 (b) (1) *Any consumer who is contacted by a telemarketer, **supplier**  
26 **or both**, asked to go to ~~the telemarketer's~~ **a supplier's** business estab-  
27 lishment in a fixed permanent location to listen to an offer for the sale of  
28 any goods or services from a ~~telemarketer~~ **supplier** and promised in re-  
29 turn a free gift or vacation for listening to such offer shall have the right  
30 to cancel any written agreement signed at ~~the telemarketer's~~ **a supplier's**  
31 business establishment in a fixed permanent location until midnight of the  
32 third business day after the day on which the consumer signs an agree-  
33 ment or offer to purchase which includes the disclosures required by this  
34 section.*

*any goods or services any plans, packages and/or memberships  
related to health spa, physical fitness center, travel, vacation, resort,  
timeshare and/or campground promotions and/or clubs, or similar  
plans, packages and/or memberships*

35 (2) In connection with any written agreement made the disclosure  
36 shall include, but is not limited to the following information:

37 (A) A fully completed receipt or copy of any agreement pertaining to  
38 such sale at the time of its execution, which is in the same language,  
39 Spanish for example, as that principally used in the oral sales presentation  
40 and which shows the date of the transaction and contains the name and  
41 address of the ~~telemarketer~~ **supplier**, and in immediate proximity to the  
42 space reserved in the contract for the signature of the consumer or on the  
43 front page of the receipt if an agreement is not used and in boldface type

2  
1

1 of a minimum size of 10 points, a statement in substantially the following  
2 form:

3 "YOU THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY  
4 TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AF-  
5 TER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED  
6 NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF  
7 THIS RIGHT."

8 For purposes of the required notices under this section, the term "buyer"  
9 shall have the same meaning as the term "consumer."

10 (B) A completed form in duplicate, captioned "NOTICE OF CAN-  
11 CELLATION," which shall be attached to the agreement or receipt and  
12 be easily detachable, and which shall contain in 10-point boldface type  
13 the following information and statements in the same language, Spanish  
14 for example, as that used in the contract:

15 NOTICE OF CANCELLATION

16  
17 (Enter date of transaction)

18 YOU MAY CANCEL THIS TRANSACTION, WITHOUT ANY PENALTY OR OBLIGA-  
19 TION, WITHIN THREE BUSINESS DAYS FROM THE ABOVE DATE.

20 IF YOU CANCEL, ANY PROPERTY TRADED IN, ANY PAYMENTS MADE BY YOU  
21 UNDER THE CONTRACT OR SALE, AND ANY NEGOTIABLE INSTRUMENT EXE-  
22 CUTED BY YOU WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING  
23 RECEIPT BY THE ~~TELEMARKETER~~ SUPPLIER OF YOUR CANCELLATION NO-  
24 TICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL  
25 BE CANCELED.

26 IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO THE ~~TELEMARKETER~~ SUP-  
27 PLIER AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD CONDITION AS  
28 WHEN RECEIVED, ANY PROPERTY DELIVERED TO YOU UNDER THIS AGREE-  
29 MENT OR SALE; OR YOU MAY, IF YOU WISH, COMPLY WITH THE INSTRUCTIONS  
30 OF THE ~~TELEMARKETER~~ SUPPLIER REGARDING THE RETURN SHIPMENT OF  
31 THE PROPERTY AT THE ~~TELEMARKETER'S~~ SUPPLIER'S EXPENSE AND RISK.

32 IF YOU DO MAKE THE PROPERTY AVAILABLE TO THE TELEMARKETER, AND  
33 IF THE ~~TELEMARKETER~~ SUPPLIER DOES NOT PICK SUCH PROPERTY UP  
34 WITHIN 20 DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY  
35 RETAIN OR DISPOSE OF THE PROPERTY WITHOUT ANY FURTHER OBLIGATION.  
36 IF YOU FAIL TO MAKE THE PROPERTY AVAILABLE TO THE ~~TELEMARKETER~~  
37 SUPPLIER, OR IF YOU AGREE TO RETURN THE PROPERTY TO THE ~~TELEMAR-~~  
38 ~~KETER~~ SUPPLIER AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PER-  
39 FORMANCE OF ALL OBLIGATIONS UNDER THE CONTRACT.

40 TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED  
41 COPY OF THIS CANCELLATION NOTICE OR ANY OTHER WRITTEN NOTICE, OR  
42 SEND A TELEGRAM,

TELEMARKETER SUPPLIER

1 TO \_\_\_\_\_  
 2 (Name of TELEMARKETER SUPPLIER)  
 3 AT \_\_\_\_\_  
 4 (Address of TELEMARKETER'S SUPPLIER'S Place of Business)  
 5 NOT LATER THAN MIDNIGHT OF  
 6 \_\_\_\_\_  
 7 (Date)

8 I HEREBY CANCEL THIS TRANSACTION.

9 \_\_\_\_\_  
 10 (Date) (Buyer's Signature)

11 (C) Copies of the "notice of cancellation" to the consumer, to complete  
 12 both copies by entering the name of the supplier, the address of the sup-  
 13 plier's place of business, the date of the transaction, and the date, not  
 14 earlier than the third business day following the date of the transaction,  
 15 by which the consumer may give notice of cancellation.

16 (D) Any confession of judgment or any waiver of any of the rights to  
 17 which the consumer is entitled under this section including specifically  
 18 such consumer's right to cancel the sale in accordance with the provisions  
 19 of this section.

20 (E) Inform each consumer orally, at the time such consumer signs the  
 21 contract or purchases the property or services, of such consumer's right  
 22 to cancel.

23 (3) ~~It shall be unlawful for any telemarketer to~~ A supplier shall not  
 24 fail or refuse to honor any valid notice of cancellation by a consumer and  
 25 within 10 business days after the receipt of such notice, to: (A) Refund all  
 26 payments made under the contract or sale; (B) return any property traded  
 27 in, in substantially as good condition as when received by the supplier;  
 28 (C) cancel and return any negotiable instrument executed by the con-  
 29 sumer in connection with the contract or sale and take any action nec-  
 30 essary or appropriate to terminate promptly any security interest created  
 31 in the transaction.

32 (4) ~~It shall be unlawful for any telemarketer to~~ A supplier shall not  
 33 negotiate, transfer, sell or assign any note or other evidence of indebted-  
 34 ness to a finance company or other third party prior to midnight of the  
 35 fifth business day following the day the contract was signed or the prop-  
 36 erty or services were purchased.

37 (5) ~~It shall be unlawful for any telemarketer to~~ A supplier, within 10  
 38 business days of receipt of the consumer's notice of cancellation, ~~fail to~~  
 39 **shall** notify the consumer whether the supplier intends to repossess or to  
 40 abandon any shipped or delivered property.

41 (6) Violations of subsections (b)(1) through (b)(5) shall be  
 42 deemed deceptive acts and practices as defined by K.S.A. 50-626,  
 43 and amendments thereto.

5-1



1 Sec. 2. K.S.A. 50-673 is hereby amended to read as follows: 50-673.

2 (a) The provisions of K.S.A. 50-671 through 50-674 and amendments  
3 thereto do not apply to a transaction:

4 (a) ~~That has been made in accordance with prior negotiations in the~~  
5 ~~course of a visit by the consumer to a merchant operating a business~~  
6 ~~establishment that has a fixed permanent location and where consumer~~  
7 ~~goods or services are displayed or offered for sale on a continuing basis;~~

8 (b) (1) In which the business establishment making the solicitation  
9 has made a prior sale to the consumer, is establishing a business to busi-  
10 ness relationship or has a clear, preexisting business relationship with the  
11 consumer, provided that relationship resulted in the consumer becoming  
12 aware of the full name, business address and phone number of the es-  
13 tablishment;

14 (e) ~~in which the consumer purchases goods or services pursuant to~~  
15 ~~an examination of a television, radio, or print advertisement or a sample,~~  
16 ~~brochure, catalogue, or other mailing material of the telemarketer that~~  
17 ~~contains:~~

18 (1) The name, address, and telephone number of the telemarketer;

19 (2) a full description of the goods or services being sold along with a  
20 list of all prices or fees being requested, including any handling, shipping,  
21 or delivery charges; and

22 (3) any limitations or restrictions that apply to the offer; or

23 (d) (2) ~~except as provided in subsection (b) of K.S.A. 50-672, and~~  
24 ~~amendments thereto~~, in which the consumer may obtain a full refund for  
25 the return of undamaged and unused goods or a cancellation of services  
26 notice to the seller within seven days after receipt by the consumer, and  
27 the seller will process the refund within 30 days after receipt of the re-  
28 turned merchandise by the consumer or the refund for any services not  
29 performed or a pro rata refund for any services not yet performed for the  
30 consumer. The return and refund privilege shall be disclosed to the con-  
31 sumer orally by telephone or in writing with advertising, promotional  
32 material or with delivery of the product or service. The words "satisfaction  
33 guaranteed," "free inspection," "no risk guarantee" or similar words and  
34 phrases meet the requirements of this act.

35 (e) (b) Any telemarketer who, pursuant to this section, is exempted  
36 from K.S.A. 50-671 through 50-674 and amendments thereto, impliedly  
37 warrants the goods or property to be satisfactory to the consumer to the  
38 extent that the consumer shall have the right to choose at any time within  
39 the seven-day refund period, to cancel the sale by notifying the telemar-  
40 keter in writing, provided the consumer returns to the telemarketer the  
41 goods sold in substantially the same condition as when they were received  
42 by the consumer. A telemarketer that has received such notice to cancel  
43 from a consumer shall then, within 30 business days of the receipt of such

1-6

1 notice:

2 (1) Refund all payments made, including any down payment made  
3 under the agreement;

4 (2) return any goods or property traded in to the seller on account of  
5 or in contemplation of the agreement, in substantially the same condition  
6 as when received by the telemarketer; and

7 (3) take any action necessary or appropriate to terminate promptly  
8 any security interest created in connection with the agreement.

9 Sec. 3. K.S.A. 50-672 and 50-673 are hereby repealed.

10 Sec. 4. This act shall take effect and be in force from and after its  
11 publication in the statute book.

1-7



CARLA J. STOVALL  
ATTORNEY GENERAL

State of Kansas

## Office of the Attorney General

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1-800-432-2310

#### Testimony of

C. Steven Rarrick, Deputy Attorney General  
Consumer Protection Division  
Office of Attorney General Carla J. Stovall  
Before the Senate Commerce Committee

RE: HB 2479

March 25, 1997

Chairperson Salisbury and Members of the Committee:

Thank you for the opportunity to appear before you today on behalf of Attorney General Carla J. Stovall to testify in support of House Bill 2479. My name is Steve Rarrick and I am the Deputy Attorney General for Consumer Protection.

The Attorney General proposed the amendments to K.S.A. 50-692 which are contained in HB 2479 and were passed by the House of Representatives. K.S.A. 50-692 was enacted in 1994 to provide protection to Kansas citizens from prize solicitations/notifications.

We receive numerous complaints related to mail order, contests, sweepstakes and telemarketing. Unfortunately, the elderly are often the primary targets of these companies. Attached to my testimony are examples of letters we have received from consumers which can be placed in one of two categories: (1) individuals upset they were deceived or (2) individuals asking us not to investigate matters brought to our attention by their families or friends because they are certain they will soon win at least one, if not several, of the contests they have entered.

A recent trend in sweepstakes and prize contests involves telephone prize promotions. These companies usually call with the fantastic announcement that, "Congratulations, you have just won.....". This often leads to an individual forwarding a substantial cashier's check, by overnight express, to pay items described by some of these businesses as "taxes", processing fees, redemption fees, shipping and handling charges, etc. Naturally, the consumer is soon calling our office to say they have not received their "prize". These types of oral prize notifications are not currently covered by K.S.A. 50-692, but would be covered by the proposed amendments.

What our office has discovered in attempting to apply K.S.A. 50-692 to traditional sweepstakes and prize contest companies involved in many of our complaints is that the statute does not apply to most of these companies because the definition of "prize notice" is too narrow and the exemptions in the statute are too broad. The Attorney General would like to see the requirements of this statute applied equally to all companies involved in prize notification schemes.

*Senate Commerce Committee*  
*March 25, 1997*

*Attachment 2-1 thru 2-27*

Statistics published in a Federal Trade Commission report (Fighting Consumer Fraud, January 1997) indicate that 57% of people 50 years of age and older were likely to receive telemarketing calls at least once a week. In addition, they report that 40% of all complaints received in the Federal Trade Commission/National Association of Attorneys General Telemarketing Complaint System related to prize promotions.

Based upon the above, Attorney General Stovall proposed the following amendments to K.S.A. 50-692. First, as mentioned above, our proposal would include oral prize notifications in the definition of prize notice and in the references throughout the statute. (p. 1, line 16; p. 2, lines 2, 27-29, 33-34; p. 3, lines 13, 29, 34).

Secondly, our office proposed changing the definition of "prize notice" (p. 1, lines 20-23) and adding a definition of "promotion" (p. 1, lines 24-26). These changes were suggested to increase the effectiveness of the statute as the current definition does not apply to the majority of the companies conducting contests or providing prize notices with sales solicitations. We have added the "promotion" definition as different companies use different terminology to describe their mailings or telephone solicitations.

On page 4, lines 11-12, we proposed increasing the private action penalty from \$500 to \$1,000 because of the increased frequency of prize notification and to make the penalty fit the act.

Finally, at page 4, lines 14-26, Attorney General Stovall proposed eliminating the exemptions in this statute. Although enacted in 1994, we have not located any prior testimony as to the reasoning behind the exemptions. The most common way for companies to avoid the disclosure requirements of this statute is to include some type of catalog with their promotion.

The Committee will likely hear testimony from individuals associated with well-known companies offering sweepstakes and/or prize notifications with their products. These individuals will tell you that their companies are legitimate and reputable companies, and, therefore, should not be required to comply with the disclosure requirements of this law. We believe this argument completely misses the point. It is not the legitimacy of the company that is the issue, but rather the promotion of sweepstakes and prize notifications without disclosure that leads people to believe their odds of winning increases with each purchase made. The Attorney General received a letter from an attorney for one of these companies last week that admits his company "often use[s] promotional tools like sweepstakes to generate excitement about their mail offers." In other words, sweepstakes help them sell their products! If these companies choose to use prize notifications to sell their products, they should be required to make the same statutory disclosures other businesses are required to make. By removing these exemptions, all companies will be placed on a level and fair playing field, and consumers will receive accurate information on their odds of winning the prizes offered. Finally, the Attorney General also questions whether exempting specific businesses without a rational basis for the exemption can withstand constitutional challenge.

Attorney General Stovall has proposed these amendments to help strengthen the statute and use its requirements to protect Kansas citizens from the overwhelming number of prize notifications they receive on a regular basis. Most of us simply throw sweepstakes and prize offers away. Unfortunately, as demonstrated by some of the letters attached to my testimony, many people

sincerely believe their chance of winning big prizes increases with each entry, subscription, order, etc.

On behalf of Attorney General Stovall, I urge your favorable consideration of House Bill 2479. Thank you.

[REDACTED]  
[REDACTED]  
[REDACTED]  
December 5, 1996

1 / 1 + 2  
1 / 1  
RECEIVED  
KANSAS ATTORNEY GENERAL

1996 DEC -5 A 10: 36

MEMO TO: All Sweepstakes/Junk Mail Initiators (Per Enclosed List)

I, along with my brother and sister, have assumed the responsibilities of overseeing our mothers' personal affairs since she is no longer able or capable of making decisions on her own.

Over the past years she has managed to be placed on an excessive number of mailing lists and receives numerous amounts of mail which are considered junk mail or gimmick mail. It is absolutely ridiculous trying to sort out the bona fide mail and the junk mail. Laws should prohibit these types of mailings. It is unbelievable the number of pieces of mail she has received that I am now attempting to sort through. My feeling is that it should all just hit the trash but I wanted to write this letter first. Any mail other than legitimate personal mail received subsequent to this letter *will* hit the trash. It is apparent that the more vulnerable a person is, the more mailings they receive. I can see where it can be very confusing to elderly people who receive these types of mailings. My mother has even gone so far as purchasing several dollars worth of new clothing, believing she was going to go to New York to accept her millions of dollars in winnings.

In any event, an attempt is being made to notify all interested parties of the situation. Since there are so many different pieces of mail, this letter is being sent to anyone who she has received something from in recent weeks.

There are several different categories this letter is directed to. She has subscribed to many types of magazines with the hopes of receiving some sort of "Special Prize, Gift or Money". She has made donations to many organizations thinking she was being billed for something. She has bought many worthless items just to enter a sweepstakes.

I now request that the name of [REDACTED] be removed from all mailing lists. If she has subscribed to a publication or has accepted some type of "gift" which she needed to pay for to be entered into a sweepstakes I request that the order or subscription cease and applicable refund made.

In the event you feel payment is due for some reason, please send me a signed document and if request is determined valid, payment will be considered.

Sincerely,

[REDACTED]  
[REDACTED]  
Durable Power of Attorney

cc: T. F. Robrahn, Attorney-at-Law, Burlington, KS 66839  
MS. Carla Stovall, Attorney General, State of Kansas

Harold Hitchcock Mystery Magazine, PO Box 5123, Harlan IA 51593  
American Family Publishers, PO Box 62000, Tampa, FL 33662-2000  
American Institute for Cancer Research, 1759 R Street NW, Washington, DC 20009  
American Paralysis Association, 500 Morris Avenue, Springfield, NJ 07081  
Anne Chamfort, 170 Boston Post Rd., Suite 103, Madison, CT 06443  
Arthritis Foundation, Kansas Chapter, PO Box 4284, Pittsfield, MA 01202-4284  
Auto Cash Admin. Award Section, 6400 E. Rogers Circle, Boca Raton, FL 33499  
Automobile Dist. Office, Sweepstakes Fund of America, International Home Shopping, Canton, OH 44767-0001  
Blair Menswear, 220 Hickory Street, Warren, PA 16366  
Buick Program Headquarters, PO Box 2024, Flint, MI 48501-2024  
Carolyn Davis, Reader's Digest, PO Box 2005, Marion, OH 43307-2005  
Cash Claim Center, 130 Business Center Drive, PO Box 869, Reistertown, MD 21136  
Cash Claim Service, 245 8th Avenue, Suite 342, New York, NY 10011  
Cash Control Headquarters, USPE, North Hollywood, CA 91611  
Check Of The Month Club, USPE, North Hollywood, CA 91611  
Citibank (South Dakota), N.A., PO Box 6048, Sioux Falls, SD 57189-6048  
Citizens State Bank, PO Box 718, Clara City, Minnesota 56222  
Consumer Value Network, PO Box 1229, Northridge, CA 91328-1229  
CVP Sweepstakes Awards (The Million Dollar Sweepstakes), Box 1788, Hicksville, NY 11855  
CVP Sweepstakes Awards, Box 1110, Westbury, NY 11595-0207  
CVP Sweepstakes Dept., PO Box 1085, Hicksville, NY 11855  
Dell Magazines, Sweepstakes Headquarters, 1270 Ave of Americas, New York, NY 10020

Department of Reward Issuance(W.J.Daniels), USPE,12150 Victory Blvd., N. Hollywood, CA 91611  
Dept. of Prizewinners Notification,Lindenwold Jewelers, 7800 Whipple Ave., NW, Canton, OH 44767-0001  
Direct Marketing Enterprises Ltd,Box 1315, Westbury, NY 11595  
Discover Card Services Inc., PO Box 5016, Sandy, UT 84091-5016  
Discover Card, PO Box 5770, River Forest, IL 60305-5770  
Easter Seal Society, 230 West Monroe St., Chicago, IL 60606  
Entertainment, PO Box 60001, Tampa, FL 33660-0001  
FC&A Publishing, 103 Clover Green, Peachtree City, GA 30269  
Firestone After-Harvest Getaways, 2633 Fleur Drive, Des Moines, IA 50321  
First Bankcard Center, PO Box 3331, Omaha, Nebraska 68103-0331  
First USA Bank, 201 North Walnut Street, Wilmington, DE 19801  
GE Capital Assurance, PO Box 91091, Seattle, WA 98111-8911  
Global Winner's Identification Center, 11765 West Avenue, Suite 550, San Antonio, TX 78216  
Global Winner's Identification Center, PO Box 2109, Vancouver, BC Canada V6B 3T5  
Globe Life & Accident Ins. Co., Globe Life Center, Oklahoma City, OK 73184  
Grand Giveaway Sweepstakes SP-32, PO Box 404, Sayreville, NJ 08871-0404  
Guideposts, 39 Seminary Hill Road, Carmel, NY 10512  
Hit the Jackpot Sweepstakes, PO Box 351, Sayreville, NJ 08871-0351  
House Beautiful, 250 West 55th Street, New York, NY 10019  
Institute of Cosmic Awareness, One Greentree Centre, Marlton, NJ 08053  
International Home Shopping, 7800 Whipple Ave NW, North Canton, OH 44767  
KFDI, PO Box 1402, Wichita, KS 67201  
Ladies Home Journal Magazine, 6060 Spine Rd., PO Box 53946, Boulder, CO 80322-3946  
Lady Agnes, 7620 Elbow Dr SW, Suite 614, Calgary, Canada T2V 1K2  
Leisure Arts, PO Box 2463, Birmingham, AL 35201  
Life, PO Box 60500, Tampa, FL 33660-0500  
Linda J. Fleming, 344 Maple Avenue W., Vienna, VA 22183-0789  
Lindenwold Fine Jewelers, 7800 Whipple Ave. NW, Canton, OH 44767  
Little Shelter, PO Box 8991, Topeka, KS 66608-8991  
Luxury Car/Cash Sweepstakes, PO Box 437, Sayreville, NJ 88871-0437  
Madame Vargas, 1744 Goldbach Ave, Lakeland, NY 11779  
Mayo Clinic, 200 First Street SW, Rochester, Minnesota 55905  
McCall's Prize Awards Department,PO Box 9251, Bridgeport, NJ 08014-9251  
Men's Journal, PO Box 57064, Boulder, CO 80322-7064  
Millionaires Circle Sweepstakes, PO Box 316, Sayreville, NJ 08871-0316

National Committee to Preserve SS and Medicare, 2000 K Street NW, Dept. 52014, Washington, DC 20096  
National Consumer Awards Cash Distribution Center, 6400 E. Rogers Circle, Boca Raton, FL 33499  
National Heart Council, PO Box 96914, Washington, D.C. 20090-6914  
National Park Trust, 1776 Massachusetts Avenue NW, Washington, DC 20036-1903  
National Parks & Conservation Association, 1776 Massachusetts Avenue NW, Washington DC 20036-1904  
National Sweepstakes Database Payments Section, Box 1085, Hicksville, NY 11855  
New York Magazine, PO Box 54638, Boulder, CO 80322-4638  
New York National Sweepstakes Prize Office, PO Box 9001, Wantagh, NY 11793-9001  
Nora Lam Chinese Ministries International, PO Box 5910, San Jose, CA 95150-5910  
North Shore Agency, Inc., 117 Cuttermill Rd., Great Neck, NY 11021  
Old American Insurance Company, PO Box 2417, Thomasville, GA 31799-9922  
Oxmoor House, PO Box 1862, Birmingham, Alabama 35201  
Perfume Sweepstakes, PO Box 1083, Hicksville, NY 11855-1083  
Physicians Mutual Insurance Company, 2600 Dodge Street, Omaha, Nebraska 68131-2671  
Powerful Secrets, Distribution Center, PO Box 15196, Montclair, CA 91763-5196  
Publishers Clearing House, 101 Winners Circle, Port Washington, NY 11050  
Publishers Clearing House, 382 Channel Drive, Port Washington, NY 11050  
Publishers Clearing House, PO Box 9561, Uniondale, NY 11555-9561  
Quick and Easy Crochet, PO Box 7129, Red Oak, IA 51591-4129  
Readers Digest, Prize Council, PO Box 1000, Marion, OH 43305-1000  
Retirement Income Newsletter, PO Box 21457, Santa Barbara, CA 93121  
Retirement Income Newsletter, PO Box 573, Mt. Morris, IL 61054  
Ronald J. Leslie, Sweepstakes Director, Reader's Digest, Pleasantville, NY 00401-0001  
S & H Marketing Group, Inc., 1505 Wallace Drive, Carrollton, Texas 75006-6639  
SETA Corporation, (W. L. Keim), 6400 East Rogers Circle, Boca Raton, FL 33499  
St. Jude Children's Research Hospital, PO Box 1818, Memphis, Tennessee 38101  
Sweepstakes Committee, Lewyt Street, Port Washington, NY 11050  
Sweepstakes Financial Services, 6400 E. Rogers Circle, Boca Raton, FL 33499  
Sweepstakes Headquarters, 6400 E. Rogers Circle, Boca Raton, FL 33499  
Sweepstakes Reporter, PO Box 10362, Kansas City, MO 64111  
Sweepwinners, PO Box 1000, Jericho, NY 11753  
The Billing Center, PO Box 60001, Tampa, FL 33660-0001  
The National Children's Cancer Society, 1015 Locust, Suite 1040, St. Louis, MO 63101  
The Reader's Digest Association, Inc., Pleasantville, NY 10570  
Time Inc., PO Box 362992, Des Moines, IA 50336-2992  
Time Life, 1450 E. Parham Road, Richmond, VA 23280  
Travel Opportunities, Inc., 2701 W, Oakland Park Blvd., #100, Ft. Lauderdale, FL 33311  
TV Guide, PO Box 5060, Radnor, PA 19088-5060  
U. S. Electronics, Inc., 16 West 25th Street, New York, NY 10010  
United States Commemorative Fine Art Gallery, Premium Merchandise Office, Canton, OH 44767-0001  
United States Purchasing Exchange, US Purchasing Exchange Bldg, North Hollywood, CA 91611  
Veterans Life Insurance Company, Valley Forge, PA 19494-9990  
Your Money, PO Box 3209, Harlan, IA 51593-4055



## CHECKS WRITTEN BY ██████████ FOR SWEEPSTAKES GIMMICKS (1994-1996)

CHECK NO	DATE	TO	AMOUNT
2181	1-20-94	Readers Digest	\$21.91
2191	2-17-94	Magazine Clearinghouse	\$99.83
2189	2-12-94	Publishers Clearing House	\$11.05
2195	3-4-94	Family Circle	\$11.97
2192	2-25-94	Publishers Clearing House	\$16.21
2193	2-25-94	Readers Digest	\$9.99
2186	2-8-94	Publishers Clearing House	\$11.97
2305	3-20-94	Publishers Clearing House	\$19.05
2304	3-19-94	American Family Publishers	\$11.96
2303	3-19-94	American Family Publishers	\$19.92
2302	3-19-94	American Family Publishers	\$15.98
2301	3-19-94	Publishers Clearing House	\$12.45
2198	3-10-94	Entertainment Magazine	\$18.63
2197	3-8-94	American Family Publishers	\$22.45
2312	5-6-94	Readers Digest	\$9.99
2191	5-26-94	Magazine Clearinghouse	\$66.55
2314	5-10-94	American Family-Publishers	\$9.95
2307	4-15-94	Publishers Clearing House	\$13.05
2319	5-13-94	Readers Digest	\$17.33
2309	4-23-94	Publishers Clearing House	\$58.63
2323	6-4-94	Publishers Clearing House	\$9.97
2324	6-4-94	Readers Digest	\$9.99
2313	5-10-94	Publishers Clearing House	\$25.44
2175	8-6-94	Publishers Clearing House	\$13.49
2174	8-5-94	Publishers Clearing House	\$16.21
2172	8-4-94	Heritage House, Inc.	\$35.80
2170	7-20-94	American Family Publishers	\$11.97
2208	8-20-94	Publishers Clearing House	\$8.99
2229	8-27-94	American Family Publishers	\$34.90
2233	9-6-94	Publishers Clearing House	\$33.74
2234	9-7-94	American Family Publishers	\$14.95
2235	9-13-94	American Family Publishers	\$14.95
2204	8-16-94	American Family Publishers	\$15.98
2227	8-19-94	Publishers Clearing House	\$45.57
2237	9-15-94	American Family Publishers	\$9.97
2240	9-20-94	American Family Publishers	\$9.97
2242	9-20-94	Publishers Clearing House	\$13.05
2244	9-27-94	Publishers Clearing House	\$10.98
2245	9-27-94	Time, Inc	\$19.88
2247	10-4-94	Publishers Clearing House	\$54.85
2133	12-3-94	American Family Publishers	\$7.97
2130	10-24-94	American Family Publishers	\$7.97
2132	11-3-94	Publishers Clearing House	\$11.05
2248	10-10-94	Publishers Clearing House	\$13.05
2250	10-14-94	Publishers Clearing House	\$7.60
2138	11-15-94	Readers Digest	\$2.47
2142	11-25-94	Publishers Clearing House	\$27.65
2143	11-25-94	Publishers Clearing House	\$10.89
2140	11-21-94	CVP Company	\$19.31
2144	11-26-94	SETA Corporation	\$48.18
2251	12-12-94	Readers Digest	\$27.70

2147	12-10-94	Publishers Clearing House	\$12.11
2253	12-19-94	Publishers Clearing House	\$24.94
2258	1-5-95	Readers Digest	\$22.46
2259	1-5-95	US Purchasing Exchange	\$35.00
2268	1-21-95	Boardroom Classics	\$9.99
2263	1-12-95	Publishers Clearing House	\$30.92
2269	1-22-95	Publishers Clearing House	\$13.45
2271	1-23-95	Publishers Clearing House	\$24.45
2272	1-23-95	Publishers Clearing House	\$9.97
2270	1-23-95	American Family Publishers	\$11.97
2274	1-28-95	Readers Digest	\$12.50
2273	1-26-95	CVP Company	\$18.70
2266	1-21-95	Publishers Clearing House	\$15.97
2275	1-30-95	CVP Sweepstakes Awards	\$13.70
2281	2-20-95	US Purchasing Exchange	\$14.00
2283	3-3-95	Bantam Books	\$9.98
2285	3-4-95	US Purchasing Exchange	\$21.34
2287	3-6-95	US Purchasing Exchange	\$66.02
2286	3-6-95	CVP Company	\$10.00
2292	3-15-96	CVP Company	\$13.75
2293	3-13-95	Publishers Clearing House	\$13.45
2221	4-8-95	US Purchasing Exchange	\$47.46
2300	3-27-95	US Purchasing Exchange	\$50.00
2219	3-31-95	Bantam Books	\$15.08
2298	3-23-95	Sweepstakes Award Section	\$15.31
2299	3-27-95	Inside Information	\$19.98
2297	3-23-95	CVP Sweepstakes	\$31.80
2294	3-15-95	Bantam Books	\$9.98
2295	3-15-95	Publishers Clearing House	\$15.05
2351	4-16-95	US Purchasing Exchange	\$38.36
2222	4-12-95	US Purchasing Exchange	\$49.28
2354	4-20-95	Publishers Clearing House	\$23.42
2326	4-12-95	US Purchasing Exchange	\$39.41
2360	5-3-95	US Purchasing Exchange	\$43.35
2352	4-19-95	US Purchasing Exchange	\$21.38
2359	5-1-95	Publishers Clearing House	\$24.95
2353	4-20-95	CVP Company	\$39.75
2355	4-22-95	CVP Company	\$17.95
2356	4-24-95	Publishers Clearing House	\$9.97
2370	5-9-95	American Family Publishers	\$9.97
2365	5-8-95	American Family Publishers	\$19.74
2364	5-5-95	Publishers Clearing House	\$52.87
2407	6-5-95	Publishers Clearing House	\$11.97
2408	6-8-95	Time Warner-Sony	\$14.20
2406	6-5-95	Bantam Books	\$21.94
2412	6-10-95	US Purchasing Exchange	\$65.35
2416	6-14-95	Sound Exchange-Sony	\$14.20
2366	5-8-95	CVP Company	\$17.90
2367	5-8-95	CVP Sweepstakes Dept	\$30.85
2375	5-15-95	Publishers Clearing House	\$6.27
2372	5-12-95	Publishers Clearing House	\$28.90
2374	5-15-95	Readers Digest	\$63.59
2405	5-31-95	Publishers Clearing House	\$12.30
2413	6-12-95	Bantam Books	\$13.09
2415	6-14-95	US Purchasing Exchange	\$41.39

2418	6-16-95	American Family Publishers	\$23.92
2419	6-22-95	US Purchasing Exchange	\$30.39
2426	6-24-95	Time	\$12.82
2421	6-22-95	SETA Corporation	\$24.94
2425	6-22-95	US Purchasing Exchange	\$35.39
2430	7-3-95	Publishers Clearing House	\$13.30
2427	6-27-95	Bantam Books	\$13.09
2429	7-3-95	Publishers Clearing House	\$12.45
2428	6-28-95	US Purchasing Exchange	\$50.36
2431	7-3-95	Life Publications	\$20.97
2433	7-3-95	Time Magazine	\$12.87
2432	7-3-95	Publishers Clearing House	\$13.30
2434	7-3-95	American Family Publishers	\$23.92
2435	7-3-95	Publishers Clearing House	\$11.97
2437	7-5-95	US Purchasing Exchange	\$47.39
2436	7-5-95	CVP Sweepstakes	\$15.80
2422	6-22-95	Publishers Clearing House	\$9.97
2443	7-11-95	Publishers Clearing House	\$6.50
2446	7-12-95	US Purchasing Exchange	\$39.40
2449	7-18-95	Publishers Clearing House	\$5.24
2448	7-18-95	Time Books	\$13.30
2450	7-20-95	Publishers Clearing House	\$2.00
2447	7-18-95	Midwest Living	\$18.88
2379	7-21-95	Money	\$7.88
2380	7-21-95	Agatha Christie	\$15.98
2383	8-2-95	Publishers Clearing House	\$12.97
2384	8-2-95	Time, Inc.	\$12.70
2381	7-31-95	Life	\$6.99
2387	8-7-95	Publishers Clearing House	\$13.20
2385	8-3-95	Harlequin Reader Service	\$5.48
2386	8-3-95	Bantam Books	\$15.98
2438	7-7-95	Readers Digest	\$22.04
2441	7-11-95	Money Magazine	\$7.88
2397	8-18-95	Readers Digest	\$16.74
2395	8-18-95	Publishers Clearing House	\$12.00
2396	8-18-95	American Family Publishers	\$9.97
2393	8-16-95	US Purchasing Exchange	\$30.86
2394	8-19-95	Bantam Books	\$13.09
2400	8-26-95	Readers Digest	\$8.88
2451	8-29-95	Publishers Clearing House	\$15.00
2454	8-29-95	American Family Publishers	\$9.97
2398	8-25-95	Publishers Clearing House	\$15.00
2453	8-29-95	Bantam Books	\$12.99
2455	8-29-95	Harlequin Reader Service	\$9.96
2452	8-29-95	Publishers Clearing House	\$12.00
2468	10-30-95	Publishers Clearing House	\$21.25
2473	11-3-95	Publishers Clearing House	\$15.97
2470	10-31-95	Harlequin Reader Service	\$9.96
2469	10-29-95	Consumer Digest	\$15.97
2472	11-3-95	Bantam Books	\$34.95
2551	11-10-95	SETA Corporation	\$26.94
2475	11-9-95	US Purchasing Exchange	\$39.00
2555	11-15-95	Men Journal	\$12.97
2553	11-14-95	American Family Publishers	\$9.97
2552	11-14-95	US Purchasing Exchange	\$33.36

2556	11-15-95	McCalls	\$11.98
2563	12-3-95	Readers Digest	\$26.22
2560	11-27-95	Publishers Clearing House	\$12.70
2554	11-15-95	Publishers Clearing House	\$7.95
2561	11-27-95	Bantam Books	\$39.27
2565	12-5-95	US Purchasing Exchange	\$43.42
2567	12-8-95	Publishers Clearing House	\$7.95
2564	12-5-95	SETA Corporation	\$24.19
2573	1-2-96	Harlequin Readers Service	\$9.96
2476	1-11-96	SETA Corporation	\$24.94
2478	1-22-96	Readers Service	\$9.90
2483	2-4-96	SETA Corporation	\$26.94
2486	2-6-96	Loveswept Books	\$13.09
2491	3-9-96	US Purchasing Exchange	\$52.41
2488	2-22-96	Time (Gift)	\$15.74
2509	4-7-96	Publishers Clearing House	\$6.23
2506	4-1-96	SETA Corporation	\$24.94
2507	4-1-96	SETA Corporation	\$10.44
2501	3-30-96	Oxmoor House	\$8.94
2497	3-20-96	SETA Corporation	\$35.94
2494	3-18-96	SETA Corporation	\$26.94
2495	3-20-96	Time --	\$7.85
2496	3-19-96	SETA Corporation	\$26.94
2493	3-15-96	SETA Corporation	\$14.85
2508	4-7-96	American Family Publishers	\$7.97
2513	4-13-96	SETA Corporation	\$27.94
2512	4-12-96	US Purchasing Exchange	\$78.31
2519	4-17-96	New York Magazine	\$18.70
2526	4-20-96	Publishers Clearing House	\$12.30
2516	4-16-96	SETA Corporation	\$49.85
2517	4-16-96	Publishers Clearing House	\$21.55
2521	4-18-96	SETA Corporation	\$41.99
2524	4-20-96	SETA Corporation	\$21.29
2523	4-20-96	SETA Corporation	\$21.99
2520	4-17-96	Time	\$7.85
2528	4-25-96	Publishers Clearing House	\$21.55
2518	4-17-96	SETA Corporation	\$85.00
2525	4-20-96	Time, Inc.	\$16.43
2535	5-17-96	SRC	\$12.00
2534	5-17-96	SETA Corporation	\$59.93
2537	5-20-96	Publishers Clearing House	\$49.85
2543	5-25-96	Publishers Clearing House	\$6.22
2545	5-28-96	Publishers Clearing House	\$25.46
2546	6-11-96	Publishers Clearing House	\$25.46
2547	6-11-96	Publishers Clearing House	\$2.95
2550	6-26-96	Lindenwold Jewelers	\$38.00
2582	6-28-96	SETA Corporation	\$16.94
2584	7-2-96	Publishers Clearing House	\$21.87
2585	7-2-96	Publishers Clearing House	\$90.75
2596	7-31-96	American Family Publishers	\$43.91
2597	7-31-96	American Family Publishers	\$16.97
2599	8-2-96	American Family Publishers	\$35.92
2587	7-18-96	Lindenwold Jewelers	\$27.85
2588	7-19-96	United Release Center	\$9.00
2592	7-20-96	Corporate Distribution Office	\$9.00

2590	7-22-96	Life	\$31.43
2591	7-20-96	Your Money	\$15.97
2594	7-27-96	Publishers Clearing House	\$29.89
2595	7-29-96	Publishers Clearing House	\$13.30
2602	8-19-96	Publishers Clearing House	\$14.47
2341	11-3-96	North Shore Agency	\$14.97
2617	11-17-96	Publishers Clearing House	\$43.88
			\$4,959.55

August 21, 1996

Carla J. Stovall  
Attorney General  
301 S.W. 10th Avenue  
Topeka, KS 66612-1597

ATTN: Ms. Stovall

This is in regard to my mother, [REDACTED] This has been going on for several years now and it has gotten out of hand.

My mother is 88 years old and very confused. She has been receiving sweepstakes brochures from: American Family Publishers House (800-237-2400), Reader's Digest (800-234-9000), and Publisher's Clearing House (800-645-9242).

[REDACTED] receives these sweepstakes entries and is so sure she is going to win and if she buys something she has a better chance. At one time, she was subscribing to about 30 to 40 magazines. She has gotten so possessed with this that she calls friends, family and doctors and tells them she's won the 10 million and she packs to go and dresses up on the date that Ed McMann is supposed to come. She even thinks Ed McMann is the one who is having the contest. Also, on the day Publisher's Clearing House is to come and surprise that someone, she gets up and dresses in her best clothes. She is so sure she is going to win. She talks all the time about her personal letters from all three. She is so obsessed she won't go visit family out of town because she'll miss Ed.

She won't even mail her return entries from anyplace but the Post Office because she doesn't trust her mailman or even the family to mail them for her. She has spent thousands of dollars on magazines, VCR tapes, book clubs and CD clubs. She has no VCR player or CD player and all the books are still packaged.

I knew that I had to try to stop them from sending her all this mail and I can't talk to her, she won't listen and says that's okay, if I win you're not getting any money from me. Then she gets upset and won't talk to me. So, I called American Family on March 13, 1996, and talked to Mrs. Venezia and explained everything to her and she assured me that after two months all mail would stop. On the same date, I called Reader's Digest and got Mrs. Brown, ID #0490822335, and talked to Lucia. She also assured me it would stop in two or three months due to the mailers made up in advance. I called Publisher's Clearing House and talked to Kathy. Same response so we waited. Everything is still the same. I called all three on July 17, 1996 - same response from them, except Publisher's Clearing House said as long as [REDACTED] is still sending orders, they will continue sending sweepstakes entries. I talked to a lady who's name was India. As long as they keep sending them, she'll keep ordering.

Then she told a grandson that Reader's Digest had sent her a bill for \$600.00 from a collection agency, also one for \$44.00 and \$24.90 from Publisher's Clearing House. So I called again on July 26, 1996 and asked Reader's Digest about the \$600.00 and found out she has really been spending the money for years. The man I talked to was Wade Erick. I explained it to all of them - she's 88, confused and really does not know what she is sending. Then she tells us, look what they sent me and I didn't order it. Of course she did and then she was turned over to the collection agencies. She had paid the \$600.00, I was told by either India or Wade at Reader's Digest.

All we ask is that her name be taken off the mailing lists. She will not know why she's not getting mail anymore. She's too confused, except when a sweepstakes comes. Please help get all this stopped, it's ruining her life in many ways, financially and peace of mind. She's so involved she forgets to mail her cable, electric bill, and telephone bill. I can only do so much without her finding out. Please see if you can get all three companies stopped from sending material to her. We would like all correspondence to come to us. We do not want [REDACTED] to know what we have done. When I called your office, I was told that she would never know. She can't take this financially or mentally any more. It is ruining her life and hurting all her family seeing her like this. Her whole life is wrapped up in all three sweepstakes.

Send all mail from you to: [REDACTED]

My mother's name is: [REDACTED]

Thank you for your assistance.

Sincerely, [REDACTED]

2-12

[REDACTED]

Tax  
1011

Dec. 3. 1996

RECEIVED  
KANSAS ATTORNEY GENERAL

[REDACTED]

1996 DEC -5 A 8:51

Carla Stovall Att. Gen.  
Consumer Ad., Ks. Judicial Ctr.  
Topeka, Ks. 66612

[REDACTED], my spouse ([REDACTED]) and I file joint  
Inc. Tax Returns, which I prepare; and she has been notified  
as the back side of this letter and the enclosed sheet of a photo-  
copy of part of the file show, she is to win, rather than as won  
\$1, 666 675.00. It as yet has not been paid to her.  
The State fo Ks. and the US. IRS. of course would have a stake  
in this.

Would you please notify them to withhold for Ks. and the IRS,  
as we find we file as of the Calendar yr. and it would be in this  
years income. Thank you.

Sincerely,

[REDACTED]

8-14



**GRAND PRIZE WINNING NUMBER SELECTED.**



**YOUR GRAND PRIZE CLAIM NUMBER ENCLOSED.**

And, if your Grand Prize Claim number is the Winning Number and you return it within 5 days, we will be pleased to confirm:

**WE NOW HAVE A NEW WINNER,**

[REDACTED]

**IS GUARANTEED PAYMENT OF  
\$1,666,675.00!**

**IMMEDIATE DELIVERY** 


19

Dear [REDACTED]

*It's absolutely official.* The paperwork is now complete and our Grand Prize Winning Number has been selected. Only one thing is needed prior to making the \$1,666,675.00 Grand Prize Winner's payment: we must receive the Grand Prize winning entry by the Official Deadline. And, if your Grand Prize claim number is the correct match with our selection, we'll announce:

**CLAIM NUMBER SA6H30165  
HAS NOW WON YOU \$1,666,675.00 CASH.**

Payment would commence when we have obtained necessary funds from the Lottery Commission.



TAS  
62.

[REDACTED]  
OCT 11 1996

Oct. 9, 1996

Dear Attorney General,

I'm writing this in behalf of my 78 year old mother in [REDACTED]. She received a phone call from an Al Pearson, phone #404-243-8296, telling her she had won two jackpots for a considerable amount of money, but she was to send \$700.00 to cover the taxes on her winnings to D M J, Inc., 3653-F Flakesmill Rd., Suite 306, Atlanta, Ga. 30034. She has heard nothing.

I tried the phone number he gave her but it has been disconnected. This appears to us to be a fraudulent operation, and I would appreciate your consideration on this matter immediately. If you have any questions, my phone number is 601-832-6611. Please find enclosed a copy of the original check that my mother sent to him. I would appreciate any help that you could give us on this matter.

Sincerely,

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

P.S. Mr. McShail, tax law specialist with the IRS in Chicago (312-886-4607) has been notified and is taking appropriate action where they are concerned.

Tr: [REDACTED]  
[REDACTED]  
[REDACTED]

Copy of cancelled check attached.

2-15

**ACTION YOU HAVE TAKEN**

HAVE YOU RETAINED AN ATTORNEY REGARDING THIS COMPLAINT? No IF SO, PLEASE STATE THE NAME, ADDRESS, AND PHONE NUMBER OF YOUR ATTORNEY:

HAS LEGAL ACTION BEEN TAKEN BY YOU OR AGAINST YOU WITH REGARD TO THIS COMPLAINT? No IF SO, PLEASE DESCRIBE THE CURRENT STATUS OF ANY LEGAL ACTION:

HAVE YOU FILED THIS COMPLAINT WITH ANY OTHER AGENCIES? Yes IF SO, LIST NAME OF AGENCY AND STATUS OF COMPLAINT:  
I called the National Fraud They told me to call the Attorney General Consumer Division.

**DESCRIPTION OF TRANSACTION**

PLEASE DESCRIBE THE TRANSACTION IN CHRONOLOGICAL ORDER (ADD ADDITIONAL PAGES IF NECESSARY).

on June 17-1996 I had a call from Reginal Vancroft telling me I was a top recipient winner for 1996. Telling me I won 2 Bonus Awards saying I won lots of money and a 1-10 Powerhome system. And Mr. Vancroft said it would cost a 1,000 dollars I said why do I have to pay if I won it. he said all big winners have to pay a fee. So he said to get 2-2500 Money Orders so I did the next day June 18-96 - They sent two papers to signed and I sent them back. I have a letter I am sending to it states what I won. I talked to Mr. Vancroft 3 times after this. I called him. The last time I called him he said that the awards would be late because of the ~~vacation~~. I don't know what he meant. I have called the Comp. said phone had temporary disconnected

**DOCUMENTATION OF THE TRANSACTION**

PLEASE PROVIDE COPIES OF ALL DOCUMENTS RELEVANT TO THIS COMPLAINT, INCLUDING ADVERTISING MATERIAL, CONTRACTS WARRANTY INFORMATION, RECEIPTS, LETTERS, CHECKS (FRONT AND BACK), PHOTOGRAPHS, ETC. FAILURE TO PROVIDE ALL RELEVANT DOCUMENTS WILL CAUSE UNNECESSARY DELAY IN THE HANDLING OF YOUR COMPLAINT.

**VERIFICATION**

IN FILING THIS COMPLAINT, I UNDERSTAND AND AGREE THAT THE ATTORNEY GENERAL AND HER STAFF ARE NOT MY PRIVATE ATTORNEYS BUT INSTEAD REPRESENT THE STATE OF KANSAS IN ENFORCING LAWS DESIGNED TO PROTECT THE PUBLIC FROM DECEPTIVE AN UNCONSCIONABLE BUSINESS ACTS AND PRACTICES. I UNDERSTAND THAT KANSAS LAW LIMITS THE PERIOD OF TIME DURING WHICH MAY FILE ANY PRIVATE LEGAL ACTION(S), AND I HAVE BEEN ADVISED TO CONTACT A PRIVATE ATTORNEY IF I HAVE ANY QUESTION CONCERNING THOSE TIME LIMITATIONS AND MY LEGAL RIGHTS WITH REGARD TO ANY PRIVATE ACTION(S). I FURTHER UNDERSTAND AN AGREE THAT THE CONTENTS OF THIS COMPLAINT MAY BE FORWARDED TO THE BUSINESS OR PERSON THE COMPLAINT IS DIRECTE AGAINST OR TO OTHER APPROPRIATE AGENCIES. FINALLY, I VERIFY THAT THE INFORMATION CONTAINED IN THE ABOVE COMPLAINT IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

~~\_\_\_\_\_~~ ~~\_\_\_\_\_~~

YOUR SIGNATURE  
(REQUIRED)

11-15-1996

DATE

2-16-96 COMP. FR

and Mr Vancroft said I made  
but like a bandit. told me  
was I standing or sitting ~~tho~~  
that I had better sit down because  
I won ~~a~~ 2 Bonus awards and  
asked how was going to spend it.  
he said I was the top winner  
of Fifty thousand people.

I dont know what going on  
down there I cant get a  
answer on the phone. Operator or  
answering machine is what I hear  
Mr Vancroft said something  
about a investigation. He didnt  
say what it was for. I also  
wrote a letter about 3 weeks  
ago. Havent heard or thing. I am  
72 yrs old and a thousand  
dollars is a lot of money to me.  
I would like my awards  
But if I cant get them I would  
like to get my money back.

Thank you

~~XXXXXXXXXX~~



RECEIVED  
KANSAS ATTORNEY GENERAL

1997 JAN -9 P 12:2

December 3, 1996 AM I received  
 a call from a Steve Dvorak  
 - a check cashing Co., 784 State R  
 Pompano Beach, Fl., 33304,  
 Telephone 1-800-767-5538.  
 Ext 32; telling me that I had  
 won \$5000<sup>00</sup> from a lottery  
 that I had played a year  
 ago; but that I had to pay  
 federal and state tax &  
 I could receive the \$5000<sup>00</sup> plus  
 \$165.  
 So like a fool I sent them  
 The \$5000<sup>00</sup> was supposedly  
 to have been sent by  
 Federal Express, so I had  
 to stop around my house  
 for the check.  
 Every day a different person

called me that I was to get  
the check. The names of  
the people that called was  
Steve Disordo, Steve DeLong  
Dave Pierce, Steve Wiley  
December 18th. Wiley called  
and told me the \$5000<sup>00</sup>  
was not any good because  
the company had gone  
out of business.

I know they covered me, &  
if I could get the \$1652<sup>00</sup>  
back I would be greatly  
appreciative.

[REDACTED]



RECEIVED  
ATTORNEY GENERAL  
DEC 30 A 3:05

State Of Kansas

Office of the Attorney General

CONSUMER PROTECTION DIVISION

301 W. 10TH STREET, LOWER LEVEL

TOPEKA, KANSAS 66612-1597

PHONE: (913) 296-3751 Fax: (913) 291-3699

Office Use
Agent: <u>TAS</u>
Category: <u>127</u>
File No.: <u>[REDACTED]</u>

CARLA J. STOVALL  
ATTORNEY GENERAL

CONSUMER HOTLINE  
1-800-432-2344

CONSUMER COMPLAINT

INFORMATION ABOUT THE CONSUMER  
(SIGNATURE ON BACK REQUIRED)

INFORMATION ABOUT THE COMPANY  
YOUR COMPLAINT IS AGAINST

NAME: MR. MS. [REDACTED] DATE OF BIRTH: [REDACTED]

ADDRESS: [REDACTED] APT. #: [REDACTED]

CITY, STATE, ZIP: [REDACTED]

DAYTIME PHONE #: [REDACTED]

HOME PHONE # [REDACTED]

I AM A: INDIVIDUAL CORPORATION

(CIRCLE ONE) SOLE PROPRIETOR PARTNERSHIP

COMPANY NAME: Raeve Trading Co.

ADDRESS: 421 N Rocko Dr. Suite 1515

CITY, STATE, ZIP: Beverly Hill, Calif 90210

PHONE #: 1-800-619-2864

SALES PERSON: [REDACTED]

CONTACT PERSON: Doris Scirius

INFORMATION ABOUT THE TRANSACTION

DATE OF TRANSACTION: Dec 1996 Dec 3rd

DID YOU SIGN A CONTRACT? no DATE SIGNED: \_\_\_\_\_ PLACE SIGNED: \_\_\_\_\_

PRODUCT OR SERVICE INVOLVED: \_\_\_\_\_

AMOUNT PAID: \$ 350.00 PAID BY: \_\_\_\_\_ CASH  CHECK  CREDIT CARD \_\_\_\_\_ LOAN \_\_\_\_\_

ARE YOU MAKING PAYMENTS ON A CONTRACT? no IF SO, LIST COMPANY NAME, ADDRESS, AMOUNTS PAID, AND YOUR ACCOUNT NUMBER: \_\_\_\_\_

FIRST CONTACT BETWEEN YOU AND THE COMPANY: (CHECK ONE)

PERSON CAME TO MY HOME

I TELEPHONED THE COMPANY

I RESPONDED TO A RADIO/TV AD

I RECEIVED INFORMATION IN THE MAIL

I WENT TO COMPANY'S PLACE OF BUSINESS

I RECEIVED A TELEPHONE CALL FROM COMPANY

OTHER (EXPLAIN) \_\_\_\_\_

WHERE DID THE TRANSACTION TAKE PLACE: (CHECK ONE)

OVER THE PHONE

AT HOME

AT THE COMPANY

BY MAIL

OTHER (EXPLAIN) \_\_\_\_\_

RESOLUTION SOUGHT

WHAT ASSISTANCE ARE YOU SEEKING? (CIRCLE ONE)

REFUND SERVICE PERFORMED PRODUCT DELIVERY OTHER

EXPLAIN: \_\_\_\_\_

IF YOU ARE SEEKING A REFUND, PLEASE STATE THE AMOUNT: \$ 350.00 2-20

PLEASE COMPLETE BOTH SIDES - INCOMPLETE FORMS MAY BE RETURNED

## ACTION YOU HAVE TAKEN

HAVE YOU RETAINED AN ATTORNEY REGARDING THIS COMPLAINT? No IF SO, PLEASE STATE THE NAME, ADDRESS, AND PHONE NUMBER OF YOUR ATTORNEY:

HAS LEGAL ACTION BEEN TAKEN BY YOU OR AGAINST YOU WITH REGARD TO THIS COMPLAINT? No IF SO, PLEASE DESCRIBE THE CURRENT STATUS OF ANY LEGAL ACTION:

HAVE YOU FILED THIS COMPLAINT WITH ANY OTHER AGENCIES? No IF SO, LIST NAME OF AGENCY AND STATUS OF COMPLAINT:

## DESCRIPTION OF TRANSACTION

PLEASE DESCRIBE THE TRANSACTION IN CHRONOLOGICAL ORDER (ADD ADDITIONAL PAGES IF NECESSARY).

On Dec 3-1996, I was called 3 times in one day on phone with this message, that I had won or been chosen to receive, to receive two gifts from the following group:

- 1- 1997 Ford Escort
- 2- Diamond ring
- 3- Home Entertainment Center
- 4- 2500.00 Cash

First I said no, as there would be some cash involved and I could not afford. He said it would be worth the small amount. He talked nice and sound so sincere. He said I had won this prize & that I should take it. He talked & talked to encourage me on it. He kept hoping I would decide to take - he also said he was doing this for me as he thought I would enjoy the car. That was all & he was to call me Monday & tell how to get the car & also that he had gotten the check. He never called & I hear any more until I get this invoice.

## DOCUMENTATION OF THE TRANSACTION

PLEASE PROVIDE COPIES OF ALL DOCUMENTS RELEVANT TO THIS COMPLAINT, INCLUDING ADVERTISING MATERIAL, CONTRACTS, WARRANTY INFORMATION, RECEIPTS, LETTERS, CHECKS (FRONT AND BACK), PHOTOGRAPHS, ETC. FAILURE TO PROVIDE ALL RELEVANT DOCUMENTS WILL CAUSE UNNECESSARY DELAY IN THE HANDLING OF YOUR COMPLAINT.

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YOUR SIGNATURE  
(REQUIRED)

Dec 25-1996  
DATE

221 13-93COMP.FRM

This is what he had me write -  
I ~~understand~~ understand that I  
am in a promotion and that with  
the order invoice I will receive two  
of the following awards  
1- 1997 Ford  
2- Diamond Rings  
3- Home Imp. Center  
4- 2500.00 Cash

Dec 3 - 1996

His name: ~~David~~ David Simms - as near as I  
can remember - David something  
421 N Rodeo Drive  
Beverly Hill Calif California  
90210

telephone - 1-800-619-2864

I am so hurt and ashamed that I would be  
taken in that way. I thank you a lot and hope  
something can be done with people like ~~me~~ <sup>him</sup> ~~me~~  
I should not let him encourage me to do  
that but I thought he was honest and I was  
needing a car - so I hope something be done  
with him. Not just for me but for other  
elder people like me. Thank you

2-22



# ROYAL TRADING INTERNATIONAL

Invoice

No. 76200

---

Purchase Item	Amount	Date	Payment
JFK COIN SET	\$625.00	DEC. 11/96	\$350.00

---

Customer

Address

Customer  
Code

Balance  
Owing

\$275.00

421 N. Rodeo Drive  
Suite 15-795  
Beverly Hill, CA, 90210  
Tel: 1 800 619 2864

3269 St. Jacques  
Montreal, Quebec  
H4C 1G8  
Tel: 1 514 933 0106

2-23

November 16, 1996

Teresa Salts  
Special Agent  
Consumer Protection Division

Dear Teresa:

I want to apologize to you for giving you the O.K. to go ahead with U.S.P.E. It really was a matter of financial problems getting the best of me, and U.S.P.E. got drug in on it. My sister, Joan had no business starting it in the first place. Big businesses know how to protect themselves, especially after 30 years of handling the public. Joan knew I was connected with them, then after she decided whether Ed + Dick were with Publishing clearing house, Readers Digest or whoever, that was the next place to go. I held my breathe. I've been working for U.S.P.E. and American Family Publishing for over a year and a half now. I've had no problems with either one of them. I have a good record, and a chance to make it big with one or the other, or maybe both. I've spent many years counting pennies, then I had to go and mess up my checking account, but good! I'm still trying to make it big so that I can pay off

a couple credit card companies, and then take it easy in my old age. — Joan probably has half of the first dollar she ever made, and she's afraid if I strike it rich I'll have more than she does. I think it all came from jealousy as a kid, and she never outgrew it.

As for the Order Forms and the communications with USPE that didn't have anything to do with "Hanky Panky"; They sent back bad checks that were mine. And as soon as I could, I sent money to clear the checks. This happened back in August. I was supposed to send back some of the merchandise to pay for some of the things I had bought. The people working there got the idea I didn't like what I bought, and were real concerned about it. So, that didn't work too good, and postage is too high for individual shipping.

So, now I'd like to go back to working for USPE. I'm sorry this all went as far as it did. A costly project for a foolish prank.

I hope I've said something to clear the air! Truly like doing sweepstakes, and I feel like it was my fault for you getting involved. Please forgive me, and would you forgive Bruce Stone for leaving

to handle a family matter. If you  
succeeded with Seta Corporation in Florida,  
you did a lot of good! He was a real pain  
in the neck! The first two months I was  
working for him, was right before Christmas and  
I bought nearly \$600<sup>00</sup> worth of jewelry for gifts  
for myself. Ever after that he was mad if I  
didn't buy anything. He was forever putting  
me down because of it. I could never get loose  
from him and he was going to give me \$25,000<sup>00</sup> to  
keep me there. But there was something wrong  
with my answers <sup>(always)</sup>. After I kept trying to stop his  
mail, I finally wrote to a Florida Supt. of  
Judge, and he got it stopped. For good, I hope.  
I hope things will be O. K.

Sincerely,

~~XXXXXXXXXXXXXXXXXXXX~~

D001

IDENTIFIED CANDIDATE NOTICE

ACTUAL MONEY & AWARDS

DEPARTMENT OF REPORTING  
KNOWN IDENTITY FILE

OFFICE OF PUBLISHED FILES  
ACQUISITION CONFIRMATION



RECORD OF DISTINGUISHED INDIVIDUAL

# MONETARY PAPERWORK

Dstnsd.Cndt. #40699757-7 T0158M AMA19

[REDACTED]  
[REDACTED]  
[REDACTED]

Full Confirmation Made on:

06/20/96

Signed on Record by AMA Office

Dear [REDACTED]

This is it... this is the letter we are sure you have been hoping to receive, it is final... your Identification and Distinction are complete and now on Record!

Your Known Identity was recognized by our candidate acquisition officer whom has Fully Confirmed you through your recent participation in a national promotion.

We know you must be very excited [REDACTED], and we are honored to reach you personally as Known Candidate now Distinguished as Fully Identified and appointed as:

RECOGNIZED  
CANDIDATE:  
Betty Thomas

DISTINGUISHED  
IDENTIFICATION:  
\* \* \* Fully Confirmed \* \* \*

I.D. NUMBER  
NOW KNOWN  
#40699757-7

AMOUNT CASH and PRIZES CONFIRMED  
IN A.M.A. REPORT

\* \* \* \$500,000.00 -- \$ FIVE HUNDRED THOUSAND DOLLARS -- \* \* \*

Now [REDACTED], as Distinguished Candidate with full identification for this notice, it is our duty and pleasure to inform you of and provide you the appointed A.M.A. paperwork for your immediate request for \$500,000.00 DOLLARS in Cash and Prizes for winner 100% Guaranteed to be paid.

The Full Amount of the Money and each Prize reported is guaranteed paid in full to entered winning candidate so please be sure that you complete and return your Distinguished Candidate Form included, and be sure of the spellings of your name and address.

\*You are already identified for entrant paperwork with receipt of this notice.\*

Actual Money & Awards, A.M.A. reports on amounts assigned to be paid and is sent to you immediately upon completion and receipt of your attached request form. Upon receipt of your completed form with the \$19.95 cost your participation opportunity is guaranteed for the Sweepstakes Cash & Contest Awards paid in full.

As a private reporting firm we carefully acquire and make available the entry directives for known cash, awards, and prizes which are then placed on report by A.M.A. for our important patrons countrywide whom desire to enter participation in such opportunities. We are not a government agency. We strive diligently in serving consumer entrant interests. All Monies and Prizes are sent directly by the reported providers.

\* \* \* We know you must be very excited [REDACTED] and again, we are so honored to have reached you personally as Distinguished Candidate on Record for Delivery at;

[REDACTED] - Dstnsd.Cndt. #40699757-7

re: \* \* \* \$500,000.00 Dollars in Cash and Prizes \* \* \*

At your request on your attached form we shall enact immediate delivery and we are so happy for you [REDACTED]

(Identification of: [REDACTED])  
(Reported Amount: \$500,000.00)

In waiting to attend you personally [REDACTED], we send our excitement and our sincere Salutations to you...

*Lauren Bridgmonte*  
Lauren Bridgmonte/Registrar

2-27 029204.WS

Bob W. Storey

on behalf of  
the Direct Marketing Association (DMA)  
3600 member companies nationwide  
16 member companies headquartered in 8 Kansas cities  
39 member companies with operations in Kansas

providing 117,730 direct marketing related jobs in  
Kansas and generating \$11.645 million in sales  
revenue in Kansas by using Kansas manufacturers,  
distribution centers, advertising agencies,  
printers and mailers, and 40 telephone marketing  
service companies providing over 4,500 jobs

according to 1996 figures provided by the WEFA  
Group, a leading economic and business forecasting  
and consulting firm, with offices in 9 states and 9  
foreign countries

these direct marketers include

a consortium of book and recording publishers and magazine  
sellers, and cataloguers

and

Magazine Publishers of America (MPA)

these unique direct marketers and publishers include

Reader's Digest  
Book-of-the-Month Club  
National Geographic  
Time Life Books  
The Mayo Clinic Newsletter

**We oppose HB 2479 in its current form**

HB 2479 deletes an important exemption currently in the law, an  
exemption approved by the Kansas Attorney General and the Kansas  
legislature when the law was enacted in 1994.

We sell products

we only use promotional advertising to interest you in opening  
the envelope to find out about the product to decide if you  
want to buy it

*Senate Commerce Committee*  
*March 25, 1997*

*Attachment 3-1 thru 3-7*

We are not doing anything different  
than 1994  
or 10 years ago  
or 40 years ago  
or 70 years ago (Book-of-the-Month Club was 70 years  
old in 1996)

We often give "a little something extra"

like a teddy bear with a Time magazine subscription

or

We give you a chance to enter a contest and maybe win a prize  
**We always award the prize**  
and no purchase is required to enter or win a prize

We advertise our products in your newspapers and magazines, on tv  
and cable, and also in your mailbox

The only difference between a newspaper ad or radio ad is we direct  
our offer to you. That is what direct marketing is. An offer  
directed to you.

**This law discriminates against interstate direct marketing of these  
unique products, never connected with fraud.**

We give you a gift  
or a chance to win a prize

because our customers like it  
expect it  
wait for it  
request it

it helps keep us in business

the same way the surprise keeps selling Cracker Jacks

We sell books  
videos  
magazines  
products through catalogs  
and special products  
like a map and guide to America's National Parks

**We provide satisfaction guaranteed**  
**all the time**

If you don't like it or change your mind  
return or cancel for a full refund

Here are some of our products

an offer for Ladies Home Journal with a tote bag

an offer to join **Children's Book-of-the-Month Club**

a book series for Home Repair by **Time Life** with a free tape measure

**Readers Digest** offers a large type edition of the magazine

**Doubleday Book and Music Club** offers a large print book club

an offer for **Crossings Christian Family Book Club** includes a tote

**Reader's Digest** has an offer for a book about America from A to Z  
with a chance to enter and win a sweepstakes

or

**Readers Digest** offers a catalog of books, recordings, and  
videos with a chance to enter a sweepstakes and offers a  
free gift with purchase

the teddy bear comes with a subscription to Time

this law would be so broad without the exemption that the  
teddy bear is defined as a prize under the law and the  
law requires a written prize notice about the teddy bear

this offer from **Doubleday Book Club** illustrates the unfair  
discrimination against direct mail for these unique  
products

the direct mail ad would be covered by the law

the magazine ad, exactly the same, would not be covered

the newspaper ad includes a chance to win prizes -- would  
be exempt from the law in a Kansas newspaper

Here are some envelopes we hope you, the consumer, would want to  
open

offers from **Smithsonian**  
**National Geographic**

Our envelopes may mention a prize or a chance to win in the hope  
you will want to learn more about the offer

and then decide if you want to buy the offer

it may say you have been specially selected, because you  
have



Why do we oppose the Kansas law requirements?

According to this law a written prize notice has to include

**7 items of information**

**on the first page of the notice --  
or in our case, the advertising**

**in a special type size  
and special language  
with special calculations about price**

This means that we have to give greater prominence to Kansas requirements than to the goods or services we are offering for sale. We are not fraudulent sellers. We sell real products, for decades, to consumers across America, including Kansas.

Remember

you can enter for free -- no purchase necessary and we  
say so

you can return or cancel any purchase for a full refund

We urge this committee to restore the exemption approved in Kansas by the legislature in 1994.



STATE OF KANSAS

## OFFICE OF THE ATTORNEY GENERAL

2ND FLOOR, KANSAS JUDICIAL CENTER, TOPEKA 66612-1597

ROBERT T. STEPHAN  
ATTORNEY GENERAL

March 14, 1994

MAIN PHONE: (913) 296-2215  
CONSUMER PROTECTION 296-3751  
TELECOPIER: 296-6296Honorable David Adkins  
Kansas House of Representatives  
State Capitol, Room 448-N  
Topeka, KS 66612

Dear Representative Adkins:

We received a letter from Mr. Bob Storey regarding a proposed amendment to House Bill 2612. We are aware that many states have added the following, or similar, language to their "prize notification" statutes:

"The provisions of Section 1 shall not apply to the sale or purchase, or solicitation or representation in connection therewith, of goods from a catalog or of books, recordings, videocassettes, periodicals and similar goods through a membership group or club which is regulated by the Federal Trade Commission trade regulation rule concerning use of negative option plans by sellers in commerce or through a contractual plan or arrangement such as a continuity plan, subscription arrangement, or a single sale or purchase series arrangement under which the seller ships goods to a consumer who has consented in advance to receive such goods and the recipient of such goods is given the opportunity, after examination of the goods, to receive a full refund of charges for the return of the goods, or unused portion thereof, undamaged."

We do not oppose Mr. Storey's suggested amendment. As we have indicated, we support your sponsorship of House Bill 2612.

Very truly yours,

OFFICE OF THE ATTORNEY GENERAL  
ROBERT T. STEPHANKathy Greenlee  
Assistant Attorney General  
Consumer Protection Division

cc: Mr. Bob Storey

America's companies

who use a free prize, gift, sweepstakes in a fair and legal manner

and would be burdened by the impact of Kansas law

<u>Better Homes and Gardens</u>	gift-scissors
Book-of-the-Month Club	gift- <u>Story of Civilization</u> Beethoven Symphonies
Children's Book-of-the Month Club	gift-coloring book
Columbia House Video Library	preview
<u>Consumer Reports</u> magazine	prize
Crossings Christian Book Club	gift-book
Disney Books	gifts
DOUBLEDAY LARGE PRINT LIBRARY	gift-tote
<u>Forbes</u> Magazine	gifts-2 books
Harringtons (meats)	gifts-bacon and cheese
Harvard Health Letter	gift-booklet
Jewish Book Club	gift-book
<u>Kiplinger Washington Letter</u>	gift-book
<u>Ladies Home Journal</u>	sweepstakes
M.I. Hummel Club	gift-figurine
Mayo Clinic Health Book	gift-prescription book
National Geographic Society	gifts (3) gift-map flag poster
National Historical Society	gift
National Wildlife Federation	gift-watch
National Zoo	gift
<u>Naval History</u> magazine	gift-book
Norman Rockwell	gifts
Postal Commemorative Society	gift-gold stamp 1st day covers
Publishers Clearing House	sweepstakes
Reader's Digest	sweepstakes
Reader's Digest Kids Catalog	gift-playbook
Smithsonian	gift-poster free issues
Southern Living Books	gift-recipes
Spiegel	gift-catalog
<u>TV Guide</u>	win cash
<u>Time</u> magazine	gifts-bear travel guides sweepstakes
Time Life Cookbooks	gift-measuring cup
U.S. Postal Service	gift-free 1st day cover
<u>Washington Post</u>	free weekday delivery
WETA public TV	prize-car
World Book Encyclopedia	gift-video

these marketers alternate gifts and sweepstakes



## CONSUMER TIPS:

### TELEPHONE PREFERENCE SERVICE

#### ■ WHO SPONSORS THE TELEPHONE PREFERENCE SERVICE?

The Telephone Preference Service (TPS) is a free consumer service sponsored by the Direct Marketing Association (DMA).

Established in 1917, DMA is the oldest and largest national trade association serving the direct marketing field. Members of DMA market goods and services directly to consumers using such media as direct mail and catalogs, telephone, magazine and newspaper ads and broadcast advertising. DMA does not market commercial telemarketing lists; it acts as neither a source nor a clearinghouse for telemarketing lists directed toward consumers.

#### ■ WHAT IS THE PURPOSE OF TPS?

Experience has shown that many people enjoy receiving information about products or services in their homes over the telephone. Many consumers find telephone shopping to be a convenient way to shop. However, some consumers would like to receive fewer telephone solicitation calls at home. TPS is designed to assist those consumers in decreasing the amount of national commercial calls received.

#### ■ HOW DO CONSUMERS REGISTER WITH TPS?

Consumers may register with TPS by writing to:

**Telephone Preference Service  
Direct Marketing Association  
P. O. Box 9014  
Farmingdale, NY 11735-9014**

The consumer should include his/her name, address and telephone number (with area code) in the letter requesting name removal. Consumers must register with TPS directly; second party requests cannot be processed.