



# Consumer Issues

Winter 2003

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## Don't Become a Victim of False Weight Loss Advertising

In a recent press release, the Federal Trade Commission (FTC) warns consumers of false claims used by the marketers of weight loss products to lure consumers to the product. Three hundred advertisements appearing in major media outlets (newspapers, magazines, television) were evaluated for this study. The FTC reports that nearly 40 % of the advertisements evaluated made at least one false claim and 55 % of the ads had at least one statement or claim that was likely false. Two of the most common problems cited by the FTC were overstated long-term weight loss and claims that users could lose weight without adjusting eating habits and increasing exercise levels. FTC Chairman Timothy J. Muris remarked that the use of such advertising tactics “is not fair to consumers; it is not fair to legitimate businesses, it is illegal, and it will not be tolerated.”

Since 1992, two major trends have developed in weight loss advertising of which consumers should be aware. First, more products are advertised as pills or products that work without diet and exercise than products advertised as “low-calorie-meal-replacements”. Second, recent ads are more likely to make inaccurate boasts of success.

Source: “FTC Releases Report on Weight-Loss Advertising”.  
Federal Trade Commission.  
<http://www.ftc.gov/opa/2002/09/weightlossrpt.htm>

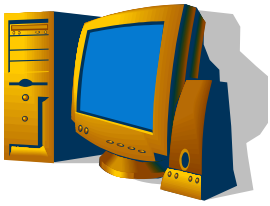
In order for consumers to protect themselves from these trends, the Federal Trade Commission has devised a list of tips for consumers considering the use of a weight-loss aid:



- Remember, in order to lose weight you must decrease the number of calories you intake and increase physical activity.
- If you lose weight quickly, you are more likely you to regain it. You should strive to lose about a pound a week.
- Miracle weight loss products do not exist. Be suspicious of products that advertise permanent weight loss.

### What's Inside

- ◆ Don't Become a Victim of False Weight Loss Advertising
- ◆ PA One of Top Five Locations for Victims of Internet Fraud
- ◆ Consumer Protection Week
- ◆ Preparing Your Car for Winter
- ◆ Can I Afford to Change Careers?
- ◆ 2003 Social Security and Medicare Changes
- ◆ Costs of Credit Reports Do Not Rise
- ◆ Winter Car Emergency Kit



## PA One of Top Five Locations for Victims of Internet Fraud

The National Fraud Information Center (NFIC)

recently listed Pennsylvania as one of the top five locations for victims of Internet fraud. Of the 28,164 consumers who reported internet fraud cases to the NFIC from January to September 2002, 4 % of the victims (1,225) lived in Pennsylvania.

In response to the growing number of Internet fraud incidences, specifically internet-driven auctions, the National Consumers League suggests some ways consumers can protect themselves when making auction purchases online.

- ❖ **Know the seller:** Check with state and local consumer protection agencies as well as the Better Business Bureau before you buy if you do not know the seller.
- ❖ **Understand how complaints are addressed:** Look for sellers who participate in mediation programs that provide them with operating standards.
- ❖ **Beware of unsolicited E-mails:** Most of the time, unwanted E-mails are not legitimate offers.
- ❖ **Safeguard personal information:** Share only the personal information needed to complete the transaction.
- ❖ **“Pay the safest way”:** Credit cards are the best way to pay for on-line merchandise because charges for never received or damaged goods and services can be disputed

Sources:  
“Internet Fraud Statistics.” National Fraud Information Center (on-line). 12 Dec. 2002. <http://www.fraud.org/02intstats.htm>.

McKay, Carol. “Online Auction Fraud Skyrocketing in 2002.” *National Consumers League* (on-line press release). 8 Aug. 2002. <http://www.nclnet.org/fraudweek2.htm>.

**Don't Forget!**  
**Consumer Protection Week**  
**February 2-7, 2003**  
**Theme: Online Security**

## Prepare Your Car for Winter



Imagine spending \$15,000 or more for an automobile and not taking care of it by getting it ready for the frigid winter weather. Thousands of consumers will fall into this trap. Not many of us will go out on a winter day without proper clothing. Yet, we expect our vehicles to perform under all weather conditions without any changes or regular check-ups. To increase the chance of your car or truck cranking up when you turn the ignition key in the coming months, prepare it for the winter. Have it winterized at your favorite car repair shop. Do-it-yourselfers can use the following checklist. While many of the tips below are common sense, many consumers might forget to take care of them before it is too late. If you haven't done so already, set a target date to have your car winterized each year, e.g. October 15. Your car and you will be glad you did.

- ☞ **Battery.** Clean the terminals and check the connection
- ☞ **Belts and Hoses.** Check for leaks, cracks, or bulges and check for secure connections
- ☞ **Brakes.** Pay attention to the amount of time it takes you to stop.
- ☞ **Fluids.** Check the fluid levels: oil, transmission fluid, brake fluid, antifreeze/coolant and windshield washer. Oil changes are usually recommended every 3,000 to 5,000 miles. Keep gas tanks filled to ½ or more to prevent the gas line from freezing during extremely harsh weather.
- ☞ **Hinges.** Lubricate door hinges and locks.
- ☞ **Lights.** Visually inspect to make sure headlights, taillights, and turn signals are working properly.
- ☞ **Tires.** Check pressure and for tread wear. Check the spare tire also.
- ☞ **Windshield Wiper Blades.** Inspect for brittleness and cracks. Keep spare pair in your vehicle.
- ☞ **Heating System.** Test to make sure it is working properly.
- ☞ **Wash and Wax** the exterior to help protect the exterior finish.

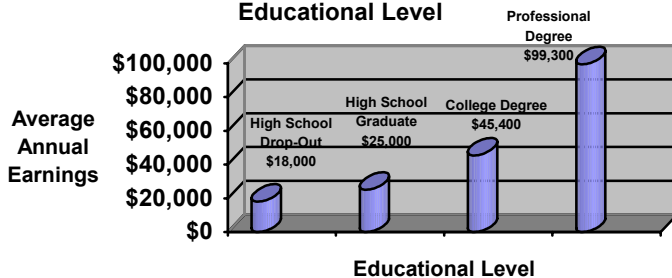
Reference:  
Getting Your Vehicle Ready for Winter:  
[http://www.pueblo.gsa.gov/cic\\_text/cars/glovebox/tm03.htm](http://www.pueblo.gsa.gov/cic_text/cars/glovebox/tm03.htm)

## Can I Afford to Change Careers?

Are you unsatisfied with your current career choice? Are you facing unemployment or possible unemployment because of the present economic environment in the United States? Are you wondering if returning to college or starting college for the first time would be worthwhile, financially and otherwise? Only you can answer that question as you have all the personal data that must be considered in your decision. However, information available from several government agencies could help you sort through the pros and cons as you make your decisions.

- **Bureau of Labor**—Career Information for Kids. Although designed for kids, adults will also find the explanations about the types of jobs, pay, and outlook for employment useful. Links are based on areas of interest: math, music/arts, sciences, physical education/outdoors, social studies, and reading. [http://stats.bls.gov/k12/html/edu\\_over.htm](http://stats.bls.gov/k12/html/edu_over.htm)
- **Consumer Information Center.** Click on Employment. This site contains links to user-friendly documents about future employment trends and tips for finding jobs. <http://www.pueblo.gsa.gov>
- **U.S. Department of Labor** <http://www.dol.gov>
- **Bureau of Labor Statistics** <http://www.bls.gov/emp/>

1999 Average Annual Earnings Based on Educational Level



Source: Bergman, Mike. "Census Bureau Report Shows 'Big Payoff' from Educational Degree." U.S. Department of Commerce (on-line). 18 July 2002. <http://www.census.gov>

## Social Security and Medicare 2003 Benefits and Changes

|  |              |
|--|--------------|
| 2003 cost-of-living adjustment (COLA)  | 1.4%         |
| Tax rate for employees   | 7.65%        |
| Social Security portion  | 6.20%        |
| Medicare portion   | 1.45%        |
| Tax rate for self-employed   | 15.30%       |
| Maximum taxable payroll earnings   |              |
| Social Security  | \$ 87,000    |
| Medicare   | no limit     |
| Retirement earnings-test exemption annual amounts  |              |
| Under age 65   | \$ 11,520    |
| Year individual reaches age 65   | \$ 30,720    |
| Maximum monthly Social Security benefit for worker retiring at age 65 and 2 months in March 2003 | \$ 1,741     |
| Estimated monthly SS benefits  |              |
| All retired workers  | \$ 895       |
| Couple, both receiving benefits  | \$ 1,483     |
| Widow(er)  | \$ 862       |
| Standard federal monthly SSI payments  |              |
| Individual   | \$ 552       |
| Couple   | \$ 829       |
| Maximum allowable assets for SSI   |              |
| Individual   | \$ 2,000     |
| Couple   | \$ 3,000     |
| Medicare Part B monthly premium  | \$ 58.70     |
| Medicare Part B deductible per year  | \$ 100       |
| Medicare Part A deductible, hospital stay:   |              |
| First 60 days  | \$ 840       |
| Copayment for days 61-90   | \$ 210/day   |
| Copayment for lifetime reserve days  | \$ 420/day   |
| Copayment for skilled-nursing Facility, days 21-100  | \$ 105/day   |
| Buy-in premium (worked less than 30 quarters)  | \$ 316/month |
| Buy-in premium (worked 30-39 quarters)   | \$ 174/month |

Source: Social Security Administration and Department of Health and Human Services

## Costs of Credit Reports Do Not Rise

Each year the Federal Trade Commission (FTC), sets the maximum allowable charge that credit reporting agencies can charge consumers to get a copy of their credit report. For 2003, the maximum charge allowed will be \$9.00 (excluding state taxes). The 1996 amendments to the Fair Credit Reporting Act directs the FTC to make this yearly change. The change in price is tied to the Consumer Price Index (CPI). It's a good idea to check your credit report yearly, for accuracy. To get a copy of your credit report, contact one of the three major credit reporting agencies.

- ◆ **Experian Consumer Assistance**  
P.O. Box 2104  
Allen, TX 75013-2104  
Telephone: 888/397-3742  
<http://www.experian.com>
- ◆ **Equifax Information Service Center**  
Attention: Consumer Department  
P.O. Box 740241  
Atlanta, GA 30374  
Telephone: 800/685-1111  
<http://www.credit.equifax.com>
- ◆ **Trans Union**  
National Consumer Disclosure Center  
P.O. Box 1000  
Chester, PA 19022  
Telephone: 800/888-4213 or 800/916-8800

## Winter Car Emergency Kit

It is that time of the year again! Time to make sure you are ready for a winter roadside emergency that might leave you stranded.

Below is a list of items that will help you prepare for the unexpected. Remember, it is better to have and not need than to need and not have.

### *Items to include in your Winter Car Emergency Kit:*

- ◆ Extra clothing (socks, gloves, hat, a pair of boots)
- ◆ Thermal coveralls and/or a poncho or rain coat
- ◆ Ice scraper
- ◆ Windshield washer fluid
- ◆ Flashlight with working batteries
- ◆ Empty coffee can with candles and matches for warmth
- ◆ Sleeping bag or blankets for warmth
- ◆ Reflective emergency blinker
- ◆ Bright neck tie or cloth to attach to the antenna
- ◆ Small shovel
- ◆ Bag of sand, cat litter, or traction mats (in case your vehicle becomes stuck)
- ◆ Tow rope or cables
- ◆ Pair of jumper cables
- ◆ Basic first aid kit
- ◆ Non-perishable food (cereal bars, peanut butter, crackers)
- ◆ Water
- ◆ Easy to open canned fruit or vegetable juices
- ◆ Tools such as a hammer, screwdrivers, wrenches
- ◆ Duct tape
- ◆ Cell phone
- ◆ Old plastic shower curtain to cover the ground if needed
- ◆ Reflective tape or a safety vest
- ◆ Small throw rug

*Reference:* "Winter Car Emergency Kit." Kansas State University Research and Extension (on-line).  
<http://www.oznet.ksu.edu/learnmore/PSAWinterCarEmergency.htm>

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<http://AgExtEd.cas.psu.edu/FCS/cimenu.html>

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