**Chapter 15 Study Guide** Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Part One: True or False**

*Indicate whether each of the following statements is true or false by writing a T or F on the line. If the statement is false, correct it by replacing the underlined term(s).*

1. \_\_\_\_\_ A good source for recommendations of products is the Better Business Bureau.
2. \_\_\_\_\_ The unit price for a 12-ounce box of cereal that costs $2.39 is 20 cents ($0.20).
3. \_\_\_\_\_ Products sold at factory outlets sometimes contain minor flaws.
4. \_\_\_\_\_ In small claims courts, generally lawyers present the facts and provide evidence.
5. \_\_\_\_\_ When a business controls the market for a product, it has a monopoly.
6. \_\_\_\_\_ If an returned item is billed to your credit card, you have 30 days to dispute it.
7. \_\_\_\_\_ When complaining about a product, you should contact the headquarters first.
8. \_\_\_\_\_ A specialty store offers a special line of products like a jewelry store.
9. \_\_\_\_\_ A product that is often less expensive because it does not require advertising or fancy packaging is a generic brand.
10. \_\_\_\_\_ When writing a complaint letter, you should include the original receipts, contracts, and warranties.

**Part Two: Matching**

*In the space provided, write the word or group of words that correctly matches each statement.*

impulse buying

express warranty

arbitration

fraud

store brand

implied warranty

small claims court

mediation

class action suit

national brand

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ The use of a third party to resolve a complaint.
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ A type of product advertised all over the country (Chips Ahoy).
3. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Providing false information to consumers to make a sale.
4. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ A court system to resolve cases involving small amounts.
5. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ A product the stores have their own name for (Craftsman).
6. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ A unstated warranty imposed by law and understood to apply.
7. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Results in a decision that is legally binding.
8. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ A promise of a quality of performance made orally or in writing.
9. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Buying too quickly, often at or near the checkout counter.
10. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ A legal action by one party on behalf of a group of people who all have the same grievance.

**Part Three: Government Agencies**

*Write the initials of the government agency that would be most concerned with the following consumer problems in the space provided.*

Food & Drug Administration (FDA)

U.S. Department of Agriculture (USDA)

Consumer Product Safety Commission (CPSC)

Federal Trade Commission (FTC)

Better Business Bureau (BBB)

1. \_\_\_\_\_\_\_\_ A business misrepresenting their product with false advertising.
2. \_\_\_\_\_\_\_\_ A company that is using unfair business practices to eliminate competition.
3. \_\_\_\_\_\_\_\_ A lesser-quality beef that is advertised as “prime”.
4. \_\_\_\_\_\_\_\_ A skin care product that causes a rash.
5. \_\_\_\_\_\_\_\_ An infant seat with a handle that does not latch properly.

**Part Four: Consumer Bill of Rights**

*Match each description with each consumer right. Write the word(s) on the line.*

The Right to…

* Be Informed
* Safety
* Choose
* Be Heard
* Remedy
* Consumer Education
* Service
1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Consumers have the right to learn about a business and its products. With this information, consumers are expected to decide the personal, economic, and social implications from their actions.
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Various laws exist that protect your right to seek legal remedy for problems with a business.
3. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ The government monitors business activity to prevent unfair business practices that might lead to monopolies.
4. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Consumers have the right to contact a business’ customer service department or organizations like the FTC or BBB with product or service issues.
5. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Consumers have the right to convenience, courtesy, and responsiveness to problems they encounter.
6. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Consumers have the right to learn about products through their labels and advertisements.
7. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Various government organizations inspect products to ensure they do not cause injury or illness to consumers.