

## Protecting Consumers

### Chapter Objectives

After completing this chapter, you will be able to:

#### ▶ Section 24.1 Consumer Organizations and Agencies

- **Explain** the steps consumers can take to find solutions to consumer problems.
- **List** nongovernmental consumer organizations that advocate for consumers.
- **List** some federal and state agencies that provide consumer information and protection.

#### ▶ Section 24.2 Consumer Protection Laws

- **Describe** ways that consumers are protected by laws related to the marketplace.
- **List** ways that the business community assists with consumer protection.

### Ask

#### STANDARD **Protecting Consumers: Protecting Investors & POOR'S**

**Q:** The U.S. government regulates the credit industry. How does it regulate the securities industry?

**A:** After both the crashes of 1929 and 1987, the government passed laws to protect against future crashes. The Securities Act of 1933 was designed to better regulate the market. In addition, the Securities and Exchange Commission was created in 1934 to ensure that the trading of securities is done properly. To this end, the SEC requires people intimately involved with a company to regularly disclose their stock holdings, as well as their intentions to buy or sell additional shares.

**Mathematics** The table below shows how devastating the stock market crash was to the economy. Read the table and write out the full amount that each number in the table represents.

Year	GNP*
1929	101.4
1931	84.3
1933	68.3
2004	12,151.00

\* In billions of dollars

#### CONCEPT

**Expressing Large Numbers** Sometimes, for simplicity sake, large numbers are abbreviated. To avoid placing zeros on the end of each number in a table, the numbers may be shortened, and a note will let you know how they were shortened.



● **Consumer Information** Advertisements provide information to consumers. **What types of information would you want to know before buying a dishwasher?**

# Consumer Organizations and Agencies

## Reading Guide

### Before You Read



Think about some public and private organizations or agencies that provide protection to consumers.

### Read to Learn

- Explain the steps consumers can take to find solutions to consumer problems.
- List nongovernmental consumer organizations that advocate for consumers.
- List some federal and state agencies that provide consumer information and protection.

### The Main Idea

Many public and private organizations work on behalf of consumers. Federal, state, and local agencies provide information and enforce laws that protect consumers. Consumer advocates work to protect, inform, and defend consumers.

### Key Concepts

- Nongovernmental Consumer Organizations
- Government Consumer Organizations

### Vocabulary

#### Key Terms

consumer advocates      legal monopoly  
 grade labels              licenses  
 recall

### Academic Vocabulary

You will find these words in your reading and on your tests. Make sure you know their meanings.

behalf                      supplements  
 panels                     assurance

### Graphic Organizer

In a figure like the one below, describe the consumer protection roles of the governmental agencies as you read the section.

Agencies that Protect Consumers	Agency Function
Federal Trade Commission	
Department of Agriculture	
Food and Drug Administration	
National Highway Traffic Safety Administration	
Consumer Product Safety Commission	
State Public Utilities Commissions	
State Insurance Commissions	
State Licensing Agencies	



Go to the *Introduction to Business* Online Learning Center through [glencoe.com](http://glencoe.com) for a printable graphic organizer.

### Academic Standards

#### English Language Arts

**NCTE 1** Read texts to acquire new information

**NCTE 9** Develop an understanding of diversity in language use across cultures

#### Mathematics

**Data Analysis and Probability** Formulate questions that can be addressed with data and collect, organize, and display relevant data to answer them



## Finding Solutions to Consumer Problems

At some point, you may have trouble with a product or service. There are things you can do to resolve the matter yourself. When faced with a purchasing problem, review your receipts and warranties. Contact the seller and explain the problem. Take your receipts. If the seller does not resolve the situation, take the problem to a higher level. Contact the seller's customer service department and then its headquarters. Consumer organizations may be able to help. If you do not get the results you want, you might decide to file a claim in small claims court.

## Nongovernmental Consumer Organizations

There are many organizations that work on **behalf** of consumers. Groups and individuals who work to protect, inform, and defend consumers are called **consumer advocates**. Many consumer advocates are private, nonprofit groups. Some test products and report their findings. Many work to promote consumer protection laws.

### The Consumer Federation of America

The Consumer Federation of America (CFA) works to inform the public and government about consumer issues. It works with public officials to promote policies that benefit consumers and to ensure a fair and balanced debate about issues that are important to consumers. It studies federal laws that affect consumers and lets its members know so they can help to support legislation to help the public.

### The National Consumers League

The National Consumers League is the nation's oldest nonprofit consumer group with membership open to anyone. It provides government agencies, businesses, and other organizations with the consumer's point of view. One of its services is a national fraud information center. It also monitors the Internet to alert consumers to fraud.

### Consumers Union

Consumers Union is a nonprofit organization that publishes the magazine *Consumer Reports*. Researchers with Consumers Union test products and report their findings in the magazine. The magazine does not advertise products or allow its findings to be used in ads. Consumers Union also testifies before government agencies on consumer concerns.



#### Testing for Safety

Many products around your home probably are labeled "UL Listed." This is the certification by Underwriters Laboratories, a testing facility that develops standards and test procedures for materials, tools, and equipment. Underwriters Laboratories chiefly deals with product safety and utility. *What other types of products can you think of that are tested for safety?*

#### As You Read

*Consumer Reports* does not accept advertising. Why do you think it has this policy?

### Import Regulations

Foreign companies wanting to sell their products in the United States are subject to a wide range of regulations. Beyond homeland security issues, there are many other things to consider. Some regulations are concerned with health and foreign foodstuffs. Others have to do with political differences between the United States and the countries from which the imports originate.

### Examples of Languages Across Cultures

**Q:** In Arabic, how do you say: “My name is \_\_\_\_\_”?

**A:** إسمي...

(pronounced: \_\_\_\_\_ iss-mē.)

What regulations does the United States impose on foreign companies? What is the basis for these regulations?

## Major Appliance Consumer Action Program

Some industries have consumer assistance **panels**. The Major Appliance Consumer Action Program (MACAP) helps consumers solve problems with large appliances, such as washers, stoves, and freezers. Most major appliance dealers are members of MACAP.

## The Media

Internet sites, radio, TV stations, and newspapers advocate for consumers. They often have a *consumer reporter* who reports on issues that are important to consumers, such as product safety, testing, and shopping. The reporter might feature one consumer’s problem with a local business and visit the business to try to resolve the problem.

## Government Consumer Organizations

In the United States, each state has a consumer affairs division. In some states, the attorney general’s office handles consumer affairs.

Many state and federal agencies have been set up to protect consumers. They publish materials to help consumers with their buying decisions and problems. They also enforce laws. The Federal Citizen Information Center is a good source for consumer information.

## The Federal Trade Commission

The Federal Trade Commission (FTC) enforces federal anti-trust and consumer protection laws by investigating complaints against companies. It seeks to ensure that the nation’s markets function competitively by eliminating unfair or deceptive practices.

## U.S. Department of Agriculture

The U.S. Department of Agriculture (USDA) inspects foods and grades them. **Grade labels** indicate the level of quality of foods. For example, meat might be graded as “prime” or “choice.” Consumers can use the grades as a guide in choosing what to buy.



Reading Check

**Analyze** Why is it important for the government to inspect foods such as meats?

## The Food and Drug Administration

The Food and Drug Administration (FDA) regulates the labeling and safety of food, drugs, cosmetics, dietary **supplements**, and medical devices sold in the United States. The FDA tests and approves all drugs before they can be offered to consumers. It also reviews products that are already on the market.

## The National Highway Traffic Safety Administration

The National Highway Traffic Safety Administration is part of the U.S. Department of Transportation. This agency sets and enforces safety standards for motor vehicles. The administration can require an automaker to issue a recall of the automaker's vehicles. A **recall** is an order to take back and repair or replace a product that has defective parts. **Figure 24.1** shows a government Web site where consumers can find information about recalls.

## The Consumer Product Safety Commission

The U.S. Consumer Product Safety Commission is a federal government agency that oversees the safety of products such as toys, cribs, power tools, electronics, and furniture. The commission has contributed significantly to a 30 percent decline in the rate of deaths and injuries associated with consumer products over the last 30 years.

**Figure 24.1** — **Finding Information About Recalls** —



**Consumer Product Recalls** Six federal agencies joined together to create this Web site to give consumers information about the latest recalls and to provide safety tips. It also accepts consumer reports about dangerous products. **In what other places can you find information about recalls?**

## State Public Utilities Commissions

State public utilities commissions regulate the rates charged by electric, gas, and water companies. In some areas, they also regulate local telephone services. They protect consumers from unfair pricing. They do this because public utilities are legal monopolies. A **legal monopoly** is a company that is allowed to operate without competition.

## State Insurance Commissions

State insurance commissions are the state government bodies responsible for regulating the activities of insurers and health plans. They control and approve insurance rates. Most have procedures for handling consumer complaints.

## State Licensing Agencies

State licensing agencies issue **licenses**, or legal permits to conduct business. A license provides **assurance** to consumers that the license holder is qualified to do a service. Doctors, teachers, roofers, hair stylists, architects, and even professional wrestlers are required to have a license.

### Section 24.1

#### After You Read



#### Review Key Concepts

1. In what ways do nongovernmental consumer organizations assist consumers?
2. What are some government agencies that help to protect consumers?
3. What is a recall?

#### Academic Skills

4. **Mathematics** The Better Business Bureau is a nonprofit organization that supports consumers. The 150 BBBs in the United States handle ten million questions a year. One third of these are questions about retail businesses, one third are about home improvement companies, and one fourth are about service firms. The remaining portion of questions the BBB receives concerns other types of businesses. Draw a pie chart of this data. Record the actual number of consumer questions in each category on your chart.

#### CONCEPT

**Data Analysis** Pie charts are an effective way to represent the parts that make up a whole.



For math help, go to the Math Appendix.



Go to the *Introduction to Business* Online Learning Center through [glencoe.com](http://glencoe.com) to check your answers.

# Consumer Protection Laws

## Reading Guide

### Before You Read

Think about the ways government protects consumers and how shopping would be different without its involvement.

### Read to Learn

- Describe ways that consumers are protected by laws related to the marketplace.
- List ways that the business community assists with consumer protection.

### The Main Idea

A number of laws have been passed at all levels of government to protect consumers. Businesses and consumer organizations help resolve problems when consumers find a product or service to be unsatisfactory.

### Key Concepts

- Laws That Protect Consumers
- How the Business Community Protects Consumers

### Vocabulary

#### Key Terms

price discrimination  
warranty  
express warranty  
full warranty  
limited warranty  
Better Business Bureau (BBB)

### Academic Vocabulary

You will find these words in your reading and on your tests. Make sure you know their meanings.

justify  
guarantee

reveal  
community

### Graphic Organizer

On a figure like the one below, write notes about how different warranties protect consumers.

Express Warranty	Full Warranty	Limited Warranty



Go to the *Introduction to Business* Online Learning Center through [glencoe.com](http://glencoe.com) for a printable graphic organizer.

## Academic Standards

### English Language Arts

**NCTE 1** Read texts to acquire new information

**NCTE 7** Conduct research and gather, evaluate, and synthesize data to communicate discoveries

**NCTE 11** Participate as members of literacy communities

### Science

**Content Standard B** Students should develop an understanding of motion and forces





### Product Recalls

When a company has a product recall, it is usually due to safety issues. For example, Bridgestone Corporation recalled 6.5 million of its Firestone tires in response to complaints that the tires were linked to crashes involving sport utility vehicles. How would you find out about product recalls?

## Laws that Protect Consumers

The U.S. government allows businesses to compete in the marketplace with relative freedom. However, many laws have been enacted to regulate and restrict business practices. These key trade laws were created to preserve competition. They also help to protect consumers.

Manufacturers of products for the public must become familiar with consumer protection laws. This helps them to avoid possible recalls of their products and potential lawsuits. Most trade laws are designed to protect the consumer. These laws protect against dishonest sellers, unreasonable credit terms, unsafe products, and mislabeling of products.



### Reading Check

**Explain** Why has the U.S. government enacted consumer protection laws?

## Price Discrimination Laws

**Price discrimination** is the act of charging more than one price for the same product or service in different markets or to different customers. The Clayton Act of 1914 and the Robinson-Patman Act of 1936 are aimed at prohibiting price discrimination. Businesses must **justify** giving one customer a lower price than another. Fair pricing means businesses must be fair to all customers when setting prices.

## Science/TechTRENDS

### Safety Belts

Safety belts save approximately 13,000 lives in this country every year. According to the National Highway Traffic Safety Administration (NHTSA), an estimated 5,500 more lives could be saved each year in the United States if just 90 percent of passengers and drivers used them. Yet only 68 percent of Americans wear safety belts. When they were first invented (Edward Claghorn was the first to obtain a U.S. patent for the seat belt in 1885) they were simple leather straps fastened over the operator's lap. As the technology behind cars develops, so does the technology that produces safety belts. Today, the safety belt is a system of interdependent parts and space age fabrics.

### Web Quest

Go to the *Introduction to Business Online Learning Center* through [glencoe.com](http://glencoe.com) for links to Web sites where you can research how safety belts do their job and the latest technologies used in safety belt systems. Write a few sentences about how new technologies have increased safety.

## The Fair Packaging and Labeling Act

The Fair Packaging and Labeling Act requires that manufacturers' labels truthfully list all ingredients and raw materials used in production. Labels must include the name and place of business of the manufacturer, packer, or distributor. The act also requires the size, weight, and contents of a product to be included on the label.

## The Uniform Commercial Code

The Uniform Commercial Code (UCC) is a group of laws that regulate commercial business transactions. The UCC protects the economic interests of buyers and sellers in contracts. It also regulates sales warranties. A **warranty** is a promise or **guarantee** given to a customer that a product will meet certain standards. A business may also be protected by disclaimers that describe exceptions or exclusions from a warranty. A common disclaimer limits a customer's recovery to a refund of the purchase price.

Under the UCC, a seller may make several warranties:

- An **express warranty** is a warranty that is explicitly stated, in writing or verbally. It specifies the conditions under which the product can be returned, replaced, or repaired.
- A **full warranty** is a guarantee about the quality of goods or services. With a full warranty, a purchase found to be defective within the warranty period will be repaired or replaced at no cost to the purchaser.
- A **limited warranty** covers only certain parts of the product or requires the customer to bear some of the expense in case repairs are needed.

## Consumer Credit Protection Act

The Consumer Credit Protection Act requires those who give credit to **reveal** all the terms and conditions of their credit agreements. This law applies to anything purchased over a period of time greater than four months. Finance charges must be expressed as an annual rate so that the consumer has a clear estimate of the cost of credit. Truth-in-lending laws are enforced by the Federal Trade Commission (FTC).

The advertisement is for Dell's 'Students' favorite PC'. It features a central image of a laptop displaying a group of diverse students. The headline reads 'Third year in a row! Students' favorite PC.' Below the headline, it lists specifications: 'Student Market Computing', '14.1" WUXGA (1920x1200) LED-Backlit Display', 'Intel Core i5-3210M Processor', '8GB DDR3 System Memory', '1TB 7200 RPM Hard Drive', 'DVD-RW Drive', 'Webcam', 'Wireless LAN', 'Bluetooth', 'USB 3.0', 'USB 2.0', 'FireWire', 'VGA', 'HDMI', 'DisplayPort', 'Headset Jack', 'Microphone Jack', 'Power Jack', 'Battery', 'AC Adapter', 'Power Cord', 'Mouse', 'Keyboard', 'Mouse Pad', 'Software', 'Documentation', 'Warranty'. The price is listed as '\$799'. Below the laptop, there are four smaller product images with their prices: 'Student Laptop \$499', 'Dell Inspiron 15R Laptop \$199', 'Dell XPS 12 Ultrabook \$799', and 'Dell UltraSharp 24" WUXGA LCD \$699'. The Dell logo is at the top left, and there are promotional banners at the top right: 'Free Printer' and 'Free 2-Day Shipping'.

● **Consumer Information** Advertisements provide information to consumers. **What types of information would you want to know before buying a laptop computer?**

● **As You Read**

Look at the different types of information on the labels of some products you have at home or school.



### Better Businesses, Better Charities

The Council of Better Business Bureaus Foundation merged with the National Charities Information Bureau to form the BBB Wise Giving Alliance. The alliance helps donors make informed giving decisions. *Why is it necessary to stay informed about charities?*

## Truth-in-Advertising Laws

The Federal Trade Commission Act protects consumers from false and misleading advertising with truth-in-advertising laws. Under these laws, advertising must be truthful and nondeceptive, and advertisers must have evidence to back up their claims.

## How Businesses Protect Consumers

The business **community** protects consumers by providing information. Labels, brochures, manuals, and online details are some of the ways that businesses educate consumers about their products and services.

## The Better Business Bureau

The **Better Business Bureau (BBB)** is a nonprofit organization that collects information on local businesses and handles complaints. It also shares information about problems that consumers have had and distributes consumer publications. It does not enforce laws or recommend one business over another.

# BusinessWeek Reader and Case Study

## How to Stand Up to the Nickel-and-Dimers

In a world of fees gone wild, what's a consumer to do? In some industries, such as banking, complaining customers can sometimes get fees rolled back. In others, such as telecom, it may be best to seek out competitors without fees. When a charge seems especially underhanded, an individual may want to join a consumer-action group.

In retail banking, consumers can get around certain fees if they're willing to give up some services. The first step is to get educated: Ask about the pricing and fee structure before signing up for a service. It may be possible, for example, to avoid checking-account fees, which can be as high as \$20 a month, by signing up for direct deposit or forgoing the return of canceled checks.

But don't stop there. Given industry competition, banks are often willing to reduce other fees when faced with a determined customer. Call to question unreasonable or inflated charges.

"In a marketplace where prices are increasingly negotiable, complaining consumers have a fair chance of persuading sellers to reduce or eliminate individual fees," says Stephen Brobeck, executive director of the Consumer Federation of America.



**CASE STUDY** Go to the *Introduction to Business* Online Learning Center through [glencoe.com](http://glencoe.com) for the *BusinessWeek* Reader Case Study.

### Active Learning

Research financial institutions to find out which one offers the best combination of services and fees for checking accounts. Prepare a spreadsheet that compares the services and fee structures for four different financial institutions. Write a paragraph explaining which one has the best services for the lowest fees.

## Customer Service Representatives

Many businesses have a customer service department. A customer service representative can answer questions or help resolve problems. Product packages often list the address, telephone number, or Web site to use to contact a customer service representative.

## Advertising

Advertising can be a good source of consumer information. Although businesses use ads to promote their products, they also use them to tell consumers as much about their products as possible. Ads tell you not only a product's cost, but also the features it offers. You can use ads to compare products and services.

## Magazines

Some commercial magazines are good sources of consumer information. They include articles or guides to help you make choices. *Good Housekeeping* features consumer information and endorses products with a "seal of approval." Specialty magazines on items such as cars and travel also provide information on related products.

### Section 24.2

#### After You Read



#### Review Key Concepts

1. How do price discrimination laws protect consumers?
2. How is a full warranty different from a limited warranty?
3. What is the role of a customer service representative in consumer protection?

#### Academic Skills

4. **English Language Arts** Study an issue of *Consumer Reports* or *Consumers' Research Magazine*. List the types of products that are reported. Write a summary of the kinds of information provided about each product and indicate how you might find more information about the products.
5. **English Language Arts** Prepare a presentation showing how to file a complaint about a product or service. Choose a product or service that a family member has found unsatisfactory. Include a description of how to approach the business, a sample letter describing the problem and a possible solution, and the name of a private or government advocate or agency that might help you with the complaint.



Go to the *Introduction to Business* Online Learning Center through [glencoe.com](http://glencoe.com) to check your answers.



# Chapter 24 Review and Activities

## Section 24.1 Summary

**Consumer Organizations and Agencies** All consumers encounter purchasing problems at some point. Fortunately, there are ways that you can resolve issues yourself. Consumer advocate groups work to protect, inform, and defend consumers. Many organizations are nonprofit associations that monitor consumer information and work to prevent unfair treatment of consumers. In addition, government agencies and organizations enforce consumer protection laws and provide consumer information.

## Section 24.2 Summary

**Consumer Protection Laws** Many laws have been passed to protect consumers, and government agencies enforce those laws. In addition, the business community provides information and services for consumer protection. Businesses may have a customer service department to assist consumers. Also, the Better Business Bureau works to resolve problems that consumers have with local businesses. These are some of the available sources that help consumers make good choices when they shop.

## Vocabulary Review

1. On a sheet of paper, use each of these key terms and academic vocabulary terms in a sentence.

### Key Terms

consumer advocates	warranty
grade labels	express warranty
recall	full warranty
legal monopoly	limited warranty
licenses	Better Business Bureau
price discrimination	(BBB)

### Academic Vocabulary

behalf	justify
panels	guarantee
supplements	reveal
assurance	community

## Review Key Concepts

2. Explain the steps consumers can take to find solutions to consumer problems.
3. List nongovernmental consumer organizations that advocate for consumers.
4. List some federal and state agencies that provide consumer information and protection.
5. Describe ways that consumers are protected by laws related to the marketplace.
6. List ways that the business community assists with consumer protection.

## Critical Thinking

7. Some people argue that government should not be so involved in consumer protection. What are some arguments for and against this opinion?
8. What advice would you give a friend who purchased a movie on DVD that has a flaw that prevents him from viewing all of it?
9. Some people say consumers can make wise buying choices and do not need all of the protections that are provided. Others say consumer affairs offices and government agencies play a necessary role. Choose a partner and debate this topic.
10. What should people do if their credit card is stolen?
11. U.S. companies that furnish utilities such as water, gas, and electricity must get governmental approval before adjusting their rates. Do you think these businesses should be more or less regulated?
12. Why do you think some merchandise breaks soon after buying it?
13. Some products have grade labels, which indicate the quality of the product. Do you think most consumers pay attention to these labels?

## Write About It

14. Write two or more paragraphs about ways older consumers can protect themselves from sellers who are not fair and honest.
15. Research the Federal Citizen Information Center. Write a brief summary about the types of information the center offers.
16. State governments protect consumers by requiring licenses for some professions. Write an essay of two or more paragraphs for or against the requirement of licenses.
17. Write an e-mail to your teacher about ways consumers can protect themselves when dealing with an offer that sounds too good to be true.
18. Research information from the FTC about how to solve the problem of unordered merchandise. Write a one-page summary of your findings.
19. Note the specific claims, incentives, or time limits made in an ad in the newspaper. Write a letter to the seller, supplier, or vendor to verify the information in the ad.

## Technology Applications

### Presentation Software

20. Using presentation software, prepare a slide show on consumer protection. Include at least six slides, with information such as resources for consumers, agencies that provide consumer protection, and advice on protection against scams, fraud, and other consumer problems.

## Business Ethics

### The Ethics of Advertising

21. Many packaged-food producers now provide single-serving versions of their most popular products. These items often come in smaller packages and use the same brand name as the original products. Their ads usually declare that they taste like the originals. However, some items may contain different ingredients, which can affect their look and taste. Is this ethical? Why or why not?

# Chapter 24 Review and Activities

## Applying Academics to Business

### English Language Arts

**22.** Watch or listen to a consumer news program. Write a paragraph or two about a specific consumer complaint that is discussed, how it was resolved, and whether you would purchase the same product from the store in question.

### Mathematics

**23.** In order to strengthen its domestic automobile industry, a country places a 7.5% tariff on all imported cars. If one foreign car company has brought 4,000 cars at \$19,000 each into the country, how much will the company pay in tariffs? Write a sentence or two telling how you will solve this problem, and then solve it.

**CONCEPT** **Problem Solving** Think about which operations you will use to solve the problem.

### English Language Arts

**24.** Sometimes new products fail in the marketplace in spite of careful market research done before the product launch. For example, New Coke with a slightly different flavor, and NutraSweet Simple Pleasure ice cream, made with a fat substitute, both seemed like sure bets. Research a product that did not sell as expected and write a paragraph summarizing your findings.

### Mathematics

**25.** Contact one of the public utilities in your area. Find out what the rates are for the utility service. Also, find out the last time the rates were changed and calculate the percent decrease or increase.

**CONCEPT** **Percents** To calculate percent increase or decrease, find the difference between the two costs and divide by the original cost.

## Active Learning

### Researching Purchasing Decisions

**26.** Suppose you need a new digital camera. You are unaware of the latest trends in digital cameras. However, you need one that is versatile. You have about \$200 to spend. Do research. Use various sources of information, such as consumer publications, company Web sites, store visits, or consumer groups. Write a report on your findings and purchasing decision.

## Business in the Real World

### Small Claims Court

**27.** Sometimes a business might refuse to satisfy a customer. In that case, the customer can take the company to small claims court. In the United States, *small claims court* settles cases involving relatively small amounts of money. Determine the small claims court limit amount in your area. Use library materials or the Internet in your research. Obtain information about filing a case. Then write a brief summary of your findings.

## Real LIFE skills

### PRACTICE PROBLEM SOLVING

28. Work in teams of four or five students. Choose a product that someone has found unsatisfactory. Prepare a short presentation showing how to file a complaint about it. Be sure to include a description of how to approach the business where the product was purchased, a sample letter describing the problem and a solution, and a consumer agency that might help.

## COOL Business CAREERS

### FIND YOUR DREAM JOB

29. Go to the *Introduction to Business* Online Learning Center through [glencoe.com](http://glencoe.com) for a link to the Occupational Outlook Handbook Web site. Click on the “OOH Search/A-Z Index” link and enter the job title “science technician.” Then write a one-page report about this type of occupation. Conclude your report with a list of things you could do now to prepare yourself to pursue the occupation.

## Role Play

### WHAT SHOULD YOU DO?

30. **Situation** You are deciding an appropriate response to resolve a consumer complaint about a product you bought. The product had a 30-day limited warranty and broke on the 31st day after you bought it.

**Activity** With a classmate, outline the choices you have and the action you will take to resolve your complaint.

**Evaluation** You will be evaluated on how well you meet the following performance indicators:

- Choose a product for this project, and describe the problem clearly.
- Outline at least two alternative actions you could take.
- Describe how you will contact the seller, consumer agencies, or other organizations about the problem.
- Prepare an outline of steps you will take to resolve your problem.

## Standardized Test Practice

**Directions** Choose the letter of the best answer. Write the letter for the answer on a separate piece of paper.

### 1. What percent of 13 is 39?

- A 3%
- B 30%
- C 33.33%
- D 300%



**TEST-TAKING TIP** When you sit down to take a math test, jot down on your scrap paper important equations or formulas that you are trying to remember. This way, you will not worry about forgetting them during the test.



**READING** Go to the *Introduction to Business* Online Learning Center through [glencoe.com](http://glencoe.com) for a list of outside reading suggestions.





## Jeff Mendelsohn

### Founder/President, New Leaf Paper

Jeff Mendelsohn co-founded this recycled-paper company with the belief that environmental responsibility and good business go hand in hand, and that people will prefer green paper when given the choice. A few years ago, the company teamed up with the Canadian publisher of the *Harry Potter* series to print an installment on 100 percent post-consumer, processed, and chlorine-free paper.

## Q & A

### Describe your job responsibilities.

**Jeff:** I focus on creating awareness about environmentally responsible paper in the marketplace. I also work on developing new, environmentally leading printing papers, and help with sales to large customers.

### What skills are most important in your business?

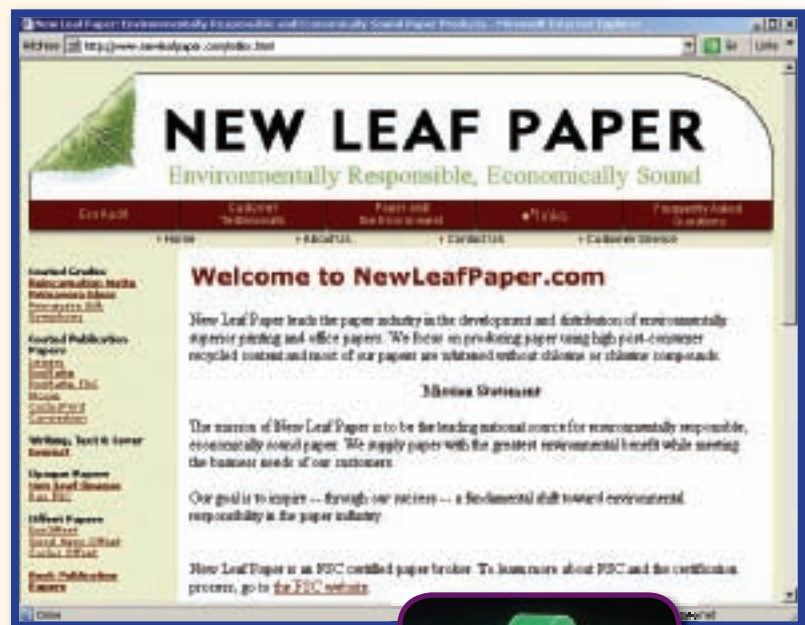
**Jeff:** New Leaf Paper employs a very diverse group of people, but all share a commitment to our mission. Salespeople have great people skills. They are self-motivated, and have strong passion for what we do. Customer service people are level headed, have strong math and computer skills, and enjoy helping others. Managers are multitasking, they listen well, they are highly reliable, and focus on our goals. Our staff comes from a variety of educational backgrounds. Most performed very well in school because we choose people who are deeply engaged in their activities and care about the quality of their work.

### What is your key to success?

**Jeff:** Our greatest strength is our mission statement. It very concisely sums up our main value proposition and clearly links our business success to our environmental goals.

### What advice would you give students interested in starting a business?

**Jeff:** Be an independent thinker and be truly committed to what you do. Beyond that, it is really important, and rewarding, to truly know yourself, what you enjoy, and what your strengths and weaknesses are. With this self-awareness, you are more likely to hire people that excel at things you struggle with, and give them the authority to do their jobs.



**Critical Thinking** How does writing a mission statement help an entrepreneur decide which product or service his or her company will provide?

## Some Qualifications Needed to be the Owner of a Paper Manufacturing Company

### Academic Skills and Abilities

Chemistry; biology; physics; mathematics; interpersonal skills; general business management skills; verbal and written communication skills; multitasking, organizing, and planning skills

Academic Skills Required to Complete Tasks at New Leaf Paper			
Tasks	Math	Science	English Language Arts
Hold meetings			◆
Assign duties			◆
Develop new products	◆	◆	◆
Assess marketplace opportunities	◆	◆	◆
Ensure quality control	◆	◆	◆
Customer service			◆
Schedule employees	◆		◆
Order supplies and equipment	◆		◆
Analyze financials	◆		◆

### Education and Training

Many engineering and natural science managers begin their careers as scientists, such as chemists, biologists, geologists, or mathematicians. Some who work in applied research or other areas have a bachelor's or master's degree, or a doctorate. Science managers must be specialists in the work they supervise. Graduate programs allow scientists to augment their undergraduate training with instruction in other fields, such as management or computer technology.

### Career Path

Engineering and natural sciences managers may advance to progressively higher leadership positions within their discipline. Some may become managers in nontechnical areas, such as marketing, human resources, or sales. Most begin their careers as engineers after completing a bachelor's degree in the field.

## Preparing for a Career Self-Assessment Checklist

Use this self-assessment checklist to help determine ways you can display your commitment to your work.

- ✓ Expand your boundaries beyond your job description.
- ✓ Earn the respect of your peers first; respect from higher-ups will follow.
- ✓ Take risks.
- ✓ Be ready to make mistakes.
- ✓ Use intuition and creativity when solving problems and developing new ideas.
- ✓ Set short-, medium-, and long-term goals that are aligned with your company's overall mission.
- ✓ In meetings, listen actively and offer suggestions.
- ✓ Bring a willingness to work hard to your career, even on your worst day.