

# Holiday Shopping Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Office of Consumer and Business Education

## Computers for Next to Nothing: What's the Deal?

No doubt you've seen the ads for computers for "free" or next to nothing in the Sunday papers. The offers look mighty tempting. But how do you know if the deal is a good one? The Federal Trade Commission, the nation's consumer protection champion, says there are some important facts to keep in mind.

First, find out the total, up-front cost of the computer. Then determine the rebate situation. If rebates are involved, find out how you get them. In most cases, you are required to sign a contract for three years of Internet service. Before you do the rebate deal, do the math: three years of Internet service can cost you more than you'll get back in rebates.

Second, you have to apply for the rebates that make the deal seem like a deal. Some rebates can be redeemed immediately at the checkout counter. But most are the mail-in variety. You pay the full cost of the computer at the time of purchase, then send documentation to the manufacturer or retailer to receive your rebate by mail. In most cases, you must send the paperwork to the manufacturer or retailer within 30 days of the purchase. You generally will receive the rebates up to 12 weeks later.

Before you commit to an offer that depends on your signing up for Internet service or one that promises big rebates, ask your retailer:

- ✓ Do you have to sign up for Internet service and for how long? Is there a penalty for early cancellation?
- ✓ What's the total cost of the Internet service contract?
- ✓ Will you have to pay long distance charges to access the Internet? Will you have to pay an "hourly" fee to use a "toll-free" phone number?
- ✓ Is the monitor sold separately? What does it cost?
- ✓ How long will it be before you receive your rebate checks?

Once you've got the answers to all your questions, FTC officials say, you'll know whether the conditions of the offer suit your needs and your wallet.

For more information about seemingly low cost computer offers and rebates, call the FTC toll-free, 1-877-FTC-HELP or go to [www.ftc.gov](http://www.ftc.gov). Click on consumer protection. If you don't get the deal they promised, file a complaint online with the FTC or call the toll-free number.