

# FTC Consumer Alert

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

## Free Trial Offers: Timing is Everything

Washington, D.C. – Free trial offers can be a great way to try new products or services without making a long-term commitment to a membership, subscription or extended service contract. But mark your calendar: If you don't cancel before the trial period ends, your acceptance of a free trial offer may be an agreement to buy other products and services.

According to the Federal Trade Commission (FTC), the federal government's consumer protection agency, a company may claim its free trial offer has no risk or obligation for the consumer. But, the FTC cautions, that's true only if the consumer takes timely action to avoid future obligations. For example, agency officials say, you may have to contact the company to cancel during the trial period to avoid receiving additional goods or services, or to pay for what you've already received. Or by not cancelling, you may be agreeing to let the company enroll you in a membership, subscription or service contract, and to charge the fees to your credit card.

### UPSELLING

Sometimes you may call a company for one reason, and at the end of your transaction, hear about a trial offer that another company is offering. That's called upselling. Says the FTC: if you receive such an offer, pay close attention to the terms and conditions. Understand who you're dealing with and what you're agreeing to. By accepting the trial offer, you may be agreeing to let the company you called give your credit card account information to another seller.

If you don't cancel during the trial period, your credit card may be charged by the second seller for the product or service offered for the trial period. If you don't recognize the seller, you may think the charge is an unauthorized transaction. In fact, by accepting the trial offer, you may have agreed to pay if you didn't cancel before the trial period ended.

The FTC says that before you give the okay to a free trial offer, ask the seller:

- Is the free trial offer related to a membership, subscription or extended service contract?
- Do you have to contact the company to avoid receiving more merchandise or services? What's the deadline for contacting the company?
- Who do you contact to cancel? How can you cancel? By letter? Phone? Email?
- Will you get other products with the free item? If you will, will you have to pay for them or send them back if you don't want them? How long do you have to decide before incurring a charge?
- How do you stop getting additional merchandise or services?
- Is there a membership fee? If so, is it refundable?
- Will the company automatically bill your credit card for anything?
- Who's offering the trial? The company you're talking to or another company?

## **IF YOU HAVE A PROBLEM**

If you have a problem with a trial offer, try to resolve it with the seller first. If you're dissatisfied with the response, contact your local Better Business Bureau or consumer protection agency. Don't forget — you have a right to dispute any charge you think is inappropriate with the seller and your credit card company. Do it in writing.

The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To file a complaint or to get free information on consumer issues, call toll-free, 1-877-FTC-HELP (1-877-382-4357), or use the complaint form at [www.ftc.gov](http://www.ftc.gov). The FTC enters Internet, telemarketing, identity theft and other fraud-related complaints into Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.



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