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CHAPTER 26 ACTIVITY Expressing Your Opinion



Directions: Read the following cases, and decide whether or not the merchant's actions are legal or illegal. Write \mathbf{L} for Legal and \mathbf{I} for Illegal next to each of the statements, and then write your reasons for your answers on a separate sheet of paper.

- Tyrone and Angelique see an ad for "freight-damaged dining room tables on sale for \$300." They go to the store where Al explains that the damaged tables have been sold. However, they do have dining room tables for \$900 in stock.
 When Tyrone and Angelique arrive at the store to buy a freight-damaged table, Al shows them the table for \$300. He also suggests that a much nicer one is available for \$900.
 Cheetham's Sales offers a free one-carat emerald to anyone who comes to their one-hour presentation on condominiums. Sean goes to the presentation and is subjected to high-pressure sales tactics to buy a condominium. He resists and leaves with a low-quality, one-carat emerald worth \$2.00.
- 4. _____ Mohammed goes to a beef outlet store after seeing an ad for beef at a low price.

 He orders 100 lbs. of beef and the meat dealer asks, "Do you use a lot of fat? You don't by any chance make your own soap, do you?" Mohammed says no, and the dealer then encourages him to buy better quality, more expensive meat.
- Rachel receives a postcard offering her a "thrilling, heart-shaped 14-karat gold-flash medallion containing 10,000 dazzling diamonds and one matching 14-karat gold-flash 18-inch necklace" from Henri Hamilton of J.E.N. Jewels of New York. The cost is just \$3.00. She calls the 900 number on the postcard and is told all of the advertised necklaces are gone. Later, her phone bill includes a charge of \$6.95 for the 900-number call.
- 6. _____ Jody bought a new car. The dealership deliberately overstated Jody's monthly car payments by adding optional services, including an extended service contract and undercoating. Jody did not know that the extra services were optional and that refusing them could lower his monthly payment.
- Kiki wants to paint her house. She gets three bids from house painters and hires Low-Cost Painters, who gave the lowest bid. However, Low-Cost Painters had given an unrealistically low estimate in order to get the job and then charged for a variety of "extras" to increase the price of the job. These extras clearly should have been included in the regular price of the job. In the end the cost of the additional charges was \$1,000.
- 8. ____ Kiki wants to paint her house. The lowest bid came from Low-Cost Painters. However, as the painting is underway, a tornado touches down on part of the house and the house has to be rebuilt and repainted. The cost of repainting the rebuilt house went up by \$1,000.