

# NEWS

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## SAFEGUARDING YOUR PRIVACY: TEN WAYS TO KEEP THIS NEW YEAR'S RESOLUTION

by Bonnie Guiton

1990 begins a new decade that will be marked by quantum leaps in technological innovation. These innovations will certainly benefit consumers; but they also create concerns about the collection, storage and dissemination of personal information and buying habits.

You may have seen or read stories about violations of an individual's privacy -- pertaining to financial and credit records or insurance and medical records.

What concerns one consumer may not necessarily concern another. But if you are concerned, you can help protect your privacy in a number of ways, and the new year presents a good opportunity to adopt simple, safeguarding habits. Here are the top ten:

### CREDIT RECORDS

#### 1) GET A COPY OF YOUR CREDIT REPORT AND CHECK FOR INACCURACIES

Many people are concerned about the accuracy and confidentiality of their credit records. These records are usually maintained by one or more of three major credit bureaus here in the U.S. -- Equifax, Trans Union, and TRW.

Checking for inaccuracies now will enable you to correct mistakes before they catch up with you, when you're trying to obtain a job, a loan, or insurance. All three bureaus charge a nominal fee for a copy of your report.

If you find your file has been mixed up with someone else's, or if you find inaccuracies, write the Bureau and explain the error(s). The Bureau is required by law to re-verify the information within a reasonable period of time, or remove it from your file.

If you are the victim of bad luck, have had one problem in an otherwise good credit history, or simply want to tell your side of the story, you can send the Bureau a 100-word letter of explanation. This will be provided to anyone requesting your file, such as a credit grantor or prospective employer.

It's important to remember that any adverse information is kept in your credit file for seven years (bankruptcies, 10 years). Also, most creditors report to the Bureaus every month, not just when a transgression occurs.

You can request your files by contacting the credit bureaus in your local area, including branches of Equifax, Trans Union, and TRW. Just look in the yellow pages of your phone directory under "credit reporting agencies" or "credit bureaus."

## MEDICAL RECORDS

### 2) WRITE THE MEDICAL INFORMATION BUREAU FOR YOUR FILE

Perhaps even more sensitive than credit records are your medical records. The Medical Information Bureau (MIB) is a data bank maintained by 800 insurance companies who share information about consumers obtained when they apply for life insurance. Both medical and non-medical information is collected, including the risks of insuring you.

The MIB was established to help insurers guard against fraud, the cost of which is passed on to consumers in higher premiums.

To obtain a copy of the non-medical section of your file, write: Medical Information Bureau, P.O. Box 105, Essex Station, Boston, MA 02112.

To obtain a copy of the medical section of your file, you can ask that it be sent to your doctor, who should agree in advance to receive it and forward it to you.

3) ASK YOUR DOCTOR(S) TO REVIEW YOUR MEDICAL FILE WITH YOU

It is a good idea to periodically review your medical records with your personal physician(s), to ensure the records' accuracy and completeness.

Inaccurate or incomplete information could jeopardize your health or life in an emergency situation. Or, if inaccurate medical information is shared with employers or insurers, it could lead to loss of work or insurance opportunities.

PARTICIPATION IN INCENTIVE PROGRAMS

4) CHECK CAREFULLY WHO HAS ACCESS TO INFORMATION YOU PROVIDE IN INCENTIVE, REBATE AND WARRANTY PROGRAMS

Many of us enjoy the benefits of rebate, incentive and warranty programs offered by some supermarkets and other retailers.

Rebate and Other Incentive Programs: If you are thinking about joining such a program, be sure to ask how the information you give on the application (including purchasing habits) is used. Some supermarkets and retailers use it to create prospect lists which are then sold to marketers.

While you will have to put down your name, address and phone number, you may not want to provide additional information requested about your family size, income, or buying habits.

You may leave those portions blank, and ask about participating in the incentive program but opting out of the marketing process.

Warranties: It is very important that you submit the warranty cards accompanying products; businesses and manufacturers use these to notify you about product warnings and recalls.

However, information collected for one purpose is often used for another without the individual's consent or knowledge. And some manufacturers use information collected on warranty cards to create marketing lists.

Your options here are the same as in the incentive and rebate programs: you may leave blank those questions you feel are unnecessary or intrusive, and request in writing to opt out of any current or future marketing process.

The bottom line is to carefully weigh the benefits of participation with the potential loss of privacy.

## TELECOMMUNICATIONS

### 5) LEARN ABOUT WAYS TO PROTECT YOUR PRIVACY ON THE TELEPHONE

Caller ID: You may have been hearing a lot recently about Caller ID. It is New Jersey's version of "automatic number identification" service soon to be offered by local phone companies in several other states.

Subscribing to an ANI service allows you to protect yourself from unwanted callers. The caller's number will show up on a read-out device attached to your phone. If you don't recognize a number, you have the choice of answering or not.

If you don't want your own number revealed to those you call, just dial through an operator, or from a public phone.

Answering Machines: A "low-tech" version of "Caller ID" is the more familiar answering machine. If phone calls at home are becoming intrusive, an answering machine can be used to screen calls, and may be a worthwhile investment for you.

Cellular and Cordless Phones: Cellular and cordless phone conversations are easily monitored -- both intentionally and unintentionally. Be careful that you don't conduct confidential conversations on a cellular/cordless phone.

### 6) ASK TO OPT OUT OF MARKETING PROGRAMS RUN BY COMPANIES THAT PROVIDE 800 AND 900 NUMBERS

While the private home use of ANI technology is very new and experimental, the commercial uses of ANI technology are not. Many 800 and 900 number switchboards have the capability of capturing your number and matching it to your name and address to create customer lists.

Many companies have legitimate reasons for creating such lists -- to keep track of customer complaints or consumer product inquiries, for example. But some consumers object when the list is sold to marketers without the callers' knowledge or consent.

And that is why it is important for you to register your desire to either participate in or opt out of those marketing programs using lists provided by companies you contact.

## DIRECT MARKETING

Many people appreciate direct mail and telephone offers. But businesses have difficulty determining who they're pleasing, and who they're offending, when they conduct sales calls and direct mail promotional campaigns. So they appreciate hearing from potential customers who aren't pleased as much as from those who are.

### 7) SUBSCRIBE TO THE TELEPHONE PREFERENCE SERVICE (TPS)

The Telephone Preference Service is sponsored by the Direct Marketing Association. By notifying TPS that you do not wish to receive telemarketing calls, your name will be struck from the lists of DMA members who participate in the service.

For DMA members, the service is a business tool: for all telemarketers combined, 3% of consumers contacted appreciate the calls, while 80% do not. The Telephone Preference Service helps DMA members reach only those consumers who want their offers.

Write: DMA Telephone Preference Service, 6 East 43rd Street, New York, NY 10017

### 8) DON'T GIVE ANY MORE INFORMATION THAN IS NECESSARY

The most simple thing you can do to protect your privacy is to get in the habit of saying "no" to telemarketers you're not familiar with, to those who want more information than you feel is necessary to complete the business at hand, and to those who refuse to send you follow-up explanatory materials.

Never give your credit card number over the phone unless you initiated the call, or are completing a transaction with a known vendor. Never give your credit card (or Social Security) number over the phone for identification purposes only.

### 9) SUBSCRIBE TO THE MAIL PREFERENCE SERVICE

The Direct Marketing Association offers a companion Mail Preference Service, which gets you off of mailing lists for many products and services. Write to the Mail Preference Service at: 6 East 43rd Street, New York, NY 10017.

- 10) CONTACT DIRECTLY THOSE ORGANIZATIONS WHICH HAVE YOU ON THEIR MAILING LIST, AND ASK TO BE REMOVED

A Sample Format:

Dear Madam or Sir:

I have attached a mailing label from one of your recent [publications/catalogues/etc.] which I did not request, and will not use.

Please remove my name from your mailing list, to save you the time, effort and cost of sending me future [publications/catalogues/etc.] from your [organization/company].

Thank you for your consideration.

By following one or all ten steps and incorporating them as daily consumer habits, you can protect yourself from intrusions of personal privacy in 1990 and beyond, and still enjoy the many benefits of our modern, high-tech marketplace.

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[Note to editors and reporters: Bonnie Guiton is taking the lead for the White House on the issues surrounding consumer privacy. For more information, contact Bonnie Jansen at (202) 634-4310.]