



Beware of Door-To-Door Security Alarm Sales

From the Office of Minnesota Attorney General Lori Swanson

Everyone wants to feel safe and secure in their own home. This can make a sales pitch for an alarm system a tempting offer. Homeowners should be on guard, however, against door-to-door traveling alarm sales agents who use deceptive pitches or questionable tactics and who may sell substandard but costly merchandise or service contracts.

In the spring and summer, some out-of-state alarm companies hire traveling sales agents to go door-to-door in Minnesota, making unsolicited “cold calls” on homeowners. In some cases, the sales agents may get the homeowner to let their guard down by implying they are with the homeowner’s current alarm company or that they are not trying to sell anything. Once inside the consumer’s home, though, the sales agent may use high-pressure or deceptive sales tactics to lock citizens into costly, long-term alarm monitoring agreements.

The Attorney General’s Office offers this advice to homeowners:

Ask for Immediate Identification

Because homeowners are often vulnerable to high-pressure sales tactics once a sales person is inside their home, the state legislature enacted the Minnesota Personal Solicitation of Sales Act. The Act requires sales persons who make “cold calls” at the doorsteps of Minnesota residents to clearly and expressly disclose: (1) their name, (2) the name of the business they represent, (3) the goods or services they wish to sell, and (4) that they wish to sell those goods. The sales person must also show the potential buyer an identification card with the sales agent’s name and the name of the business represented. The sales person must make these disclosures *before* asking any questions or making any statements to the homeowner.

Door-to-door security alarm salespeople often talk their way inside the homes of Minnesota residents or otherwise start their sales presentations without making the disclosures required under the Personal Solicitation of Sales Act—depriving homeowners of

key information that may serve as a “red flag.” In some cases, security alarm sales persons may try to talk their way into a person’s home by pretending they are with their current company. If somebody comes calling on your doorstep that you don’t know, ask them to show you their identification card and clearly identify the company they represent.

Don’t Let Strangers Inside Your Home

Like other door-to-door salespeople that make unsolicited “cold calls,” security alarm companies often use high-pressure sales tactics. This may include following people into their homes without their invitation or sitting down and refusing to leave once inside. It is not impolite or rude to tell a salesperson you are not interested. And remember: it is much easier—and safer—to say “no” on the doorstep, rather than try to get the sales person out of your home once inside.

Other High-pressure Tactics

Some alarm salespeople pressure consumers to immediately purchase a security alarm system. They may tell the homeowner that they have a limited time offer or some other special deal that will not be available at a later date. They may tell the homeowner that they are leaving the state the next morning and need to close the sale today. Or they may scare the homeowner about a supposed rash of burglaries in the neighborhood. Don’t be tricked by high-pressure sales tactics. Reputable security companies will allow consumers to compare bids and receive comprehensive reviews of their security needs before making a decision.

Nothing is Really Free

Some security alarm salespeople may try to talk their way into your house or get you to sign a contract by telling you that the alarm is “free.” For example, the salesperson may tell you that, because you live on a busy corner, you can get an alarm for free if you put a sign in your yard to help the company advertise. Remember: companies aren’t in the business of giving away products

for free. When a company promises something for free, there are usually strings attached. In the case of security alarms, in order to get your supposedly “free” security alarm hardware, you may be required to sign a long-term security monitoring contract that costs thousands of dollars.

False Promises of an “Upgraded” System

Some security alarm sales agents target homeowners who have signs on their properties for security systems with other companies. The salespersons may state or imply that they are from the consumers’ existing security company and that they are there to “upgrade” or “replace” the current security system. Once inside the home, however, the salesperson then may install a new security system and have the consumer sign paperwork which includes a costly contract for alarm monitoring service. Legitimate alarm companies do not generally stop by their customers homes without appointments. If somebody comes to your door and tells you that they are with your current company, tell them “no thank you” and then call your current company to report the visit.

Read the Fine Print

Never sign anything unless you have read it, and never give out your banking information to strangers. Door-to-door security alarm sales agents may try to “bait” you into signing a costly long-term monitoring agreement without telling you about all the terms. Some contracts require the homeowner to make payments of \$50 a month or more for as long as five years. If anyone asks you to sign a contract, don’t do so unless you have read it over. If you need more time, ask them to leave the contract behind, and consider reviewing it with a trusted family member, friend, or neighbor. Don’t sign any contract if the oral promises made by the salesperson are not backed up in writing.

Legitimate Alarm Companies will Assess Your Needs

If you are interested in purchasing an alarm system, consider hiring a company with a local office that *you* find through a referral from a trusted source—rather than one that comes knocking door-to-door. A reputable company will not sell you anything without doing a

full assessment of your needs and your home layout. Ask the company questions about the length of time it has been in business; whether it is bonded; where its alarm monitoring center is located; whether the alarm is monitored 24 hours a day, 365 days a year; etc. Compare the prices and services offered by two or three different companies before you make any decisions.

Is the Company Licensed?

Both the security alarm company *and* the company you hire to monitor any alarm calls should be reputable, trusted organizations. Make sure you trust not just the company that installs the alarm, but any company that will be monitoring any alarm calls. Before you sign up, check on the company’s status with the Better Business Bureau at 1-800-646-6222 or www.bbb.org. In addition, find out if the company’s installers have proper credentials from the Department of Labor and Industry’s Construction Codes and Licensing Division at 651-284-5012 or 1-800-657-3944. To obtain a license, an installer must have graduated from a four-year electrical course from an accredited college or university and have at least 36 months of experience installing alarms or similar devices.

Alarms that are not installed properly will not work and may cause damage to your electrical system.

Three-day Right to Cancel

If you purchase a security system from a door-to-door salesperson, under Minnesota’s *Right to Cancel* law, you only have three days to cancel. If you bought something from a door-to-door salesperson and have second thoughts, act quickly to cancel the contract. If you don’t cancel within three days, you may be locked into a costly and unwanted purchase.

For additional questions or assistance, contact the Minnesota Attorney General’s Office at:

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