STUDENT CONSUMER ACTION

by

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Approved by:

[Signature]
Major Professor
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INTRODUCTION

In the early years of our country's existence, the buyer and seller remained on a fairly equal footing. The seller's livelihood depended on continuous patronage by his customers. With few goods available on the market and with a close personal relationship between buyer and seller, the merchant was expected to stand behind his goods.

In modern American society the seller is usually a corporation with many stores throughout the country. This has tended to deprive the consumer of his previously close relationship with the proprietor of the store. Ralph Nader, the nationally recognized consumer advocate, has frequently attacked businesses for lack of corporate responsibility to the consumer.

A 1971 survey by Consumer Federation of America substantiated the opinion that American consumers felt dissatisfied with the quality of goods offered them throughout the 1960's. The question asked of individuals was: "Compared to ten years ago, do you feel the quality of most things you buy has become better, worse, or not changed much?" Fifty-seven percent answered that it was worse, 17 percent felt the quality was better, while 23 percent felt it had not changed (Gordon & Lee, 1972, p. 666).

A Federal Trade Commission study, published in the October and November, 1971, issues of Consumer Alert further verified dissatisfaction with consumer goods (FTC, 1971). The study reported the frequency of consumer complaints between July 15, 1970 and July 15, 1971 in six metropolitan areas by those federal, state, and local
law enforcement agencies handling consumer complaints even though not all of the agencies were in operation on July 15, 1970. According to the FTC the total complaints received during this one year period was 28,668. The following 10 major categories of complaints accounted for 46 percent of the total, with miscellaneous grievances accounting for the remaining 54 percent:

<table>
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<th>Area of Consumer Complaint</th>
<th>Number of Cases</th>
<th>Percentage of Total</th>
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<tbody>
<tr>
<td>Mail Order Houses</td>
<td>2,863</td>
<td>10</td>
</tr>
<tr>
<td>New and Old Used Auto Dealers</td>
<td>2,847</td>
<td>10</td>
</tr>
<tr>
<td>Radio and T.V. Repair Shops</td>
<td>1,276</td>
<td>4</td>
</tr>
<tr>
<td>Direct Selling Organizations</td>
<td>1,137</td>
<td>4</td>
</tr>
<tr>
<td>Agents, Brokers and Managers</td>
<td>1,122</td>
<td>4</td>
</tr>
<tr>
<td>Furniture Stores</td>
<td>1,089</td>
<td>4</td>
</tr>
<tr>
<td>General Building Contractors</td>
<td>835</td>
<td>3</td>
</tr>
<tr>
<td>Department Stores</td>
<td>674</td>
<td>2</td>
</tr>
<tr>
<td>Retail Stores</td>
<td>672</td>
<td>2</td>
</tr>
<tr>
<td>General Auto Repair Shops</td>
<td>587</td>
<td>2</td>
</tr>
</tbody>
</table>

The FTC estimated that for every consumer complaint received by the law enforcement agencies there were 10 complaints registered with businesses.

The college student is no exception to the fraudulent and deceptive practices which have plagued consumers in the United States. For example, salesmen frequent campuses assuring students that they are smart, sharp and wise men and women who know a good buy when they see one. The salesmen are known to press a pen into the student's hand, coaxing him to sign the contract. Students are often misled by
such inducements as being told they "had been chosen, won second prize, or would receive free merchandise if... ." Inevitably, the student signs a contract of some kind which binds him to pay a certain monthly amount for a specified number of years.

Life insurance is another area in which the techniques of salesmanship are deceptive. The January, 1972, issue of Consumer Reports featured the special article, "Caveat Emptor on Campus," pertaining to various abuses to which college students are subjected by life insurance salesmen (Consumers Union, 1972a).

Apartment dwelling students have problems with security deposits. For example, they may have received only a partial reimbursement of their deposit when they vacate an apartment. Usually, the terms of their contracts are too vague and the sum of money involved too small to warrant bringing the landlord to court.

Students are frequently attracted by the deceptive advertising in their college newspapers. Most noteworthy are the advertisements of the "do-it-at-home-on-your-leisure-time" variety. These often appear prior to Christmas when students need money. Advertisements seeking employees for summer jobs abroad are also overly enticing and often do not fulfill all that is promised.

The recognition of consumer dissatisfaction and need for consumer reform is not a new phenomenon. Consumers Union thirty-fifth year celebration last year serves as a reminder that the current interest in consumer problems is not without precedent in history (Consumers Union, 1972b). In fact, historians of the consumer movement are likely to date as the first consumer protective legislation passage of the Mail Statute of 1872 (Consumer Advisory Council, 1963).
Nevertheless, the consumer movement of the 1960's has a distinctly new and different thrust (Morse, 1971). President John F. Kennedy's consumer message to the Congress in 1962 acknowledging the rights of consumers, was the beginning of a new era in the consumer movement. His message also directed that there be established a Consumer Advisory Council by the Council of Economic Advisors. Under President Johnson, consumer recognition was further elevated by the appointment of a Special Assistant for Consumer Affairs. This position was held successively by Esther Peterson, Betty Furness, and currently by Virginia Knauer.

Ralph Nader came into the foreground with his expose1 of the automobile industry in 1965 (Nader, 1965). This was a major factor in creating great concern for consumer protection and what is popularly referred to as "consumerism".

During this same time there developed recognition of a need for action organizations. CEPA (Consumer Education and Protection Association) was organized in Philadelphia, Pennsylvania, in 1966 to provide a visible positive and direct mechanism for handling consumer grievances. The Consumer Federation of America was organized in 1967 at the suggestion of Mrs. Esther Peterson who, from her White House position, felt in need of a federation of consumer organization to provide a national voice. Readership of such consumer magazines as Consumer Reports and Consumer Bulletin accelerated.
Consumer Movement and The College Campus

In the 1970's student involvement added a new dimension to the consumer movement. During the fall of 1970 Mr. Nader and four of his associates visited over forty campuses, proposing the idea of a student public interest research group identified by the acronym PIRG. The first two student-supported PIRG's were formed in Oregon and Minnesota in the spring of 1971 (Nader, 1971, p. 53). As of May 1971 the states of Vermont, Massachusetts, New Jersey, New York, North Carolina, Michigan, Indiana, Oklahoma, and Arkansas had also established PIRG groups (Newsweek, 1970).

At Kansas State University a different type of consumer group developed. In the fall of 1970 Robert Flashman, a senior at Kansas State University, was studying the possibility of developing a consumer protection organization. He considered the CEPA type of structure, with the possibility of having the KSU students join CEPA International as a student group affiliate. However, the required membership fee and certain procedures of handling complaints gave cause for hesitation. Meanwhile, two student senators, John Devine and John Ronnau, had been making plans for improving consumer relations between students and Manhattan businesses. Aware of this need, but not certain as to the form the organization should take, they introduced in Student Senate a bill to create a Consumer Relations Board. This came to Mr. Flashman's attention in sufficient time for his group to join forces with them and to obtain passage by Student Senate on December 1, 1970, of the bill to create a Consumer Relations Board (CRB). Within a few months the newly created CRB proved itself able to handle consumer problems of students and faculty.
Experiences of the Consumer Relations Board for the Spring 1971 semester was documented as a research paper for the Department of Family Economics at Kansas State University. The paper was initially made available in xerox form as a part of the Family Economics Series publications of the department, and then later published by the KSU Student Governing Association for national distribution. The interest generated from the publication led to holding a National Conference on Student Consumer Action.

OBJECTIVE

The objective of this thesis is to narrate three action-oriented efforts directed by the author to deal with different aspects of consumer problems and issues: (1) organization of a student government affiliated consumer group; (2) publication and national distribution of University Consumer Protection, a book describing the origin and accomplishments of the Consumer Relations Board; and (3) production of the 1st National Conference on Student Consumer Action.

The need of consumer protection for students, and the concept of including a program for such protection in student government was recognized with the passage on December 1, 1971, by the KSU Student Governing Association (SGA) of a bill establishing the Consumer Relations Board (CRB). Since the early work of the CRB is documented fully in the publication, University Consumer Protection by Flashman (1971), only the highlights of the organization and significant events and changes that have evolved are included in the following discussion.
STUDENT GOVERNMENT AFFILIATED CONSUMER GROUP

Organization

The Student Government Association (SGA) assigned the task of drawing up an organizational outline to Robert Flashman. The outline for organization as approved by SGA is shown in Exhibit 1. Several other items were also approved. The work of the CRB has been facilitated by permission to use the SGA office as its base of operations. These permanent and easily accessible quarters enable CRB members to hold meetings and provide a central place for students to bring their complaints. The SGA also grants CRB use of secretarial services and office equipment. The assignment of a secretary has assured CRB of having a permanent answering service daily from 7:30 A.M. to 5:30 P.M. as well as a typist when necessary (Flashman, 1971, pp. 28-29).

Types of Complaints to be Handled

The CRB Board of Directors established three basic types of complaints which the group would handle:

1. Complaints involving any Manhattan merchant.

2. Complaints concerning landlords who are also Manhattan merchants. (Their businesses would be in jeopardy if CRB should picket because of unfair dealings with tenants. . . . Complaints about landlords who are not businessmen would be turned over to University Housing.)

3. Complaints concerning businesses which engage in interstate commerce (ibid, p. 33).
Exhibit 1

Outline for organization of CRB.

Board of Directors -- 9 members -- one volunteer from each college with confirmation by the Student Senate.

Duties -- set policies of the Consumer Relations Board; by 2/3 vote have the power to determine whether or not the Consumer Relations Board should resort to picketing.

Grievance Committee -- 10 members -- each volunteer will in turn represent a student consumer case before the Board of Arbitration.

Duties -- to write up consumer complaints; to decide whether or not a case has enough merit to be brought before the Board of Arbitration.

Board of Arbitration -- 3 members -- volunteers nominated by the Board of Directors and confirmed by the Student Senate.

3 members -- 3 businessmen nominated by the Manhattan Chamber of Commerce.

Duties -- hear cases involving Manhattan merchants; grant the Consumer Relations Board the authority to bring pressure on the merchant.

Research Committee -- 10 members --

Duties -- research into general areas involving students and faculty where there is a general consumer problem.
In the spring of 1971 it became necessary for CRB to add two more categories to the list of complaints it would handle, namely, complaints against the university and those against county and state regulatory agencies. Also, it extended coverage of complaints against businesses to include those engaged in intrastate commerce. In the fall of 1971 another category was added which included complaints dealing with wage, price and rent violations. This addition was a result of President Nixon's Wage-Price-Rent Freeze. Many complaints were brought to CRB by individuals who believed Manhattan merchants were not complying with the new regulations.

**Procedure for Handling Complaints**

A standard procedure was developed to settle consumer grievances. This consisted of nine steps, as shown in Exhibit 2. However, steps 4, 6, 7 and 9 were omitted when handling complaints which extended beyond the Manhattan city limits. When this type of case became frequent, CRB added an additional statement to step 3 of the procedures. The statement, written on behalf of the consumer to assure prompt action from the businessman, is as follows:

To insure that all interested parties are aware of this complaint, we are sending copies of this correspondence to date to (insert parties and agencies affected).

The case of Uni-Travel Corporation exemplifies the effectiveness of this addition, as shown in the final paragraph of Exhibit 3. Within three days after this letter was sent by registered mail to Uni-Travel, CRB received a telephone call. The company president agreed to refund the $84.50 requested, provided the parties cited in CRB's letter received written explanation of the settlement.
PROCEDURE OF DEALING WITH A COMPLAINT

1. Complaints will be submitted to CRB Grievance Committee for evaluation. (In cases where doubt or vagueness of the issue is at hand, an oral consultation with the consumer will be required.)

2. CRB will make sure that all available avenues of grievance settlement between the merchant involved and the consumer have been attempted.

3. Written notification of a complaint will be sent to the merchant by CRB organization in behalf of the consumer. A suggested solution will also be submitted with the notification. CRB will also request the merchant to return a statement of expected grievance settlement or alternate action.

4. If written notification does not bring about settlement by a prescribed time, the CRB Grievance Committee will personally confront the merchant concerning matters for settlement of the consumer's grievance.

5. If settlement is not reached at this time, letters will be written to the Better Business Bureau of Northeastern Kansas in Topeka, the Chamber of Commerce in Manhattan in behalf of the consumer.

6. If settlement is not reached at this time complaint will be submitted to Arbitration Board.

7. If results are not forthcoming, the county attorney will be notified of and briefed on the situation pending.

8. If items 1-7 bring no results, the attorney general will be enlightened as to the situation at hand.

9. If all other courses of civilized settlement fail a non-violent informative picket will be established to publicly bring into view the complaint of the consumer.
THIS BOOK CONTAINS NUMEROUS PAGES WITH THE ORIGINAL PRINTING ON THE PAGE BEING CROOKED. THIS IS THE BEST IMAGE AVAILABLE.
October 25, 1971

Mr. Ronald Terrazas  
Uni-Travel Corporation  
12 Pine Street  
Swampscott, Massachusetts 01907

Dear Mr. Terrazas:

This letter is in regard to a complaint submitted to our office by Mr. Frederick P. Sackbauer, a student at Kansas State University, Manhattan, Kansas.

After careful evaluation of Mr. Sackbauer's correspondence with your office with respect to his attempt to settle his grievance about a ticket refund, we would like your consideration of our suggested solution to this problem.

Mr. Sackbauer entered a contract through Uni-Travel Corporation to undertake a round-trip flight from New York to London. Departure date was May 31, 1971, and the returning flight on August 13, 1971.

Mr. Sackbauer returned to the United States on another flight on June 10, 1971, due to an illness.

In his June 17, 1971, letter to you, he made a request that you refund him for his return flight ticket of August 13, 1971, which he was not on. The Student Legal Advisor has indicated to us that according to agreement in #7, Section B and C, of the contract, Mr. Sackbauer signed he has met the requirements for cancellation and thus he is entitled to a refund of $84.50.

If this notification does not bring about a settlement, our Committee will take alternate legal action.

To insure that all interested parties are aware of this problem we are sending copies of all correspondence to date to the Attorney General's Office, Buyer Protection Division; Ralph Nadar; the Civil Aeronautics Board; and the F.A.A.

Respectfully yours,

Richard C. Kittum
Richard O. Retrum
Consumer Relations Board
Originally, outside-the-city-cases were sent to the Consumer Protection Division of the Attorney General's office in Topeka, Kansas. The overabundance of complaints on file at the Attorney General's office delayed settlement from one to six months. For this reason, CRB began to handle such cases on its own. At this time, the addition to step 3 of the procedures was implemented. It aided in hastening the settlement of each case.

Step 9 has never been used. However, if picketing was appropriate, positive vote by two-thirds of the persons on the board present would be required (Ibid, p. 33). Since at least five board members must be in attendance to enable the Executive-Secretary to call a vote, at least four board members must favor the picketing.

Protection Areas

Since its formation in 1970, CRB has protected the interests of many Kansas State University students and faculty. The complaints received by CRB generally fall into four broad categories: (1) county and state laws, (2) the university, (3) interstate commerce, and (4) Manhattan merchants. An example of each type of case is summarized briefly.

Case 1 (County and State Law)

CRB had received several complaints from out-of-state students concerning duplicate taxation of automobiles. On March 10, 1971, an article was printed in the Kansas State Collegian discussing this matter (Ibid, p. 37). As a result, CRB obtained many additional complaints. The students were being assessed personal property tax both in Kansas and in their home state where the car was registered. CRB
was able to obtain exemption for out-of-state undergraduate and graduate students who were not receiving an assistantship; however, until CRB receives a ruling from the Attorney General's office, graduate students with assistantships would continue to pay automobile taxes in two states. Since Kansas gives these students financial assistance, the state considers them Kansas residents. To date, this matter is still pending.

Case 2 (University)

On April 15, 1971, Mrs. Gary L. Weck, a student at Kansas State University, came to CRB concerning her dissatisfaction with university residency requirements. The admissions office ruled that Mrs. Weck, a native Kansan, did not qualify for in-state fees since her husband was not a Kansan. Under Kansas common law, Mrs. Weck, because of her marriage to an out-of-state student, was considered a non-resident. The university allowed Mrs. Weck five days in which to complete payment of her fees before she would be disenrolled from her courses. Before seeking the help of CRB, Mrs. Weck had spoken to the Dean of Admissions and the Director of Records, who had shown her the Board of Regents ruling which covered cases such as hers. The ruling stated that a female resident who married a non-resident male would continue to pay in-state fees unless she left school for one or more semesters. Such was the case of Mrs. Weck, who had joined her husband at his Marine Duty Station in California. After an absence of three semesters, she returned to complete her degree at Kansas State University. Mrs. Weck had not established residency in another state and still used her former Wichita mailing address.
On April 30, Robert Flashman, the Executive-Secretary of CRB, visited President James McCain to discuss the case of Mrs. Weck. President McCain, most receptive to the situation, asked Mr. Richard Seaton, the University attorney, to work with CRB in Mrs. Weck's behalf.

CRB's Executive-Secretary read section 83-3-5 of Kansas Administration Regulation applicable to the Weck case: "A woman, who at the time of her marriage is a resident of Kansas, for fee purposes shall remain entitled to pay the equivalent of resident fees, if, and so long as, she would continue to qualify as a Kansas resident for fee purposes except for the fact of her marriage." It became apparent to Mr. Flashman that the Office of Admissions and Records procedures conflicted with this regulation. When this fact was brought to the attention of Mr. Seaton and President McCain, the case was reconsidered and Mrs. Weck was classified as a Kansas resident for fee purposes (ibid, pp. 45-54).

Case 3 (Interstate Commerce)

Steven Arntz had purchased a magazine subscription from Literary Reader's Service, Inc., on October 30, 1970. Mr. Arntz complained to CRB that he had not received any magazines as of March 21, 1971. CRB recommended that Mr. Arntz write to the company and enclose copies of the cancelled checks. He was also advised to send duplicate copies to the Buyer Protection Division of the Kansas Attorney General's Office. On April 8, Mr. Arntz received a form postcard from Literary Reader's Service, Inc., saying that his first issue would soon be forthcoming. When, after a reasonable period of time, no issues
were received, Mr. Arntz directed the Buyer Protection Division to process his complaint (ibid, pp. 55-58).

The Collegian, student newspaper, printed an article about Literary Reader's Service, Inc., advising students to contact CRB if they were in the same predicament as Mr. Arntz.

A full refund of $9.50 was received by Mr. Arntz. As a result of Mr. Arntz' and numerous other complaints Literary Reader's Service, Inc., was banned from doing business in the state of Kansas.

Case 4 (Manhattan Merchant)

Miss Joanne Miller, a senior at Kansas State University, came to CRB on April 27, 1971, seeking its help. She had purchased a record album from a local merchant; when she got home, she found the wrong album inside the cover. Her own attempts to get satisfaction in this unusual situation resulted in failure. A member of CRB's Grievance Committee investigated the legitimacy of Miss Miller's complaint before sending a letter in her behalf to the record shop's owner. This letter reiterated Miss Miller's problem and recommended several solutions. The owner responded within the suggested time limit of seven days. He agreed to refund Miss Miller's money or replace the record, whichever was her preference (ibid, pp. 58-62).

Legislation

In addition to its efforts within the university CRB also strongly supported consumer legislation to protect all citizens of Kansas. In February 1972 the CRB from KSU, as well as student consumer boards from the state colleges at Pittsburg and Emporia,
brought to the attention of their fellow students the highlights of Senate Bill 587 described in Exhibit 4. A massive letter campaign was launched to gain support for this strong piece of consumer legislation. Students were urged to write their state senators requesting support for this measure. Approximately 6,000 letters were written by students of these three schools.

During the last week of February, a delegation of students attended Senate committee hearings to demonstrate their support of the bill. The bill was not passed but referred to an interim committee for study.

CRB has also been supportive of a local government consumer ordinance proposal relating to tenants' rights in Manhattan. CRB strongly supported an ordinance which would terminate retaliatory eviction, as well as authorize tenants to deposit rent in escrow accounts when dwellings fail to meet the standards of the city housing code. CRB, with assistance from the student legal advisor, proposed an ordinance concerning security deposits. This measure was designed to put a halt to tenant's being unjustly forced to forfeit their security deposits.

On occasion, CRB has been called a "band-aid" operation for allegedly doing a superficial job of removing the problems at hand. Critics complain that CRB merely solves the same complaints repeatedly. Actually the CRB, as representative of an entire class of people, has a broad responsibility. It has worked with the Consumer Protection Division of the Office of Attorney General in handling complaints and establishing general procedures. It has developed mass education methods for alerting consumers to prevailing consumer problems. And,
Students push consumer rights bill

By GAIL GREGG
Collegian Reporter

Kansans soon may be protected by the most stringent consumer protection laws in the country if Senate Bill 587 becomes law.

Rob Fleshman, coordinator of K-State's consumer relations board, is seeking support for the bill from SGA.

He will introduce a bill in the Senate Thursday night designed to put K-State on the record in support of the proposed consumer relations bill.

STUDENT BODY presidents of the six state schools have been notified of Bill 587 and are expected to vote to support the bill this week.

Senate Bill 587 is sponsored by Robert Bennett, senator from Pittsburg. It is being reviewed by the Senate Judiciary committee, chaired by Sen. Stedman Marl.

The consumer relations board will set up a booth in the Union next week urging students to write their legislators about the bill. Fleshman hopes enough citizen support for the bill will move the committee to hold open hearings soon.

"Any consumer legislation as comprehensive as this needs as much exposure as possible," Bill Fasse, instructor in family economics, remarked.

THE NEW CONSUMER protection bill is designed to help the consumer in several areas. Fasse and Fleshman cited some of the highlights of the bill in an information sheet available in the SGA office. The most important provisions are:

Unconscionable consumer practices. This section protects the consumer who believes he has been dealt with unfairly. Even if the seller could find a loophole in other consumer protection measures, the unfairness of his acts could bring him in violation of this section.

Remedies of the enforcing authority. This section provides for the recovery of reasonable expenses, investigation and attorney's fees for successful prosecution under the act. This means those who violate the act will pay for its enforcement, rather than placing the fiscal burden on the consumers and legitimate private practitioners.

Private Remedies. At this time, Kansans consumers have the legal right to take businesses to court but rarely can find or afford a lawyer to handle their case. Most attorneys refuse to handle consumer complaint cases or refer their clients to the attorney general's consumer protection division.

According to Fasse, "This act will make every attorney in Kansas potentially a consumer protection attorney." It provides that a consumer who wins a case in court will be awarded attorney's fees of $100, whichever is greater.

CLASS ACTIONS. This section provides for the possibility of class action in consumer cases. If one individual is one of a number of people who have the same family product, but the seller refuses to break the law, the court's decision would be applicable to all the consumers. Fasse calls this an "efficient way to dispose of justice."

LANCE BURR of the consumer protection division of the attorney general's office, said the bill will probably increase the number of consumer complaints because people will feel they now have a course of action available. He said the bill would give the agency more power, and would give individual citizens private remedies for consumer complaints as well.

He was able to see a civil penalty added to the bill which would call for a $20,000 fine for each violation of the act.

Plashman said he hopes students will lend their support to the bill. Those interested in working in the Union booth next week should contact him at the SGA office. Copies of the highlights of the bill and addresses of key legislators to contact are available in the SGA office.
it has been involved in consumer legislation which would benefit not only students, but all consumers. The "band-aid" characterization of CRB's operations and orientation reflects a misunderstanding of its purpose and intent.

Education

CRB serves to educate many individuals and groups on various aspects of consumerism. This education manifested itself in several different ways. The CRB volunteers develop an increased awareness of consumer problems. By working as members of a group, they learn to become effective researchers and investigators of consumer problems and issues. CRB members are involved in a continuous learning process.

CRB has sparked interest and increased knowledge of consumerism among the student body of Kansas State University. Several channels have been utilized. Articles in the Collegian relate the actions and accomplishments of CRB to the entire university. Thus, students not only learn about the various consumer problems affecting the school population, but they also learn how these problems are solved. They learn what entrapments to avoid. Secondly, the Executive- Secretary and the Chairman of the Grievance Committee of CRB visited as many as fifteen classes each semester to discuss CRB's purposes and achievements and to develop interest among new students. Thirdly, various campus organizations have invited CRB members to speak to their groups about the general area of consumerism or to give them advice on some specific issue.
Finally, CRB's role as educator has extended off the campus and into the community. Public school classes from grades three through twelve have heard talks on consumerism, as did various adult groups in Manhattan, Kansas, and the surrounding community. Activities of the CRB have been the topic of radio shows.

People appear enthusiastic about the subject of consumerism and seem eager to learn as much as possible about its various aspects. This is understandable since the individual can improve his personal life with an increased knowledge of this subject.

Research

The Research Committee of CRB has concentrated its efforts into three areas. Two of these areas of concern the K-State Union and the university library involved researchers in an analysis of efficiency of services and in the conduct of a student opinion survey. The committee recommended changes to the Union Governing Board and the Director of the library (ibid, pp. 68-71). Some of the recommendations have already been carried out, while others are in process.

The third research project, a housing study, dealt with plans for construction of new apartments by the KSU Endowment Association. These apartments are to be ready for student occupancy in September 1972. The housing study was undertaken in order to determine which features students liked and disliked in the apartments already built on Endowment Association owned land. A housing committee, established by President McCain, incorporated results of the study in its consideration of construction plans.
Major research projects for the 1972-1973 school year have been designated. These will be: (1) "cents off" advertising; (2) automobile repair service and cost; (3) landlord rating system and publication of a tenant's rights booklet; and (4) small appliance repair service directory.

CONSUMER RELATIONS BOARD PUBLICATION

The student senators were so delighted with the accomplishments of CRB that in October of 1971 the SGA agreed to subsidize mass publication of Mr. Flashman's paper as a paperback book: University Consumer Protection. It describes the organization and procedures for handling complaints. The student senators foresaw the value of the book for other universities and, therefore, agreed to subsidize the publication.

Letters were sent to 480 colleges and universities, explaining the book and its potential for helping student leaders gain a better understanding of how to treat consumer problems. The sales letter brought many requests for copies of the book thus revealing the need for a publication of this type. More than 300 copies of University Consumer Protection were sold within the first year of publication. As of May 1972, approximately 150 colleges and universities throughout the nation have purchased one or more books. In addition, many individual purchases were made at the 1972 conference of the American Council on Consumer Interest and at the 1972 Illinois Third Annual Conference in Consumer Education.
Adaptability of Consumer Relations Board

If they so desire, other Student Government Associations could establish Consumer Relations Boards on their own campuses with minimal difficulty. The organizational outline presented in University Consumer Protection was written so that it might be easily adapted in a variety of campus situations, whether its student body is as small as 2,000 or as large as 42,000. Emporia State Teachers College in Kansas, with a student body of approximately 7,000, and Indiana University, with approximately 35,000 students, are examples of institutions which have used the consumer protection book as a basis for developing their own protection groups.

1ST NATIONAL CONFERENCE ON STUDENT CONSUMER ACTION

Various indications suggested there was a budding interest in consumerism on the nation's campuses. First, many PIRG groups were being organized; second, many colleges and universities had ordered the book, University Consumer Protection. The replies which were received from follow-up letters sent to these schools by CRB of Kansas State University revealed a serious interest in an exchange of ideas with other organized student groups. These factors were the stimuli for planning the 1st National Conference on Student Consumer Action at Kansas State University.

When this desire for a national student conference on consumerism became apparent, the Consumer Relations Board estimated the funds necessary to cover the conference and added this to their 1972-1973 budget. Meanwhile, it was learned that two other campus groups were trying to engage Ralph Nader to speak at Kansas State University
during the spring of 1972. If either the Society for the Advancement of Management or the All University Convocation Committee succeeded in getting Mr. Nader, the student consumer conference could coopt his services free of charge. In anticipation of their success, the conference date was moved ahead to 1972. After weighing the pros and cons, it was decided to attempt to hold the conference in the spring of 1972. The executive-secretary of the Consumer Relations Board contacted Dr. Richard Morse, Head of the Department of Family Economics and the member of the All University Convocation Committee assigned to contact Mr. Nader.

Program Design

On March 16, 1972, Robert Flashman, executive-secretary of CRB, and Dr. Morse, made a joint inquiry to Julie Colemore, Mr. Nader's booking agent, about the possibility of his speaking at Kansas State University sometime in early May. A tentative agreement to engage Mr. Nader for May 3 was negotiated with Miss Colemore pending confirmation by the speaker.

It was next necessary to secure sufficient funds to cover expenses such as phone calls and printing. Mr. Flashman approached John Ronnau, KSU student body president and an initiator of Consumer Relations Board, in hopes of acquiring the desired funds. Once Mr. Ronnau understood the purpose of such a conference, he promised to lend his support to the project and request appropriation of the necessary funds.

With Mr. Nader tentatively scheduled as keynote speaker and the preliminary funding secured, Mr. Flashman, with the assistance of Dr. Richard Morse and Mr. William Fasse, Instructor in the Department
of Family Economics at Kansas State University, proceeded to design a conference program which would cover various areas of consumer interest. The areas selected were those considered beneficial to functioning student groups as well as to those in the planning stages. The topics finally chosen were consumer development, problems of student tenants, consumer organization, legal aspects and legislation.

Mr. Passe, who was personally acquainted with many consumer leaders, contacted them by telephone. All who did not have commitments accepted, thus indicating the enthusiasm with which the speakers anticipated the conference.

The conference was scheduled to be held from May 3 to 5. With the speakers committed and their topics chosen, the rest of the scheduling could be completed.

It was planned to have Frank Cleveland, program planner, preside over the student meetings Wednesday and Thursday evenings. Wednesday night's meeting was to provide students with an opportunity for discussion of consumer programs at their universities. Student participants were intended to represent groups at all stages of development—the about-to-be-born, the youthful, and the well-established. The discussion was planned to enable each individual to actively participate in an exchange of ideas.

Thursday evening's group meeting was to be devoted to decision making in order to determine whether needs existed for:

1. Formation of a National Student Consumer Protection Agency
2. A student consumer action agency
3. Unity among local consumer protection agencies in each state
(4) Coordination of student consumer protection agencies with a state agency

(5) Formulation of a policy statement on student consumer action

(6) Establishment of a follow-up committee

(7) A second National Conference on Student Consumer Action.

The Friday afternoon workshops were planned to enable participants to learn more about one of the following twelve areas of consumerism:

A. Local Consumer Protection Boards on University Campuses
B. Financial Counseling for Students
C. Consumer Law Group
D. Tenants' Legal Rights
E. Picketing
F. State-wide Consumer Protection for Universities
G. Students and State Legislation
H. Local Consumer Law Enforcement
I. National Consumer Legislation
J. Student and State Regulatory Agencies
K. Financing Student Protection
L. Consumerism in National Student Government Associations

Saturday May 6 afternoon's plans included voting on a policy statement, election of national officers, and election of people on the follow-up committee.
Support from the Kansas State University
Student Governing Association

An amount of $3,500 was needed to guarantee expenses and token
honoraria for the speakers. The Executive-Secretary of CRB, Mr.
Flashman, requested this amount from Student Senate in support of
the conference. After Mr. Flashman explained the importance of
financial assistance and answered questions of the Student Senators,
they voted in favor of allotting money for the 1st National Conference
on Student Consumer Action and gave their full support to this
endeavor.

Participant Selection

Invitations to the 1st National Conference on Student Consumer
Action were extended to leaders of Student Governing Associations
and to University Consumer Protection groups throughout the country.
Also invited were student leaders of consumer groups which functioned
independently of the university; for example, the various PIRG groups.

Various means were employed to attract student interest in the
forthcoming conference. Student body presidents were sent an in-
formative brochure with a cover letter explaining the purposes of
the conference and giving the tentative program. (See Exhibit 5.)
Two weeks later, follow-up phone calls were made to several student
groups to learn if they had been notified of the conference by their
student body presidents. Since most had not been contacted, it was
assumed that many student leaders were still unaware of the meeting.
Consequently, a second letter was written, but it was sent to the
college newspapers. (See Exhibit 6.) Enclosed with it were copies
Dear Fellow Student Consumer:

Since Ralph Nader's exposé of the automobile industry in the 60's there has risen a growing concern for consumer rights and a need for protection of these rights. More people are reading Consumer Reports, and organizations such as Consumer Federation of America and CEPA (Consumer Education and Protection Association) have come into being. President Kennedy began the practice of appointing a special assistant on consumer affairs to advise him, and his successors have continued the practice.

Meanwhile, the American college student was still being subjected to fraud and deception by door-to-door salesmen, auto repairmen, ads for summer jobs overseas, do-it-at-home schemes, and rip-offs by their landlords. Only recently have students realized the need to organize to protect themselves.

During the last year we at Kansas State have established a Consumer Relations Board under the Student Governing Association, and we are proud to say that this consumer protection agency has saved our students over $45,000 in its first year of existence. So pleased were we with the initial results that we published a booklet entitled "University Consumer Protection" which describes the organization and its procedures. Now, five of the six state schools of higher learning in Kansas have a consumer protection agency. And more than 200 universities and colleges across the nation have bought the booklet.

We have received so many follow-up letters from students at colleges and universities that we see a desire for unity and a statement of direction for student consumer protection agencies.

We have, therefore, planned the 1st NATIONAL CONFERENCE ON STUDENT CONSUMER ACTION, May 3-6. Speakers of national prominence in the area of consumer affairs have been invited to participate in the conference. And all of them have accepted. We are asking that you also participate, assuming that you are interested in being a part of this historic event and having a say about the direction of student consumer protection policy.

We would appreciate hearing from you by the 21st of April as there is a limited amount of free housing available. We are asking that each school limit its delegation to three unless special arrangements are made. These should be representatives who can effectively represent your school, participate at the different workshops, and assist you in taking action on your campus. Enclosed is a brochure listing some of the objectives of the conference, the speakers and the workshops planned.

Robert Flashman
Chairman
National Conference on Student Consumer Action

Frank Cleveland
Program Planner
Kansas State University
May 3-6 1972
the 1st of its kind
Come participate in
NCUSA

Exhibit 5B
Welcome to the First National Conference on Student Consumer Action

Election of National Officers

Welsh & Welsh

'Student Consumer Protection'

Student Consumer Protection

Council of National Officers

National Conference on Student Consumer Action

May 3-6, 1972

Welcome to the First National Conference on Student Consumer Action
<table>
<thead>
<tr>
<th>Event</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Conference on Student Consumer Action</td>
<td>9:00 a.m. - 9:30 a.m.</td>
</tr>
</tbody>
</table>
EDITOR

Recently we sent to your Student Government Association information concerning the First National Conference on Student Consumer Action.

You are probably interested in writing a story about Student Government's plan to send a representative to the First National Conference on Student Consumer Action, and the goals of the Conference.

If your student body president is unable to attend, there are probably students on your campus who are involved in consumer action or students who would be interested in starting consumer protection and who would be interested in attending this conference.

It has come to our attention that the information we sent to some of the student governments has not been passed on to consumer action groups or other interested students.

Enclosed is a copy of the letter we sent to the student government which you may wish to reprint or rewrite to bring notice of this significant conference to the attention of your readers.

Chairman
Bob Flashman

Program Chairman
Frank Cleveland
of the letter and brochure previously sent to the student government presidents. In addition, the Associated Press gave pre-conference press coverage.

Program Speakers

Many people invited to speak at the 1st National Conference on Student Consumer Action were prominent figures in the consumer world. Because Ralph Nader was unable to attend the conference, Miss Betty Furness, Special Assistant on Consumer Affairs to President Lyndon B. Johnson, former Chairman and Executive-Director of New York State's Consumer Protection Board, and currently feature editor of McCall's magazine, came to the university as an all-university convocation speaker in the morning and opened the conference that afternoon as keynote speaker.

Mrs. Helen Nelson, President of Consumer Federation of America, and Lance Burr, Chief of the Buyer Protection Division of the Kansas Attorney General's Office arrived before their scheduled speaking appearance and participated in the conference until other commitments forced them to leave. Professor William F. Willier, former Director of the National Consumer Law Center, Dr. Richard L.D. Morse, consultant on Truth-in-Lending to the U.S. Treasury Department as well as author of the now pending Truth-in-Savings bill, Mr. Max Weiner, Editor of Consumer Voice, and Executive-Director of CEPA International, and Miss Diane McKaig, Executive-Director of Michigan Consumer Council, and former attorney to the President's Consumer Advisory Council, arrived early at the conference. They presented speeches and remained to participate until the program's conclusion.
Other nationally known specialists in consumer law on the program's agenda included Richard Hesse, Director of the National Consumer Law Center; Benny L. Kass, Washington, D.C. attorney; and Donald E. Rothschild, Professor of Law at George Washington University.

The consensus of the students who attended the conference was that each of the speakers gave more than just a speech; they gave generously of themselves in an effort to make the 1st National Conference on Student Consumer Action the success that it was.

Participants

The participants, many of whom represented a consumer protection organization, came from nine states. Michigan was represented by two different groups. Chuck Sinclair, from Michigan State University, represented the Michigan Council, a state funded organization.

The other organization from Michigan was Ann Arbor's Consumer Action Center funded by the Ann Arbor Chamber of Commerce to handle complaints against businesses in the community. This organization was represented by Janelle Hill and Bill Bailey.

Jim Betty, Randal Morger, and Ed Jolicoeur were delegates from the University of Montana; which was in the process of establishing a PIRG. These three students came to learn methods employed by various groups in handling complaints.

Minnesota was represented by Minn-Pirg, second oldest of the PIRG's which obtained its funds through an increase in student fees. The emphasis of Minn-Pirg is on major issues which affect all the citizenry of Minnesota.
Richard Carling was the representative of the Georgia Tech Student Government Association. In 1972, the student government at Georgia Tech allocated money for the formation of a consumer organization. Mr. Carling wished to learn as much as possible about consumer protection in order that this group might function effectively.

Mark Cuculic attended the conference in behalf of Texas Tech University Student Government Association. Texas Universities were in the process of gathering signatures to petition the Texas Board of Regents for their approval to increase student fees for consumer protection. The universities hoped to establish a consumer group of some kind.

The main reason for South Carolina's presence at the conference was to learn about alternatives to PIRG. University trustees had previously voted down a fee increase to fund this group.

Larry Beard, a student from the University of Missouri, attended the conference to decide if that university should join the University of St. Louis in creating a Missouri PIRG or if it should seek an alternative consumer organization as its model.

Brad Baker, Indiana University senior, attended the conference to meet leaders of other student groups. His main goal was to stimulate dialogue among the participants in hopes of organizing a National Student Consumer Council. Mr. Baker represented INPIRG.

Kansas was represented by delegates from two of the five colleges and universities with CRIB's and by persons interested in forming consumer organizations at their own universities. Although the participants represented groups of great diversity, each one was at the
conference to learn from the other and to share his own group's experiences and ideas. In this manner, they hoped to unify the separate groups.

Conclusion and Recommendations

The following goals of the conference were met:

1. It provided an opportunity to exchange ideas for the formation of a National Committee for Student Consumer Action.

2. There was an analysis of possible routes for student consumer action.

3. Unity was developed among the students in attendance.

4. Proposed guidelines to coordinate student consumer protection activities with those of state and federal agencies were adopted as a priority objective of the Second National Conference on Student Consumer Action.

5. A conference report was authorized.

6. A steering committee was nominated (rather than electing a hierarchy of officers) to develop a communication network and plan the second National Conference on Student Consumer Action.

The steering committee's recommendations were the following:

A. Identify consumer problems common to college students across the country.

B. Identify existing individuals and groups already involved in solving those problems.

C. Provide assistance in establishing such groups where none exist by utilizing student government organizations.

D. Establish a communications network among student consumer groups using:

   1. Telephone
   2. Mail
   3. NET programs.
E. Coordinate and disseminate information on means of solving common problems through the systematic collection of information on student involvement in college and university consumer programs. This will be the first systematic reporting of such projects. The following should be included:

1. Student advisory and governing committees
2. Student initiated service projects
3. Agency funded outreach projects

F. Encourage establishment of courses or utilization of existing courses for

1. Education in consumer affairs
2. Clinical investigations into the causes and sources of problems
3. Proposing economic and legal solutions to consumer problems

G. Create a liaison with non-student consumer groups and organizations for exchange of information and common efforts to achieve mutual goals.

CONCLUSION

The objective of this thesis was to narrate three action-oriented efforts directed by the author; specifically, these were: (1) organization of a student government affiliated consumer group, (2) publication and national distribution of Robert Flashman's book, University Consumer Protection, which describes the origin, purposes, and accomplishments of Consumer Relations Board, and (3) production of the 1st National Conference on Student Consumer Action.

CRB has surpassed SGA's original goal of becoming a means of creating better relations between Manhattan merchants and students. CRB has also become a vehicle whereby students can bring the ideology of free enterprise taught in the classroom closer to a reality and, at the same time, receive an outside-the-classroom education. A
student will better understand marketing principles when researching the consumer's real savings from "cents-off" advertising; he will learn political aspects of consumerism when attending a hearing concerning consumer legislation; and, he will become familiar with the powers of the president and some of the governmental agencies when he handles a complaint on the wage-price-rent freeze. While CRB members benefit educationally from their work experiences, they also help others to enjoy their privileges and to exercise their responsibilities as citizens. CRB believes its members will be social, economic, and political assets to the communities in which they settle.

The publication, University Consumer Protection, has been a vital tool in Student Governing Associations interested in creating consumer organizations at their college or university. Five of the six state colleges and universities in Kansas have used this book to organize their own Consumer Relations Boards. Schools outside of Kansas, as well, have used the book to create effective consumer groups. Even after these CRB's became well established, the book continued to be a source of education for new members. Finally, the publication served to stimulate the interest in holding a National Student Consumer Conference.

The 1st National Conference on Student Consumer Action gave student consumer organizations an opportunity to exchange ideas and help each other in their efforts to create effective groups. A feeling of unity evolved within the group and a National Committee on Student Consumer Affairs was created.
The recent acquisition of adult rights by the eighteen year old makes him responsible for his actions as a consumer. As a result, student consumer protection groups can be expected to play an increasingly greater role on the nation's campuses. With a yearly influx of new college students, the need for such groups should continue to flourish. It is anticipated that student governments will accept consumer protection and education to be a regularly funded service activity.
ACKNOWLEDGEMENTS

Grateful acknowledgement is made to Dr. Richard L.D. Morse, Professor and Head of the Family Economics Department, for his guidance during my two years of graduate study, as well as his assistance and encouragement during the preparation and writing of this manuscript.

Grateful appreciation is expressed to Mrs. Albie Rasmussen who first interested me in undertaking a program of graduate study in the Department of Family Economics and to William Fasse, who counseled me in consumer action.

Sincere appreciation is extended to Mrs. Patty Annis, Assistant Professor of Family Economics, and Dr. Stephen Bollman, Associate Professor in Family and Child Development, for their service as members of my graduate committee.

The undertakings narrated in this thesis would not have been possible without the support of the K.S.U. Student Governing Association, and its past and present student body presidents, Robert Harmon and John Ronnau.

Finally, appreciation is expressed to my loving wife, Joan, for her encouragement and understanding throughout the writing of this paper.
REFERENCES


STUDENT CONSUMER ACTION

by

ROBERT H. FLASHMAN

B. S., Kansas State University, 1970

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AN ABSTRACT OF A MASTER'S THESIS

submitted in partial fulfillment of the

requirements for the degree

MASTER OF SCIENCE

Department of Family Economics

KANSAS STATE UNIVERSITY
Manhattan, Kansas

1972
President John F. Kennedy's 1962 consumer message to Congress and Ralph Nader's expose of the automobile industry in 1966 were major factors in creating the upsurge of consumer awareness in this country. Within the past decade, a great many consumer protection groups of all types have evolved. In the 1970's student involvement added still another dimension to the consumer movement.

The objective of this thesis was to narrate three action-oriented efforts directed by the author; specifically, these were (1) organization of a student government affiliated consumer protection group, Consumer Relations Board; (2) publication for national distribution of Mr. Flashman's book, University Consumer Protection, which describes the origin, purposes and accomplishments of the Consumer Relations Board; and (3) production of the 1st National Conference on Student Consumer Action.

The KSU Student Governing Association (SGA) recognized the desirability of having a student consumer group and voted on December 1, 1970, to organize a Consumer Relations Board (CRB). The CRB surpassed SGA's original goal of creating better relations between Manhattan merchants and students. CRB has become a vehicle whereby students can bring the ideology of free enterprise taught in the classroom closer to a reality and receive outside-the-classroom education.

Experiences of the CRB for the Spring 1971 semester were documented as a research paper for the Department of Family Economics and made available in xerox form through the Family Economics Series publications of the Department.
SGA, foreseeing the value of this book, agreed to subsidize the publication *University Consumer Protection*, written by Robert H. Flashman in October 1971. *University Consumer Protection* explicitly describes how to organize a Consumer Relations Board. The book has been a vital tool for other student government associations interested in establishing consumer groups. Approximately 150 colleges and universities have each purchased at least one copy of the book. The publication also served to stimulate interest in holding a national conference.

The 1st National Conference on Student Consumer Action was held May 3-5 to bring unity and direction to the student consumer movement. Speakers of national prominence covered such topics as development of consumerism, problems of student tenants, consumer organizations, legal aspects and legislation. Evening group meetings provided students with an opportunity for discussion of consumer programs at their universities. The conference met its objectives:

1. It provided an opportunity to exchange ideas for the formation of a National Committee for Student Consumer Action.

2. There was an analysis of possible routes for student consumer action.

3. Unity was developed among the students in attendance.

4. Guidelines were proposed to coordinate student consumer protection agency activities with those of state and federal agencies as a priority objective of the Second National Conference on Student Consumer Action.

A steering committee was nominated to develop a communication network and plan the Second National Conference on Student Consumer Action. Publication of proceedings are in preparation.
The significance of these efforts will be measured by the acceptance by student governments in establishing consumer protection and education as a regularly funded service activity.