

BUYING AND SELLING ELECTRONICS

A guide for consumers and merchants

The New York City Department of Consumer Affairs

- Shopping for electronics*** When shopping for electronic appliances, it pays to know a bargain from a scam. The New York City Department of Consumer Affairs responds to hundreds of complaints about electronics stores each year. For your own protection, get street-smart!
- Shop around*** You're likely to get a better buy if you **look in more than one store.** **The store's refund policy** must be posted in a prominent location. A "no refund" policy is legal as long as it's posted. **If there is no posted policy, you have the right to a full refund if you return the item within 30 days.**
- Restocking fees*** When making refunds, many stores charge as much as 15% of the purchase price to cover the cost of repackaging returned items that were opened by the customer. **These fees must be posted with the refund policies.** When shopping in New York City, if you are charged a fee that is not posted in the store, **call 3-I-1.**
- Get a receipt*** **Always get an itemized receipt.** By law, stores must present a receipt for every purchase of \$20 or more, and must present a receipt at customers' request for any purchase costing \$5 to \$20. The receipt must include the price, brand name and description of the item purchased, tax, date, and the store's name and address.
- Read the warranty*** If you are sold a defective product, you may be able to get a replacement or refund if the warranty says so. After the purchase, mail the warranty registration right away and keep your copy handy. But think before buying expensive additional warranties. ***Ask to see a manufacturer's registration number,*** proof that the store is a registered dealer of the manufacturer's products. Some electronics companies will not accept warranty claims on their products unless you bought them from an authorized dealer. **Be careful if you are buying goods manufactured for foreign sale. Warranties for the merchandise may not be good in the United States.** ***Read consumer guides.*** When shopping for electronic equipment, check the ratings in *Consumer Reports* or other unbiased consumer guides.
- Are sale items in stock?*** Avoid bait and switch. When shopping for a sales item, remember a store must supply what they advertise, at the advertised price. Be careful if a salesperson tries to talk you into buying another item that is not what you came for. Stick to your guns! Any parts listed on the product container should be in the container when you buy the product. Some stores remove parts from packages and try to sell them separately. **An item may look new, but it could be used or rebuilt. Any product that has been used must be marked "used," "floor model," "rebuilt," or "refurbished."**
- Don't mention it*** If you're just visiting the city, don't bring it into the conversation. Some stores will take advantage of shoppers from out of town by selling an inferior item to a customer who can't come back to complain. Electronics stores must inform customers if they are charging more than the Manufacturer's Suggested Retail Price (MSRP). You can check the MSRP for most items ahead of time by calling the manufacturer's toll-free number. If you shop around, you should find prices at or below the MSRP.
- Double-check your credit card receipt*** **Check your credit card receipt carefully before you leave the store, and keep all receipts.** Some stores may try to add digits to credit card slips after consumers sign them, turning a \$29.95 purchase into a \$129.95 expense.
- See next page for ELECTRONICS BUSINESS GUIDE.**

*Guidelines
for
electronics
merchants*

All electronics stores within the five boroughs must be licensed by the New York City Department of Consumer Affairs.

IF YOU SELL...

- Calculators
- Audio equipment
- Photo equipment
- Video equipment
- Computer equipment

...YOU MUST OBTAIN A LICENSE from DCA before opening a store, unless your store uses less than 20% of its display space for electronic goods, or your store displays fewer than 30 electronic products.

*WHERE
AND HOW
TO OBTAIN
A LICENSE:*

Visit or write:

Licensing Center
Department of Consumer Affairs
42 Broadway, 5th floor
New York, NY 10004

(Hours: 9 am – 5 pm)

You can also call 3-1-1 (or 212-NEW YORK outside the City) or visit the DCA Web site www.nyc.gov/consumers. License applications can be downloaded from the DCA Web site.

When you get an application for an Electronics Store license, read it and fill it out.

If you plan to apply through a representative, complete the Granting Authority to Act Affirmation, too.

You or a business representative should file your application online at www.nyc.gov/consumers or in person at the Licensing Center, with all requested information, including documentation.

Within 14 days you will receive your license in the mail, along with a 12"x 18" sign. The license and sign are public announcements that you are licensed to sell electronics. Display both of them on the business premises where customers will see them. **Now you can begin business operations.**

Know the law

All licensees must follow these requirements:

Refunds

Display your refund policy on a sign near the cash register where customers will see it. Be sure all details are listed and in plain sight.

*Price
labeling*

Each piece of merchandise in a display case or shelf must have the full selling price (before tax) attached to it with a stamp, tag, or label, or displayed on a clearly visible sign.

Receipts A receipt must be provided with every sale of \$20 or more. For purchases between \$5 and \$20, a receipt must be provided on request.

All store receipts must list:

- amount paid for each item, with a full description of each item
- date of purchase
- payment total with separate tax statement
- name and address of store as listed on the license
- DCA license number

Records inspections Keep records, ledgers, receipts, and bills accurate, up to date, and ready for inspection at any time by DCA.

Suggested retail price When selling at a price higher than the MANUFACTURER’S SUGGESTED RETAIL PRICE (MSRP), display both your price and the suggested retail price on the item’s price tag or label. Indicate which price is which. Do not use the abbreviation “MSRP.”

Selling used goods If your store sells used as well as new merchandise, you must get a Secondhand Dealer license. Apply online at www.nyc.gov/consumers or in person at the DCA Licensing Center.

Violations When an electronics store licensee breaks any business law, such as committing fraud or not repaying money owed to a customer, the licensee is liable for maximum fines for each violation. Serious or repeated violations can lead to license suspension or revocation.

Advertising When an electronics store uses advertising that is untrue, misleading, or deceptive, it is breaking the law.

Other licenses If your store provides service or repair of appliances, you need an Electronic & Home Appliance Service Dealer license. Apply online at www.nyc.gov/consumers or in person at the DCA Licensing Center.

You may need a license to run special sales, such as liquidation, renovation, and going-out-of-business. Apply for a Special Sales license online at www.nyc.gov/consumers or in person at the DCA Licensing Center.



**Department of
Consumer Affairs**

Jonathan Mintz
Commissioner

The New York City Department of Consumer Affairs works to ensure that consumers and businesses benefit from a fair and vibrant marketplace. For additional information about the Department, visit www.nyc.gov/consumers

If you have a consumer-related complaint, call DCA at 311 or (212) NEW-YORK.

New York City employees are not allowed to ask for or accept anything of value, such as money, gifts, or tips for doing their job. To report corruption, contact the New York City Department of Investigation at www.nyc.gov/doi.