

Thursday, October 27, 2005

**DCA SHELVES FURNITURE STORE RIP-OFFS:
CITES STORES FOR REFUSING RETURNS, DECEPTIVE PROMOTIONS,
DEFECTIVE MERCHANDISE AND NON-EXISTENT DELIVERIES**

***Sleepy's, Jennifer Convertibles, Calidad, and Viva Casa Issued Violations;
DCA Seeking More Than \$185,000 in Total Fines; Restitution for Consumers***

New York City Department of Consumer Affairs Acting Commissioner Jonathan Mintz today announced an agency sweep citing four furniture retailers – Sleepy's, Jennifer Convertibles, Calidad, and Viva Casa – for deceptive practices seeking more than \$185,000 in total fines and consumer restitution. The furniture retailers were cited, most notably, for bogus return policies, deceptive promotions, defective merchandise, missed or non-deliveries, selling used items as new, and failure to resolve consumer complaints. The violations, carrying a maximum fine of \$350 a piece, were spurred by a pattern of egregious complaints.

"Furniture store rip-offs are a perennial top complaint and these stores are the most egregious," said Jonathan Mintz, DCA Acting Commissioner. "Not delivering what customers paid for, refusing refunds, selling used items as new, or missing delivery dates is frustrating and costly to consumers – and illegal. These stores have had ample opportunities to comply with the Consumer Protection Law and resolve consumer complaints, and now they'll have to answer to us."

SLEEPY'S (locations citywide):

Sleepy's receives the most complaints of any furniture store in the City. They face the largest amount of violations and face more than \$100,000 in fines. Sleepy's was cited for deceiving customers through its "28-day comfort exchange policy," selling used mattresses as new, delivering damaged goods, exchanging previously damaged goods for other damaged goods, failing to honor delivery dates or purchased warranties, as well as failing to let consumers cancel an order, or issue a refund after agreeing to do so. Sleepy's falsely claims customers can make an exchange as part of its "28-day Comfort Exchange Policy" but requires customers to notify the company of their intent to return only within a 14 day window. Sleepy's operates 65 stores in New York City, as well as an 800 number (1-800-SLEEPYS). The DCA received a total of more than 115 complaints against Sleepy's in the past two years. Many were referred from the New York State Attorney General's office and the Better Business Bureau.

JENNIFER CONVERTIBLES (locations citywide):

Jennifer Convertibles racked up more than 50 complaints and faces more than \$32,000 in fines for repeatedly failing to deliver furniture on delivery date, delivering damaged goods, and promising to send a repair-person who then doesn't fix furniture correctly or doesn't show up at all. Jennifer Convertibles operates 27 sofa-bed retail stores in New York City, as well as six Jennifer Leather stores.

CALIDAD (locations in Manhattan, Queens, and the Bronx):

Calidad operates six furniture stores in New York City, and has received more than a dozen consumer complaints. Most common complaints include failure to give itemized receipts or state the amount of tax charged, and delivering damaged goods. In addition, Calidad refuses to offer a refund or store credit when required by law, sells used items as new, and fails to give an estimated delivery date. Calidad faces nearly \$30,000 in fines.

* * *

VIVA CASA (Brooklyn):

Viva Casa in Brooklyn has received nine complaints. All nine of the complaints filed with the DCA report that none of the items ordered were ever delivered. In addition, the most common complaints were for failing to return refunds and deposits, as well as failing to give estimated delivery dates. Viva Casa faces more than \$25,000 in fines.

* * *

Acting Commissioner Mintz suggested the following **CONSUMER TIPS**:

- **If the merchandise is not delivered by the delivery date, consumers have a right to:**
Cancel with a full refund, get a new delivery date, receive a credit, or select different merchandise. **This does not apply to "custom made" furniture, or if the failure to deliver was caused by the consumer.
- **Refund Policies – Know Before You Buy:** Stores can determine the conditions of their own refund policy, but it must be posted clearly and conspicuously near the cash register or point of purchase. If a refund policy is not posted, by law consumers have a right to a full refund within twenty days.
- **Damaged goods:** If the items that are delivered are damaged, consumers do not have to – and should not - accept or sign for the delivery. Once the delivery is refused for damaged furniture, you will not be held liable for payment.
- **Never pay the full amount before delivery.**
- **Be wary of catalog and Internet sales:** Catalogs and websites can only show what items may look like, but don't allow consumers to test the quality. If ordering from a website, be sure to only purchase from a reputable business, and one that has a physical store location or showroom.
- **Check the complaint history of a business:** Call 311 to check on a furniture store's complaint history with the DCA.

In fiscal year 2005 (July 1, 2004 – June 30, 2005), the DCA received more than 460 complaints against furniture stores and was able to secure more than \$100,000 in consumer restitution. So far this fiscal year, the DCA has received nearly 150 complaints against furniture stores and secured more than \$40,000 in restitution.