



Wisconsin's Direct Marketing Rule

Wisconsin's direct marketing law, Wis. Admin. Code ch. ATCP 127, protects consumers in telephone, e-mail, fax, mail, and door-to-door transactions. This includes sales made in motel and hotel rooms and other places away from the seller's place of business.

Before direct marketers say anything other than a short greeting, they must disclose who they are, whom they are soliciting on behalf of, and what they are selling.

Do not be pressured to pay companies who make a practice of mailing unordered merchandise.

Before finalizing the sale, and taking a credit card number or taking any money, they must disclose the cost, quantity, conditions, refund policy and the name and address of the principal company.

A direct marketer cannot bill your credit card without your verifiable authorization and the marketers must keep records of transactions for at least two years.

The following actions are prohibited under the direct marketing law:

- Threatening, intimidating or harassing consumers.
- Failing to leave a consumer's premises upon request.
- Calling consumers who previously said they do not wish to receive telephone solicitations from that seller.
- Calling consumers before 8 a.m. or after 9 p.m. without their prior consent.
- Representing to consumers that they are conducting a survey or a contest, when they are trying to sell goods, or attempting to get information for sales prospects.
- Misrepresenting that they are affiliated with a government or third-party organization.
- Requesting or receiving payment for loan finder services before the consumer actually receives the promised loan. This is aimed at companies that



promise loans, charge a fee, and disappear without producing the loan.

In addition, Wisconsin's prize notice law, Wis. Stat. § 100.171, prohibits solicitors from requiring a purchase as a condition of entry into a prize promotion. Solicitors should verify the retail value of prizes and disclose the odds of winning.

Right to Cancel (Wis. Admin. Code ch. ATCP 127 & Wis. Stat. §§ 423.201-423.205)

In a direct marketing transaction initiated by a seller which involves the extension of credit or a cash sale of over \$25 away from the seller's regular place of business, you must be notified of your three-day right to cancel. This does not cover real estate, auctioned goods, items used for agricultural purposes, or insurance.

Your three-day right to cancel starts only after the seller has provided you the proper written notice of your right to cancel. If you do choose to cancel, send your cancellation notice by certified mail so you will have written proof that your cancellation notice was sent on time. Per Wis. Stat. § 423.204, your money must be returned to you within 10 days of cancellation. Per Wis. Stat. § 423.205, you may keep the product if the seller does not pick it up within 20 days after cancellation.

Unauthorized payment

Under Wis. Admin. Code ch. ATCP 127, the marketer must obtain your authorization before asking for or accepting payment via a credit card or a check.

Unordered goods

What about things you have received in the mail that you did not order? Under Wis. Stat. § 100.174, unsolicited merchandise is considered a gift and may be kept without any obligation to the sender. Do not be pressured to pay companies who make a practice of mailing unordered merchandise on a “trial basis,” followed by phony invoices.

For more information or to file a complaint, visit our website or contact:

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