

## Reports on credit

and other financial information

# Facts about mailing lists and preapproved credit offers

### What are the benefits of advertising mail and preapproved credit offers?

Many people delight in the choices and opportunities that advertising mail provides. They look forward to receiving catalogs, money-saving coupons, the convenience of pressure-free shopping from home, free trial offers on new products and services, and invitations to special sales that are not widely advertised.

Companies offering you preapproved credit lines have conducted a complex marketing process called prescreening. This process expands your ability to obtain credit at a reduced price, with increased value, regardless of where you live and without filling out lengthy forms. You select the most attractive rates and features to fit your needs.

Many creditors today open new accounts only through preapproved credit offers. Choosing to remove your name from mailing lists for preapproved offers removes you from the marketplace, so give careful thought to such a decision.

### What is “target” marketing?

Back in the “old days” of direct marketing, businesses prepared a single mail piece, sent it to virtually everyone and then waited for consumers to buy. Today, most companies develop a description of their ideal customers and then tailor unique sales offers to fit those customers’ needs. This approach is called target marketing.

The right mailing list helps a business reach only those consumers who are likely to be most interested in its products and services. Target marketing reduces “junk” mail — advertising mail that does not relate to your interests or needs.

By eliminating consumers who don’t fit a specific description, a company can mail fewer — but more effective — offers, lower its marketing costs and pass the savings on to you.

### How does your name get on a mailing list?

There are four main ways your name might get on a mailing list:

- Surveys you complete and provide to companies are used to compile mailing lists for future offers. The information is often referred to as “self-reported” because you provide it directly.
- Magazines, credit card companies, clubs and organizations, charities, manufacturers and retailers make lists of their subscribers, customers, members and donors available to other businesses for a rental fee.
- Companies purchase information from various public and private sources to develop consumer databases for specific marketing purposes. These companies are called list compilers. Nearly everyone’s name appears on compiled lists.




*Many people become annoyed at all the advertising (don’t say junk) mail and preapproved credit offers that arrive in their mailboxes daily. This issue of Reports on Credit answers these important questions about the other side of this controversial subject:*

- *What are the benefits of advertising mail and preapproved credit offers?*
- *What is “target” marketing?*
- *How does your name get on a mailing list?*
- *Why do you receive preapproved credit offers?*
- *How are your rights as a consumer protected?*
- *How can you remove your name from preapproved credit offer lists?*
- *Opting out of direct-marketing offers for products or services other than credit*

- Credit reporting companies (including Experian), under legally specified conditions, provide lists of creditworthy consumers for companies to offer credit. These are called prescreened lists.

### **Why do you receive preapproved credit offers?**

From a credit grantor's perspective, prescreening is a cost-effective way to secure new customers who are most likely to use credit wisely and repay their debts on time. It allows a credit grantor to define an "ideal" consumer, decide how much credit to give that potential customer and then send a preapproved offer to thousands — or even millions — of consumers who meet its criteria.

If you receive a preapproved credit offer, all you have to do to accept it is sign your name and provide a few other limited pieces of information or, in some instances, simply call or visit a Web site. However, the federal Fair Credit Reporting Act allows creditors to review your credit history when you return the acceptance form. If you no longer meet the criteria, your application may be denied.

### **How are your rights as a consumer protected?**

The entire process of ordering lists, generating mailing labels and sending offers to consumers is automated by computer processing. Large numbers of names — from a few thousand to many million — are processed at one time.

Marketers don't review individual records. In fact, they rarely even see consumer names. Third-party companies generally print mailing labels, attach them to the advertising mail and take the mail to the post office.

The prescreening process, which includes checking your credit history, contains additional consumer protections:

- Consumer credit information is summarized and coded for confidentiality.
- Federal guidelines require that consumers who are selected by the prescreening process receive a "firm offer" of credit or insurance, although rates may vary.
- Federal law requires credit grantors to extend credit in a fair and consistent manner. They cannot consider such factors as your sex, marital status, race or religion.
- An inquiry is added to your credit history as a record that your report was accessed to extend the offer. That inquiry is shown only to you and does not affect other lending decisions or credit scores.

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### **How can you remove your name from preapproved credit offer lists?**

You can remove your name from Experian-generated mail and telephone lists for preapproved credit offers by calling: 888 50P TOUT (888 567 8688).

Experian® shares the names of consumers who opt out with Equifax and TransUnion, the other two national credit reporting agencies.

### **Opting out of direct-marketing offers for products or services other than credit**

You can opt out of other Experian direct-marketing lists by calling 402 458 5247, or you may write:

Experian  
949 West Bond  
Lincoln, NE 68521  
Attn: Consumer Services Department

You will be removed from Experian lists permanently.

Even though your request becomes effective with Experian within five days of notification, it may take several months before you see a reduction in the amount of solicitations.

The Direct Marketing Association (DMA) also tracks consumers who prefer not to receive mail solicitations. DMA members, including Experian, remove those consumers from their own mailing lists. The address is:

DMA Mail Preference Service  
PO Box 643  
Carmel, NY 10512

If you write to the DMA, you'll be removed from DMA-member lists for five years.

You also can have your name removed from telemarketing lists by adding your name to the National Do Not Call Registry. To register your name, visit [www.donotcall.gov](http://www.donotcall.gov) or call 888 382 1222.

Opting out will not end solicitations from all local merchants, religious and charitable associations, professional and alumni associations, politicians and companies with which you conduct business. To eliminate mail from these groups — as well as mail addressed to "Occupant" or "Resident" — write directly to each source.



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