

Sak's fifth avenue's essay sample

[Economics](#), [Consumer](#)



1. Why do you think Sak's Fifth Avenue's employee requested a consumer report before accepting Mr. Estiverne's check? The reason was obvious, it wasn't a racial thing, but more of a protecting the store from bad and/fraudulent checks. As, stated in this case, the Sak's salesclerk, in accordance with standard policy, submitted it to JBS for approval. Unfortunately, for Mr. Estiverne, his check was considered a risk by FTC standards, and was rejected. Further, the court in the case, stated that: " We defer to the FTC's interpretation of the statute and hold that JBS's reports fall squarely within the definition of a consumer report and that Sak's obtaining of this report for the purpose of deciding whether to accept or reject a check in payment is a " legitimate business need." In other words, this was a proper procedure set in place by more than just Sak's. Sak's, refusal to accept or reject a check is a " legitimate business need" meaning that stores reserve the right to refuse your check if it seems that it may create a business problem for their store, bounce, or create other legalities. 2. Is it an invasion of privacy for a store to request?

Not at all, a store shall reserve the right to be able to request information regarding business transactions and those involved in those transactions. Under the Fair Credit Reporting Act (" FCRA"), 15 U. S. C. §§ 1681 1681t, specifically §§ 1681a(d) and 1681b(3)(E). U. S. C Section 1681b (3)(E) states that one of the authorized purposes for disclosure of consumer information is " a legitimate business need for the information in connection with a business transaction involving the consumer." These policies are set into place to protect the consumer as well as the merchant. I imagine, a lot stores would go out of business, if they weren't allowed to conduct a quick

check on the transactions they are involved with. You could look at this like looking at hiring a career felon who has robbed 30 banks and billions of dollars and is trying to get a job at Wells Fargo. Would you want to hire someone like that? I know I wouldn't. Same goes for merchant conducting a check of the people who are trying to purchase their items.