

What Is Consumer Fraud?

Consumer Fraud

Consumer fraud is commonly defined as deceptive business practices that cause consumers to suffer financial or other losses. The victims believe they are participating in a legal and valid business transaction when they are actually being defrauded. Fraud against consumers is often related to false promises or inaccurate claims made to consumers, as well as practices that directly cheat consumers out of their money.

The Federal Trade Commission accepts complaints about businesses that have possibly committed fraud. In cooperation with law enforcement, the agency investigates fraud and unfair business practices against consumers.

What Is the Consumer Protection Law?

The Federal Trade Commission Act is a **consumer protection law**. It created the FTC. The FTC's Bureau of Consumer Protection fights fraudulent business practices. It collects complaints, conducts investigations, and sues companies that have broken the law. Federal laws have also been passed to protect the public in specialized areas, such as against deceptive real estate transactions.

Winston & Strawn's Food & Beverage Litigation Practice assists companies within the food, beverage, and agriculture industry with a wide range of disputes, including consumer fraud.

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