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Dave McClure • Oct. 01, 2012

From the **Bleeding Edge Blog**.

Mail-In Rebates (MIRs) are a noxious scam that have infested the tech and software markets, and it is time we put an end to them by refusing to buy products based on a MIR.

Forget about boycotting businesses because you disagree with their politics, or because you think their corporate logo shows they are in league with Satan. Let's boycott the truly evil companies that use rebates to entice you to buy their product when their plan is to cheat you out of some of your money.

Mail-In Rebates are a scam, and not just for the obvious reasons. You already know that the manufacturers do everything they can to reduce how much they have to pay out, a practice known in the industry as "breakage." It's not that they are intending to commit fraud – they just know that if they make the process difficult in the slightest possible way, only about half of the people who buy the products will even bother.

No, that's not the fraud part. This is the fraud part:

Companies commit fraud with their consumers when they deliberately complicate the submission rules, including overly restrictive times to mail in the rebates or arbitrary reasons to deny rebate requests. In fact, companies that manage rebates on behalf of manufacturing companies compete with one another to see who can achieve the highest rejection rates – and use these rates to pitch their services.

Hardware and software companies don't start out wanting to defraud their own customers. They just want to market their products. But sooner or later, the allure of

saving money gets to them, and they hire the companies that get the lowest rebate

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purchase, follow the rules to the letter, send everything by certified mail, and have an attorney on hand to sue if you need to. But is it really worth your time and money to do this?

If you do get ripped off by a MIR scheme, you can always complain to the Federal Trade Commission. It's not as if this is something new for them, as they have successfully forced dozens of companies to halt this deceptive practice.

But a far better approach is to refuse to do business with companies that sell their products through mail-in rebates, and let them know why you think their fraud is an unacceptable business practice.

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