



## Flier backfires: Water line warranty ad gets Home Service USA in trouble with Ohio Attorney General Richard Cordray

By Sheryl Harris, The Plain Dealer

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Home Service USA Corp. had a fairly good reputation until it sent out its latest mailing to drum up customers for its water line service warranties.

But the Florida company's attempt to cozy up to about Ohio homeowners backfired in a big way.

**Ohio Attorney General Richard Cordray** on Thursday denounced the company's flier as a scam, and the Better Business Bureau suspended the company's membership pending an ad review.

"Up until yesterday, we had an A rating," said Myles Meehan of **Home Service**. The company yanked the mailing, he said, and is redesigning the fliers.

The controversy started when the company sent 422,000 Ohio homeowners a two-page mailing – an ad for a water line repair warranty – that carries a local map at the top. Homeowners complained that, at first glance, they believed they were getting a government mailing and were required to buy the coverage.

Eastlake residents, for example, received mailings that read, "State of Ohio, Lake County, City of Eastlake Waterline Service Coverage."

The resident's mailing address is listed below, with the ominous warning, "You are responsible for the maintenance and repair of the water line at the above address" and gives them a February deadline for returning an attached form.

The warranty costs around \$60 for what, if one reads the disclosure carefully, is 11 months of coverage.

Barberton's mayor contacted the attorney general's office about the fliers on Wednesday, after residents complained. The attorney general's office posted a scam alert on Thursday aimed at city residents.

Kim Kowalski, a spokeswoman for the attorney general, said the company had since contacted the attorney general's office.

Meehan said in a phone interview that the company, which sells warranties in several states, designed the fliers to give potential customers the feeling that the service was "tied into the community."

He said Home Service is redesigning the fliers "so it's clear it's an optional program and to make it clear Home Service isn't affiliated with the local utility or the water provider" -- the two points that seemed to ruffle most feathers.

The company was criticized in December for mailing water line warranty solicitations to consumers in St. Louis whose water utility provides line repairs to homeowners. The company said the mailing was made in error and promised refunds to those who signed up.

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