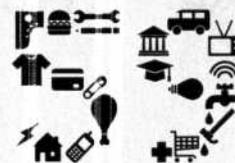


WHAT'S New



The percentage of people 60-plus who always or sometimes worry they can't pay family expenses.

Source: Marist Poll



Trends

Fed Up With Fees

If it feels as if companies are picking your pockets—they are

BY LAURA DAILY

ILLUSTRATION BY ZOHAR LAZAR

Charging for services that used to be free is now “good business.” Need to speak with a United or American Airlines agent to book your flight by phone? That’ll be \$25, please. And if you call your doctor for after-hours advice, you could be charged up to \$25.

Welcome to the new America—the land of the fee—where businesses eagerly lift their recession-depleted incomes by lowering yours. “There’s been a large uptick

POLL ILLUSTRATION BY SAMUEL RHODES

WHAT'S NEW

in fees recently, especially as corporations try to maintain or increase profits," says Randy Allen, a former retail-industry executive and a current associate dean at the Samuel Curtis Johnson Graduate School of Management at Cornell University.

These fees aren't just a fad, adds finance columnist Evelyn Kanter, who recently learned of a \$14.95 fee to pay her Macy's bill by phone with a credit card. "It's follow the leader," she explains. "If one company gets away with a fee, others figure they can, too." The evidence: Some high-end hotels now charge up to \$25 to receive packages for guests, and others are charging more than \$10 for housekeeping service. Plus, paper statements now cost up to \$3 from some utility companies, phone companies, and banks.

These charges might be laughable if they weren't so obnoxious. Richard Laermer, who tracks consumer trends in *2011: Trendspotting for the Next Decade*, once paid \$2 for a piece of tape at a shipping center. "And when I asked to test cologne at an upscale men's store, I was told, 'That will be \$2 a spritz,'" he recalls.

So how can you avoid what Laermer calls "corporate pillage and plunder"? Take your business elsewhere, when practical. And take time to complain to a manager or company president when you can. For instance, after consumers railed against Bank of America's plans to charge a \$5 monthly fee for debit card use, the bank abandoned its plans in November. That said, some add-ons may be unavoidable now that charging for basic service is becoming the norm. Speaking of service, remember that \$25 United Airlines fee? The president and CEO of United Continental Holdings Inc., Jeff Smisek, earned about \$4.4 million annually at last count. We'll let you ponder that. ■