



CONSUMER NEWS

SAN DIEGO CITY ATTORNEY'S OFFICE

Internet Sales Fraud

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With the convenience of online shopping at a literal click of a button or touch of a screen, Internet sales continues to be a thriving form of commerce that many could not live without, especially during the holiday season. In fact, the online retail mogul Amazon attracted over 110 million visitors in December of last year. In many cases, online transactions are often straightforward and trouble-free. However, the Internet also houses its share of thieves and con-artists, able to scam consumers under the cloak of a touch screen or monitor.

PREVENTION TIPS:

A safe and successful shopping spree is completely possible when online shopping is done responsibly. There are some basic tips to ensure a knowledgeable approach to any form of Internet retail in order to minimize your risk of fraud.

When considering a purchase from any online retail site, make sure that it is a reputable and trustworthy site. Check with the Better Business Bureau at www.bbb.org, or other online websites to investigate the company's history. Reviews from previous buyers are often helpful as well, and can usually be found from any known seller when a general search is run on any search engine, such as Google.

Do not judge an online seller or company based on a fancy or well-designed website. Many scam artists "legitimize" their sites using fraudulent photographs or impressive Internet design skills. Thoroughly check out the business, as well as its reputation whenever possible.

Be cautious about dealing with businesses outside of the country. There may be different laws regarding retail purchases that may make it difficult should

a dispute occur. Be aware of the seller's physical location, and be sure to get a contact number.

Lastly, guard your information. Avoid giving out your Social Security Number or driver's license number to the seller because the seller should have no need for this information.

CREDIT CARD FRAUD:

Credit card fraud is a possible risk in Internet sales, however several steps may be taken to avoid it, or deal with it when it occurs:

- Use a credit card. Credit card charges can often be disputed with the card company itself if something were to go wrong with your purchase. And if you often shop on the Web, it is a good idea to get a separate credit card solely for Internet purchases.

- Make sure the website is secure. Check out the security software that the website uses to ensure that your information is protected.
- Keep copies of your transactions. Maintaining copies of your payment and sales confirmation with the terms of the sale is helpful in case of a dispute.

INTERNET AUCTION SITES:

With auction sites like eBay also providing an enticing online shopping option, exercise caution when bidding for purchases from individual sellers:

- Before you bid, make sure you understand all obligations in the transaction as the buyer, and what the seller's obligations are.
- Check feedback. Most reputable sites show a percentage of positive or negative feedback towards the seller from past transactions. Use common sense and deal with those who have legitimate, positive reviews.
- Before agreeing to purchase online merchandise, ask the seller about delivery scheduling, and warranty or exchange information.
- You may also wish to use a reputable third party to accept your payment and the goods.

E-MAIL AND CRAIGSLIST SCAMS:

You have probably received the e-mail from an individual claiming that he is a foreign government official asking for help, and providing some large sum of money for your assistance. Though it may be obvious advice to avoid any participation in these e-mail scams, other forms of e-mail or online classifieds can be less transparent. Community sites such as Craigslist can be an easy and casual site for sales facilitated by the Internet. Here are some tips to avoid becoming the victim of a scam:

- Be cautious about responding to special offers and deals, especially from unsolicited e-mails.
- Whether you are a buyer or seller, be cautious in using credit cards. These sellers are harder to investigate in reputation and reliability.
- Do not hesitate to ask the seller any questions you may have regarding the product. Pictures may not reveal everything, and if the seller is nonresponsive, or vague in replies to your inquiries, you may want to skip the transaction.
- Avoid giving your personal information, and if picking up a product in person, always bring someone to accompany you.
- A rule of thumb, as the Internet Crime Complaint Center

- states: If it seems too good to be true, it is.
- A common scam is for someone to contact you to purchase something you listed for sale and to offer to pay you more than your asking price if you ship the product overseas. The buyer's check will bounce long after you ship the product.

WHAT TO DO IF YOU HAVE BEEN VICTIMIZED:

Violations of the laws described in this newsletter are crimes, punishable by fines and custody.

Should you find yourself a victim of online fraud, file a complaint with the Internet Crime Complaint Center (www.ic3.gov), and contact law enforcement at the local and state level. The ICC3 will refer cases to law enforcement agencies as well, including CATCH in San Diego. The "CATCH" Team (Computer and Technology Crime High Tech Response Team) works with law enforcement agencies in investigating and prosecuting computer crimes and high technology crime investigation.

In the online world, consumer feedback is key. For this reason, it also an important step to file a complaint with the Better Business Bureau, and other community and consumer awareness websites where you may review sellers.

Finally, file a complaint with the auction or retail site you are using.

