

# Beacon

SMALL BUSINESS SOLUTIONS, LLC



## TODAY'S HOTTEST SCAMS

There have always been people who try to trick us out of our money. These people have had different names down through the years, but they always have the same goal—to get our money.

Today we call these people scammers, but in earlier days they were called Con men, hucksters, patent medicine salesmen, and so on.

In today's internet world, getting your confidential information is as important, and is probably a more efficient pathway to your money.

“Smishing” is the new hot scam, and it has hit our area. You should know about this one.

You probably know what phishing is—an attempt to get private information from you, such as Social Security Numbers, bank account numbers, PINs, etc. Phishing uses email technology.

Smishing is a variation. It uses short text messages sent to cell phones. Same principle, different technology.

A number of people in our area have reported being smished by someone claiming to represent Wachovia Bank. Smishing is here, and it is in our area.

Any phishing or smishing scam will try to trick you into divulging sensitive financial information or to infect your computer with viruses and malware. Some of these scams are quite sophisticated—their website looks just like IRS's website, for instance.

Here's the thing you MUST remember: The Better Business Bureau says, “If you get a text or email claiming to be from your bank, the IRS, the FBI, or other government agency, DO NOT RESPOND to it. It is a phishing (or now smishing) scam. Your bank and these government agencies will not contact you via email or text message.

The Better Business Bureau (BBB) publishes a list each year of the Top 10 Scams. Here is a sampling of the BBB's Top 10 for 2009.

Incidentally, the Better Business Bureau—who sees these situations from a national as well as a local perspective—is a fine source for many

types of consumer-related information. The Charlotte Bureau, which serves our area, can be accessed at <http://charlotte.bbb.org>.

**Acai Berry Supplements, Teeth Whitening, and Other “Free” Trial Offers.** Number One on BBB's Top 10 List for 2009. False endorsements from Oprah and Rachel Ray, and thousands of consumer complaints nationwide.

**Lottery/Sweepstakes Scams.** This is an old one, but it evidently still works. You get a letter from Reader's Digest, Publisher's Clearing House, or a Lottery, saying you're a big winner. Big winner, never a small winner, of course. And the letter comes with a check made out to you. The letter tells you to deposit the check, and also wire hundreds of dollars back to cover taxes or other fees. So you wire the money, and of course the check bounces.

**Mystery Shopping/Secret Shopper Scams.** You sign up to become a “mystery shopper”, and you receive a legitimate looking check to deposit. You then go out and test a few stores, particularly the money wiring services such as Western Union or MoneyGram. The check is a fake, of course, but you still owe the money.

Several scams took advantage of 2009's economic woes and people desperate for economic relief. These scams include:

**Stimulus/Government Grant Scams.** Many offers to help get Government grants came out via internet, telephone, and mail. Folks hoping for a personal economic bailout often paid fees but received nothing in return.

**Job Hunting Scams.** Prospective employee pays a fee to be considered for a job or to pay a fee for a credit check required for the job. The Better Business Bureau says that this scam actually led to an online credit monitoring service that cost the victim hundreds of dollars.

**Mortgage Foreclosure/Modification “Rescue” Scams and Credit Repair Scams.** So many of us were drowning in debt in 2009, and drowning people will grasp any straw. Thus, individuals desperate for help paid the fees but received no assistance. We're not out of the economic woods by any means, so we'll probably see more of these scams in 2010.

**Over-Payment Scams.** Here's a new one that targets Small

1171 Market Street, Suite 206, Fort Mill, SC 29708  
Phone 803 802 7676  
[www.beaconsmallbiz.com](http://www.beaconsmallbiz.com)  
Copyright 2007, Bill Belchee  
All Rights Reserved

# Beacon

SMALL BUSINESS SOLUTIONS, LLC

Business Owners, landlords with rooms to rent, and sellers on sites like Craigslist. The scammer pretends to be a customer—or renter—or buyer. The catch is that they always pay more than is required, and then ask the victim to wire the extra money back. The check of course is worthless and the “customer” is nowhere to be found.

None of us in YC Magazine World has encountered all of these scams. Only a large consumer-oriented organization with national resources like BBB will see all of these scams.

However, we all need to be aware.