

2005 Trends

- The total loss in 2005 was \$13,863,003, significantly higher than the \$5,787,170 reportedly lost in 2004.
- NCL received more complaints in 2005: 12,315 compared to 10,794 in 2004, but that does not account for the more than doubling of total loss.
- The average loss in 2005 was \$1,917, also much higher than the \$895 average loss in 2004.
- For the first time since NCL began collecting Internet fraud complaints in 1997, wire transfer was the most common method of payment in 2005.
- The most expensive scam among the Top 10 was Nigerian Money Offers. 42 people reported losing money to this scam in 2005, compared to 18 in 2004, 12 in 2003, seven in 2002, ten in 2001, and one in 2000.
- Among the Top 10 Scams, those with the most consumers age 60+ were Phishing (21 percent), Lotteries/Lottery Clubs (21 percent), Adult/Information Services (20 percent), and Nigerian Money Offers (12 percent).
- Those with the most consumers under age 30 were Work-at-Home Plans (44 percent) and Advance Fee Loans (35 percent)

* In the fall of 2003, online giant eBay removed the link from its Web site to fraud.org. As a result, the number of auction complaints reported to NCL's fraud center dropped to 1/6 its previous level. Based on statistics prior to eBay's action, NCL estimates that there would have been 30,720 auction complaints in 2005, representing 71 percent of complaints overall.

Internet
National Fraud Information Center
Watch



Internet Scams Fraud Trends January-December 2005

Top Ten Scams

Category	% of All Complaints	Average Loss
Auctions* <i>Goods never delivered or misrepresented</i>	42%	\$1,155
General Merchandise <i>Sales not through auctions, goods never delivered or misrepresented</i>	30%	\$2,528
Nigerian Money Offers <i>False promises of riches if consumers pay to transfer money to their bank accounts</i>	8%	\$6,937
Fake Checks <i>Consumers paid with phony checks for work or items sold, instructed to wire money back</i>	6%	\$4,361
Lotteries/Lottery Clubs <i>Requests for payment to claim lottery winnings or get help to win, often foreign lotteries</i>	4%	\$2,919
Phishing <i>Emails pretending to be from well-known source asking to confirm personal information</i>	2%	\$612
Advance Fee Loans <i>False promises of personal or business loans, even if credit is bad, for a fee paid upfront</i>	1%	\$1,426
Information/Adult Services <i>Cost and terms of services not disclosed or misrepresented</i>	1%	\$504
Work-at-Home Plans <i>Kits sold on false promises of big profits from working at home</i>	1%	\$1,785
Internet Access Services <i>Cost of Internet access and other services misrepresented or services never provided</i>	1%	\$1,262

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Ages of Consumers

<i>Ages</i>	<i>% of Complaints</i>
19 and Under	3%
20-29	25%
30-39	25%
40-49	23%
50-59	16%
60-69	5%
70+	3%

Top Methods of Payment

<i>Category</i>	<i>% of Payments</i>
Wire	31%
Credit Card	24%
Money Order	13%
Bank Debit	10%
Debit Card	9%
Check	7%
Cashiers Check	3%
Cash	3%

Methods of Contact by Internet Crooks

<i>Category</i>	<i>% of Contacts</i>
Web sites	75%
Email	25%

Top Locations

Victims

<i>Location*</i>
1. Hawaii
2. North Dakota
3. Nevada
4. New Hampshire
5. District of Columbia

*relative to state population

Crooks

<i>Location</i>	<i>% of Complaints</i>
Countries Outside U.S./Canada	37%
California	9%
New York	7%
Florida	6%
Texas	4%
Tie: Canada and Illinois	3%

To learn more about the most common scams, visit www.fraud.org.