

Nine Month Trends

- The average loss to Internet fraud has risen from \$895 in 2004 to \$2,033.
- In 25 percent of the Internet scams reported to NCL, consumers were initially contacted by email, compared to 5 percent in 2003. Most Nigerian money offers, fake check scams, lottery scams, and phishing attempts were initiated by email.
- The top Internet frauds victimizing people age 60+ were lotteries, phishing, information/adult services, and Nigerian money offers.
- A growing number of foreign crooks are scamming U.S. consumers via the Internet. 38 percent were in other countries (of which 3 percent were in Canada), but the number is probably much higher, since in 27 percent of complaints the crooks' locations were unknown. Foreign crooks were especially prevalent in online auction scams, general merchandise scams, Nigerian money offers, fake check scams, lottery scams, work-at-home plans, and scams involving Internet access services.
- Wiring money has become the most common method of payment in Internet fraud, accounting for 27 percent of fraudulent transactions. It was the predominant method of payment in Nigerian money offers, fake check scams, lottery scams, and advance fee loans.

*Since eBay removed the link to fraud.org from its site in 2003, the number of auction complaints reported to NCL has dropped to 1/6 the previous level. Based on statistics prior to eBay's action, NCL estimates that there would have been 24,318 auction complaints in this period, representing 81 percent.

Internet
National Fraud Information Center
Watch



Internet Scams Fraud Trends January-September 2005

Top Ten Scams

Category	% of All Complaints	Average Loss
Auctions <i>Goods never delivered or misrepresented</i>	42%*	\$1,129
General Merchandise <i>Sales not through auctions, goods never delivered or misrepresented</i>	31%	\$2,828
Nigerian Money Offers <i>False promises of riches if consumers pay to transfer money to their bank accounts</i>	8%	\$8,757
Fake Checks <i>Consumers paid with phony checks for work or items sold, instructed to wire money back</i>	6%	\$4,125
Lotteries/Lottery Clubs <i>Requests for payment to claim lottery winnings or get help to win, often foreign lotteries</i>	4%	\$2,859
Phishing <i>Emails pretending to be from well-known source asking to confirm personal information</i>	3%	\$816
Information/Adult Services <i>Cost and terms of services not disclosed or misrepresented</i>	1%	\$574
Work-at-Home Plans <i>Kits sold on false promises of big profits from working at home</i>	1%	\$1,294
Advance Fee Loans <i>False promises of personal or business loans, even if credit is bad, for a fee paid upfront</i>	1%	\$1,247
Internet Access Services <i>Cost of Internet access and other services misrepresented or services never provided</i>	1%	\$1,635

Internet Scams



Fraud Trends January-September 2005

Ages of Consumers

<i>Ages</i>	<i>% of Complaints</i>
19 and Under	3%
20-29	24%
30-39	25%
40-49	23%
50-59	17%
60-69	6%
70+	2%

Top Methods of Payment

<i>Category</i>	<i>% of Payments</i>
Wire	27%
Credit Card	25%
Money Order	14%
Bank Debit	11%
Debit Card	9%
Check	7%

Methods of Contact by Internet Crooks

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

Location

Top Consumer Locations Per Capita

Hawaii
North Dakota
New Hampshire
Virginia
Colorado

Top Five Crook Locations

<i>Location</i>	<i>% of Complaints</i>
Countries Outside U.S./Canada	35%
California	9%
New York	7%
Florida	7%
Texas	4%

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