

2005 Trends

- The total loss in 2005 was \$4,921,932, compared to \$2,561,835 in 2004.
- The average loss in 2005 was \$2,892, compared to \$1,974 in 2004.
- There were significantly more complaints in 2005: 4,587, compared to 2,814 in 2004.
- The use of wire transfer in telemarketing fraud payments is growing. Among the Top 10 Scams, those with the most payment by wire were Fake Checks Scams (100 percent), Lotteries/Lottery Clubs (89 percent), Advance Fee Loans (78 percent), Prizes/Sweepstakes (69 percent).
- In some of the Top 10 Scams, the predominant method of payment was bank debit, including Phishing (89 percent), Scholarships/Grants (66 percent), and Credit Card Offers (66 percent).
- Among the Top 10 Scams, those with the most consumers age 60+ were: Magazine Sales (63 percent), Prizes/Sweepstakes (51 percent), and Phishing (45 percent).
- Among the Top 10 Scams, those with the most consumers under age 30 were: Scholarships/Grants (31 percent), Travel/Vacations (30 percent), and Advance Fee Loans (28 percent), Credit Card Offers (27 percent), and Work-at-Home Plans (24 percent).



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Telemarketing Scams

January-December 2005

Top Ten Scams

Category	% of All Complaints	Average Loss
Prizes/Sweepstakes <i>Requests for payment to claim prizes that never materialize</i>	31%	\$4,990
Scholarships/Grants <i>Falsely promise to help get scholarships or government educational grants, for a fee</i>	11%	\$366
Magazine Sales <i>Misrepresent cost of subscriptions or pretend to be publisher offering renewals</i>	9%	\$120
Credit Card Offers <i>False promises of credit cards, even if credit is bad, for a fee</i>	9%	\$282
Fake Check Scams <i>Consumers paid with phony checks for work or items sold, instructed to wire money back</i>	7%	\$3,714
Advance Fee Loans <i>False promises of loans, even if credit is bad, for a fee upfront</i>	6%	\$1,414
Lotteries/Lottery Clubs <i>Requests for payment to claim lottery winnings or get help to win, often foreign lotteries</i>	5%	\$2,430
Work-at-Home Plans <i>Materials sold on false promises of big profits working at home</i>	3%	\$348
Phishing <i>Calls pretending to be from well-known source asking to confirm personal information</i>	3%	\$588
Travel/Vacation <i>Offers of free or discount travel that never materialize</i>	2%	\$885



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Ages of Consumers

<i>Ages</i>	<i>% of Complaints</i>
19 and Under	1%
20-29	16%
30-39	16%
40-49	17%
50-59	15%
60-69	11%
70+	22%

Top Methods of Payment

<i>Category</i>	<i>% of Payments</i>
Wire	34%
Bank Debit	22%
Check	18%
Credit Card	11%
Money Order	6%
Debit Card	4%
Cash	3%
Telephone Bill	1%
Cashiers Check	1%

Methods of Initial Contact by Telemarketing Crooks

<i>Category</i>	<i>% of Contacts</i>
Phone	59%
Mail	29%
Print	9%
Other	3%

Top Locations

Victims

<i>Location*</i>
1. New Hampshire
2. Montana
3. Virginia
4. Maine
5. Pennsylvania

Crooks

<i>Location</i>	<i>% of Complaints</i>
Tie: Countries Outside the U.S./Canada and Canada	13%
Florida	11%
New York	10%
California	8%
Tie: Nevada and South Dakota	6%

*relative to state population

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