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# Scam Gram!

Keep the sharks at bay

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SCAM GRAM is Consumer Action's monthly e-newsletter alerting you to the dirtiest players in the world of tech fraud, credit card scams, ID theft and general con-artistry. Don't be fooled by liars, cheats and crooks—wise up with SCAM GRAM!

## Don't get clipped!

Your love of a good deal could be a deal breaker. Fake gift cards and coupons for Lowe's, Bed Bath & Beyond, Home Depot, Target *and* IKEA (pew!) have infiltrated the internet. On Facebook, the phishing scam is taking the form of a \$50 coupon for Lowe's and a \$75 one for Bed Bath & Beyond. (Check out photos of the bogus bucks [here](#) and [here](#)). The coupons appear as posts and ads on the social media site. Once you click on them, you're directed to fake websites or survey pop-ups that instruct you to answer a few questions in order to "earn" the coupons. The surveys, predictably, ask for your personal information (in order to steal your identity, and yada, yada, the rest is history). The Better Business Bureau (BBB) is telling consumers to beware of pop-up-type offers and to "watch out for a reward that's too good to be true" because "few businesses can afford to give away \$50 gift cards for completing a few questions." They also caution that it's easy for scammers to mimic a company's website by tacking on a company's logo, using its letterhead or making the website address (URL) look similar. If you're wondering about a particular offer, visit the company's *real* website and see if it's listed there. And remember, \$75 off nothing equals...nothing!

## Dumpster Fyre Fest

The infamous Fyre Festival has gone up in flames. Touted on Instagram, the "experience" became an overnight sensation after it was hyped by models and B-list celebs as the ultimate "luxury" island music fest for the young, beautiful and, as it turns out, naïve, who had thousands (in some cases over \$100 thousand!) to blow on what festival organizers conned them into believing would be lavish accommodations, amenities and dining options. Unfortunately, attendees instead arrived to what resembled "The Hunger Games" and "Lord of the Flies" (both actual metaphors that are now [being used](#) in a \$100 million fraud and breach of contract class action lawsuit against festival founders). According to the suit, "Defendants intended to fleece attendees for hundreds of millions of dollars by inducing them to fly to a remote island without food, shelter or water—and without regard to what might happen to them after

that.” So, how did this disaster occur, and could it happen to you? Yes, if you’re willing to pay exorbitant prices for what [Slate](#) calls VIP-type packages, particularly for an “unproven, first-time festival.”

Unfortunately, as [Slate](#) points out, “The culture and economics of the American music-festival circuit have created an environment in which the exorbitantly-priced Fyre Festival is an acceptable concept.” It’s true: Festival ticket prices have increased a lot since lady balladeers organized *Lilith Fair*. Even the cheapest ticket to the popular Coachella Festival, for instance, is now a whopping \$600+, while VIP tix are almost \$8,500. And, according to the BBB, “Fyre isn’t the only festival that has failed to live up to its promise. Each summer, scammers and promoter wannabes tempt would-be festival goers into buying tickets for events. Whether the event is non-existent or merely disappointing, the result is the same: someone had pocketed your hard-earned money.” Let this be a lesson: Before you let Bonnaroo burn a hole in your pocket, make sure that neon wristband is worth the price tag.

## Watch what you eat

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The *Washington Post* has been busy unveiling the newest in food fraud, including [fake fish](#) and [not-so-organic milk](#). A group of scientists recently tested the authenticity of 12 dishes at six seafood chain restaurants located throughout the *Post*’s titular city. The findings? One-third of the seafood was mislabeled. (The results, not surprisingly, mirrored a nationwide 2013 [study](#) by the advocacy group Oceana.) They also tested the organic-ness of “organic” milk, finding that much of the milk that consumers pay considerably more for comes from cows that are not grass-fed (and therefore not, by definition, meeting the standards for the “organic milk” label). *Post* researchers visited several large-scale supposed organic farms and saw very few cattle grazing in the fields (most were kept inside feedlots and barns). Consumers should be aware: Whether milk or meat, in general all the “organic” label means is that it hasn’t been treated with synthetic fertilizers or pesticides. (It could still have been treated with chemicals of questionable safety.) And if a food *is* boasting the organic seal of approval? Not so fast: One “USDA report [showed that](#) 43 percent of 571 samples labeled organic contained prohibited pesticide residues.” If it seems like the problem of misleading foods is getting worse, perhaps it’s because the U.S. Food and Drug Administration and U.S. Department of Agriculture lack the federal funding and staff to inspect the vast majority of it (or the manufacturing facilities). Unfortunately, the administration is considering [cutting](#) their funding even further.

## Some good news (for once!)

**The hateful eight.** U.S. authorities have [arrested](#) a mere eight people stateside who (impressively?) were responsible for bilking thousands of people out of millions (*millions!*) of dollars by claiming to be IRS employees. We’re accustomed to hearing about the shutdown of massive “IRS” [call centers in India](#) and other foreign locales that harbor hundreds of scammers, but this?! Who knew eight people could do so much damage!

**A win-win situation.** The Federal Trade Commission (FTC) is letting victims of identity theft (and, incidentally, those wary of the “boys in blue”) know that they generally [don’t need](#) to file a police report to bolster an ID theft complaint. Instead, they can go to the FTC’s IdentityTheft.gov, file a report by answering some basic questions and use the resulting documentation “in place of a police report to clear their accounts and credit records of transactions that resulted from the identity theft.” The good news for the po-po? It frees *them* up to focus more on public safety and other critical matters.

**Robocall tip-offs.** AT&T launched its free Call Protect app last year that warns cellphone users about suspicious calls. Now mobile carrier T-Mobile has [rolled out](#) its own features to keep scammers at bay: Scam ID and Scam Block. The services let you know when a call might be coming from a scammer so you can hit reject.

## Tips!

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● **What's up, Doc?** Google is rushing to shut down a [Google Doc phishing scam](#) that's pervaded inboxes of email users everywhere. If you get a message saying someone added you to a Google Doc and providing a link to view it, do not, we *repeat*, do not click on the link, which will only prompt you to give scammers access to your password, accounts, emails—the whole kit and caboodle!

● **Dashing your dreams.** While your (still relatively young-ish) author has never (until now) heard of DealDash, apparently the penny auction site is all the rage among the older set, boasting millions of registered, paying users. It's also [the defendant](#) in a class action suit alleging that the “luxury” items it offers for pennies-on-the-dollar are actually “cheap, generic brands” and often “not worth one-tenth of the advertised value.” Whether the allegations prove true or not, one thing is for sure: On penny auction sites like DealDash (as opposed to more mainstream bidding sites like eBay), users pay for their bids up front and, if they lose, they generally don't get their money back.

● **Meter mania.** As if *real* parking tickets weren't bad enough, the advent of sophisticated printing machines has led to would-be meter maids issuing [fake ones](#) to collect money off unsuspecting drivers. Instead of cursing your luck (and the entity that relentlessly tickets you *even* if you get to your car *just one minute* after that quarter-devouring, outdated meter hits zero), learn the signs to determine if that worthless piece of paper really *won't* cost you this time.

● **No good deed goes unpunished.** Unfortunately, no one's paying you (or even giving you a gold star) for “adulting” and getting your taxes done on time (as unfair as that might seem). Some responsible people, however, are [falling](#) for calls from criminals claiming to do so. The con artists (who say they're with the Office of the Inspector General) offer the timely taxpayers a federal grant for getting their taxes in, which provides *them* with the perfect “in” to request personal and financial account information (purportedly to send the promised reward.)

● **One man's trash...** Your mom always told you to clean up your room, but what about your digital space? Many people realize their identity can be stolen if their old computer “junk drive” falls into the wrong hands, but far fewer consider that even the apps on their cellphone can give up secrets. A local NBC affiliate asked consumers to [consider](#) the outdated apps taking up space on *their* phones (ahem, Foursquare?). Not only are these relics potentially using up data, every extra app is another opportunity for a hacker to steal information that's been entered into it (or that exists on your phone). And while you're at it, make sure your little friend has a strong passcode!

● **They've got your number.** Do you know where your Medicare card is right now? If you had to think for a minute, then you might be at risk of fraud because you're not guarding it the way you would, say, your checkbook or Social Security number. You (and the government) also might become the victim of stolen benefits if you give out your Medicare *number* willy-nilly. As a matter of fact, you shouldn't give that number to *anyone* except medical providers you know and trust or those asking for it when you call the Medicare

customer service number. Worried? Check out [our alert](#) on the numerous ways scammers have got your number.

● **Just shut up about it!** We're so over the "Can you hear me?" phone call nonsense, but unfortunately, the many scammers enamored with the technique are just getting started. The varieties of scam are piling up faster than [allegations of wrongdoing](#) at Wells Fargo. The latest? Scammers are [pretending](#) to be from the travel site TripAdvisor before soliciting an affirmative to the "Can you hear me?" question (an answer which they can record and use against you to authorize third-party charges). Do yourself a favor and join the [Do Not Call Registry](#).

Thanks for reading SCAM GRAM and, as always, feel free to send us your questions, comments and tips. [Click here to email us](#).

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