

Better Business Bureau tips for consumers: Watch out for these small business scams

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Consumers aren't the only victims of fraud. Every year, thousands of small businesses are targets of fraudulent or deceptive sales practices. Protect your business from scams by learning what to look out for. Often, it's only a matter of identifying suspicious situations and asking the right questions. The Better Business Bureau of Minnesota and North Dakota (BBB) and the Federal Trade Commission's Bureau of Consumer Protection have put together a list of some of the top business scam scenarios:

Business opportunities. Many small business owners are approached to invest in other business opportunities. Promoters may even claim that the venture will increase customer traffic flow into the current business or that little effort is required to collect high profits. Before jumping into any business collaboration, make sure you know the value of the product and its true costs. Always make sure to check out the business at bbb.org.

Charity pitches. Most businesses are regularly asked to donate funds to needy causes, from requests to support the neighborhood's latest fundraising project to appeals for sizeable charitable contributions. While many requests are legitimate, every year small business owners become victims of fraudulent or deceptive charitable solicitation schemes. Make it a point to check out the charity at give.org.

Coupon books. Small business operators are often approached to participate in coupon book promotions. The business offers discounts or extras in the coupon books that are sold to consumers. Problems can occur if the promoters change the terms of the coupons to make them more attractive to buyers, when the books are oversold or when books are distributed outside the firm's normal business area. Make sure any coupon book your business is a part of is being promoted by someone you trust, and that the terms and conditions are clearly spelled out.

Overpayment scams. These often start with an unexpected telephone contact. Sometimes an advance call is made to find out what brand of supplies or equipment your company uses. On the return call, the caller claims to represent a reputable company with which the firm often does business. The caller may state that surplus merchandise is available at a reduced price due to a cancellation or over-order by another purchaser. Don't be fooled. Accepting this "gift" may mean you're accepting other obligations, as well, and you could find yourself receiving demands for payment and threats to turn your account over to a collection agency or attorney. Always verify who you're dealing with and steer clear of the offers that sound too good to be true.

For more business tips you can trust, visit bbb.org, and for more fraud prevention tips, check out the [FTC website](http://ftc.gov).

The mission of the Better Business Bureau is to be the leader in building marketplace trust by promoting, through self-regulation, the highest standards of business ethics and conduct, and to instill confidence in responsible businesses through programs of education and action that inform, assist and protect the general public. We are open 8 a.m. to 5 p.m. Monday through Friday. Contact the BBB at bbb.org or 651-699-1111, toll-free at 1-800-646-6222.