

Press Release

Postal Inspectors Initiate Global Fraud Crackdown, Seize Billions in Fake Checks

National alliance, consumer education campaign launched to combat scams

Washington, D.C. – Investigators led by the U.S. Postal Inspection Service have arrested 77 people as part of a global fraud crackdown which has since January intercepted more than \$2.1 billion in counterfeit checks bound for the United States.

The eight-month investigation involved schemes in Nigeria, the Netherlands, England and Canada, and has stopped more than half a million fake checks from being mailed to American victims.

At a press conference at the National Press Club, Postmaster General John Potter announced a consumer-awareness campaign to educate the American public. International scammers have found U.S. consumers easy prey and are increasingly targeting them, Potter said.

“All fake check scams have the same common pattern: Scammers contact victims online or through the mail and send them checks or money orders. They then ask that some portion of the money be wired back to them,” said Potter. “The best thing our citizens can do to protect themselves is learn how to avoid these scams. The old adage still holds true: If someone offers you a deal that sounds too good to be true, it probably is.”

Assistant U.S. Attorney General Alice S. Fisher applauded the Postal Inspection Service for its leadership in the global fight against fake checks. “The growing problem of fake check fraud is international in scope, and our response to this criminal activity must be global,” said Fisher. “Thanks to the efforts of the Postal Inspection Service and our international partners, we are able to arrest these scam artists who operate overseas and bring them to justice.”

The Postal Inspection Service, in collaboration with financial institutions, consumer advocacy groups and businesses, has formed the Alliance for Consumer Fraud Awareness, which has launched a consumer-education campaign. A series of television, print and online advertisements will feature a tagline telling consumers: Scams like these don't work as well in person. That's why they're done online.

Consumers Can Protect Themselves

“Most Americans don't realize they are financially liable when they fall for these scams,” said Susan Grant, vice president of the National Consumer's League, an Alliance partner. “There is no legitimate reason anyone would mail you a check or money order and then ask you to wire money in return,” Grant said. “People need to know that checks can take months to clear, even if the money initially looks like it's in your account. The scammers know that, and most consumers don't.”

The six most popular scams are:

- **Foreign Business Offers:** Scammers pretend to be businesspeople or government officials and promise millions of dollars. But real companies and government agencies don't offer legitimate business propositions to people they don't know.
- **Love Losses:** The scammer poses as a romantic interest online, and promises to come to the U.S. to be with the victim. Soon after, the online friend asks the victim to cash a check or money order to cover “travel expenses.”
- **Overpayments:** Scammers buy merchandise online, and then claim they mailed the wrong amount by mistake. The seller is asked to deposit the “wrong” check anyway, and then return the “excess” amount to the scammer. But the check doesn't clear, and the victim has sent the scammer his own money.
- **Rental Schemes:** Scammers claim to be moving to the area, and put down a rental deposit. Then they tell their landlord they have unexpected expenses, so they ask for some of their deposit back as a favor. They never move in, and the deposit check never clears.

- **Sudden Riches:** The scammer claims the victim has won a foreign lottery or sweepstakes. The notice comes by mail, phone, fax or email. Consumers should know that winners of real cash prizes are notified by certified mail.
- **Work-at-Home:** The scams promise easy money by “processing” checks. The victim deposits the checks and sends the money to the scammer, minus a small fee. Legitimate companies don't do business like this.

Consumers can learn more and report fraudulent activity at the Alliance website, FakeChecks.org.

If consumers believe they have been defrauded by a scam, the Postal Inspection Service wants to hear from them. These crimes can be reported by calling 1-800-372-8347.

An electronic press kit, containing this press release, fact sheets, FAQs, high-resolution images of the six print ads, research findings and a list of local events will be posted at FakeChecks.org. The press release, fact sheets, FAQs and print ads will be translated in Spanish.

Please Note: Broadcast quality video and audio, photo stills and multimedia files will be available for download after 2:00 p.m. EDT. Visit the USPS Newsroom at usps.com/news and click on the Pathfire icon.

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About the U.S. Postal Service

An independent federal agency, the U.S. Postal Service is the only delivery service that visits every address in the nation, 146 million homes and businesses, six days a week. It has 37,000 retail locations and relies on the sale of postage, products and services to pay for operating expenses, not tax dollars. The Postal Service has annual revenues of \$75 billion and delivers nearly half the world's mail. To learn more, visit www.usps.com.

About the U.S. Postal Inspection Service

The U.S. Postal Inspection Service is one of the oldest federal law enforcement agencies in the country. For more than 200 years, Postal Inspectors have protected the U.S. Postal Service, its employees and its customers from criminal attack and protected the nation's mail system from criminal misuse. www.usps.com/postalinspectors/.

About the Alliance for Consumer Fraud Awareness

The Alliance for Consumer Fraud Awareness is a private-public initiative that was founded in October, 2006, with the mission to empower consumers to recognize and avoid harmful fraudulent scams. Members represent 20 financial institutions, associations, consumer advocacy groups and businesses. To learn more, visit www.FakeChecks.org.