

Business Listing Scams

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You should be aware, and make your employees aware, of a new fraud that is hitting businesses, big and small, all over the country. It is commonly referred to as a Business Listing Scam.

The way it works is the business receives a phone call and the caller begins by asking questions about the business, such as its phone number, mailing address, fax number, etc. Often, the caller will pretend to have a bad connection or to have dropped his phone, and may repeatedly ask whether the person who took the call can hear him. What they are trying to do is get the person who answered the phone to say "yes."

A few weeks later, the business gets an invoice in the mail for a business listing, usually purported to be on a website. The charge can be as low as a few hundred dollars or as high as over a thousand dollars. Sometimes it is a recurring monthly charge.

The scammers count on a certain percentage of businesses simply paying the invoice. Often, the person paying the bills will just assume someone in marketing, or the owner, or the manager, approved the expense, and will pay the bill thinking it is legitimate. If 10% simply pay the invoice, the scam is profitable.

If the business does not pay it, the scammers don't necessarily go away. They will often call themselves, or have a collection agency call, to harass the business. They will threaten to add late fees, penalties, collection costs, file lawsuits, etc. if the bill is not paid. Again, this is sufficient to get some businesses to pay it just to avoid those extra fees, avoid a lawsuit or end the harassment.

If the business continues to refuse to pay the bill, the scammers will often play an audio tape of the person answering the call and purportedly authorizing the listing. What they have done is cut and splice the tape to make it sound like the "yes" answer (usually to the "can you hear me" question) was to a question about authorizing the listing, and the address and phone number answer was in response to a question asking what should be on the business listing.

Again, some businesses, thinking they are stuck since someone actually authorized the listing, will pay it. Unfortunately, the scammer will not go away, but will continue to send monthly bills, or demand a huge "cancellation" fee.

This is purely a scam. There usually is no such business listing, or it is simply a listing on some obscure website, which no one would ever visit, that simply has a list of every business that they have talked to. There is zero value in it for the business.

To prevent being a victim, you should alert your employees to be very careful if they receive a call such as the above. Be wary of anyone asking them to confirm the address of the business, making any reference to a business listing, or a caller that pretends to have a bad connection or to have dropped his or her phone. The best practice is for employees to immediately hang up. The longer they are on the phone, the more likely they will say things that can be cut and spliced into sounding like they authorized the listing.

If you receive such a bill or would like additional information, contact Scott Leah