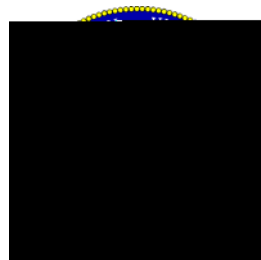


**Cross-Border Fraud Complaints  
with  
Canadian and United States  
Consumer Complaint Details**

*January – December 2007*



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**Federal Trade Commission**

*May 2008*

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**Report Subject**

**Page No.**

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Introduction ..... 2

# INTRODUCTION

Consumer Sentinel is a secure automated consumer complaint database developed by the Federal Trade Commission (FTC), in cooperation with its law enforcement partners, to collect and make available investigative information about consumer fraud and deception. Currently, the Consumer Sentinel database includes over **4.3 million** complaints received by the FTC and other data contributors. The collected investigative information is accessible to federal, state, and local law enforcement agencies in the United States, Canada, and Australia through a secure, password-protected Web site. Between January 1999 and December 2007, more than 125 organizations contributed data to Consumer Sentinel. More information on this joint project is available at [www.consumer.gov/sentinel](http://www.consumer.gov/sentinel).

During calendar year 2007, Consumer Sentinel received over **835,000** complaints – 258,000 identity theft complaints and 577,000 fraud-related complaints. Fifteen percent of the fraud-related complaints were cross-border fraud-related. The following are a series of statistical reports from

## Consumer Sentinel Leading Partners & Data Contributors

 <p>Australian Competition and Consumer Commission</p>	 <p>Better Business Bureaus</p>
 <p>Department of Defense</p>	 <p>Federal Bureau of Investigation</p>
 <p>Federal Trade Commission</p>	 <p>National Consumers League</p>
 <p>Canada's Phonebusters</p>	 <p>Social Security Administration</p>
 <p>U.S. Postal Inspection Service</p>	 <p>U.S. Secret Service</p>

Monthly Consumer Sentinel - 7(JO Tc 0.0014 T000w 0 -1.208 (ints Td(ton)4(2 -w -25.732-1.202 om)Fortion is )-5(accessible



[www.consumer.gov/sentinel](http://www.consumer.gov/sentinel)



[www.econsumer.gov](http://www.econsumer.gov)

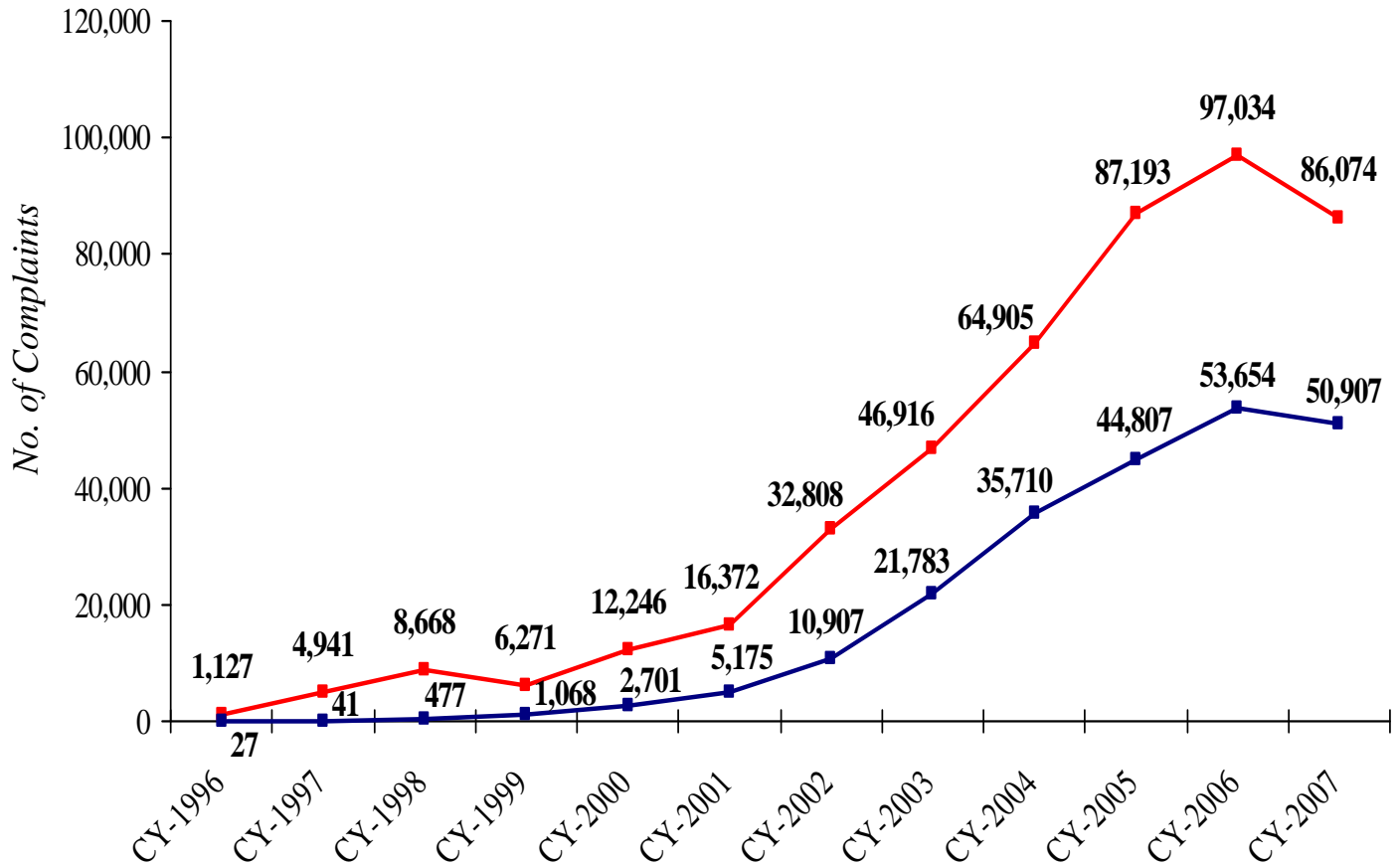


[www.consumer.gov/idtheft](http://www.consumer.gov/idtheft)

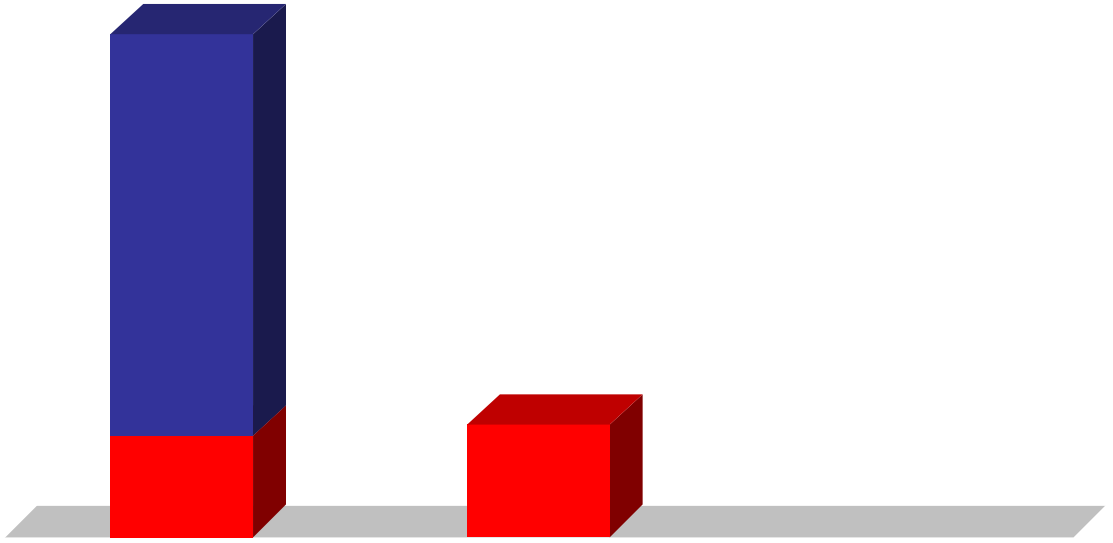


[www.consumer.gov/military](http://www.consumer.gov/military)

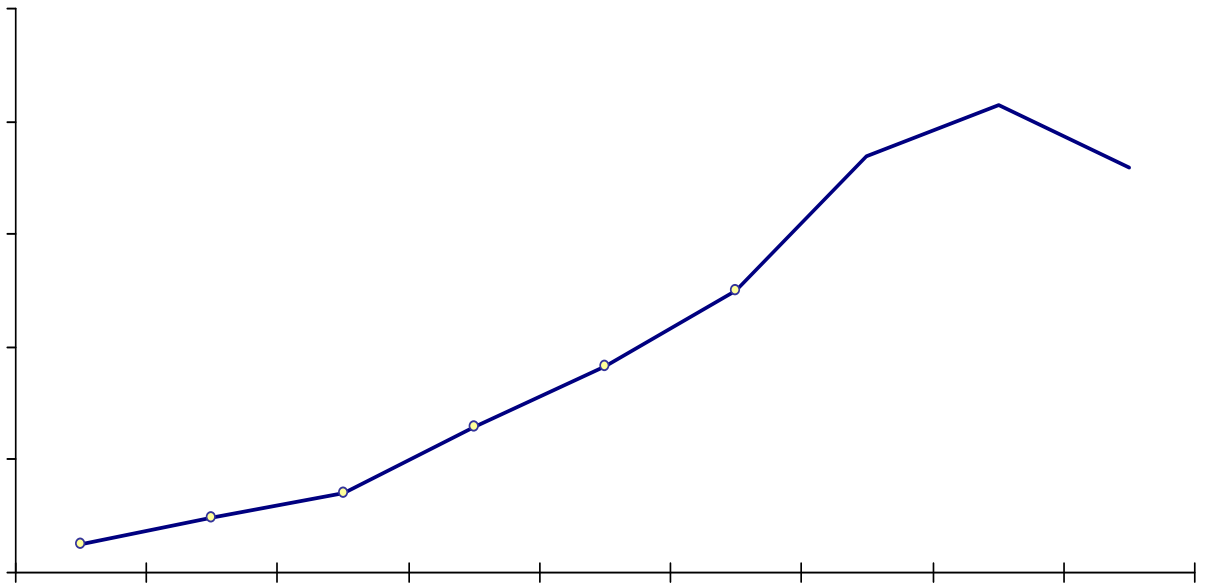
## Cross-Border Complaint Count by Calendar Year<sup>1</sup>

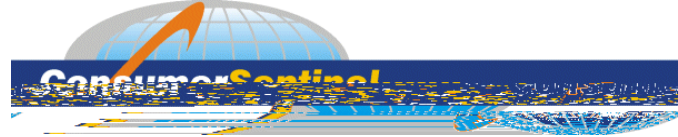


<sup>1</sup>For the purposes of this report, a fraud complaint is “cross-border” if: (1) a U.S. consumer complained about a company located in Canada or another foreign country; (2) a Canadian consumer complained about a company located in the U.S. or another foreign country; or (3) a consumer from a foreign country complained about a company located in the U.S. or Canada. Excl



**Cross-Border Fraud Complaints**  
**By Consumer and Company Location<sup>1</sup>**  
*January 1 – December 31, 2007*





# Top Products or Services for Cross-Border Fraud Complaints From U.S. Consumers<sup>1</sup>

*January 1 – December 31, 2007*

Rank	Top Products or Services	Complaints	Percentage <sup>1</sup>
1	Foreign Money Offers	8,414	12%
2	Prizes\Sweepstakes\Gifts	7,756	11%
3	Shop-at-Home\Catalog Sales	6,054	8%
4	Lotteries\Lottery Ticket Buying Clubs	5,187	7%
5	Internet Auction	3,336	5%

<sup>1</sup>Percentages are based on the total number of cross-border fraud complaints (**71,712**) from U.S. consumers against companies located in Canada or other foreign countries received between January 1 and December 31, 2007. Forty-seven percent (34,675) of the cross-border complaints from U.S. consumers against companies located in Canada or other foreign countries did not contain specific product service codes.

### Top Products or Services for Complaints from U.S. Consumers Against Companies Located in Canada

*January 1 – December 31, 2007*

### Top Products or Services for Complaints from U.S. Consumers Against Companies Located in Other Foreign Countries

*January 1 – December 31, 2007*

Rank	Product or Service	Complaints	Percentage <sup>3</sup>
1	Foreign Money Offers	6,156	11%
2	Shop-at-Home\Catalog Sales	5,183	10%
3	Internet Auction	3,018	6%
4	Lotteries\Lottery Ticket Buying Clubs	2,538	5%

<sup>2</sup>Percentages are based on the total number of cross-border fraud complaints (**18,083**) from U.S. consumers against companies located in Canada received between January 1 and December 31, 2007.

<sup>3</sup>Percentages are based on the total number of cross-border fraud complaints (**53,629**) from U.S. consumers against companies located in other foreign countries received between January 1 and December 31, 2007.



## Fraud Complaints and Amount Paid by U.S. Consumers Against Companies Located in Canada *Calendar Years 2005 through 2007*

CY	Total No. of Complaints	Complaints Reporting Amount Paid	Percentage of Complaints Reporting Amount Paid	Amount Paid Reported	Average Amount Paid <sup>1</sup>	Median Amount Paid <sup>2</sup>
2005	18,387	13,759	75%	\$47,852,036	\$3,478	\$1,801
2006	25,083	20,509	82%	\$64,665,364	\$3,153	\$2,500
2007	18,083	14,743	82%	\$55,418,706	\$3,759	\$2,580

<sup>1</sup>Average is based on the total number of consumers who reported amount paid for each calendar year: CY-2005 = 13,759; CY-2006 = 20,509 ; and CY-2007 = 14,743. Eight consumers reported an amount paid of \$1 million or more during CY-2007; 2 consumers in CY-2005 and 3 consumers in CY-2006.

<sup>2</sup>Median is the middle number in a set of numbers so that half the numbers have values that are greater than the median and half have values that are less. Calculation of the median excludes complaints with amount paid reported as \$0.

## Fraud Complaints and Amount Paid by U.S. Consumers Against Companies Located in Other Foreign Countries *Calendar Years 2005 through 2007*

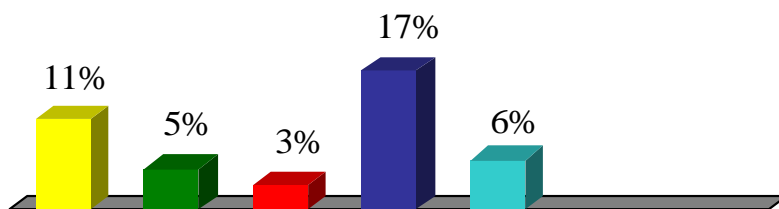
CY	Total No. of Complaints	Complaints Reporting Amount Paid	Percentage of Complaints Reporting Amount Paid	Amount Paid Reported	Average Amount Paid <sup>3</sup>	Median Amount Paid <sup>4</sup>
2005	55,474	28,729	52%	\$136,649,579	\$4,757	\$1,304
2006	57,644	50,471	88%	\$142,457,801	\$2,823	\$1,050
2007	53,629	47,388	88%	\$194,032,819	\$4,095	\$750

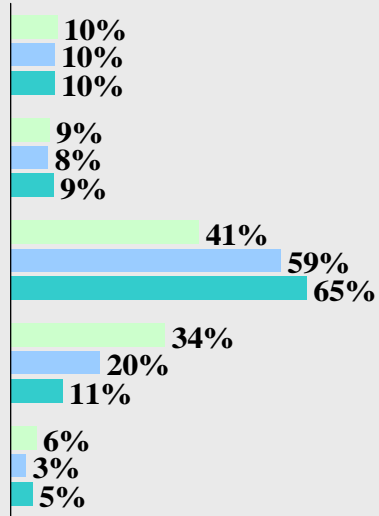
<sup>3</sup>Average is based on the total number of consumers who reported amount paid for each calendar year: CY-2005= 28,729; CY-2006 = 50,471; and CY-2007 = 47,388. Thirty-three consumers reported an amount paid of \$1 million or more during CY-2007; 7 consumers in CY-2005 and 18 consumers in CY-2006.

<sup>4</sup>Median is the middle number in a set of numbers so that half the numbers have values that are greater than the median and half have values that are less. Calculation of the median excludes complaints with amount paid reported as \$0.

# Methods of Payment Reported by Consumers

*January 1 - December 31, 2007*

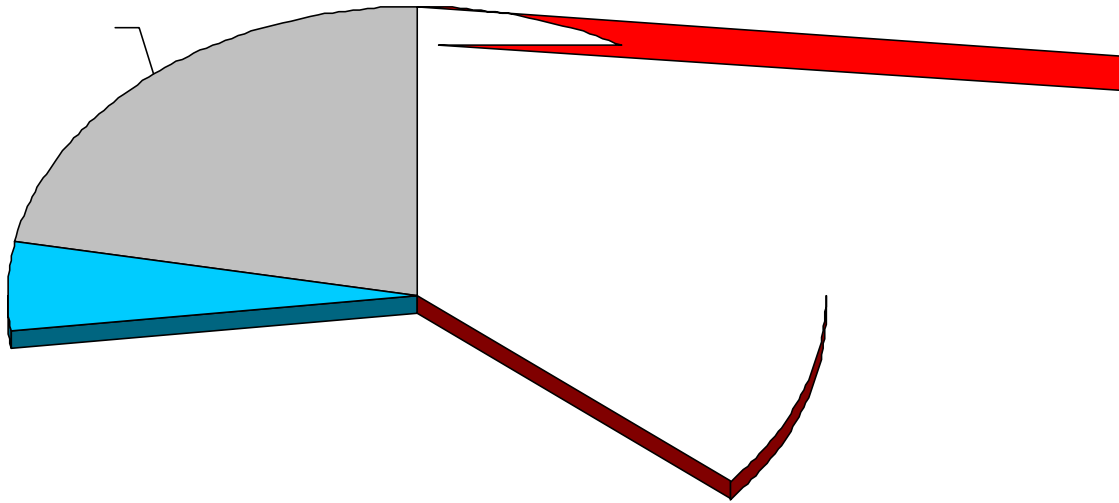






# Top Products or Services for Fraud Complaints from U.S. Consumers Against Companies Located in **Ontario, Canada**<sup>1</sup>

*January 1 – December 31, 2007*



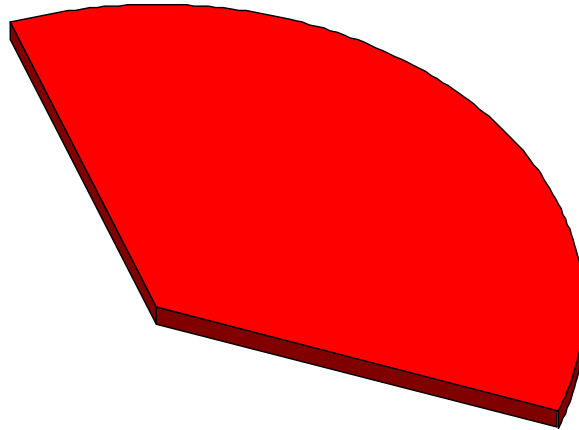
<sup>1</sup>Percentages are based upon the total number of fraud complaints (9,328) by U.S. consumers complaining about companies in Ontario, Canada received between January 1 and December 31, 2007.





# **Top Products or Services for Fraud Complaints from U.S. Consumers Against Companies Located in Quebec, Canada<sup>1</sup>**

*January 1 – December 31, 2007*



<sup>1</sup>Percentages are based upon the total number of fraud complaints (1,517) by U.S. consumers complaining about companies in Quebec, Canada received between January 1 and December 31, 2007.

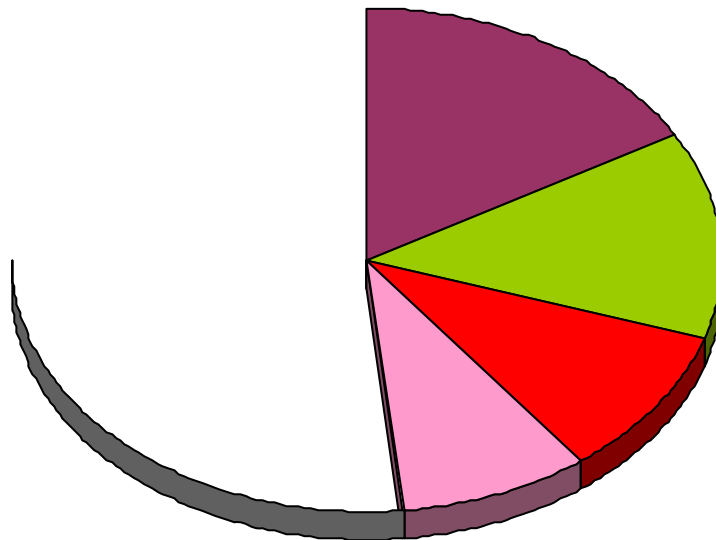




## Canadian Consumer Fraud Complaints Against Companies Located in the U.S. *January 1 – December 31, 2007*

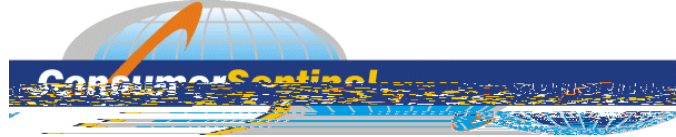
<u>Totals</u>	
<u>Complaint Count</u>	<u>Amount Paid</u>
5,012	\$10,481,641

### *Top Products or Services by Complaint Count<sup>1</sup>*

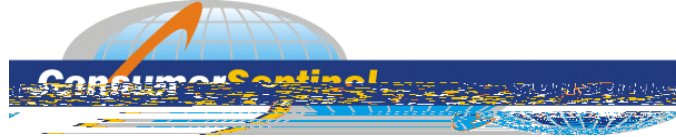


<sup>1</sup>Percentages are based upon the total number of fraud complaints (5,012) by Canadian consumers complaining about companies in the United States received between January 1 and December 31, 2007.





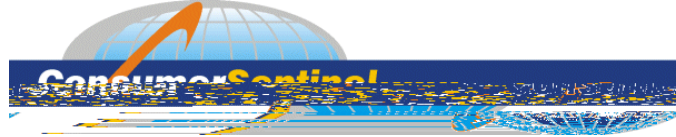
**Sentinel Fraud Complaints from Consumers**  
**Located in British Columbia, Canada**  
*January 1– December 31, 2007*



# **Sentinel Fraud Complaints from Consumers** **Located in Alberta, Canada** *January 1– December 31, 2007*

<sup>2</sup>Average amount paid is based upon the total number of complaints where amount paid was reported.

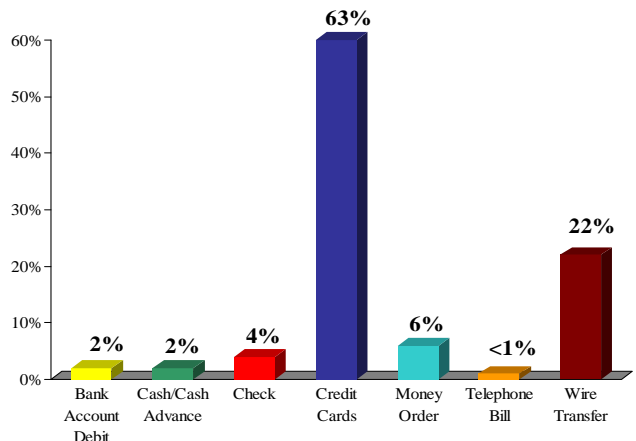
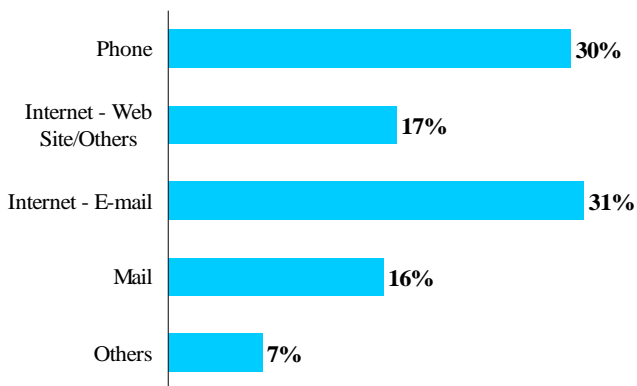
<sup>3</sup>Median is the middle number in a set of numbers so that half the numbers have values that are greater than the median and half h



# Sentinel Fraud Complaints from Consumers Located in Quebec, Canada *January 1– December 31, 2007*

<sup>2</sup>Average amount paid is based upon the total number of complaints where amount paid was reported.

<sup>3</sup>Median is the middle number in a set of numbers so that half the numbers have values that are greater than the median and half have values that are less. Calculation of the median excludes complaints with amount paid reported as \$0.

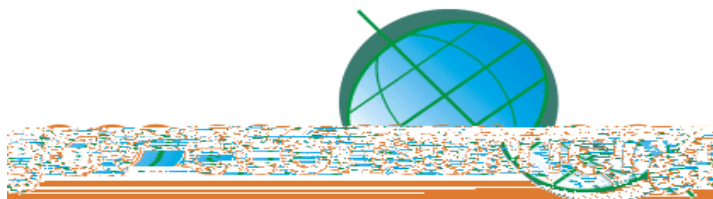


<sup>4</sup>Percentages are based on the total number of fraud complaints where company's method of initial contact was reported by consumers from Quebec, Canada, during the time period (1,513). 86% of consumers reported this information.

<sup>5</sup>Percentages are based on the total number

# **Top Products or Services for Econsumer Complaints<sup>1</sup>**

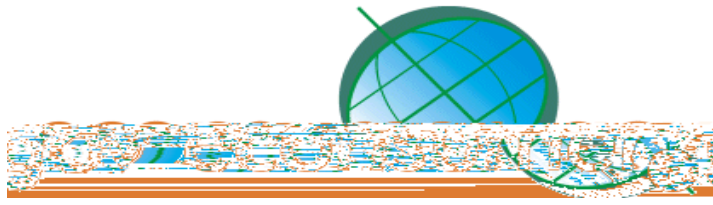
*January 1 – December 31, 2007*



# **Top Law Violations for Econsumer Complaints<sup>1</sup>**

*January 1 – December 31, 2007*

<sup>1</sup>Percentages are based on the **20,785**



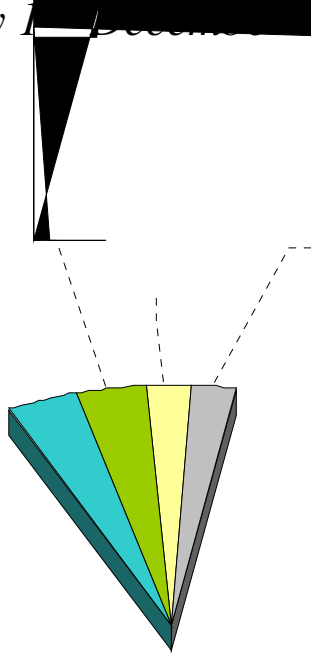
**Econsumer Complaints**  
**Top Consumer and Company Locations**  
*January 1 – December 31, 2007*

**Top Consumer Locations**





## Appendix A2: Sentinel Complaints by Organization January 1, 2007 - December 31, 2007



<sup>1</sup>Percentages are based on the total number of Sentinel complaints (over 835,000) received between January 1 and December 31, 2007. The type of complaints provided by the organization is indicated in parentheses.

<sup>2</sup>For a list of other organizations contributing to Sentinel, see Appendix A3.

