



Small Business Advertising Scams

From the Office of Minnesota Attorney General Lori Swanson

The owners of small businesses, such as hair dressers, auto mechanics, and contractors, have been targeted by scam artists with fraudulent schemes to trick them into paying in advance for advertising in directories that are never published.

How the Scam Works

The con artist contacts a business unannounced and, in exchange for an up-front payment, promises to provide the business with advertising in directories, coupon books, pamphlets, mailings, or online. The con artist may attempt to create a sense of urgency by claiming the advertisement will be exclusively featured in a publication or that the business must sign-up immediately because advertising space is filling up quickly.

Businesses pay up-front for the advertising by providing the scammer with their small business's credit card number, or checking account and routing numbers. After paying in full, the business may never hear from the scam artist again, and the promised advertising is never provided.

Tips to Avoid Small Business Advertising Scams

- Beware of solicitors making unsubstantiated promises of broad distribution of thousands of copies of an advertisement in exchange for an up-front payment.
- Before purchasing advertising products or services for a small business, ask for recommendations from other small-business owners.
- Do not disclose a credit card number, bank account information, and/or checking account and routing numbers to an unknown solicitor over the phone or in person.
- Keep a close eye on business accounts to avoid unauthorized withdrawals or charges by third-parties.

People may report small business advertising scams to the Minnesota Attorney General's Office as follows:

Office of Minnesota Attorney General Lori Swanson

445 Minnesota Street, Suite 1400

St. Paul, MN 55101

(651) 296-3353 (Twin Cities Calling Area)

(800) 657-3787 (Outside the Twin Cities)

TTY: (651) 297-7206 or (800) 366-4812

www.ag.state.mn.us