

Media Release

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Government of South Australia

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12 July 2007

Businesses beware of false billing scam

Another false billing scam has been circulating in South Australian targeting businesses. The Office of Consumer and Business Affairs (OCBA) is warning businesses to be wary of advertising in the 'Child Abuse and Drug Awareness Handbook', which is alleged to be distributed nationally.

Businesses have contacted OCBA concerned about invoices they have received for advertising they have never authorised. Some have been targeted by a false billing scam where advertisements have appeared in a publication, that they have been led to believe may be an official Police publication.

The Commissioner for Consumer Affairs, Mark Bodycoat said, "Individual members of the business community risk being swindled out of hundreds of dollars for advertising material they have never actually ordered."

South Australian businesses have received invoices for advertisements costing approximately \$300. OCBA currently is obtaining statements from many businesses advertised in the publication

"It is disturbing that in this particular publication we are finding many different advertisements for businesses on different pages. OCBA is in possession of several copies of the publication that appear to be identical, but contain different advertisements. This makes us very suspicious that these publications are printed specifically for individual businesses in a ploy to encourage payment."

Common identifiers of false billing scams include:

- Selling advertising space for a publication that either does not exist or has limited circulation
- Making false claims that the publication is affiliated with a particular community group or well known organisation
- Invoicing businesses for advertisements that were never authorised
- Contacting businesses to confirm an advertisement that allegedly has previously been placed when in fact this never occurred
- Contacting businesses and advising that the publication has been printed and is ready to be sent to them when in fact the business never agreed to place an advertisement in the publication

OCBA is further investigating the allegations, and another alleged advertising scam, and is considering court action for breaches of the *Fair Trading Act 1987*.

OCBA has successfully prosecuted interstate scammers before. In 2006, Monitor Publishing Pty Ltd, of New South Wales, and its directors were convicted of making false representations to businesses in the course of selling advertising space in a dubious magazine.

While OCBA is doing all it can to warn businesses and stamp out false billing advertising scams the Commissioner is urging businesses to be on the lookout for any advertising invoices they have never authorised.

“If an organisation rings you trying to sell adverting or forcing you to pay for advertising, make your own checks to verify who they are and if you have ever authorised such advertising.”

“Keep meticulous records of any advertising that is authorised. This should help protect any business from unscrupulous operators.”

If any business suspects they are being targeted by a false billing scam they should contact OCBA on 8204 9777. For further information about these and other scams visit www.ocba.sa.gov.au.