

Scam Alert: Are You Being Targeted?

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KATHY KRAJEWSKI, the first event professional in Michigan to earn the CSEP (Certified Special Events Professional) designation through ISES, is president/director of marketing and special events for Double Exposure Inc./RSVP Events of Birmingham. She has more than 25 years of experience in event production, public relations, and advertising and is involved with every aspect of each event produced through Double Exposure Inc. She is also one of the organizers of The Michigan Meetings and Events Expo—New Trends and Solutions, scheduled for Sept. 29, 2009 at the Inn at St. John's in Plymouth.

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Caveat Venditor* (*Let the Seller Beware)

KNOWLEDGE IS POWER WHEN IT COMES TO
RECOGNIZING SCAMS. BY **KATHY KRAJEWSKI**

WE ARE ALL FAMILIAR WITH THE PROBLEM OF IDENTITY THEFT AND INTERNET scams. We hear about it on the news almost daily. Even though I considered myself well informed, it was through my networking at International Special Event Society (ISES) events and conventions that I learned the gamble we take in our field of event planning and was able to protect myself from being a target.

Event planners are in an especially vulnerable position because we act as the “bank” for most of our clients. We contract and pay the vendors, hopefully with a decent commission and/or service fee and charge back to our clients.

As a rule, a good safety net is to have a substantial deposit and/or credit card number on file. However, what happens if that credit card number, although previously cleared and approved, turned out to belong to someone who was the victim of an identity thief, or a very realistic check or money order that has been deposited into your account turns out to be counterfeit? You now owe the bank. The vendors have been paid and the client is long gone. Sound unbelievable? It happens in our industry all the time.

THE SETUP

There are professional scam artists who meet daily in Internet cafés all over the world canvassing their victims. Having watched too many movies, I tried to lead my own “sting” and played such a scam out to the end. Here is a sample of the scam, an e-mail from a “Susanne Cole” (copy edited slightly to improve readability):

“Hello I intend having a party on the 10th of august2008, and I intend using your services, please

I will like you to give me answers to the questions 1. what is your service cost for 5 hrs; 2. what will it cost to get a location to contain 100 guest?; 3. also you will get a caterer to prepare white rice roasted chicken breast with white wine cram sauce and vegetable salad what will this cost?; 4. do you accept credit cards payments?; 5. i have gotten a vendor who will supply deejay, photography and video, so you will have to include his bill and have him paid. please get back to me with answer to these questions so we peoced thanks”

THE BAIT

After playing along with several e-mails back and forth, I was able to obtain the following e-mail which had the credit card information of some poor, unsuspecting victim.

“i am finding it difficult to open your website, to get the form out, but mean while this is the credit cards info, these are five of my credit cards, so what you will do divide payments for \$2,500 each from the cards, till you get \$10,000, please make sure this is charged now. also below is the vendors information with banking info jdell garner is his name, amount to receive \$5,000”

I had a signed contract and credit card numbers, which cleared. But, I knew not to complete the

5 Ways to Avoid Getting Scammed

1. Become a member of an industry organization such as NACE, ISES or MPI.
2. Only work with vendors you know and trust.
3. Use caution when working with clients in other states or overseas.
4. If working with a corporate client, run a check on the company and get references.
5. If working with a social client, ask for financial references and wait 30 days for all credit cards and checks to clear before writing against the money.

transaction and went to the bank and the FBI instead. How did I know it was a scam? Because of these red flags: Poor spelling and grammar (these fraudulent activities frequently originate from foreign countries so the con artists don't always have a good command of the English language) and being asked to work with a vendor you haven't hired or worked with before (these so-called vendors are in on the scam, and once they get their deposit, no one cares if the event ever happens and you will end up owing that deposit back to the bank). My last piece of evidence was to request the client fill in my vendor registration form with fax number and signature.

OFF THE HOOK?

Don't be fooled by an authorized credit card number. It may be validated, but it could turn out to belong to someone else whose identity has been stolen. Even if the bank authorizes the credit card, check or money order, they will not be held responsible, and you will still owe the money back to them.

I had hoped that my amateur investigation would lead the authorities to act, and at the very minimum alert the victims who

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owned the credit cards. But the local police, the banks and the FBI did nothing. The police and the FBI will tell you they cannot do anything until a crime has occurred. It is impossible for them to do anything in crimes that are introduced from other countries and you will lose your money.

So how do you protect yourself? Share information with other professionals in the business regarding scams, shady characters and dishonest clients and/or vendors. If we work together and stay vigilant, we can help put these crooks out of business. ☹



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