

The retail hustle

Conmen are targeting small retailers with a wide variety of scams, but forewarned is forearmed, says **Mark Smulian**

It was an ordinary October day in Haydon Bridge, a village in Northumberland, where most customers at Claire's Newsagent are known personally to owners Claire and Jackie Marshall. Then two strangers walked in, and by the time they left, the shop's till was lighter and the Marshalls had fallen victim to what is an increasingly common scam.

Jackie Marshall recalls: "Two people came in with a pile of notes and asked an assistant to change £200 in £20 notes

into £10s. She refused, so then they asked if she would change £100, and she did that. However, as the £20s were handed back, one of them must have passed some notes to the other, then they claimed that there was a mistake, kept talking rapidly and created confusion in which some money went missing."

The police made arrests, but could not bring charges since the Marshalls only check their till once a day, so it was impossible to establish how much money had gone missing. "There was no proof of what point the money went missing," Ms Marshall says.

"It costs a lot to prosecute someone, so I suppose the police would only do that if they were sure of their case. My advice to all other newsagents is not to change money for people," she adds.

The Marshalls have now installed CCTV on police advice to cover the whole shop.

Very similar offences took place in Surrey around the same time; Ms Marshall says that a car with a Surrey registration plate was seen in Haydon Bridge when the incident happened. The police are still investigating this.

Surrey Police have urged retailers to be alert after what they called "an elaborate scam", based on money changing, occurred in Woking, and later at shops in Guildford, Farnham and Burpham. This again involved various small shops being requested to help customers with a confusing series of changes and re-changes into £10 notes, £1 coins and back to £20s.

CID officer Peter Nacmanson, who is investigating the incidents, says: "Basically, the people in this group are causing so much confusion that they are able to take advantage of staff who are trying to do them a favour. Our advice

would be to politely refuse to change large sums of money and immediately report any suspicious incidents to the police."

Graham Preston, the Trading Standards Institute's lead officer on scams, agrees that newsagents are often prey to scams that are aimed against small businesses.

His advice sounds obvious, but is often not followed: "In general, if anything seems too good to be true, it probably is and should be treated with caution. In particular, people should be very cautious about anything that demands money upfront."

"The main thing we would advise retailers to be on their guard against are cold callers of any kind. In these situations, they need to do their homework and buy only if they are satisfied with the seller."

Other cons

Offers of advice on how to secure reductions in business rates from councils are another favourite of scamsters, says Mr Preston.

Retailers can, of course, approach their council directly with any enquiry concerning rate levels. They should not pay strangers for this "service".

Counterfeit goods are yet another hazard for newsagents, mainly those keeping racks of DVDs and CDs for sale. Mr Preston says: "It's a matter of knowing who is selling to you, because if there is an investigation the shopkeeper might be liable for handling counterfeit goods."

Another scam often encountered by trading standards is the invoice for non-existent supplies. "An invoice is sent claiming that you have ordered ink cartridges, or something else of the sort that is small and plausible. Retailers might assume the invoice is okay because these scams never ask for such a large amount of money that people would become suspicious," Mr Preston explains.

The bogus business directory is another common con; it demands a fee for an entry in a publication, which is never printed or is published in such small quantities that no customer is likely to use it. Bogus ones may also come in the guise of charity booklets,



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'crime prevention' yearbooks, drugs advice and youth-oriented publications.

These 'directories' may lead to bogus invoices or claims that a phone conversation has been recorded that amounts to a verbal contract. A variation on this is a call that asks for the names of two people who can authorise advertisements. Calls are then made to one to allow payment for an advertisement they mistakenly believe the other person has authorised.

Keeping safe

Fake demands to register for data protection, health and safety or some other official body are also common, the institute warns.

Perhaps the most difficult matters for newsagents are sales techniques that are not illegal but can cause confusion, sometimes unintentionally. These include phone calls from people selling goods, where by the end of the call the retailer is still unclear whether they are being offered items on a sale-or-return basis or not (it invariably turns out to be the latter).

Even dealings that appear to be with officialdom may be suspect. The Federation of Small Businesses has warned its members of a scam in which e-mails or phone calls purport to be from HM Revenue & Customs.

These offer a tax rebate of a small enough size not to cause suspicion and then request bank account details.

HMRC warns: "HMRC would not inform customers of a tax rebate via e-mail, or invite them to complete an online form to receive a rebate of tax."

The price of keeping clear of scams for retailers is indeed eternal vigilance. ■

Have you been scammed?

Have you been the victim of a scam?
Are scams operating in your area?
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newtrade.co.uk, or at 11 Angel Gate, City
Road, London EC1V 2SD, or call 020 7689
0600 with details.