

Complaint Report for The Atlantic Partnership

May 2005



Federal Trade Commission

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INTRODUCTION

Consumer Sentinel Leading Partners & Data Contributors

Between January and December 2004, Consumer Sentinel, the complaint database developed and maintained by the FTC, received over **635,000** consumer fraud and identity theft complaints. Consumers reported losses from fraud of more than \$547 million.

Consumer Sentinel collects information about consumer fraud and identity theft from the FTC and over 150 other organizations and makes it available to law enforcement partners across the nation and throughout the world for use in their investigations. Launched in 1997, the Sentinel database now includes over two million complaints. Some data transfers from other organizations contain complaints from previous months and have not yet been received.

Accordingly, the total number of complaints reflected in this report may increase over the course of the next few months. The addition of complaints from other data contributors is also reflected in the larger totals from previous years than were reported in earlier FTC reports.

For more information about Consumer Sentinel, as well as information about consumer fraud and identity theft, visit the Consumer Sentinel public website at www.consumer.gov/sentinel. If you represent a law enforcement organization, call (202) 326-3196 or e-mail sentinel@ftc.gov for membership information.

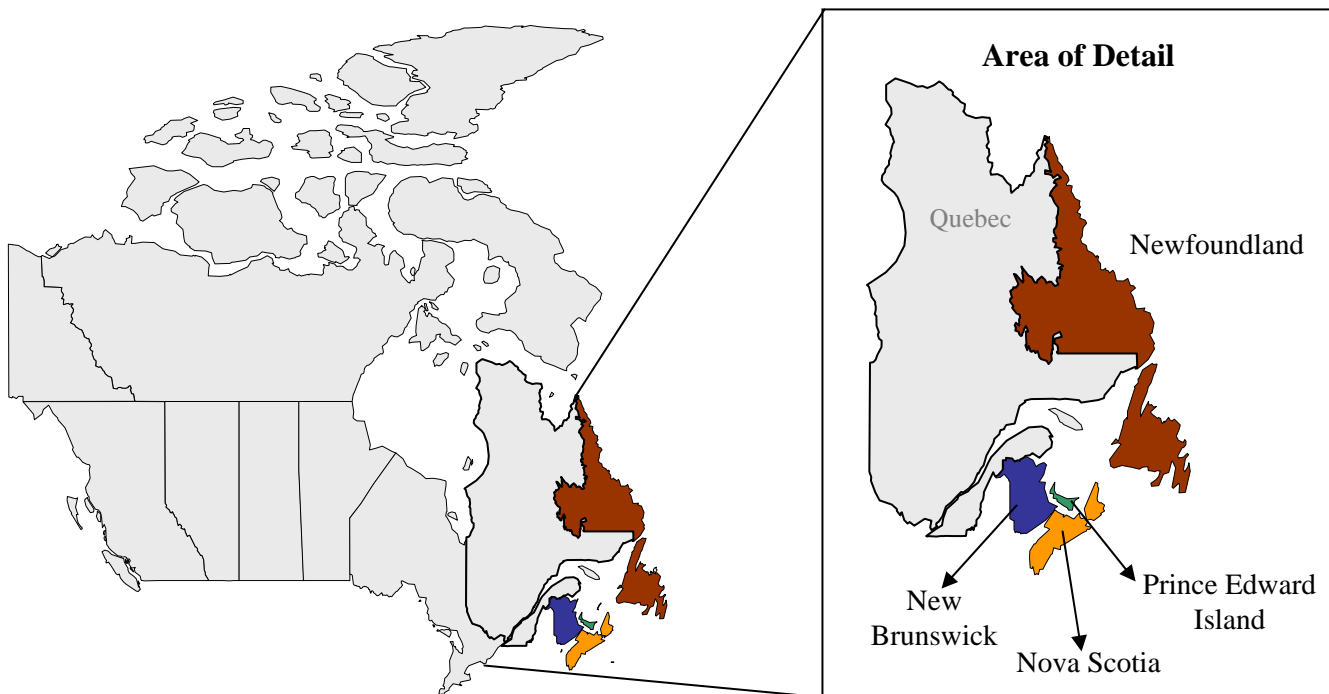
 Australian Competition and Consumer Commission	 Better Business Bureaus
 Department of Defense	 Federal Bureau of Investigation
 Federal Trade Commission	 Internet Crime Complaint Center
 National Association of Attorneys General	 National Consumers League
 Canada's Phonebusters	 Social Security Administration
 U.S. Postal Inspection Service	 U.S. Secret Service

The Consumer Sentinel Network (For a detailed description see Appendix A)



Sentinel Fraud Complaints from Consumers Located in New Brunswick, Newfoundland, Nova Scotia, and Prince Edward Island, Canada¹

January 1, 2002 – December 31, 2004



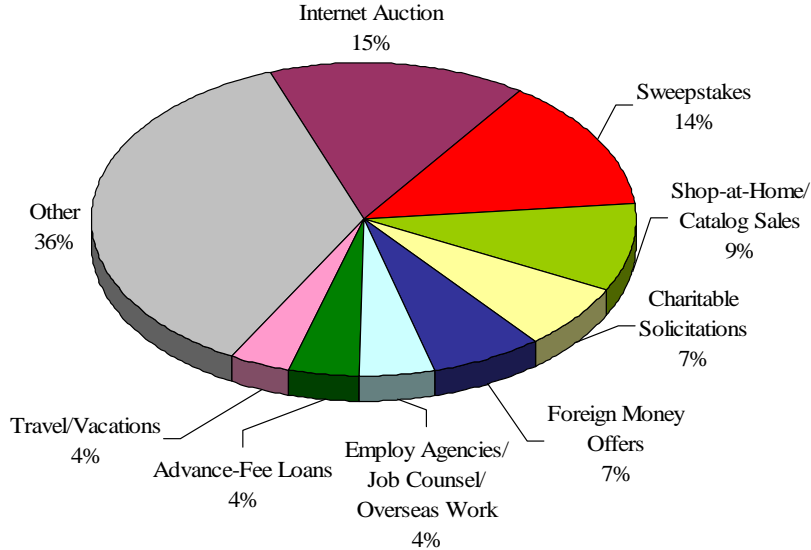
Consumer Locations

Province/ Territory	No. of Complaints CY 2002 through CY 2004
New Brunswick	941
Newfoundland	412
Nova Scotia	1,166
Prince Edward Island	152

¹These complaints represent less than one percent of all Sentinel fraud complaints in each calendar year from CY 2002 through CY 2004.

Sentinel Fraud Complaints from Consumers Located in New Brunswick, Canada January 1, 2002 – December 31, 2004

Top Products / Services¹



¹Percentages are based on the total number of complaints (941) received from consumers in New Brunswick, Canada, during the time period.

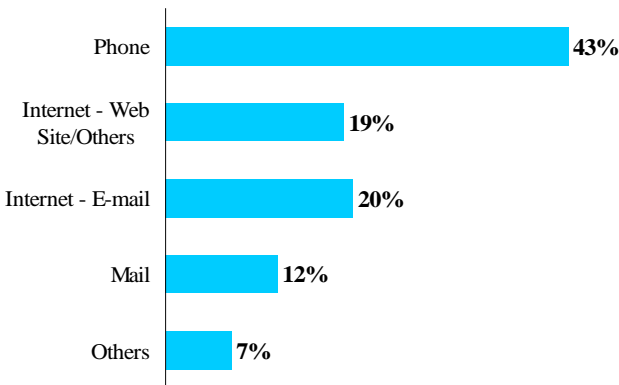
Reported Amount Paid

No. of Complaints	Complaints Reporting Amount Paid	Percentage of Complaints Reporting Amount Paid	Total Amount Paid Reported	Average Amount Paid ²	Mode ³
941	519	55%	\$1,112,595	\$2,144	\$20

²Average amount paid is based upon the total number of complaints where amount paid was reported. Two consumers reported an amount paid of over \$100,000 (\$110,000 and \$146,292).

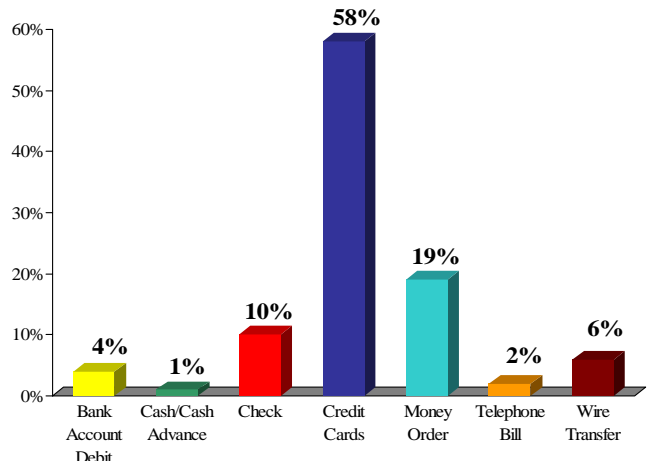
³Mode is the most frequently occurring amount paid reported. Calculation of the mode excludes complaints with amount paid reported as \$0.

Company's Method of Contacting Consumers⁴



⁴Percentages are based on the total number of fraud complaints where company's method of initial contact was reported by consumers from New Brunswick, Canada, during the time period (868). 92% of consumers reported this information.

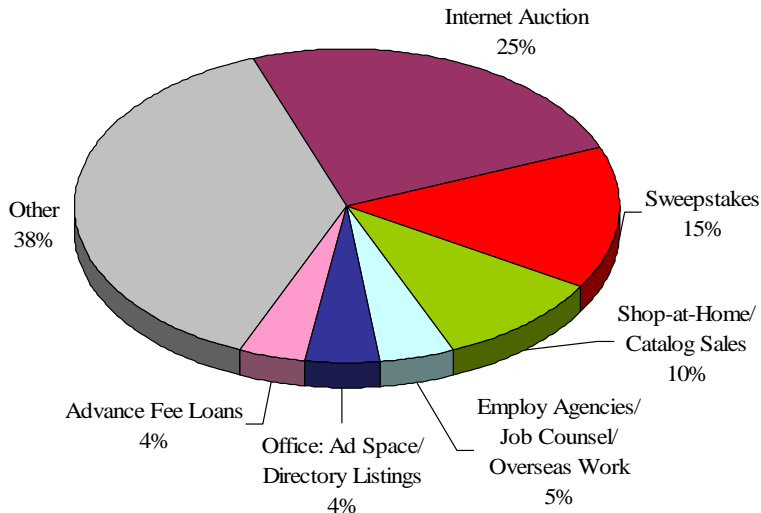
Methods of Payment Reported by Consumers⁵



⁵Percentages are based on the total number of consumers from New Brunswick, Canada, who reported the method of payment (167) during the time period. 18% of consumers reported this information.

Sentinel Fraud Complaints from Consumers Located in Newfoundland, Canada January 1, 2002 – December 31, 2004

Top Products / Services¹



¹Percentages are based on the total number of complaints (412) received from consumers in Newfoundland, Canada, during the time period.

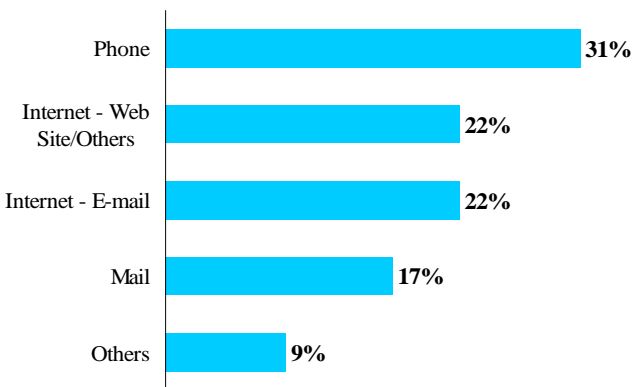
Reported Amount Paid

No. of Complaints	Complaints Reporting Amount Paid	Percentage of Complaints Reporting Amount Paid	Total Amount Paid Reported	Average Amount Paid ²	Mode ³
412	285	69%	\$866,648	\$3,041	\$30

²Average amount paid is based upon the total number of complaints where amount paid was reported. One consumer reported an amount paid of \$500,000.

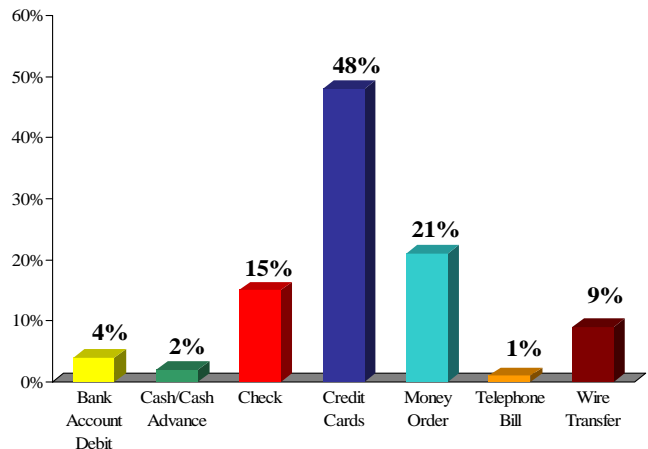
³Mode is the most frequently occurring amount paid reported. Calculation of the mode excludes complaints with amount paid reported as \$0.

Company's Method of Contacting Consumers⁴



⁴Percentages are based on the total number of fraud complaints where company's method of initial contact was reported by consumers from Newfoundland, Canada, during the time period (363). 88% of consumers reported this information.

Methods of Payment Reported by Consumers⁵



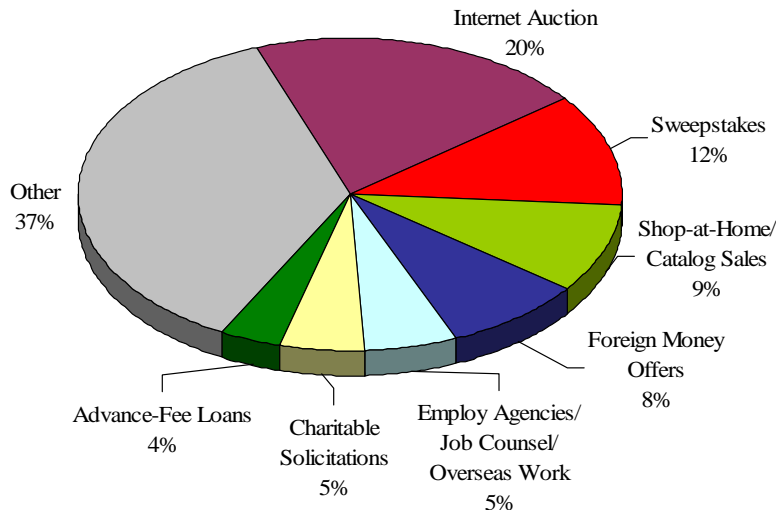
⁵Percentages are based on the total number of consumers from Newfoundland, Canada, who reported the method of payment (92) during the time period. 22% of consumers reported this information.

Sentinel Fraud Complaints from Consumers

Located in Nova Scotia, Canada

January 1, 2002 – December 31, 2004

Top Products / Services¹



¹Percentages are based on the total number of complaints (1,166) received from consumers in Nova Scotia, Canada, during the time period.

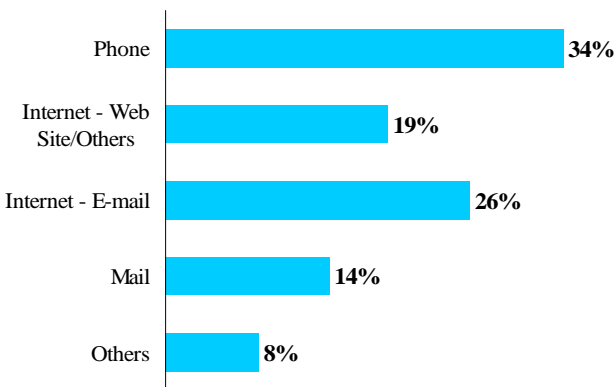
Reported Amount Paid

No. of Complaints	Complaints Reporting Amount Paid	Percentage of Complaints Reporting Amount Paid	Total Amount Paid Reported	Average Amount Paid ²	Mode ³
1,166	680	58%	\$1,565,083	\$2,302	\$35

²Average amount paid is based upon the total number of complaints where amount paid was reported. One consumer reported an amount paid of \$615,810.

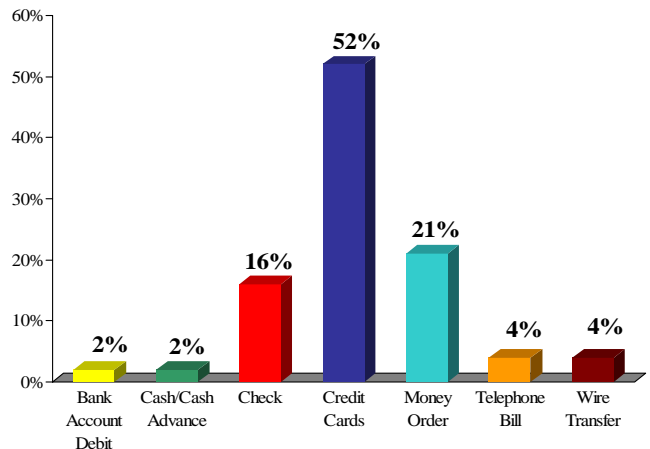
³Mode is the most frequently occurring amount paid reported. Calculation of the mode excludes complaints with amount paid reported as \$0.

Company's Method of Contacting Consumers⁴



⁴Percentages are based on the total number of fraud complaints where company's method of initial contact was reported by consumers from Nova Scotia, Canada, during the time period (1,059). 91% of consumers reported this information.

Methods of Payment Reported by Consumers⁵

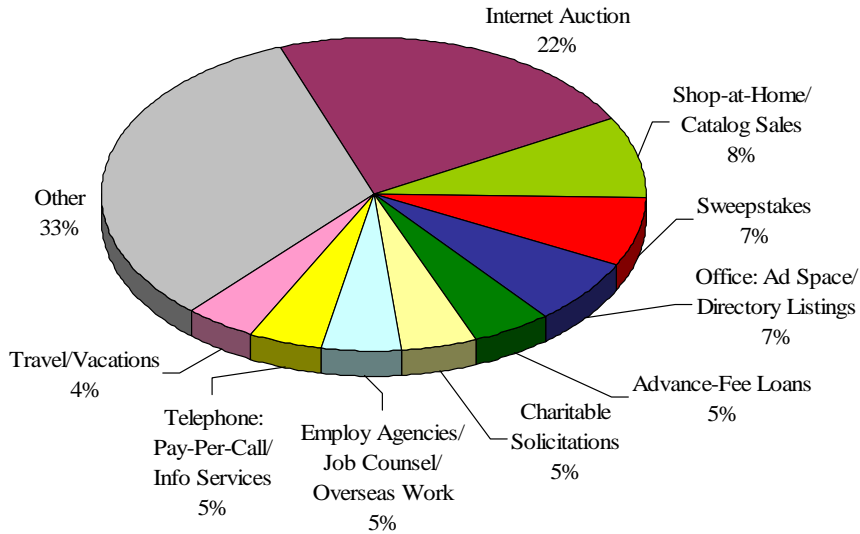


⁵Percentages are based on the total number of consumers from Nova Scotia, Canada, who reported the method of payment (197) during the time period. 17% of consumers reported this information.

Sentinel Fraud Complaints from Consumers Located in Prince Edward Island, Canada

January 1, 2002 – December 31, 2004

Top Products / Services¹



¹Percentages are based on the total number of complaints (152) received from consumers in Prince Edward Island, Canada, during the time period.

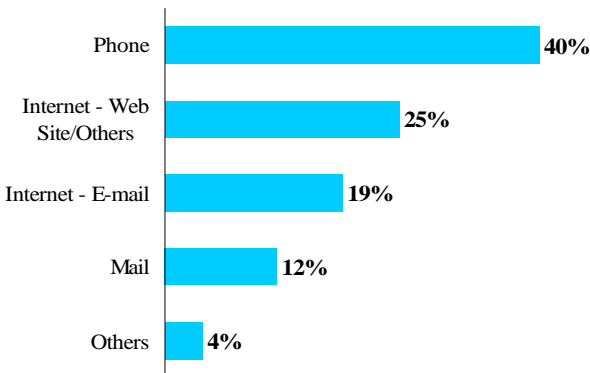
Reported Amount Paid

No. of Complaints	Complaints Reporting Amount Paid	Percentage of Complaints Reporting Amount Paid	Total Amount Paid Reported	Average Amount Paid ²	Mode ³
152	103	68%	\$170,873	\$1,659	\$35

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

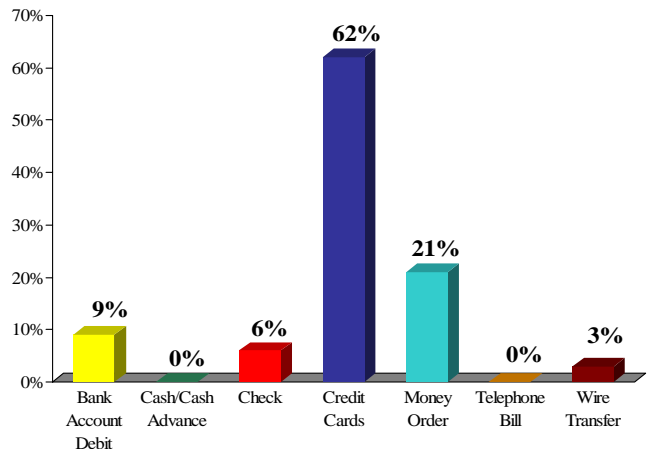
³Mode is the most frequently occurring amount paid reported. Calculation of the mode excludes complaints with amount paid reported as \$0.

Company's Method of Contacting Consumers⁴



⁴Percentages are based on the total number of fraud complaints where company's method of initial contact was reported by consumers from Prince Edward Island, Canada, during the time period (146). 96% of consumers reported this information.

Methods of Payment Reported by Consumers⁵



⁵Percentages are based on the total number of consumers from Prince Edward Island, Canada, who reported the method of payment (34) during the time period. 22% of consumers reported this information.

Fraud Complaints Against Companies in the Atlantic Provinces¹

January 1, 2002 – December 31, 2004

Complaint Count by Calendar Year

Canadian Province	2002	2003	2004	Total
New Brunswick	80	119	118	317
Newfoundland	22	39	41	102
Nova Scotia	235	129	190	554
Prince Edward Island	22	26	17	65
Total	359	313	366	1038

Complaint Count by Consumer Location

New Brunswick

Consumer Country	2002	2003	2004	Total
United States	48	78	84	210
Canada	31	37	29	97
Others	0	1	4	5
Location Not Reported	1	3	1	5
Total	80	119	118	317

Newfoundland

Consumer Country	2002	2003	2004	Total
United States	12	29	26	67
Canada	7	9	14	30
Location Not Reported	3	1	1	5
Total	22	39	41	102

Nova Scotia

Consumer Country	2002	2003	2004	Total
United States	174	82	140	396
Canada	42	45	40	127
Others	7	1	9	17
Location Not Reported	12	1	1	14
Total	235	129	190	554

Prince Edward Island

Consumer Country	2002	2003	2004	Total
United States	19	18	12	49
Canada	3	5	4	12
Others	0	1	1	2
Location Not Reported	0	2	0	2
Total	22	26	17	65

¹42% of the Consumer Sentinel fraud complaints against companies located in the Atlantic provinces between January 1, 2002 and December 31, 2004 were provided by Canada's Phonbusters.

Fraud Complaints from U.S. Consumers Against Companies Located in Canada¹

January 1 – December 31, 2004

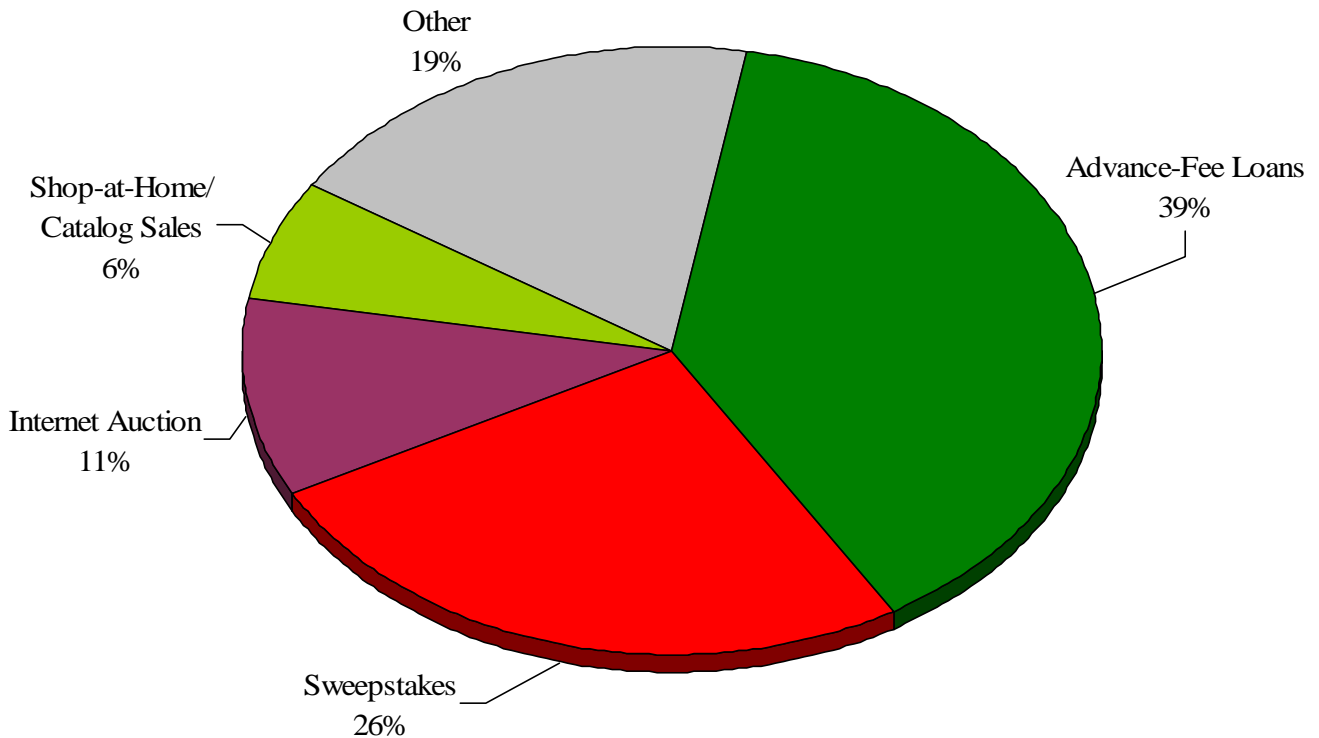


Company Locations

<u>Province/ Territory</u>	<u>No. of Complaints</u>	<u>Percentage¹</u>
Ontario	7,793	48.4%
Quebec	4,967	30.9%
British Columbia	2,416	15.0%
Alberta	387	2.4%
Nova Scotia	142	0.9%
Manitoba	134	0.8%
Saskatchewan	104	0.7%
New Brunswick	84	0.5%
Newfoundland	26	0.2%
Northwest Territories	20	0.1%
Prince Edward Island	12	0.1%
Yukon	11	0.1%
Nunavut	1	<0.1%

¹Percentages are based on the 16,097 fraud complaints received between January 1 and December 31, 2004 from U.S. consumers against companies located in Canada.

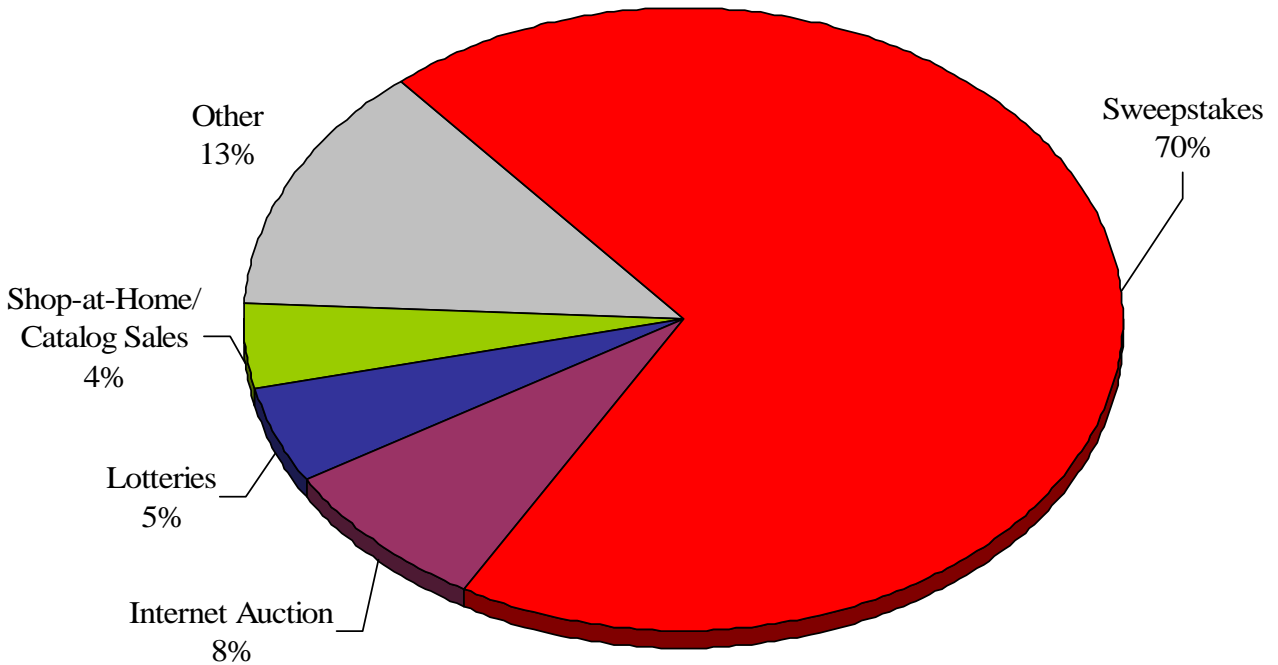
Top Products or Services for Fraud Complaints from U.S. Consumers Against Companies Located in **Ontario, Canada**¹ *Calendar Year 2004*



<i>Rank</i>	<i>Product or Service</i>	<i>No. of Complaints</i>	<i>Percentage of Complaints</i>
1	Advance-Fee Loans, Credit Arrangers	3,019	39%
2	Prizes\Sweepstakes\Gifts	1,996	26%
3	Internet Auction	838	11%
4	Shop-at-Home\Catalog Sales	499	6%
5	Lotteries\Lottery Ticket Buying Clubs	407	5%

¹Percentage is based upon the total number of fraud complaints (7,793) by U.S. consumers complaining about companies in Ontario, Canada for calendar year 2004.

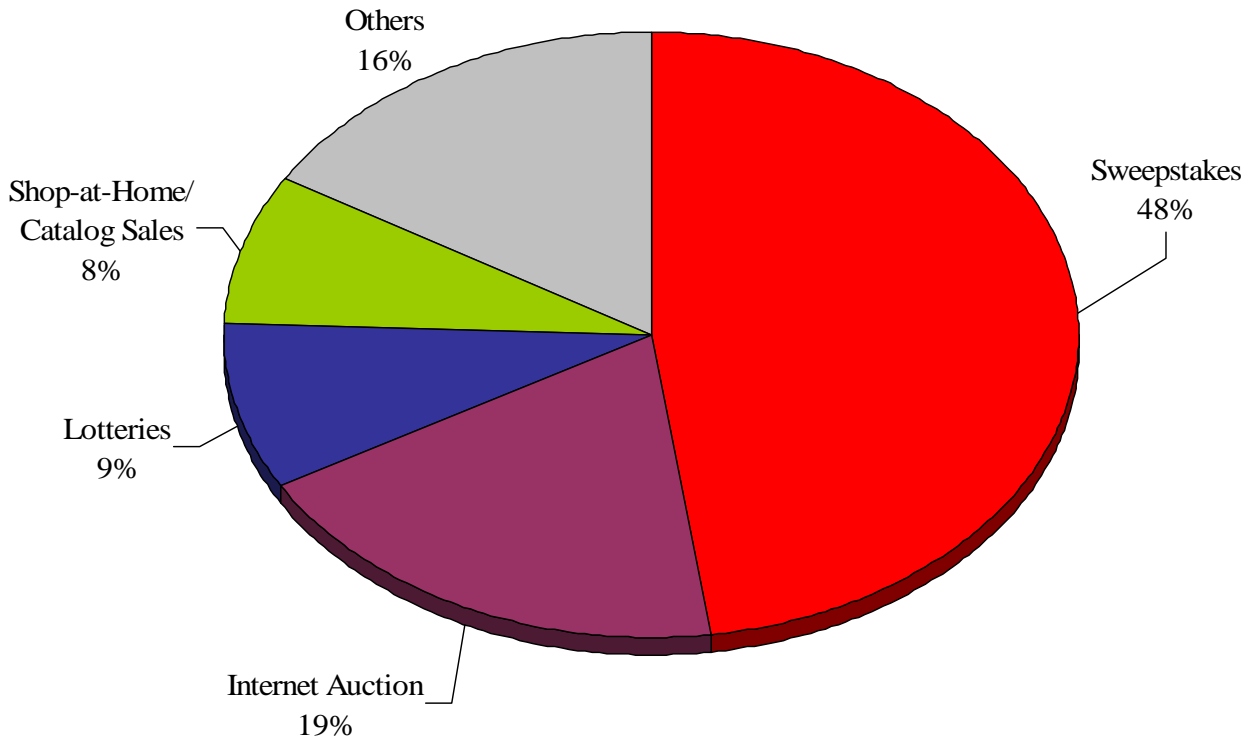
Top Products or Services for Fraud Complaints from U.S. Consumers Against Companies Located in Quebec, Canada¹ *Calendar Year 2004*



<i>Rank</i>	<i>Product or Service</i>	<i>No. of Complaints</i>	<i>Percentage of Complaints</i>
1	Prizes\Sweepstakes\Gifts	3,456	70%
2	Internet Auction	400	8%
3	Lotteries\Lottery Ticket Buying Clubs	242	5%
4	Shop-at-Home\Catalog Sales	219	4%
5	Foreign Money Offers	136	3%

¹Percentage is based upon the total number of fraud complaints (4,967) by U.S. consumers complaining about companies in Quebec, Canada for calendar year 2004.

Top Products or Services for Fraud Complaints from U.S. Consumers Against Companies Located in **British Columbia, Canada**¹ *Calendar Year 2004*



<i>Rank</i>	<i>Product or Service</i>	<i>No. of Complaints</i>	<i>Percentage of Complaints</i>
1	Prizes\Sweepstakes\Gifts	1,154	48%
2	Internet Auction	454	19%
3	Lotteries\Lottery Ticket Buying Clubs	216	9%
4	Shop-at-Home\Catalog Sales	198	8%
5	Foreign Money Offers	100	4%

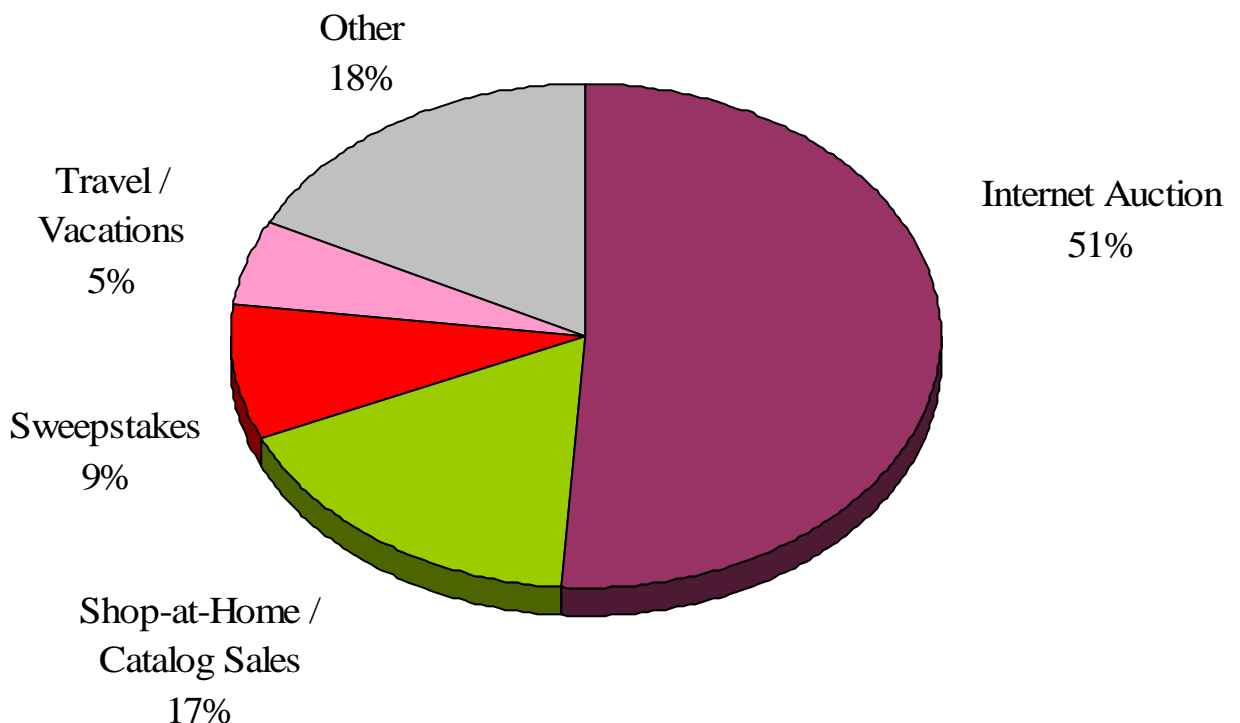
¹Percentage is based upon the total number of fraud complaints (2,416) by U.S. consumers complaining about companies in British Columbia, Canada for calendar year 2004.

Canadian Consumer Fraud Complaints Against Companies Located in the United States

Calendar Year 2004

<u>Totals</u>	
<u>Complaint Count</u>	<u>Amount Paid</u>
4,438	\$5,428,105

Top Products or Services by Complaint Count¹



¹Percentage is based upon the total number of Consumer Sentinel complaints (4,438) by Canadian consumers complaining about companies in the United States for calendar year 2004.

Appendix A: The Sentinel Network



Econsumer.gov was created in April 2001 to gather and share cross-border e-commerce complaints in order to respond to the challenges of multinational Internet fraud, and enhance consumer confidence in e-commerce. The multilingual public Web site provides general information about consumer protection in all countries that belong to the International Consumer Protection and Enforcement Network (formerly called the International Marketing Supervision Network), contact information for consumer protection authorities in those countries, and an online complaint form. All information is available in English, French, German, Korean, and Spanish. Using the existing Consumer Sentinel network, the incoming complaints are shared through the government Web site with participating consumer protection law enforcers from 19 nations.



The Identity Theft Data Clearinghouse was launched in November 1999 and is the sole national repository of consumer complaints about identity theft. The Clearinghouse provides specific investigative material for law enforcement and larger, trend-based information providing insight to both private and public sector partners on ways to reduce the incidence of identity theft. Information in the Clearinghouse is available to law enforcement members via Consumer Sentinel, the secured, password-protected government Web site. This access enables law enforcers to readily spot identity theft problems in their own backyards, and to coordinate with other law enforcement officers where the data reveals common schemes or perpetrators.



Military Sentinel, which was established in September 2002, is a project of the Federal Trade Commission and the Department of Defense to identify and target consumer protection issues that affect members of the United States Armed Forces and their families. Military Sentinel also provides a gateway to consumer education materials covering a wide range of consumer protection issues, such as auto leasing, identity theft, and work-at-home scams. Members of the United States Armed Forces can enter complaints directly into Consumer Sentinel. Through Consumer Sentinel, the government password-protected Web site, this information is used by law enforcement agencies, members of the JAG staff, and others in the Department of Defense to help protect armed services members and their families from consumer protection-related problems.