

Ohio Attorney General's
Consumer Advocate Newsletter
Keeping Consumers Safe and Informed



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New federal law helps inform consumers about “high-volume” sellers in online marketplaces

A new federal law that took effect in June provides consumers with more information about some of the most active sellers in online marketplaces such as Amazon Marketplace and eBay.

The INFORM Consumers Act – which stands for Integrity, Notification and Fairness in Online Retail Marketplaces – requires online marketplaces to provide the contact information for “high volume” third-party sellers on the seller’s product page in order confirmation messages and account transaction histories.

This information, in turn, allows consumers to research the company; report stolen, counterfeit or unsafe products; and/or contact the company directly. In general, a high-volume seller is one who logs more than 200 sales and grosses over \$5,000 in the past year.

Specifically, the marketplaces must share a qualifying seller's complete name, physical address and contact information (including a working phone number, working email address or other methods of direct electronic messaging provided by the seller).

Those that fail to collect, verify and disclose these details could face financial penalties. States also have enforcement authority.

According to the Federal Trade Commission (FTC), "online marketplaces also must give shoppers a way to report suspicious conduct," such as counterfeit merchandise, expired products and items that look different than advertised.

For more information about the INFORM Consumers Act, including what action consumers can take if they suspect a violation, visit the FTC to read [Informing Businesses about the INFORM Consumers Act](#).

When shopping on online marketplaces, consumers should:

- **Stick within the marketplace.** One sign of a potential scam is a seller who wants to do business outside of the online marketplace. Business outside the marketplace might not be covered by the site operator's consumer protections, and the operator might not be able to monitor the transaction in an effort to catch scammers.
- **Beware of unusual payment methods.** Be wary of sellers who request payment by wire transfer, gift card or other unusual methods. Try to steer clear of peer-to-peer payment systems. Popular services such as Venmo and Zelle may work well when transferring money to a close friend or family member, but a seller who wants you to use such a payment method should be a red flag to consumers. Different payment methods have varying levels of consumer protections against fraud, so do your research.
- **Recognize "overpayment" scams.** A phony buyer may send you a check for more than the agreed-upon amount, ask you to deposit the check and request that you give the extra money to a shipping agent. In the end, the check will not clear the bank, and you'll be out of your money and merchandise. When buying merchandise, do not provide financial information such as your bank account number or Social Security number to a stranger.

Consumers who suspect a scam or an unfair business practice should contact the Ohio Attorney General's Office at www.OhioProtects.org or 800-282-0515.

Travel safety tips

Vacations are an ideal time to rest and relax – and to explore new locations and enjoy family adventures. Follow these tips to protect your physical safety as well as your personal identification, financial information and digital devices:

- Research companies before doing business with them. Look for complaints filed with the [Ohio Attorney General's Office](#) and the [Better Business Bureau](#). [Search for lawsuits](#) that the Ohio Attorney General has filed against individuals and businesses that violate the state's consumer laws. And search online for reviews using the company's name and words such as "reviews" and "complaints."
- Double-check any travel website you use to make sure you're on the correct site. Some third-party booking agents may have websites and URLs that make it appear as if you're booking directly through an airline, hotel or rental car company.
- If you use a search engine, carefully review your search results. Be cautious of sponsored ads, often found at the top of your search-engine results. Search engines often first list results that are paid for, then results based on popularity, usefulness and such. A purchased listing usually contains the word "ad" or something similar to indicate that the result is paid for/sponsored.
- Use secure Wi-Fi. Look at the address bar in your internet browser; secure sites typically begin with https (the "s" stands for *secure*). Depending on the browser, the address bar may turn green or show a padlock to indicate that you're doing business on a secure website.
- When booking with an AirBnB or other short-term rental company, compare the final price of each listing. Different rental companies may apply additional charges for cleaning or additional guests. A rental with a higher up-front cost may actually be less-expensive after the additional charges are included. An AirBnB or other company also might charge a service fee for providing the booking platform.
- Be cautious of companies that ask you to pay before confirming reservations. Most reputable travel agents will confirm before payment.
- Get verbal promises in writing. Otherwise, they're not guaranteed.
- Consider paying with a credit card. You generally have stronger protections to dispute credit card charges if something goes wrong.
- Be wary of vacation offers that are "good today only."
- Verify your reservations. If you book a trip through a third party, call the resort or hotel where you will be staying to confirm your reservation.
- Make your financial institution aware of your travel plans, to prevent any confusion over charges that might otherwise look fraudulent.
- Avoid oversharing. Consider waiting until after you have returned from vacation to post pictures of your trip on social media. Posting in real time alerts potential thieves that you're out of town.
- Pack a digital wallet. A digital wallet is an app you can use to store your debit and credit cards. A digital wallet will not replace your cards but is a good way to organize your financial information while traveling.
- Keep printed travel documents secure. Travel documents can contain personal identifiable information and may leave you exposed to identity theft if they fall into the wrong hands.

Ohioans who suspect unfair or deceptive business practices should contact the Ohio Attorney General's Office at www.OhioProtects.org or 800-282-0515.

Beware of fake ticket scams

Summer is a popular season for concerts and sporting events, including high-profile attractions that sell out quickly. Here are some tips for avoiding scammers who sell fake tickets:

- **Be skeptical of offers that seem too good to be true.** Sellers using online marketplaces may offer tickets at face value (or below) for events that are sold out or in high demand, but these offers may be scams. Some might offer “Hail Mary” explanations for why they need to sell tickets quickly – falsely claiming, for example, that they have a medical emergency or an overseas military assignment.
- **Review the location seating chart.** One way to check whether the tickets are valid is to familiarize yourself with the venue's seating chart. If the seller is offering a seat in a row number not listed on the chart, it's likely a scam.
- **Ask for the original ticket confirmation.** When buying from an individual who purchased the tickets through an online ticket seller, ask the person to send you the confirmation email sent by the original seller. Don't send any money until you verify that the tickets are real.
- **Be careful dealing with individual third-party sellers.** To protect yourself, deal with reputable businesses instead of third-party individuals who are not associated with an event. Sophisticated but illegitimate websites can easily impersonate logos. Before providing any payment or personal information, research a seller's reputation, especially that of an individual seller. Search the seller's name, username, email address, phone number and other details for information. Even if you find no negative information, don't assume that the seller is trustworthy. Some con artists change names regularly.
- **Think twice if the seller approaches you to purchase the tickets.** If someone you do not know contacts you out of the blue offering tickets to a sold-out sporting event or concert, it might be a scam.
- **Be wary of sellers who change the requested form of payment.** Con artists often request payment methods that are difficult to trace or recover, such as wire transfers, cash or gift cards. If you're using a mobile wallet or peer-to-peer payment service such as Venmo or Zelle, be sure that you understand the protections the service does (or does not) provide before making a transaction. If buying from a ticket resale site, understand the protections that it offers, too.
- **Consider paying with a credit card.** If a problem arises, you generally have greater protections and the ability to dispute charges on a credit card. The same isn't true for some other payment methods.

Consumers who believe they have been defrauded should immediately report the details and contact the company they used to make the payment.

Ohioans can report scams to the Ohio Attorney General's Office at www.OhioProtects.org or by calling 800-282-0515.

‘Consumer Protection Up Close’

Consumer Protection Up-Close examines and explains cases filed by the Ohio Attorney General’s Consumer Protection Section.

In May 2023, a Cuyahoga County Common Pleas judge dropped the hammer on a northeast Ohio home-improvement contractor who repeatedly broke Ohio’s consumer protection laws, ordering him and his company to pay \$2.4 million in restitution and civil penalties.

Judge Michael Russo assessed the maximum civil penalties possible – \$1.775 million, or \$25,000 for each of 71 violations – against Neil Wolfe and Neil Construction.

“The judge’s decision says it all, imposing the maximum civil penalties allowed,” Ohio Attorney General Dave Yost said. “This should serve as a strong deterrent to any business owner who thinks they can get away with stealing from Ohioans.”

The [final judgment](#) resolved the state’s lawsuit against Wolfe and Neil Construction, filed in February 2021, and brought to a close a case in which Wolfe was twice held in contempt of court for failing to follow court orders.

The lawsuit stemmed from an investigation by the Ohio Attorney General’s Consumer Protection Section that found that Wolfe took customers’ down payments for home-improvement work but did not perform any work or performed shoddy or incomplete work. He also failed to obtain permits, failed to register as a contractor, wrote unfair and one-sided contracts, and stalled and evaded other legal obligations.

In October 2021, Judge Russo issued a preliminary injunction order against Wolfe and, at the request of Yost’s office, appointed a receiver to oversee Neil Construction. The receiver was to have complete oversight over Wolfe’s business, forbidding him to, for example, sign contracts on his own. By March 2022, after Wolfe had repeatedly flouted the judge’s rulings, [Russo ordered him to cease all operations](#), and the receiver proceeded to permanently shut down Neil Construction.

In winding down the business, the receiver determined that consumers were owed \$663,300, but the company had assets totaling only about \$37,000 for distribution. The judge’s restitution order against Wolfe personally – \$625,873 – covered the difference.

Wolfe is currently serving three years in prison for a criminal theft conviction in a separate case involving a consumer he defrauded.

Before signing a home-improvement contract, consumers are advised to make sure that

- All project financing is pre-approved.
- You have checked with local officials to see whether any permits are required for the project.
- The contractor has given you references, which you have checked.

- The contractor has shown you proof of licenses, insurance and bonding. State law does not require home-improvement contractors to be licensed, but many Ohio cities do.
- You have checked with the local Better Business Bureau at www.bbb.org and the [Ohio Attorney General's Office](#) for any complaints on file against the company.
- You have received at least three written estimates from three contractors.
- You always ask for the manufacturer's warranty in writing on items such as siding, windows, roofing materials, and heating and cooling equipment.

Avoid entering into a home-improvement deal unless it is in writing and is signed by both you and the contractor. The contract should detail all of the necessary information for completing the work, such as:

- A complete description of the work to be done, time frame, and the materials to be used.
- A provision requiring written approval for any changes.
- A clear statement explaining any contractor guarantee or warranty, and all of the contractor's oral promises.
- A provision stating the total cost for the work and the specific terms for payment of materials and labor.
- A provision that does not require you to pay attorney's fees, court costs, or damages in case of a dispute or cancellation.
- A requirement for the contractor to obtain all necessary permits and inspections.

Remember, too, that the contract should not have a requirement for a large down payment or payment in full until the project is complete and has been inspected. Make sure the contract does not include a mandatory arbitration clause, which means you waive your right to sue.

Ohioans who suspect unfair or deceptive business practice contact the Ohio Attorney General's Office at www.OhioProtects.org or 800-282-0515.

'SPOTLIGHT' series

The Robocall Enforcement Unit

The Consumer Protection Section's Robocall Enforcement Unit helps fight fraudsters who bombard Ohioans with illegal calls, hoping to get their hands on the hard-earned money of unwitting consumers.

In 2022, the unit received more than 15,000 reports of unwanted calls — information the Ohio Attorney General's Office is using in its effort to halt such fraudulent calls and texts. Information from these calls is shared by the unit with various industry participants to try to identify patterns and practices of bad behavior.

A recent example of the REU's work is Ohio's leadership – along with the states of Arizona, Indiana and North Carolina, the unit took the lead in suing Avid Telcom, a Voice over Internet Protocol (VoIP)

service provider for allegedly violating two federal laws, the Telephone Consumer Protection Act and the Telemarketing Sales Rule.

The lawsuit, filed in May 2023, marked the first legal action of the bipartisan Anti-Robocall Multistate Litigation Task Force, which was formed last year. The 50 task force member states are combining resources and expertise as they work to eradicate the heavy volume of illegal robocalls making their way into and throughout the United States.

Between December 2018 and January 2023, the lawsuit says, Avid Telecom sent or attempted to transmit more than 24.5 billion calls. More than 90 percent of those calls lasted less than 15 seconds, indicating that they likely were robocalls.

In addition, the company – using spoofed or invalid caller ID numbers – helped to make hundreds of millions of calls, including more than 8.4 million that appeared to be coming from government and law enforcement agencies or private companies.

Avid Telecom allegedly sent or transmitted calls purportedly from the Social Security Administration, Medicare, auto warranty companies, Amazon, DirecTV, credit card companies, and various employers.

A TIMELY REMINDER

A reminder to Ohio consumers: The state's 2023 sales-tax holiday is scheduled for Aug. 4-6. When shopping, make sure you understand which items are eligible for the sales-tax exemption. Also, be sure to exercise sound shopping practices, such as keeping your receipts and knowing the return policies for the stores where you shop.

The Ohio Department of Taxation has detailed information about the sales-tax holiday to help you better understand what is and isn't exempt. You should also research the reputations of retailers by reading customer reviews and checking for complaints on file with the Ohio Attorney General's Office and Better Business Bureau.