

Thursday, July 31, 2008

TM-Collection - The latest "Trademark Directory" scam outfit

This one came in via postal mail from Hungary, a pretty straightforward looking "invoice" for our trademark in something called the "TM-Collection - International Register of Trademarks".

I'm sure if one were to confront these companies they would tell you they are "offering a service" not trying to chump you with a fake looking invoice, but I contend that the latter is indeed the end-game behind all these. Why? Because when somebody is trying to sell you a service that you don't already own, use, subscribe to, etc, the order form is invariably accompanied by a sales letter. No sales letter = no sales pitch. If it just shows up looking like an invoice, its a scam.

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Posted by Mark Jeftovic in The Sleazemeter at 11:06

Wednesday, June 4, 2008

Ontario Energy Savings or Ontario Energy Slamming?

I have known for some time that the practice of "slamming" was not exclusive to the domain name industry. In my business we are well acquainted with outfits like Domain Registry of Canada and others. There are other related "business models" in the online space: trademark monitoring "services" that look like they come from an official source, nebulous business "directories" you're supposed to "renew your listing" in. These often look like invoices, run several hundred dollars and probably bank on the fact that a certain number of accounts payable departments will just treat them as such and remit payment on them.

We almost got stung in an offline counterpart to the domain slam: A company calling themselves Ontario Energy Savings came to our door and nearly slammed us over to their company for a 5-year contract on gas. The first time it happened I answered the door and I was under the impression he was from my existing gas company and he needed to "check something" but when he asked me for a copy of my gas bill I got irritated and got all crusty on him (note: my grouchy disposition saved me in the end). He had a hard time taking this which further fueled my aggravation, leading me to all but slamming the door on him.

A few days later my wife left some papers on my desk "something about our gas account" she said. They got to her on pass two and she isn't as belligerent as I am. They still needed me to ok the deal since the gas bill is in my name but every time they called me at night to get my confirmation I was in full-on testy mode and told them to call me at my office in the afternoon before hanging up. At this point I still thought this was all legit and was just some extremely tedious bureaucracy I had to deal with. They tried a couple times to get verbal confirmation from me over the phone but since I'm impatient and rude to a fault to anybody I think is a telemarketer (this is a personal character failing of mine, these people are just trying to do their jobs and I should just chill and politely decline, but I tend to be rude and testy and it's nearly cost me a few times over the years when it turned out not to be a salesman on the line, but a reporter...or a customer, etc), I just told them to call me tomorrow - at the office - and hung up.

Fortunately they gave up on that tack and tried mailing me a simple one-pager I just had to sign and mail back. That's when the haunting familiarity between what was going on and my experiences with domain slammers clicked in and I googled Ontario Energy Savings and then looked up my current natural gas price (about 24 cents per cubic meter in January) versus the "energy price protected" price they were offering to me on a five year commitment (42 cents per cubic meter).

The lightbulb finally went on, we were being chumped. At least that's what it felt like, so made sure to call them voice, cancel the process and obtain a cancellation confirmation from their agent.

Natural gas futures are typically traded in British Thermal Units while consumer gas deliveries seem to be priced in cubic meters, finding a conversion between the two was difficult, but according to this Wikipedia entry I think you can guesstimate it by saying 1 BTU is about 28 cubic meters.

At first I found myself wishing/wondering if some Black Swan event in natural gas could totally ruin these types of companies but then I doubt it. My guess is these outfits probably go out and buy forward contracts on natural gas which covers their commitments. It's a nice arbitrage scam in fact: sign people up now at 30% - 40% premiums over the current market rate, lock them in for 5-years. When I looked at the natural gas futures 5 years out I found the prices trending slightly lower it would mean their margins only get better over the life of the contract. It's a pretty sweet setup, all it takes are clueless consumers on the front end to lock in at inflated prices.

Posted by Mark Jiftovic in The Sleazemeter at 21:15

Friday, October 13, 2006

Can one be a half-assed straight shooter?

It's not often I use profanity in a blog post, usually when I do I blow some steam and then go back and cleanup the verbiage (like I did just now, the title of this post was a lot more colorful in v1.0)

The background: We have over the years, used another Toronto company, who shall for the moment remain nameless, for some equipment leases. This company farms out the financing to various other companies. One of them was CitiCorp Vendor Finance, 123 Front Street West, 16th Floor, Toronto, On. 1-866-778-1393.

So my bookkeeper noticed something strange lately. She noticed that CitiCorp Vendor Finance has continued to make withdrawals from our bank account on two leases past the end of the lease terms. For eighteen months past the end of the term on each lease. Honest mistake right?

Well this is just how CitiCorp does business. Buried in the fine print of some unreadable funding agreement (which I'm still trying to figure out if we're even a party to), they assert that the responsibility is on us to inform them when the lease it up, and if we don't, they will just keep withdrawing the money.

I've never even heard of this company. As far as I'm concerned this isn't even my problem and I wish my leasing company (the one I entered into the agreement with) the best of luck in straightening this out. In the meantime, where's my money?

Well I called the president of the company today and he agreed that CitiCorp Vendor Finance was conducting an absolutely unacceptable cash grab and he was going to get on their case.

Then he made an intriguing comment...He said, "I think I can get you half your money back. I want to get you in the mindset where you're recovering half of your losses." And followed that up with "I'm a straight shooter"

My response was this: "I don't want to tell you how to run your business. But it looks like I have to tell you to get into the mindset where I get all of my money back. If you only recover half of the money that CitiCorp Vendor Funding misappropriated from me, then you should seriously consider putting up the other half".

You want to think of yourself as a straight shooter? Put your money where your mouth is, that's what a straight-shooter would do.

I know because that is exactly what I would have done in the same situation, I've done exactly this kind of thing for my own customers.

In the past, We've gone out into the domain aftermarket and bought back a domain that a customer let lapse at our own expense. We did this a couple times even when we weren't sure it was our fault. When will we make our money back on that domain? Never. It'll take 60 or 100 years to recover that amount of margin. It doesn't matter.

We don't tell the customer "we'll get you half your domain name back, because we're straight shooters", that's a bullshit response.

Too many companies have a pointless aversion to going "out-of-pocket" when it comes to making amends. "Oh, I'll try to get you a refund from my subcontractor, but anything above that and I'll go out-of-pocket myself!" And? Your point is? Why should a pissed off customer care if you go out-of-pocket or not to fix something? Especially if you won't do it.

So to all self-avowed "straight-shooters" out there: Put your money where your mouth is. You either are or you're just talk. Time to mail this post to the president of my leasing company.

Posted by Mark Jeftovic in The Sleazemeter at 12:10

Saturday, May 13. 2006

ibill's business model: screw your customers, spam their customers

A couple years ago I subscribed to Kirt Christensen's "Buying Web Businesses" for about a month. I didn't renew my subscription and haven't given it much more thought, until today.

Today I got a porn spam in my inbox from "gspotnews.com". I recognized the email address I received this to as the one-time address I used when I subscribed to Kirt Christensen's website. I took a look at the fine print at the bottom of the email and saw this:

You are receiving this Monthly Newsletter because you provided us permission by agreeing to our privacy policy when you signed up for an Internet service/product that is billed by our company. If you feel that you are receiving this email in error, or wish to no longer receive this newsletter in the future, please click here to unsubscribe the following address: DELETED@DELETED. Please allow 48 hours for the unsubscribe to be processed. Thank you!

Ibill is an internet credit card processing company. It looks like they have decided that it is ok to send porn spam to their customers' customers.

This goes off the charts in terms of sleaziness. I emailed Kirt Christensen that his credit card processor is spamming his customers, we'll see if he cares.

In the meantime, a quick check of the mailer logs on easydns revealed a few hundred gspotnews spams going to other easydns members, so now my customers are also receiving this garbage, probably because in the past they also paid for services online to a website using ibill to clear transactions.

So gspotnews.com and ibill.com are now banned from our mail forwarders. Thanks for being on our show.

Posted by Mark Jeftovic in The Sleazemeter at 21:21

Friday, May 12, 2006

When marketing crosses over into deceit

Today, for the second time my bookkeeper put something on my desk that gave me pause. She is usually pretty good at weeding out ads and solicitations and filing them into the paper shredder, but a couple weeks ago, and again today she put a plain white envelope on my desk, my name and address had been typed off of what appeared to be a typewriter. No return address.

Inside is what at first glance appears to be a single page, ripped out of a magazine, with an article about executive planning or in today's case, public speaking.

An ordinary post-it note is affixed in the upper right corner:

Mark, Try this.

It works!

-J

The first time this happened, I was perplexed. What is this and where did it come from? The original article was about how busy execs can balance career and family and as a new dad, this appealed to me. How considerate my anonymous friend was!

Who to thank? I emailed to the two people I know who's first initial is "J" asking them if they took the trouble to cut an article out of a magazine and postal mail it to me.

They both promptly emailed back, making the same wisecracks about "early onset Alzheimers" but to their knowledge, neither of them knew what the hell I was talking about.

So I looked closer, going so far as to pull an old file out of the cabinet and comparing the handwriting on the post-it to that of a former colleague here who's name also begins with "J". No match.

Back to the article, finally I see it, the word "advertisement" captioned at the top of the article. The coupon for "Executive Focus" that just happened to be on the back page was not so co-incidental. The copyright notice was "© 2006 Personalized Promotion by Briefings Publishing Group".

This was an elaborate ruse.

At first I was impressed. This marketing effort not only had me seriously considering subscribing to their magazine (because as a new dad, I am very much interested in time management and lifestyle balance issues) but even had me email two friends talking about it!

That seemed impressive until it dawned on me that the "success" of the campaign rested on the fact that I had been deceived. Fooled into believing somebody who knew me personally took the trouble to mail me this "article" (hindsight: most of my friends would just shoot me the URL via IM or email, come to think of it, the only person who postal mails me hard copy are the newspaper clippings my mother sends me), they hoped to trick me into subscribing to their product. In short, the whole thing was a clever, unique con job. Not a good way to try to start a business relationship with me.

Posted by Mark Jeftovic in The Sleazemeter at 15:44