More than 800 different schemes

Swindles can fool unsuspecting

Falling victim to a swindle is not distinctive considering that, reportedly, there are more than 800 different schemes which have been used to prey on unsuspecting victims. Furthermore, swindles seem to have become an American way of life.

A history buff might observe that the "Original" swindle occurred when the devil cheated Adam and Eve, from the riches of the Garden of Eden, or perhaps, when Jacob swindled his brother Esau out of his father's inheritance.

More recent escapades have included the "Great Salad Oil" swindle, the Equity Funding caper and the backrayed Watergate affair.

The popular words of the sixties - "I can get it for you wholesale," has now become "I can get it for you free."

Several popular schemes are:

1. Charge Card Overcharge - Credit cards offer the unscrupulous employee the opportunity to make a quick buck. The next time you charge a purchase, keep this in mind: If the amount of sale is, for example, $5, the employee could set the imprinter to record $15 on the top right hand corner of the charge slip.

Even though the handwritten amount is $5, the charge slip will be processed for the greater amount and, if you are not in the habit of either carefully looking at the charge slip before you sign it or reconciling your statement at month-end, it could go undetected.

In addition, the employee could prepare two slips to charge to your account—one for the actual amount of the purchase and a second one for a fraudulent amount. After you leave, he forges your signature and takes either cash or merchandise home.

This trick can be perpetrated in department stores, gas stations, or any business that accepts credit cards. To prevent this fraud, keep the receipt from all charge purchases and compare them to your statement at month-end. Before you sign the charge slip, compare both the handwritten total with the machine imprinted total.

2. Unsolicited Bills - This is a very heinous swindle as it preys on the psychological weaknesses of those who have suffered a recent bereavement.

Our con man reviews the death notices in a local paper. He then selects family members of deceased persons and sends them authentic-looking bills for merchandise that the deceased has supposedly purchased.

Depending on the information he is able to obtain from the death notice (occupation, address, etc.), the bills can range in amounts from $80 to $800. The success of his swindle is prompted by the fact that most people during this time are involved with their loss of a "dear one" and may unquestionably pay the bill.

All bills should be scrutinized carefully before they are paid to determine that merchandise was actually purchased or services obtained.

3. The $12.95 Brick - A delivery van pulls up in front of your home and an "authentic-looking" driver approaches your door carrying a package addressed to your next door neighbor. The delivery man reports that your neighbor is not home and "would you mind accepting the package?"

If you fail to do so, the driver says, your neighbor will be compelled to go to the post office where he will have "to endure long lines of people to pick up the package." This could be avoided if you merely give the delivery man the $12.95 required for the C.O.D.

Being the benevolent person you are, you respond in the affirmative and are only made aware that you have been taken, when your neighbor returns home, opens the package and discovers that you are now the proud owner of a three pound $12.95 brick.

Lesson: accept packages only if they have already been paid for or you were notified in advance by your neighbor of the intended delivery.

4. Money to Screaming Woman - Most people have a soft spot in their heart which can be touched when someone relates to them a very tragic incident. Money we thought we did not have before, suddenly pours forth as we sympathize with that person's plight.

This can sometimes be used to our detriment as the following example illustrates: A hysterical woman rushes up to your door. She is barely coherent and states that her son has just been injured in an auto accident, has been taken to the hospital, and needs blood. She is unable to supply the necessary money and is begging for help. You sympathize with her and give her $5 or $10.

She then indicates that she is going to other neighbors and you might unwittingly even suggest which ones she should approach. On a good day, this scheme has been known to net our "wailing mother" upwards of $400 to $800.

Be wary of strangers who prey on your sympathies and good samaritan instincts. In addition, individuals soliciting for agencies such as Red Cross, United Foundation, etc. should be able to identify themselves.

5. DOUBLE TROUBLE - For sheer ingenuity, this caper has no equal. Your wallet or your wife's purse containing her wallet is stolen while you are dining in a restaurant. You attempt to place the responsibility on the owner of the restaurant; however, he refers you to the sign that states in bold letters, "Not responsible for stolen property."

Once you arrive home; however, you receive a call from someone purporting to be the restaurateur, who now apologizes for his rudeness and states that your wallet was found in a trash can; unfortunately, however, all of the money was gone.

To soothe the wound, he invites you and your family to be his guest the next evening, and also mentions he suspects one of his employees of being the thief.

He instructs you to arrive at 7 p.m. and asks that you not mention the free accommodations until after you have dined because this same employee has been suspected of padding bills. You proceed to the restaurant the next evening with visions of retrieving your wallet and getting a free dinner. However, simultaneous with your arrival at the restaurant, the swindler arrives at your home in a U-Haul truck and while you are filling your stomachs, he is emptying your house.

The coup de grace is discovering the manager never made the telephone call and that the most expensive meals on the menu now must be paid for.

This rip-off could have been avoided by simply obtaining the restaurant's number in the telephone book and calling back to confirm the story.

6. Over-ring on sales - An unscrupulous store clerk can combat her personal inflation problems if she overcharges for merchandise or short changes you when giving cash back.

Be wary of how much you are charged for the amount of the purchase and make sure that this agrees with your receipt. Before transacting any business with a store clerk, have a rough idea in your mind how much you should pay or how much you should receive back to complete the transactions.

7. HOME IMPROVEMENT SCHEME - Home improvement frauds cost Americans from $500 million to one billion dollars a year. Beware of promises by anyone to make your home a "show" model for which you will pay a very low price.

Usually, the cost of the work is far more than a legitimate contract or would charge you. Another clever scheme is a swindler posing as a contractor inspecting chimneys free of charge. For one reason or another, these chimney inspectors invariably request to see your basement so that they can check the base of the chimney.

Unbeknownst to the trusting home owner, the chimney inspector is accompanied to the basement by a satchelful of white mice. He releases them in your basement and then relates to you the bad news that you have "chimney mice."

For the small fee of $150, he is prepared to rid your basement of these creatures and, if you agree, you have been taken. If you don't agree to his terms, (white mice make nice pets).

8. Checks - Check swindlers are as many and varied as the imagination of the crook who gets hold of your checks by stealing them. Your blank checks should always be kept in a safe location at either your place of business or residence.

If your checks are stolen and someone has forged your signature on them, you may receive reimbursement from your bank; however, in certain instances, the bank, by law, does not have to reimburse unless you reconcile your account promptly and notify the bank of any forgeries. As soon as you discover checks are missing call the bank; this can help stop the swindler from draining your account.

Any one of these ten schemes with a little "old fashioned" crooked ingenuity, can be modified, expanded and given the Hollywood treatment so that unless you are extremely careful, you'll wind up another statistic in the thousands of schemes "slick swindlers" pull off everyday.

The biggest problem police and law enforcement officials have with swindles pulled off on the general public, businessmen, and professionals is that they are too embarrassed to say they have been had and that is the best protection these scum can ask for—your full cooperation by your complete silence. Keeping your mouth closed, keeps their wallets bulging.

Should you need assistance, several avenues are available:

1) Report fraud and misrepresentation to a law enforcement agency

2) Submit a complaint to the Better Business Bureau

3) Inform the district or prosecuting attorney even if you have not been swindled but have been approached

The swindles described above are just a few which are perpetrated on the unsuspecting public. The daily newspaper serves an update for this list because there is always a "better way" of fleecing the public. In the words of W. C. Fields, "Anything worth having, is worth cheating for."

Brenda Schebel of Sabrina's sets the theme for this week's family-oriented "turn of the century" celebration at the Bloomfield Plaza Shopping Center. The promotion is typical of the promotions that smaller shopping centers have started to combat larger malls.

Center enters promotion war

By ALICE COLLINS

Bloomfield Plaza, with its 20 specialty shops and services at the corner of Maple and Telegraph, has decided to join in the promotional war being waged among shopping center communities.

"The Good Old Summertime at Bloomfield Plaza"—with fashion shows, costumes, cotton candy and prizes—will run Thursday through Saturday.

In the 13-year history of the center, the event will be a first.

"We have advantages over the supermalls, and we decided it was time to tell our story," said Sally Birnkrant, who during the last two weeks organized the center's first merchants' association and the three-day event.

"We have much closer contact with our customers than the big, franchise malls. We know their needs better."

MS. BIRNKRANT moved her Sabrina's fashion boutique from across the street and into Bloomfield Plaza nine months ago.

Before she entered the retail field, she was in charge of public relations for a chain of stores in Atlanta, Ga.

"In the past I've done a lot of PR," she said. "A lot of people said it couldn't be done here. I said, 'Yes, it can.'

"We called a meeting to organize an association just two weeks ago, and we had a 100 per cent turnout. There's a lot of cooperation here. They just needed a shot in the arm.

"The owners are going to kind of come out of the woodwork. They'll be wearing costumes and mingling with the customers throughout our venture."

A tent has been raised in the plaza where fashion shows will be staged daily and other activities will take place. Employees will be dressed in the "Good Old Summertime" theme, and the area will be decorated.

"It's just going to be fun and friendly," said Ms. Birnkrant.

THE PLAZA WILL be open from 10 a.m. to 9 p.m. Thursday and Friday, and from 10 a.m. to 5:30 p.m. on Saturday.

The five apparel shops at the mall will stage fashion shows at 1, 3 and 7:30 p.m. on Thursday, at 1, 3 and 7 p.m. on Friday, and at 1 and 3 p.m. on Saturday.

Fashions in the shows are provided by Pam's of Bloomfield children's store, Argyle Shop, Don Thomas Sporthaus, Jacqueline Shop and Sabrina's.

Coloring contests will be conducted for the children while the fashion shows are in progress.

Western Wayne County Square Dancers will perform at 2, 4 and 7 p.m. Thursday and the Rosemarie Floyd Contemporary Civic Ballet Company will perform at 7:30 p.m. Friday.

Also scheduled for the three-day event are skate board demonstrations, scarf wrap clinics, games and clown judging contests. A photographer will be taking "old-fashioned pictures."

Pennies saved add up quickly

By JOHN BOZZO

Anyone who saved one penny on the first day of May, and doubled his savings every day of the month, would accumulate more than $10 by the first of June.

Well, to be more exact, $10,737,418.42.

So start saving those pennies. The next time you see a penny on the floor, make sure to bend down and pick the coin up—it may be luckier than you think.

In this age of inflation, a penny, if it's handled properly, can be very valuable.

Admittedly, that penny looks pretty small on the first day. Even the second day, the two-cent total looks small.

The third day the figure is doubled to four cents and the next day to eight cents.

We can see how quickly the money accumulates, but we're still a long way from our goal.

After one full week of doubling our savings, we have yet to accumulate $1. There's only 64 cents stashed away.

Of course, we cross that $1 threshold the first day of the second week, when the figure reaches $1.28.

That first dollar breaks the ice, and our savings begin to pile up. By the end of the second week, there's $81.92 in our account, and doubling that gives us $163.84 to start the third week.

On the 18th day of the month, we cross the thousand-dollar mark, with $1,310.72 accumulated. Our savings are building up quickly, but we're still a long way from even one million, much less 10 million.

At the start of the fourth week, time is growing short, while the savings begin growing at a faster rate. We start that week by doubling our savings to $10,485.76.

After 25 days, we cross over $100,000 by doubling our savings to $167,772.16.

Finally at the end of the fourth week, with the money growing at an ever increasing rate, we cross the million dollar mark. So even if this month were February, our savings would have reached $1,342,177.28.

Now our total is growing at a seemingly fantastic rate, and it begins to get difficult, if it hasn't already, to double our savings every day.

However, our industrious spendthrift charges onward, picking up every penny found in crowded buses or dropped by parking meters.

On the 30th day of the month, our total of $5,368,709.12 is doubled to push us easily past the $10 million mark.

Following is the day-by-day chart of how taking one penny, and doubling the savings every day, will reap huge savings.

Day 1—1 cent.
Day 2—2 cents.
Day 3—4 cents.
Day 4—8 cents.
Day 5—16 cents.
Day 6—32 cents.
Day 7—64 cents.
Day 8—$1.28.
Day 9—$2.56.
Day 10—$5.12.
Day 11—$10.24.
Day 12—$20.48.
Day 13—$40.96.
Day 14—$81.92.
Day 15—$163.84.
Day 16—$327.68.
Day 17—$655.36.
Day 18—$1,310.72.
Day 19—$2,621.44.
Day 20—$5,242.88.
Day 21—$10,485.76.
Day 22—$20,971.52.
Day 23—$41,943.04.
Day 24—$83,886.08.
Day 25—$167,772.16.
Day 26—$335,544.32.
Day 27—$671,088.64.
Day 28—$1,342,177.28.
Day 29—$2,684,354.56.
Day 30—$5,368,709.12.
Day 31—$10,737,418.24.

John Moynes of Birmingham, vice president of Borg-Warner's transportation equipment group, waits for service on a car. He heads the company's automotive aftermarket components divisions. Moynes is featured in the company's 1975 annual report for the role he played in improving the company's financial strength.

Seminar to examine effective time use

"Time equals results."

So says Dr. Scott Parry, well-known management psychologist and expert on time management. "In today's business climate, haphazard methods are no longer enough. We find that one of the critical keys to success is effective use of time."

Dr. Parry will present the system he has developed for effective time management at a public workshop to be held June 24 at the Somerset Inn in Troy.

This is the system he has presented at workshops throughout the U.S. as well as Africa, Europe, and South America—sponsored by UNESCO and the Ford Foundation.

"The key to time management is not, as some people think, to have every minute programmed like a robot," he said. "Rather, the key is systematic priorities and the use of psychological principles to see that work is done with freshness and results. Actually, the sign of a good time manager is to do things in a relaxed rather than frantic way. It allows for a much greater enjoyment of life as well as getting more work done."

Dr. Parry's workshop has the unusual feature of providing people who participate with the answers before they begin. He provides registrants with a "module" of tape cassette and workbook ahead of time so that the actual workshop is spent implementing the ideas that have been learned.

"People learn not from being talked at, but from experiencing the consequences of their actions," says Dr. Parry. "We involve them in the process of learning so that when they leave the seminar, they are ready to put the concepts into action, not just think about ideas they have heard."

The workshop on time management is one of a series of seminars sponsored in conjunction with Management Effectiveness, Inc., of Birmingham. For further information, call 642-3100.

Mortgage loans increasing at Standard Federal Savings

Standard Federal Savings of Troy has reported a 105 per cent increase in the dollar value of mortgages under $75,000 loaned out during the first four months of 1976 over the same period a year ago.

For the period ending April 30, 1976, the company recorded mortgages totaling $72.6 million, according to Pres. Thomas R. Ricketts. Last year, Standard Federal recorded mortgages worth $27.4 million in the first four months, Ricketts said.

"Our increase over the first four months of 1975 has special significance when you consider that the total mortgage market in this area increased only 57 per cent during this same period," he said.

Standard Federal Savings operates 31 branch offices in the Detroit area. Its headquarters is at 3401 W. Big Beaver, Troy.

Company mortgage rates vary with the type of loan, Ricketts said. Currently, points range from a low of two-four per cent for FHA and VA loans to 9¼ per cent for builder's loans.

Rates for conventional loans are between 8¾ per cent for a maximum of $100,000 for up to 30 years and nine per cent (plus one-quarter of one per cent PMI premium) for a maximum of $65,000 for 30 years or less.

Today's Investor

A&P fights competition

By THOMAS E. O'HARA
Board Chairman
National Association of Investment Clubs

Q. I have had stock in the Great Atlantic and Pacific Tea Co. for many years, and the value of the stock has been on a one way track - down - for most of that time. As I see it, the retail food industry is a good one and many food chains seem to do very well and their stocks are going up. Can you explain what A&P's problem is?

A. A&P's problem is not a simple one. It probably goes back as far as 20 to 30 years. It would appear that about that far back in history A&P's management was falling behind competition.

It was slow in moving from small stores to the supermarket type and then to the giant size supermarket. It also was slow in getting its stores into the newer suburban locations.

As it made moves in these areas it was still behind the competition.

Early in 1975, A&P's board of directors brought in a man from Albertson's, a successful and profitable grocery chain, based in Salt Lake City. The new man has now added a sizable number of people to his staff and has announced a five year plan to bring A&P back to profitability.

The company has made money in its last two quarters. We hope his plan is successful and that A&P will continue to improve. It will take a little more time, however to be sure the improvement is lasting.

The retail food business works on very small margins, but well managed companies seem to be able to make good money. There are many good retail chains that you can buy stock in and expect to get increasing dividends.

We've already mentioned Albertson's. Another is the Dillon Companies. Weis Markets is an eastern chain with a good record. We have a study on it we'd be pleased to send to readers.

Q. I have seen the letters OTC in a number of stock market letters. Would you tell me what they mean, please?

A. OTC is an abbreviation for "Over The Counter." This refers to stocks that are not listed on a stock exchange. Some brokers may have an inventory of these stocks like your grocery carries an inventory of various food items.

The broker in effect trades over his counter rather than through a stock exchange. In this kind of market when you want to sell the stock, your broker will contact other brokers who he knows deal in the stock to see if they have any buyers or will buy it for their own inventory.

O'Hara welcomes your questions but will answer them only through this column. He would be pleased to send a complimentary copy of Better Investing Magazine or information about investment clubs to any reader requesting it. Send 20 cents for postage and write to: Today's Investor, P.O. Box 220, Royal Oak, MI 48068.

Vaughan students feed zoo penguin

A Detroit Zoo penguin will be fed for the next year with money raised by third and fourth grade students of Mary Childress at Vaughan School in Bloomfield Hills.

The youngsters raised $300 by sponsoring a fair in conjunction with Vaughan sixth graders. One-half of the money will go to the zoo and the other half to the Bloomfield Hills schools nature center.

Although $150 is slightly less than needed to feed a penguin for one year, zoo officials reportedly were impressed with the youngsters' efforts and agreed to accept that amount.