



Appendix to June 15, 2001 FTC Testimony on Cross-Border Fraud

Cross-Border Fraud Statistical Report



*Federal Trade Commission
June 2001*



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INTRODUCTION

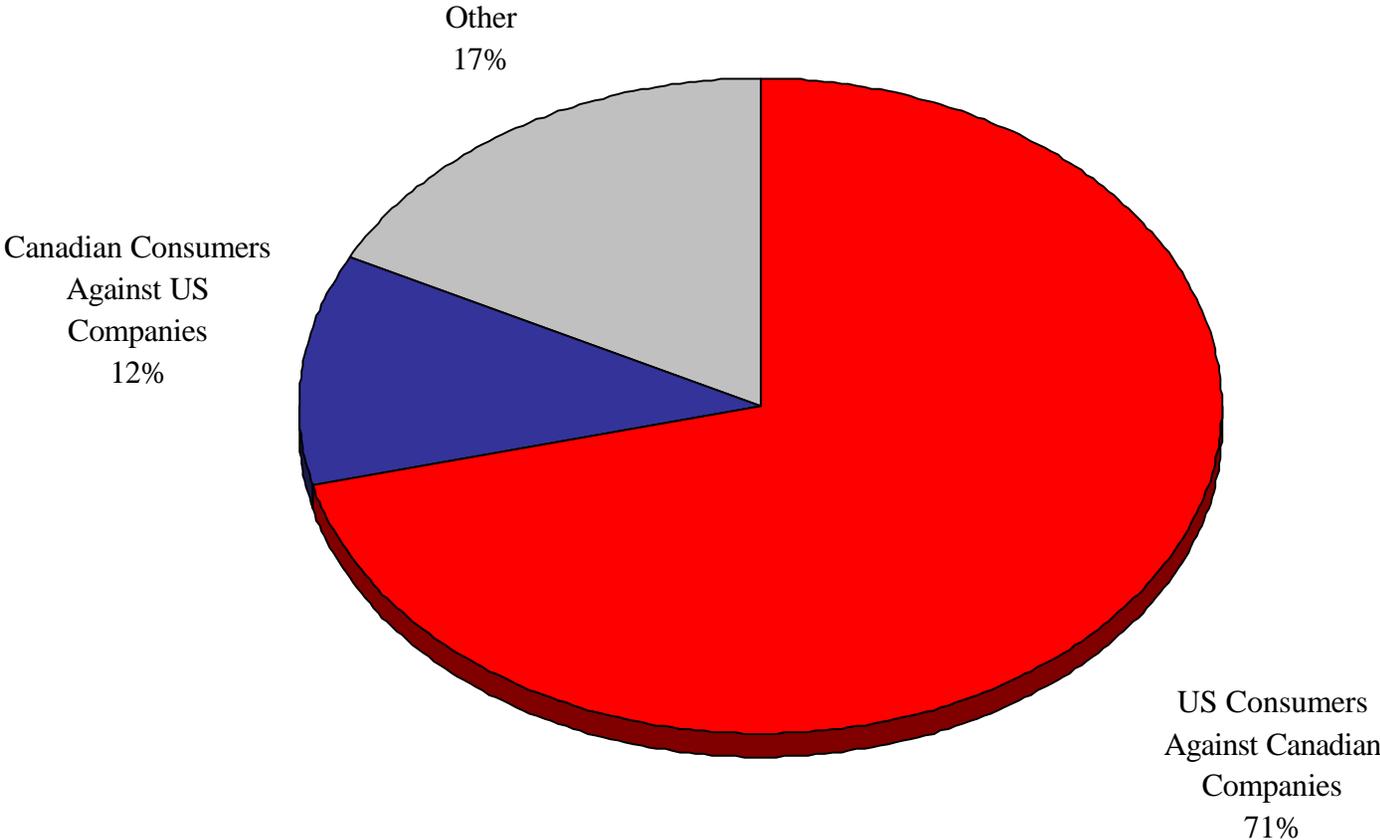
Consumer Sentinel is a secure automated consumer complaint database developed by the Federal Trade Commission (FTC), in cooperation with its law enforcement partners, to collect and make available investigative information about consumer fraud and deception. Currently, the Consumer Sentinel database has over **350,000** complaints received by the FTC and other data contributors. The collected investigative information is accessible to federal, state, and local law enforcement agencies in the United States, Canada, and Australia through a secure, password-protected web site. Between January 1999 and March 2001, more than 70 organizations contributed data to Consumer Sentinel. More information on this joint project is available at www.consumer.gov/sentinel.

During calendar year 2000 Consumer Sentinel received over **97,000** fraud-related complaints about transactions involving more than **\$138** million. The following are a series of statistical reports from the Consumer Sentinel database presenting information about U.S. and Canadian consumer complaints. Company location is based on addresses reported by the complaining consumers. Please note that in some instances companies report an address, often a maildrop, in one place, but are in fact located in another. Please note also that we are constantly adding data, and that this data is tracked using its original entry date into the data contributors' systems. Accordingly, transfers of data from other organizations may contain complaints from previous months. This may retroactively change some totals and percentages on our graphs and charts.



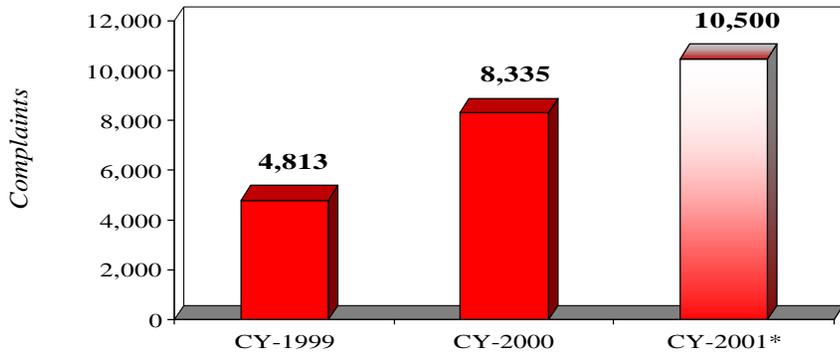


**Percentage of Cross-Border Complaints
Calendar Year 2000***

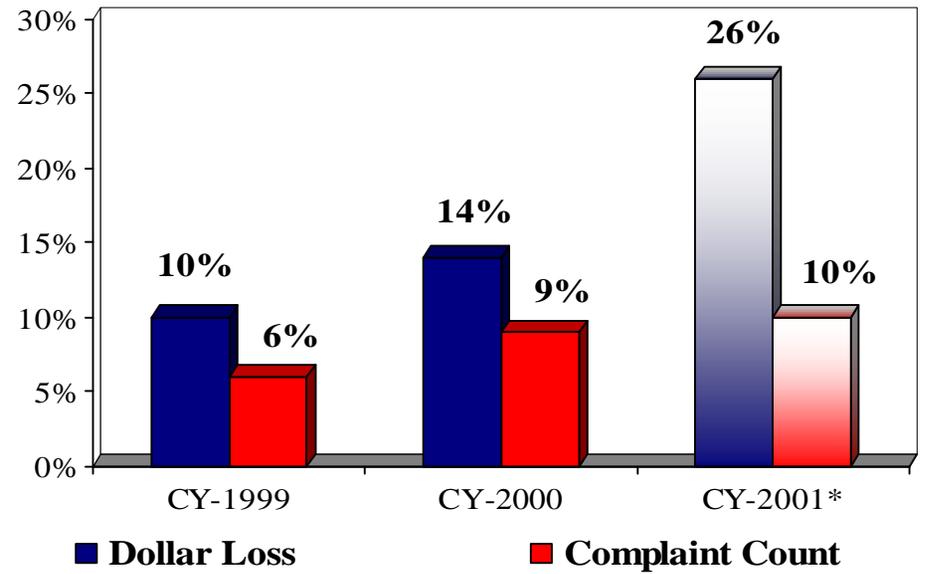


**Percentage is based upon the total number of complaints from United States and Canadian Consumers (11,735) where company location was reported.*

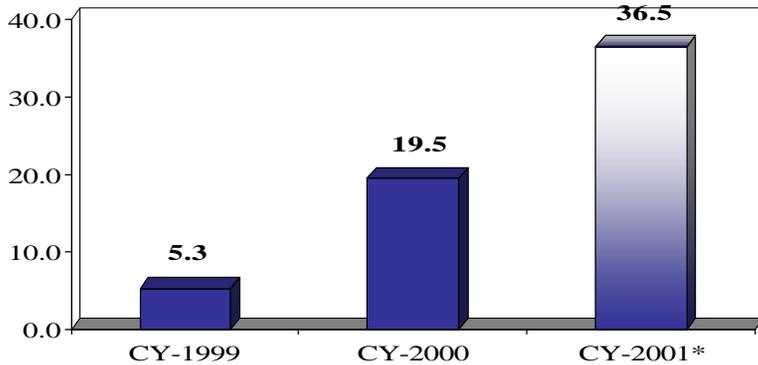
US Consumers Complaint Count Against Canadian Companies



Percentage of Complaints and Dollar Loss From US Consumers Against Canadian Companies**



Dollar Loss Reported by US Consumer Complaints Against Canadian Companies (In Millions)

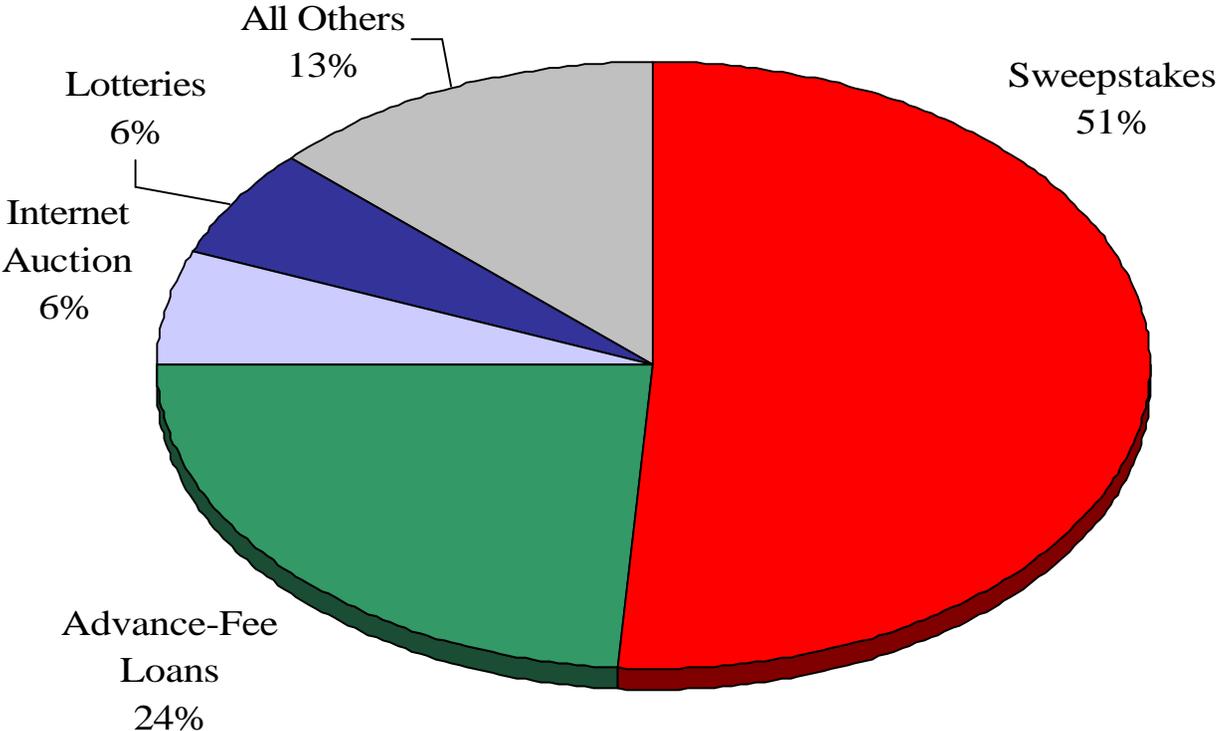


**Percentage is based upon the total number of complaints and total dollar loss reported by calendar year.

*Projected Figures

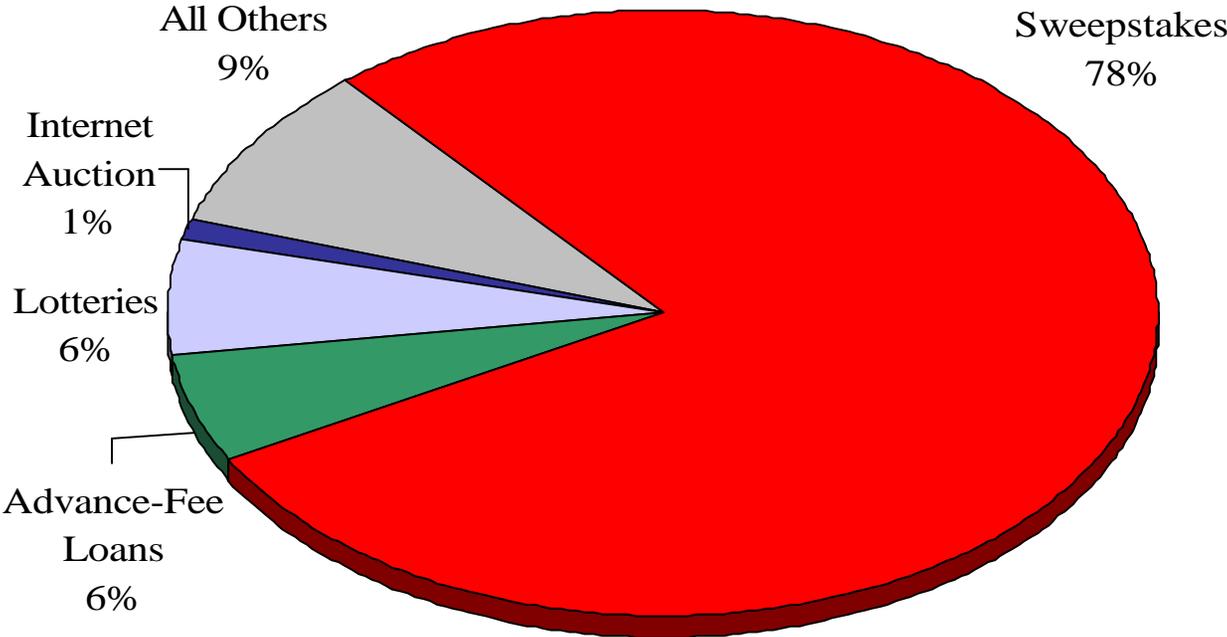
US Consumers' Top Complaints Against Canadian Companies Calendar Year 2000

By Complaint Count



US Consumers' Top Complaints Against Canadian Companies Calendar Year 2000

By Dollar Loss





US Consumer Complaints Against Canadian Companies Calendar Year 2000

Complaint Count	Complaints Reporting Dollar Loss	Percentage of Complaints Reporting Dollar Loss	Total Dollar Loss Reported	Average Dollar Loss*	Mode**
8,317	7,238	87%	\$19,504,805	\$2,694	\$26

* Average dollar loss is based upon the total number of complaints where dollar loss was reported.

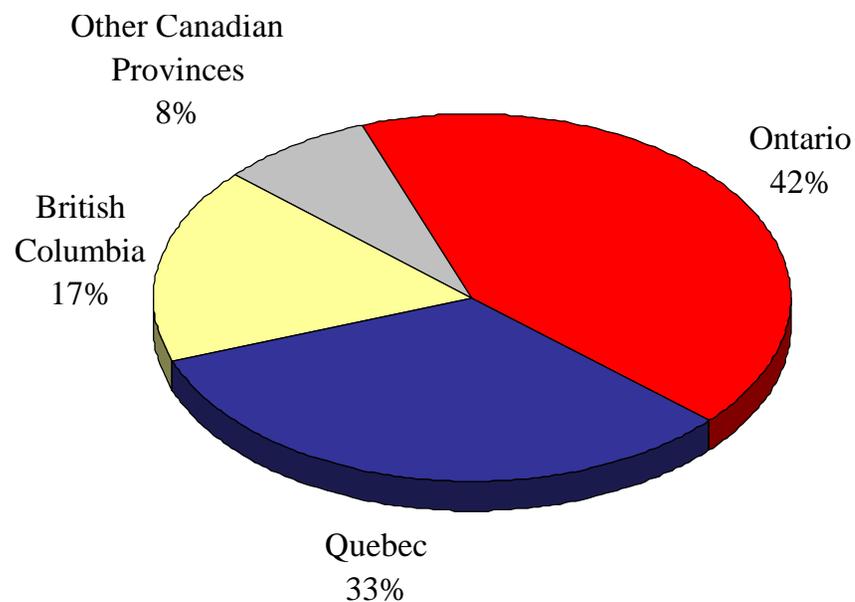
** Mode is the most frequently occurring dollar loss reported. Calculation of the mode excludes complaints with dollar loss reported as \$0.

Top Product or Service

Rank	Product or Service	No. of Complaints	Percentage of Complaints	Dollar Loss	Percentage of Dollar Loss
1	Prizes\Sweepstakes\Gifts	4,253	51%	\$15,192,367	78%
2	Advance-Fee Loans, Credit Arrangers	2,017	24%	\$1,181,436	6%
3	Internet Auction	536	6%	\$205,986	1%
4	Lotteries\Lottery Ticket Buying Clubs	479	6%	\$1,220,588	6%
5	Shop-at-Home\Catalog Sales	181	2%	\$107,422	1%
6	Investments: Other (note in comments)	109	1%	\$652,365	3%
7	Employ Agencies\Job Counsel\Overseas Work	78	1%	\$149,428	1%
8	Travel\Vacations	70	1%	\$65,119	0%
9	Credit Card Loss Protection	65	1%	\$3,541	0%
10	Computers: Equipment\Software	54	1%	\$29,649	0%



US Consumers Complaints Against Canadian Companies by Canadian Province



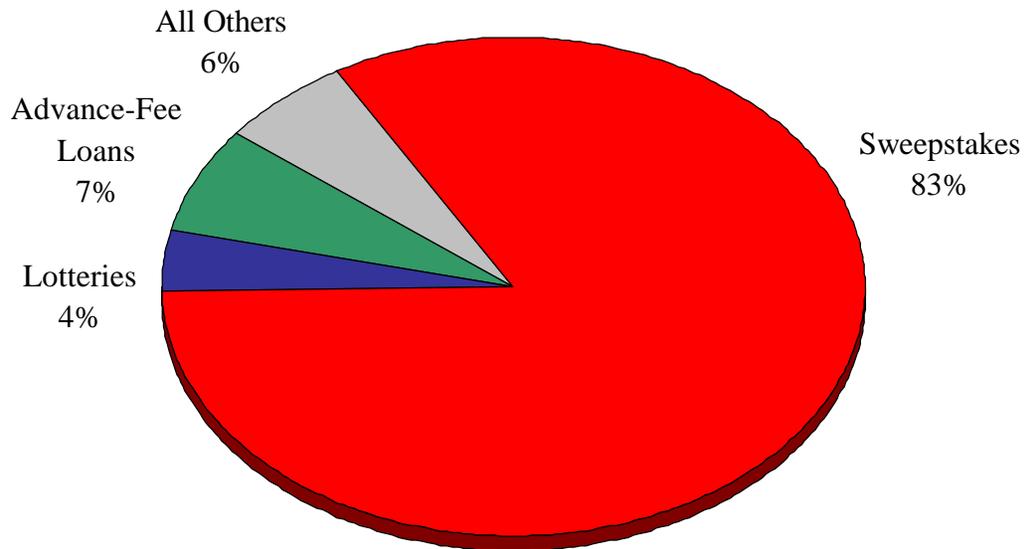
Detailed Complaint Count

<i>Rank</i>	<i>Company State Name</i>	<i>No. of Complaints</i>	<i>Percentage</i>
1	Ontario, Canada	3,513	42%
2	Quebec, Canada	2,712	33%
3	British Columbia, Canada	1,431	17%
4	Alberta, Canada	358	4%
5	Manitoba, Canada	102	1%
	<i>Other Provinces</i>	<i>190</i>	<i>2%</i>



**Top Subjects From US Consumers Complaints Against Companies Located in Quebec Canada
Calendar Year 2000**

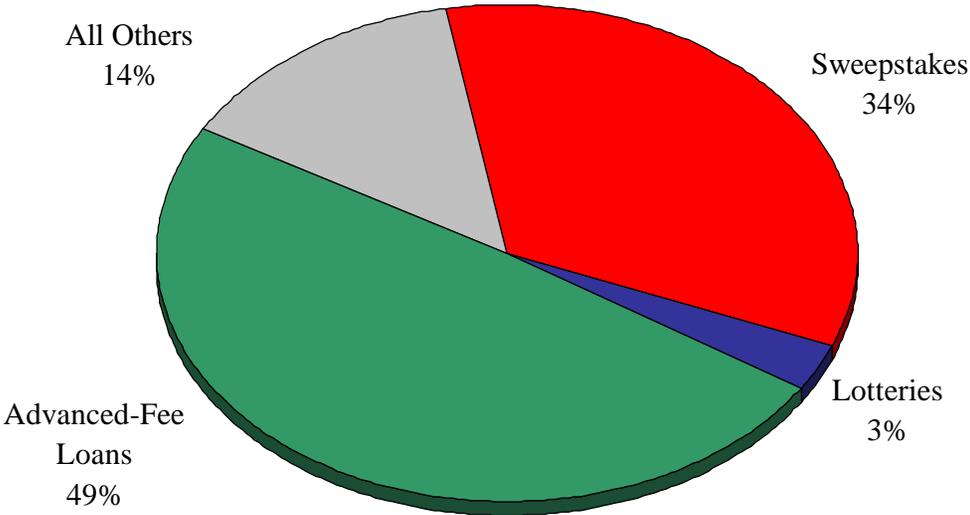
<i>Rank</i>	<i>Product or Service</i>	<i>No. of Complaints</i>	<i>Percentage</i>
1	Prizes\Sweepstakes\Gifts	2,209	83%
2	Advance-Fee Loans, Credit Arrangers	191	7%
3	Lotteries\Lottery Ticket Buying Clubs	96	4%
4	Internet Auction	57	2%
	<i>Sum:</i>	2,553	96%
	<i>Sum Other:</i>	159	4%





**Top Subjects From US Consumers Complaints Against Companies Located in Ontario Canada
Calendar Year 2000**

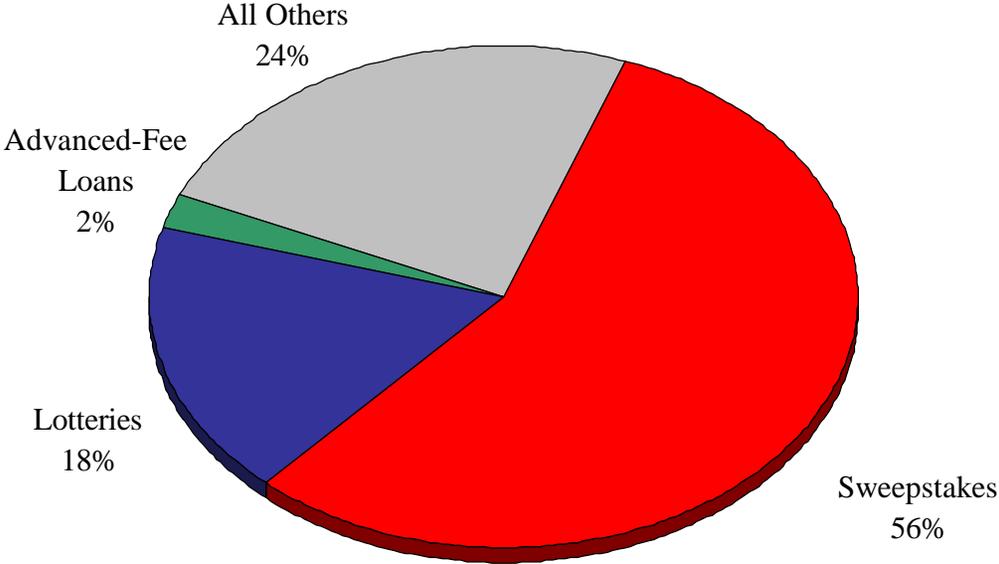
<i>Rank</i>	<i>Product or Service</i>	<i>No. of Complaints</i>	<i>Percentage</i>
1	Advance-Fee Loans, Credit Arrangers	1,663	49%
2	Prizes\Sweepstakes\Gifts	1,157	34%
3	Internet Auction	233	7%
4	Lotteries\Lottery Ticket Buying Clubs	92	3%
5	Shop-at-Home\Catalog Sales	87	3%
6	Travel\Vacations	53	2%
	<i>Sum:</i>	3,285	98%
	<i>Sum Other:</i>	228	2%





**Top Subjects From US Consumers Complaints Against Companies Located in British Columbia Canada
Calendar Year 2000**

<i>Rank</i>	<i>Product or Service</i>	<i>No. of Complaints</i>	<i>Percentage</i>
1	Prizes\Sweepstakes\Gifts	783	56%
2	Lotteries\Lottery Ticket Buying Clubs	254	18%
3	Internet Auction	151	11%
4	Investments: Other (note in comments)	79	6%
5	Shop-at-Home\Catalog Sales	31	2%
6	Advance-Fee Loans, Credit Arrangers	21	2%
	<i>Sum:</i>	1,319	95%
	<i>Sum Other:</i>	112	5%



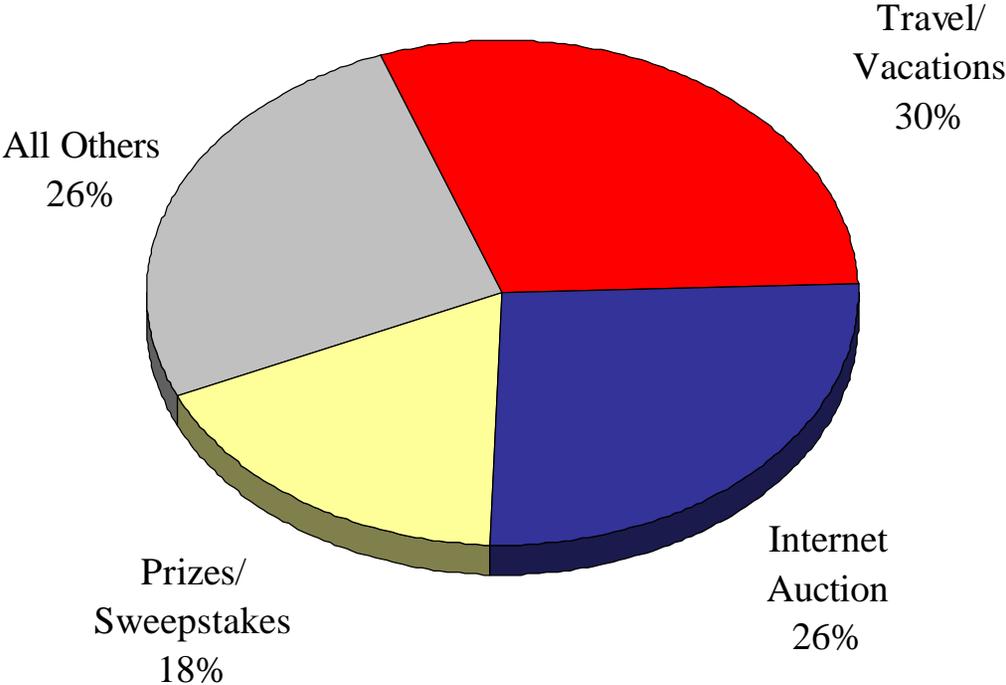


Canadian Consumer Complaints Against Companies Located in the United States Calendar Year 2000

Totals

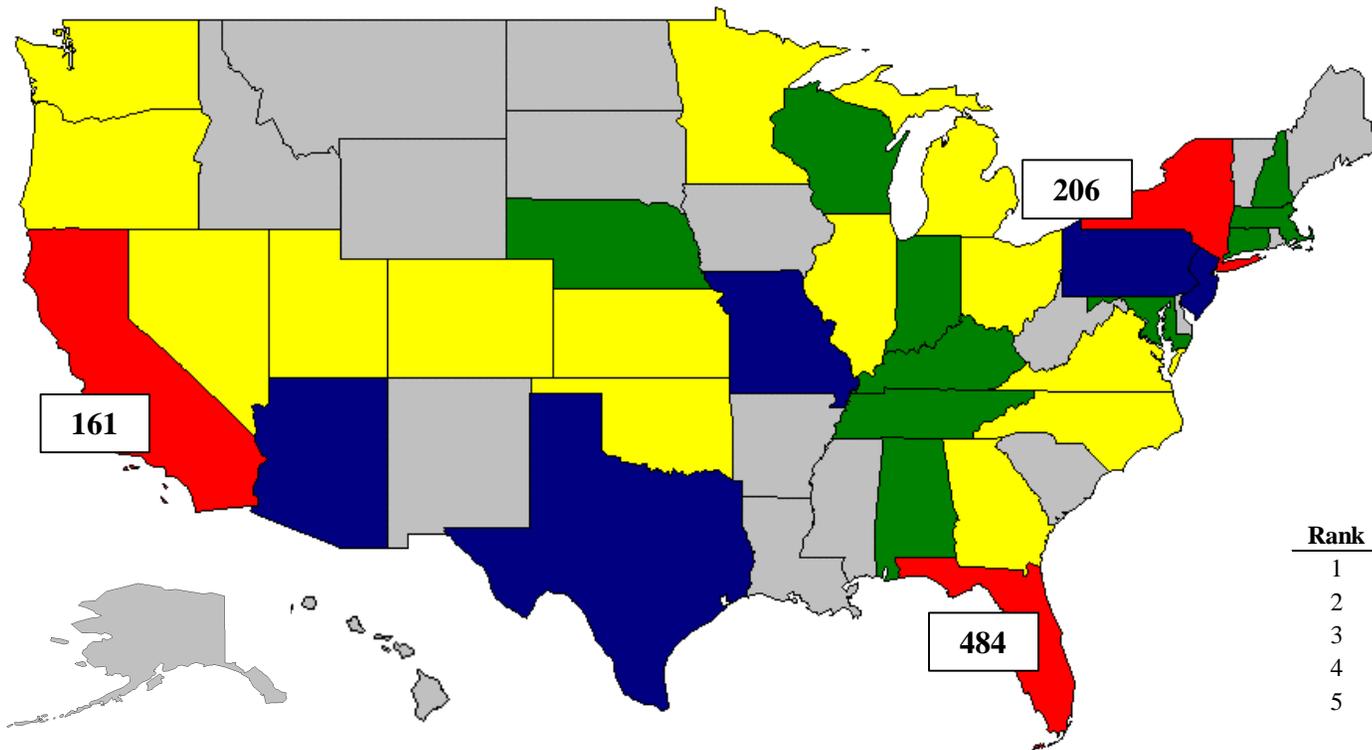
<u>Complaint Count</u>	<u>Dollar Loss</u>
1,366	\$1,556,476

Top Products or Services



Canadian Consumer Complaints Against Companies Located in the United States Calendar Year 2000

Top Company Locations in the United States



Rank	Company State	No. of Complaints	Percentage*
1	Florida	484	35%
2	New York	206	15%
3	California	161	12%
4	Missouri	56	4%
5	Pennsylvania	44	3%

U.S. Company Locations

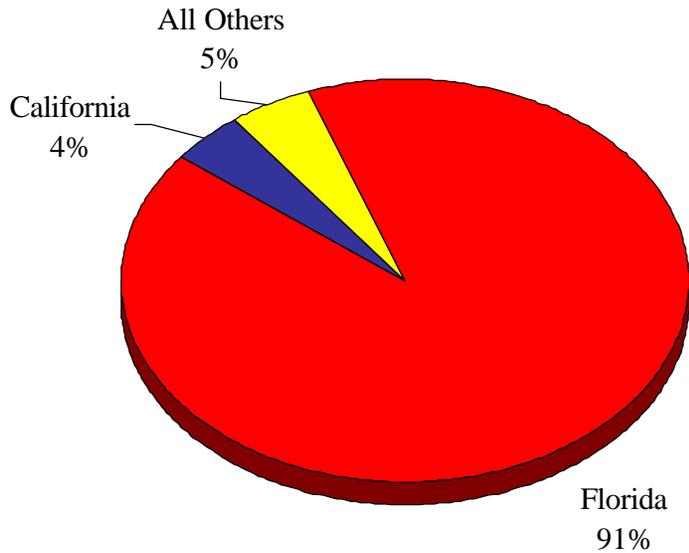
- Greater than 100 (3)
- 25 to 100 (5)
- 10 to 24 (14)
- 5 to 9 (10)
- Less than 5 (19)

*Percentage is based upon the total number of Consumer Sentinel complaints (1,358), by Canadian consumers complaining about companies in the United States for calendar year 2000

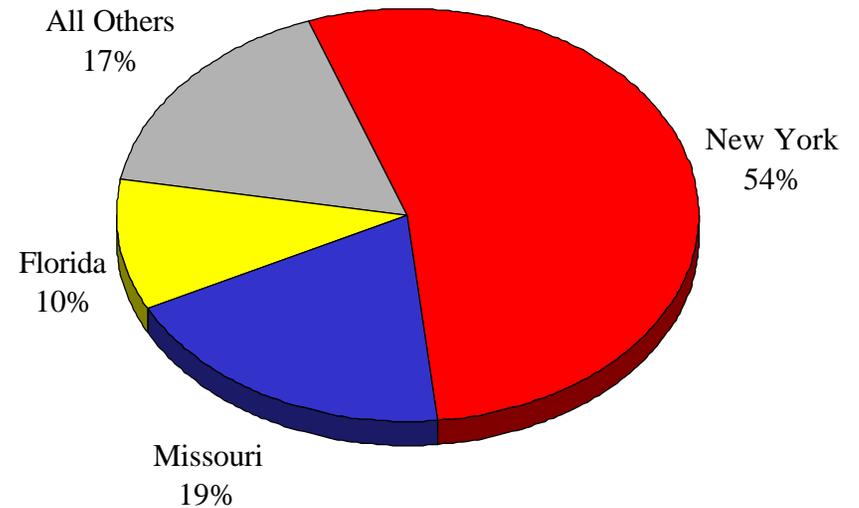


Canadian Consumer Complaints Against Companies Located in the United States Calendar Year 2000

Travel/Vacation Complaints



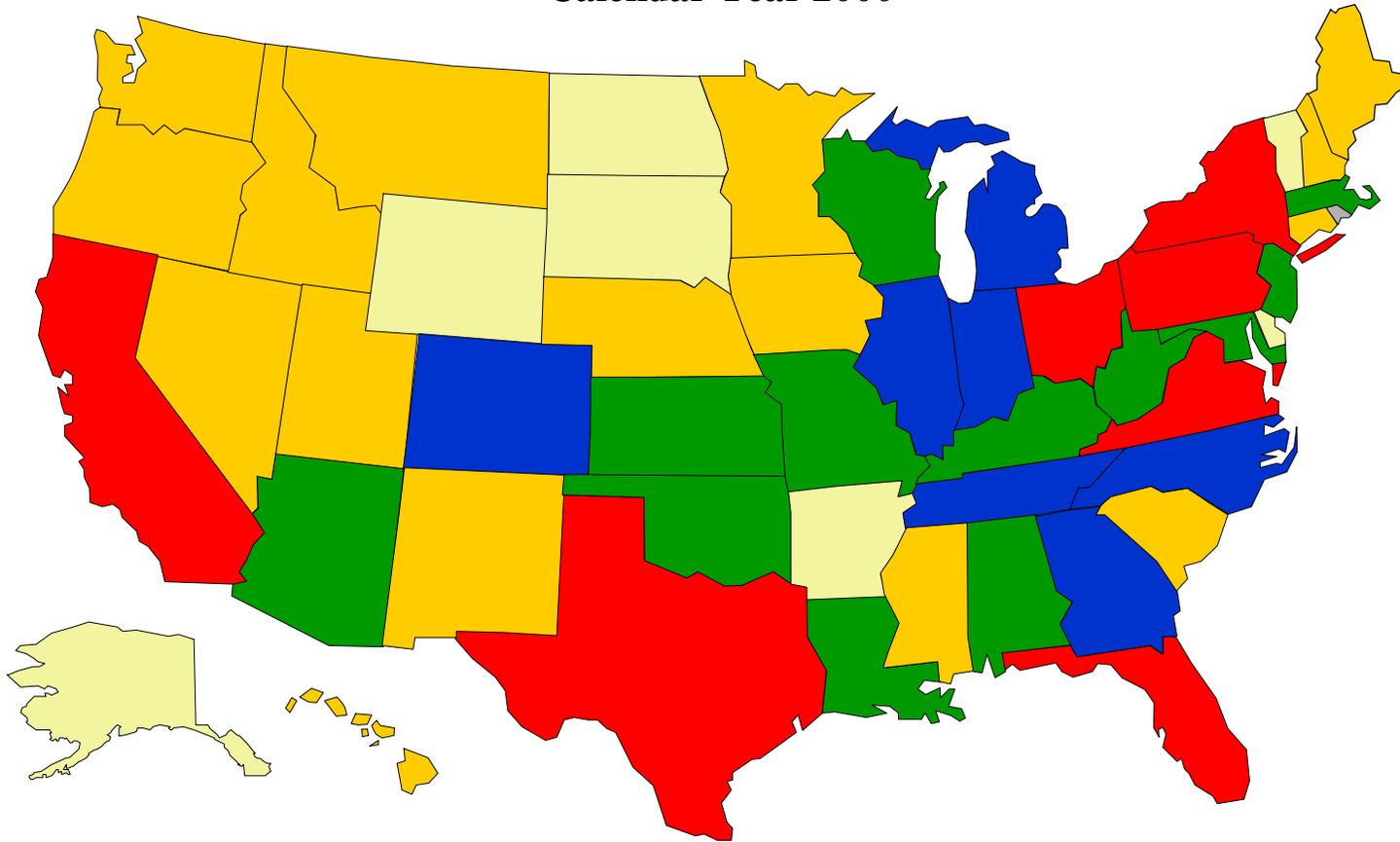
Prizes/Sweepstakes Complaints



<u>Company State</u>	<u>No. of Complaints</u>
Florida	373
California	17
Virginia	6
Arizona	2
New York	2
All Others	9

<u>Company State</u>	<u>No. of Complaints</u>
New York	132
Missouri	47
Florida	25
All Others	41

**US Consumer Complaints Against Canadian Companies by Consumer State
Calendar Year 2000**



No. of Complaints	No. of States
Greater than 301	7
201 - 300	7
101-200	12
51-100	16
25-50	8
Fewer than 25	1