

Fraud of the Month - 07/07 - Moving Scams

The Latest Scams Circulating the Consumer World. Be warned. Be informed.

July 2007

Moving Scams

Moving can be expensive. Very expensive. Especially if you get sucked into a scam that 1) takes your money but doesn't move your stuff or 2) results in the final cost of the move dramatically exceeding the original quote. Brokers are the primary instigators of scams in the moving industry, and too often they create official-looking websites to masquerade deceptive practices.

The Pitch

We're the broker, and we'll act as a middleman for the consumer and find a moving company that will handle the move. We solicit bids from companies, collect a deposit from the consumer, and collect a fee from the moving company.

The Scam

Moving scam #1: Mover never shows up

The moving broker arranges the move for a low price. You pay your deposit and are given a moving date and information about the moving company that will be handling your move. When the scheduled moving day arrives, the mover never shows up, and your telephone calls to the broker go unanswered. You figure out that you've been scammed and realize that the broker never arranged for a company to move your belongings.

Moving scam #2: Mover demands more money

A variation of the moving scam may look like this: You receive an extremely low quote from the broker on behalf of the moving company. The moving company shows up, but once the household goods are loaded, the movers break the bad news that, "Unfortunately, the cost of the move will be significantly higher than the estimate." If you refuse to pay the difference, the movers hold your belongings hostage until you do pay. In this scenario, it's hard to know whether or not 1) the broker and mover are in cahoots or 2) the broker was innocent and did not know about the mover's intention to submit a low-ball bid only to increase it once your belongings were loaded into the truck.

Play It Safe

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Be skeptical of extremely low estimates

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A sophisticated-looking web site does not mean you're dealing with a legitimate company

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Comparison shop yourself and deal directly with the mover

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Know your rights. Under federal law, interstate moving companies are required to release your belongings to you when you pay 100 percent of the charges in a binding estimate or 110 percent of a nonbinding estimate.

For consumer tips and warnings about dishonest movers, visit www.movingscam.com.

Source: Michelle Singletary. The Washington Post.