Kelley Blue Book Warns of Fraudulent Online Car-Buying Scams Masquerading as kbb.com

Phony Escrow Scam, Buyer Protection Programs Offered on Fake Websites

IRVINE, Calif., Sept. 21, 2011 /PRNewswire/ -- Kelley Blue Bookwww.kbb.com the leading provider of new car and used car information warns online car buyers of a scam using a fake Kelley Blue Book website. The scams look to solicit funds from buyers via an escrow-based, guaranteed buyer-protection program, which Kelley Blue Book does not offer. Kelley Blue Book has received a small but increasing number of inquiries over the last few months regarding the protection program. The FBI claims that every 90 minutes a complaint is filed and an auto shopper loses $1,000 every hour due to fraudulent websites and phony vehicle listings.

Kelley Blue Book warns that any escrow-based consumer-to-consumer service or Buyer & Seller Protection Program offered under its name is a scam. Car shoppers should be aware that imitation websites have a similar look-and-feel to the actual kbb.com and they should be cognizant of the domain name (URL) and email address (view the actual address, not the display name) provided by the seller. Car shoppers that encounter this type of offer from online sellers are strongly urged to report the seller to the Internet Crime Complaint Center at www.ic3.gov.

How the Scam Often Works:

1. Typically, a seller will list a car that they do not own on a reputable vehicle listings website. Emails from the seller often provide a story about a quick divorce or military deployment that requires fast liquidation of the vehicle at a low price and the inability to execute the sale in person.
2. The next phase of the scam includes the seller moving the transaction to a fraudulent website other than where the car was listed, making it easier to conduct a crime. The alternate site may include guarantees that are backed by reputable companies, promises for the return of funds should a vehicle not be delivered, and may look similar to Kelley Blue Book's kbb.com website by using logos and similar fonts and colors. The majority of these sites are often poorly written with multiple spelling errors.
3. The seller then instructs the potential buyer to wire a partial or full payment to a third-party, such as Kelley Blue Book and fax the seller proof of payment. By the time the buyer realizes what has happened, the money and the seller are long gone.

"Recently, criminals have added sophisticated technology to their scam by adding 800 numbers and offering live chat with potential buyers in an effort to ease their concerns about online car buying and detailed information on the fraudulent buyer protection programs," said Shayne Brown, associate general counsel, Kelley Blue Book. "Kelley Blue Book is working diligently to have these sites removed from the Internet, but in the mean time, car shoppers should know that any type of online consumer escrow service backed by our company is a scam."

For tips on how to protect yourself from phony online car-buying scams or fraudulent buyer protection programs, visit the FBI website at http://www.fbi.gov/news/stories/2011/august/car_081511/car_081511.

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About Kelley Blue Book (www.kbb.com)

Founded in 1926, Kelley Blue Book, The Trusted Resource®, is the only vehicle valuation and information source trusted and relied upon by both consumers and the industry. Each week the company provides the most market-reflective values in the industry on its top-rated website www.kbb.com, including its famous Blue Book® Trade-In and Retail Values and Fair Purchase Price, which reports what others are paying for new cars this week. The company also provides vehicle pricing and values through various products and services available to car dealers, auto manufacturers, finance and insurance companies as well as governmental agencies. Kbb.com provides consumer pricing and information on minivans, pickup-trucks, cars, hybrids and SUVs. Kelley Blue Book Co. Inc. is a wholly owned subsidiary of AutoTrader.com.

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