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BUSINESS

SMALL BUSINESS

IN BOX

Business offer may be a scam

By KAREN E. KLEIN
Special to The Times

Dear Karen: I want to start a home business for extra income, but I wonder whether online offers are legitimate. How can I tell?

Answer: The Internet has extended the reach of scam artists targeting individuals looking for supplemental income. Would-be entrepreneurs should do extensive research on any business opportunity — online or off — particularly those that offer “easy money” with little education, training or investment needed.

Internet auction frauds are particularly common.

“You’ll find sites that say you can make \$10,000 a month selling on eBay, and all you have to do is send \$500 upfront to get a start-up kit or membership in a buying club. Either the inventory is junk, nonexistent or everyone else is already selling it,” said Michael Camodeca, president of Chicago-based SkyView Technology Inc.

Be skeptical about any website business offers, no matter how professional they look, and vet them thoroughly, Camodeca said. A real company will have working telephone numbers and e-mail addresses.

Don’t submit financial information, such as Social Security or bank account numbers. Don’t purchase anything unless the site has a VeriSign encryption logo and starts with “https,” signifying a secure connection. It’s also better to use a credit card, which is insured for fraud losses, than a debit card, Camodeca said.