

Major Investigations

FBI

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Robbery of Priceless Works of Art

**ROBBERY OF PRICELESS WORKS OF ART
FROM THE ISABELLA STEWART GARDNER MUSEUM
2 PALACE ROAD, BOSTON, MASSACHUSETTS
MARCH 18, 1990
Boston Field Office
The Crime
INTERSTATE TRANSPORTATION OF STOLEN PROPERTY
MAJOR THEFT
REWARD**

A FIVE MILLION DOLLAR Reward is offered for the safe recovery of all stolen items in good condition. The recovery of an individual object will result in a portion of the reward, based upon the object's market value.

On March 18, 1990, the Gardner Museum was robbed by two unknown white males dressed in police uniforms and identifying themselves as Boston police officers. The unknown subjects gained entrance into the museum by advising on-duty security personnel that they were responding to a call of a disturbance within the compound. Security, contrary to museum regulations, allowed the unknown subjects into the facility.

Upon gaining entry, the two unknown subjects abducted the on duty security personnel, securing both guards with duct tape and handcuffs in separate remote areas of the museum's basement. The unknown subjects brandished no weapons, nor were any weapons seen during this heist. Other than a "panic" button located behind the guards' watch desk area, the museum alarm system was internally only. Since the panic button was not activated, no actual police notification was made during the robbery. The video surveillance film was seized by the unknown subjects prior to their departure.

While in the museum from the hours of 1:24 a.m. to 2:45 a.m., the unknown subjects seized the following works of art, the values of which have been estimated as high as 300 million dollars.

(DUTCH ROOM GALLERY)

1. **VERMEER, THE CONCERT**; Oil on canvas, 72.5 x 64.7 cm.
2. **REMBRANDT, A LADY AND GENTLEMAN IN BLACK**; Oil on canvas, 131.6 x 109 cm. Inscribed at the foot, REMBRANDT. FT: 1633.

3. **REMBRANDT, THE STORM ON THE SEA OF GALILEE**, Oil on canvas, 161.7 x 129.8. cm. Inscribed on the rudder, REMBRANDT. FT: 1633
4. **REMBRANDT, SELF PORTRAIT**, Etching, 1 3/4" x 2", (Postage Stamp size)
5. **GOVAERT FLINCK, LANDSCAPE WITH AN OBELISK** , Oil on an oak panel, 54.5 x 71 cm. Inscribed faintly at the foot on the right; R. 16.8 (until recently this was attributed to Rembrandt).
6. **CHINESE BRONZE BEAKER OR "KU"**, Chinese, SHANG DYNASTY, 1200-1100 BC; height of 10 ", diameter of 6 1/8", with a weight of 2 pounds, 7 ounces.

(SHORT GALLERY)

1. **DEGAS, LA SORTIE DU PELAGE**, pencil and water color on paper, 10 x 16 cm.
2. **DEGAS, CORTEGE AUX ENVIRONS DE FLORENCE**, pencil and wash on paper, 16 x 21 cm. (This and the above were originally in a single frame.)
3. **DEGAS, THREE MOUNTED JOCKEYS**; Black ink, white, flesh and rose washes, probably oil pigments, applied with a brush on medium brown paper, 30.5 x 24 cm.
4. **DEGAS, PROGRAM FOR AN ARTISTIC SOIREE**; Charcoal on white paper, 24.1 x 30.9 cm.
5. **DEGAS, PROGRAM FOR AN ARTISTIC SOIREE**; a less finished version of the above, charcoal on buff paper, 23.4 x 30 cm. (This and the above were originally in a single frame.)

(BLUE ROOM GALLERY)

1. **MANET, CHEZ TORTONI**; Oil on canvas, 26 x 34 cm.

All logical leads have been followed through to conclusion with no positive investigative results. Numerous interviews have been conducted, many accompanied by polygraph examination, with no substantial positive information developed. All forensic evidence recovered by the Boston Police Department and the F.B.I. from the crime scene has been submitted to the F.B.I. Laboratory Division for analysis and storage. Appropriate computer entries and notifications regarding the theft and description of the unknown subjects have been made.

UNKNOWN SUBJECTS - described as follows on 3/18/90

Unknown Subject Number One

RACE:	White
SEX:	Male
AGE:	Late 20's to mid 30's
HEIGHT:	5'7" to 5'10"
WEIGHT:	Unknown
BUILD:	Medium
EYES:	Dark
HAIR:	Black, short cropped
COMPLEXION:	Fair to medium
FACIAL STRUCTURE:	Narrow
FACIAL HAIR:	Wearing a dark, shiny mustache, appearing to be false
GLASSES:	Wearing square-shaped, gold framed glasses
CLOTHING:	Fully ornamented dark blue police uniform and hat, and dark shoes, with patch on left shoulder, possibly with wording "Boston Police."
EQUIPMENT:	Carrying a square black radio (with 5" to 6" antenna) on belt
ACCENT:	Possibly Boston

Unknown Subject Number Two

RACE:	White
SEX:	Male
AGE:	Early to mid 30's
HEIGHT:	6'0" to 6'1"
WEIGHT:	180 to 200 pounds
BUILD:	Fairly broad shoulders, lanky from the waist down
EYES:	Dark
HAIR:	Black, medium length, puffy with additional length in back, rounded off just over the collar
COMPLEXION:	Fair to medium
FACIAL HAIR:	Black shiny mustache appearing to be false
FACIAL STRUCTURE:	Round
GLASSES:	None
CLOTHING:	Same as Unknown Subject Number One
EQUIPMENT:	Same as Unknown Subject Number One

Persons with information regarding the Gardner Museum theft should contact the Boston F.B.I. office at **1-888-233-5914** . Callers will be assured confidentiality by use of a code name.

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Letter Bomb Investigation

LETBOM
Washington DC Field Office
Terrorism Task Force
Telephone Number:
202-252-7001

On January 2nd the Federal Bureau of Investigation (FBI) and the Metropolitan Police Department (MPD) issued a warning to the public regarding cards containing letter bombs which are being sent through the U.S. Postal Service. Eight such cards were located in the mail over a two day period in the Washington, D.C., area and in Leavenworth, Kansas.

Two of the cards were discovered on the morning of January 2nd at the offices of the *Al-Hayat* newspaper in the National Press Building in Washington and two others were found that afternoon at the same address. Also that afternoon, one additional card addressed to "Al-Hayat" was found at the Brentwood Postal Facility, 900 Brentwood Road, N.E., and two cards addressed to the Parole Officer were found at the Federal Penitentiary at Leavenworth.

One card was partially opened by an employee at the *Al-Hayat* office who observed wires inside the letter. The letter was then immediately turned over to the authorities who determined that it contained a bomb. The other cards were intercepted before they were opened.

Inside the envelopes were musical Christmas or holiday cards which contain an improvised explosive device (IED) or letter bomb, which, if detonated, could cause severe bodily injury to the recipient.

The cards are enclosed in plain white envelopes, 5 1/2" X 6 1/2" in size, with computer generated addresses on the front of the envelopes. The envelopes carry a postmark from Alexandria, Egypt, and were postmarked on December 21, 1996. There is no return address on the envelopes, but there are distinctive markings on the outside surface.

Anyone who is in possession of a letter or card which fits the above description is urged to use extreme caution and immediately contact the Terrorism Task Force at (202) 252-7001. At this time, there is no information as to other possible targets of these letter bombs and the public is therefore urged not to open or attempt to disarm any letter received which is similar to the above description.

Before opening any letter or package there are signs which serve to warn of dangerous contents. A list of letter and package warning signs is provided by the FBI.

Centennial Olympic Park Bombing

CENTBOM

Centennial Olympic Park Bombing

FBI Investigation

Atlanta, Georgia

Early on Saturday morning, July 27th, at about 1:20 a.m. a very large pipe bomb exploded in Centennial Olympic Park, downtown Atlanta, Georgia. The bomb sprayed shrapnel that killed one person and injured more than 100 others, some very seriously.

Toll-Free Phone 1-888-324-9797	A public appeal is being made for videotapes, photographs and witnesses with information related to activities on or about the crime site and time.	Up to \$500,000
REWARD Hear 911 Call 911 Call Information Deputy Director Weldon Kennedy	Bomb Pack Evidence Press Statement by Outside USA - Persons with Information contact the United States Embassy or Consulate	

Senior Sentinel

PROLOGUE

The FBI has aggressively pursued investigations of Illegal Telemarketers for many years through traditional investigative techniques. In 1993, the FBI unveiled Operation DISCONNECT with simultaneous searches and arrests. Operation DISCONNECT was a national covert investigative effort conducted unilaterally by the FBI, designed to aggressively address telemarketing fraud. As of November 30, 1995, Operation DISCONNECT has resulted in: the indictment of 360 subjects with 296 subjects convicted to date. Additionally, 101 searches were conducted, 149 boiler rooms were identified, 951 telemarketing fraud subjects were identified, \$7.65 million of property was seized, and \$6.76 million of that property has been forfeited.

SENIOR SENTINEL is a covert investigation utilizing the cooperation and resources of multiple law enforcement agencies and led by the FBI. SENIOR SENTINEL utilized citizen volunteers, many of whom were referred by the American Association of Retired Persons (AARP). Telephone lines were set up and manned by the citizen volunteers. Telemarketers would contact the volunteers and the conversations were recorded. The unwary telemarketers believed that they were "soliciting" a known "victim" and solicited monies from the cooperating citizens to participate in the scams. The recording provides the investigator and prosecutor the benefit of direct evidence of the Illegal Telemarketers' outrageous promises that are in turn used to prosecute the telemarketers.

As of 11/30/95, 38 FBI offices participated in this investigation. These FBI field offices have conducted 104 search warrants and 91 arrests to date. It is anticipated that on 12/7/95, eleven additional search warrants and 327 arrest warrants will be conducted.

SENIOR SENTINEL is part of a continuing attack at telemarketing fraud. Telemarketing fraud investigations and recordings are ongoing in many FBI field offices and United States Attorney's offices.

Any questions regarding telemarketing fraud, SENIOR SENTINEL, or the contents of this booklet should be directed to the Economic Crimes Unit, Financial Crimes Section, Criminal Investigative Division, FBI Headquarters at (202) 324-6056.

TELEMARKETING CRIME PROBLEM

Telemarketing has been an accepted way of conducting business since the early 1930s. Advanced telecommunications, including speed dialing, automatic dialing, facsimile machines, and home computers, along with modern conveniences such as credit cards, electronic banking, and TVs has led to tremendous growth in telemarketing, both legal and illegal.

Over 3.4 million people nationwide are employed in the telemarketing industry. Industry estimates place annual consumer spending through telemarketing at over \$500 billion. However, most telemarketers do not generate sales. Many telemarketers perform market research, conduct polls, solicit political contributions, etc. Due to telemarketing's enormous success, industry experts expect its use and related electronic means of communication to continue throughout the 1990s and into the new millennium.

Illegal Telemarketers use two primary methods to identify customers. The first method involves either a cold call (not actually knowing the person they are calling) or through a lead that was either purchased from a lead broker or developed through a customer response to an enticement sent through the mail. The mailer method provides the telemarketer a clear indication of the customer's interest and often causes the customer to make the first telephone contact. Many purchase lists of persons who are known to have been victimized by prior telephone fraud scams and find this group to be a fertile ground for their next fraud scheme.

Industry surveys and Congressional testimony has estimated that fraud perpetrated by telemarketing is \$40 billion annually.

The typical illegal telemarketer operates by exploiting the trust of individuals who are presented with a deal that is "too-good-to-be-true." These "too-good-to-be-true" offers include cash and other prizes, cars, exciting trips, expensive jewelry, investments, donations to charity, participation in foreign and domestic lotteries and for persons who have been victimized in the past, the opportunity to recover lost funds! In reality, the deal is in fact "too-good-to-be-true." Many times the items ordered or promised are never delivered or the merchandise received is of minimal value and does not reconcile with the initial sales claims. Some illegal telemarketing operations remain in one place only long enough to make contact with the consumer, receive the proceeds from their victims and then move on to another location. Other more sophisticated operations have been in business for many years and portray the image of a legitimate company and deliver products that are not commensurate with the items offered in the sales pitch. The telemarketers use both rapid mobility and the appearance of a legitimate business enterprise to foil law enforcement efforts to identify the illegal telemarketers and foil attempts to obtain evidence of intent and criminal conduct.

Telemarketing and mass mailings are legal techniques of business development used by many legitimate businesses. However, these same practices are used to defraud unsuspecting consumers through fraudulent representations and promises. The lines of distinction between legitimate and illegal telemarketing are seldom clearly demarcated

because most fraud schemes are designed to closely resemble those conducted by legitimate businesses in order to thwart prosecutive efforts. Deciphering between the legitimate and illegitimate telemarketers is critical to an understanding of the crime problem. The term telemarketing is frequently used in reference to a legitimate sales technique and this technique is not necessarily criminal in nature.

Telemarketers success is founded in the consumer's faith that due to great fortune, they have won a prize or are being offered a valuable opportunity. That faith is then breached twice by the telemarketer: once by delivering either nothing or an inconsequential prize; and secondly, by placing the victims name on a "reload list." Reload lists are then sold to other telemarketers or reused by the original telemarketers in a continued or new solicitation scam.

Some of the investigative obstacles placed to deride a successful telemarketing investigation are the use of multiple aliases, telephones, mail drops, and business locations. The telemarketers method of solicitation, product line, and other recognizable traits can be changed overnight in order to thwart law enforcement or to meet new consumer demands. It is the fast strike ability to defraud, the lack of specific identification of solicitors and their ability to evaporate from an operating site that keeps the telemarketers one step ahead of investigators. These facts, coupled with the vast number of telemarketers, their mobility, the complexity of the schemes, and volume and unclear memory of victims, all contribute to make this type of fraud a challenge to white-collar crime investigators and prosecutors.

Due to the mobility of the subjects, the interstate aspects of their illegal operations, and the usual nationwide victim base, prosecution of this type of fraud is well suited for the Federal judicial system. Applicable Federal statutes exist to adequately address this crime problem. The primary criminal statutes utilized for prosecution are: (1) Fraud by Wire (Title 18, Section 1343), (2) Mail Fraud (Title 18, Section 1341), (3) Unauthorized Access Devices (Title 18, Section 1029), (4) Bank Fraud (Title 18, Section 1344), and (5) Money Laundering (Title 18, Section 1956 & 1957). Other statutes are used, but their usage is based upon the particular evidence of each investigation.

The scope of this problem is nationwide. Telemarketing operations are run from Miami to Boston to San Diego and every city and many towns in between. Since the telemarketers tool of trade is the telephone, he/she can literally strike anywhere in or outside the nation at any time. A telemarketer with a phone name of "Suzie" can call from Las Vegas to Nebraska and follow up by bilking a victim in Vermont using a different phone name. No community, rich or poor, urban or rural is safe from this crime problem.

For purposes of this briefing book, all references made to telemarketing firms and telemarketers, should be considered illegal telemarketing operations unless otherwise noted. The information and analysis provided within this briefing book is merely representative of the illegal telemarketing operations identified during SENIOR SENTINEL. It should not be extended to the legitimate telemarketing industry.

SENIOR SENTINEL

SENIOR SENTINEL began in 1993 and was expanded nationally in January of 1995. The San Diego Division of the FBI had developed a successful technique of recording the telemarketers with trained, cooperating individuals and utilizing their own pitches as evidence of the fraud against them in their prosecutions. This was an innovative and unique approach to address telemarketing fraud that resulted in strong prosecutions. Due to the inherent difficulties involved in investigating telemarketing fraud and this technique's ability to overcome many of the prosecutive problems, the FBI initiated a franchise concept and many field offices adopted the technique and utilized it to make tape recorded conversations within their territories. Telemarketers would call the victim and deliver their sales pitch unknowingly to individuals cooperating with law enforcement who recorded the conversations. The FBI forwarded a copy of the tape to a central location, listing the type of scheme, the company name and location and the phone name of the individual solicitor. The tapes were then made available to law enforcement agencies who were conducting telemarketing investigations. Many other law enforcement agencies also made and contributed tapes to the investigations.

The recordings were made by citizens cooperating with law enforcement, on a volunteer basis. The costs associated with installing another telephone line and the monthly lease costs were paid by the FBI. On occasion, checks, money orders or sight drafts would be sent to the telemarketers, to purchase evidence. The cooperating individuals would then either receive nothing of value, or a token "trinket" prize worth far less than the value portrayed by the telemarketers. The money sent would cause the cooperator's name and number to be "reloaded" and sold to other telemarketers. Thereafter, a litany of calls from telemarketers would follow, allowing further subjects to be identified and pitches recorded. Several thousand tape recorded conversations have been made and are continuing to be made, as a result of this operation.

SENIOR SENTINEL should have a significant impact upon the telemarketing crime problem in the United States, particularly in three areas:

1. The sheer brazenness currently used by telemarketers is expected to be replaced with a less specific, more cautious approach. This in turn will cause fewer people to believe the grandiose promises made by the telemarketer and be less likely to bite on their pitch, thereby reducing the number of people victimized.

2. When faced with the prospect that the victim on the other end of the line might be a volunteer making recordings for the FBI, the numbers of telemarketers continuing to practice telemarketing fraud, will decrease.

3. The exposure of telemarketing fraud will educate the public about this crime problem and cause them to be more aware of this fraud activity and become wary of telemarketers using these fraudulent techniques.

4. Figures 1 and 2 are drawn from a subjective analysis of 141 of the 178 Senior Sentinel cases for which this detailed information was available.

Statistics

78.7% of the companies targeted for criminal investigation in Senior Sentinel focused on defrauding the elderly.

48.4% of 141 cases analyzed were prize room schemes, 5.7% were product schemes, 20.3% were charity room schemes, 13% were recovery room schemes and 12.5% utilized a rip and tear operation. The definition of these schemes can be found in the "Common Telemarketing Terms" section beginning at page 9.

Thirty eight FBI field divisions participated in SENIOR SENTINEL by conducting substantive investigations, making recordings and/or serving search and arrest warrants.

SENIOR SENTINEL has and will continue to provide a vast amount of intelligence about how illegal telemarketing operations function. Many details about the methods of operation and the means of avoiding law enforcement detection and prosecution have been obtained. This intelligence will assist law enforcement and regulatory agencies in combatting this crime problem in the future.

COMMON TELEMARKETING TERMS

As a result of SENIOR SENTINEL, as well as other FBI telemarketing fraud investigations, many of the telemarketer's phrases and terminology have been learned. These terms are used frequently by the telemarketers in conducting their illegal trade. Some of the more popular terms are listed below.

AD SPECS - Advertising Specialties; promotional type items, including pens, key chains, magnetic business cards, baseball caps, etc. Mainly sold to small business customers. The telemarketer will usually print the customer's business name, address and telephone number on the promotional ad spec item.

BOILER ROOM - A term commonly used to describe an office setting involving high-pressure sales tactics, the use of multiple phone lines, a sparsely appointed office making fast, fly by night moves to a new location easy and efficient. The origin of "boiler room" refers to a time when telemarketers would acquire cheap office space, often in the basement of buildings, that was typically hot, uncomfortable and noisy.

BUSINESS OPPORTUNITY/ FRANCHISE SCAMS - Attempts to sell businesses or franchises to entrepreneurs. Income figures are usually grossly exaggerated.

CATALOG REBUTTAL - Many telemarketers will instruct customers to mail in a photograph of themselves with their award or bonus. Customers are told that this photograph will appear in a future promotional catalog to be published by the company. This rebuttal tends to lend legitimacy to the promotion even though the catalog is never actually published.

CHARGEBACKS - A customer's cancellation of a credit card charge whereby the original purchase was made utilizing a credit card. The customer subsequently receives a refund on his/her VISA or MasterCard and the telemarketer's merchant account is charged with an offsetting charge-back for the amount of the sale.

CHARITY ROOM - Telefunding where a small portion of the funds raised usually less than 10%, go to charities.

CHECK DEBIT (SIGHT DRAFT) - A method of payment whereby the telemarketer is able to receive funds directly from the customer's checking account via electronic transfer. This eliminates the actual drafting of a check as well as the float period for the instrument to clear.

CLOSER - A telemarketing sales rep who specializes in finalizing or "closing" the sale to a customer. "Closers" are usually experienced telemarketers who take over the sale from the "fronter" and generally command a higher commission per sale.

CLOSING RATE - The actual percentage of customers who purchase the product out of all those who are contacted. Typical closing rates fall between 3 percent - 10 percent based on the experience of the sales reps and the sales tactics used.

COLD CALLING - Unsolicited outgoing telephone calls to potential customers. Potential customers names and telephone numbers are usually purchased by boiler room owners in the form of "lead lists."

CONTROL NUMBER - Claim number, activator number; the number listed on a mailer or promotional card sent out to a prospective customer. Sales reps use this number to verify that the customer has been preselected to receive an award or bonus. Most telemarketers represent that this is a unique customer number which has been registered in their computer system, when in fact the number acts merely as a state or mail batch identifier.

CUSTOMER SERVICE - A separate division in most telemarketing companies whose sole responsibility is to handle customer complaints.

DROPPING MAIL - The process of mailing large volumes of promotional materials (award notification letters or cards) enticing potential customers to call in to the boiler room. This practice is used as part of an "inbound" system, and mail is usually "dropped" several times per week by the telemarketer.

EMPLOYMENT SCHEME - a scheme that preys on persons desperate for work. They advertise that they can arrange to obtain jobs for prospective clients for an up-front fee.

FRONTER - Generally, an inexperienced sales rep who handles the first portion of a customer sale. The "fronter" will obtain basic customer background information and provide the customer with an outline of the promotion before turning the telephone over to a "closer" to finalize the deal.

GIMME GIFT - The award or bonus that all customers receive. Even though sales reps advise customers that they may receive one of several valuable prizes, if they receive any prize at all, each customer actually receives the same "gimme" gift, usually

a prize of very low value. Typical "gimme" gifts include a travel certificate or a piece of cheap jewelry.

HARD GIFT - An extra or throw-in gift given in addition to the "gimme" gift in order to entice the customer to make a purchase. Like the "gimme" gift, it usually has a very low cost, although it is represented to be quite valuable. Typical "hard" gifts include a diamond pendant or designer watch.

INBOUND SYSTEM - Boiler rooms which receive incoming customer calls through the use of mailers, newspaper advertising, or automatic dialing systems.

LAYDOWN - An easy sale. A customer who is so excited about the promotion that he or she becomes an easy target for the sales rep.

LEAD COSTS - The costs associated with obtaining and contacting new customers. These costs include lead lists, telephone bills, advertising expenses, postage, and the costs associated with distributing a mailer.

LEAD LIST - A list of potential customers which a telemarketer purchases from a lead specialist. This list of names and telephone numbers represents potential customers who are most likely to be interested in the promotion, based on past buying tendencies, income bracket, etc. Lead lists are often sold at a cost of between \$3 and \$5 per name.

LOTTERY SCHEMES - Victims are told they are entered into a fool proof method to win state or foreign lotteries. Sales of foreign lotteries are inherently illegal. The scheme generally purchases few, if any lottery tickets and overhead costs and commission costs take a large proportion of the funds.

MAILER - The actual letter, card, or award notification that the telemarketer mails to potential customers in order to entice them to call in for more information. Mail is "dropped" by most boiler rooms that utilize an "inbound" system.

MERCHANT ACCOUNT - A VISA and/or MasterCard operating account utilized by telemarketers so that customers can charge purchases on their own credit card. A merchant account is actually a clearing account which the telemarketer maintains at a bank. Customer charges are credited to the account and funds are subsequently transferred to a separate corporate bank account, usually the next day. In general, telemarketers have an extremely difficult time obtaining merchant accounts due to the high volume of chargebacks and the nature of the industry.

MISREPRESENTATIONS (MISREPS) - Untrue or exaggerated statements made by a sales rep in order to entice a potential customer to buy. Misreps may include false statements concerning award, bonus, or product values, product or award quality, facts concerning the telemarketing company, odds of winning a specific award, etc.

MOOCH - A sucker. A term used by telemarketers to describe a naive customer who is easily influenced and manipulated by the sales rep when closing the sale.

MYSTERY PITCH - A salesperson solicits money by convincing a victim that they have been selected to receive a valuable prize but are prohibited "by law" from disclosing the prize. No such law exists.

OMISSIONS - Significant facts relating to a telemarketing promotion which the sales rep elects not to tell the customer. Omissions may include hidden costs or restrictions relating to the promotion of which the customer is fully unaware.

ONE IN FOUR (FIVE OR SIX) - A common promotion used by telemarketers where potential customers are notified that they are guaranteed to receive one of the listed awards currently being given away. These awards are usually listed in order of descending value and often include an automobile, cashier's check, vacation package, jewelry, etc. Variations on this theme include a "two in six" or allowing the customer to delete one of the prizes from those listed.

OUTBOUND SYSTEM - Unsolicited customer contacts generated exclusively through "cold calling." Telemarketers purchase "lead lists" and sales reps call these leads without invitation. Opposite of an inbound system and generally a more difficult sale.

PREQUALIFICATION - Qualifying customers in advance of the lead or sale, in other words, verifying that the potential customer can afford the promotion and has ready access to funds before spending a considerable amount of time trying to make the sale.

PRIZE ROOM - A company whose pitch is to convince victims that they have won a valuable prize but first must send a fee or purchase some product to qualify for the prize.

PRODUCT ROOM - A company whose pitch offers to sell a product (jewelry, travel, or provide a service such as time share resales). The product is inevitably never delivered, has substantial added costs or is in fact worth far less than stated in the telemarketing pitch.

PROMOTION - The total package being offered to the customer which usually includes a product, bonus, or award and any other incentives used to help close the sale. This package is usually referred to as a promotion, a limited offering, contest, or lottery being provided to "select" consumers.

REBUTTAL - Standard responses used by sales reps to overcome typical customer objections. "Rebuttals" are often pre-printed and readily available to the sales rep in order to help overcome customer hesitancy to purchase.

RECOVERY ROOM - Boiler room which tells victim(s) they can obtain refunds from companies which previously defrauded victims(s). Recovery rooms charge an up-front fee.

RELOAD (LOAD) - An attempt to resell a customer who has already purchased from a telemarketing company in the past. Customers who have made a purchase in a previous promotion are often recontacted and promised the chance of winning more valuable awards in exchange for a subsequent purchase. Customers can be "reloaded" five, six or more times, each time being promised grander awards with greater chances of winning.

RELOAD (LOAD) LIST - A lead list of customers who have previously made purchases in one or more telemarketing promotions. Telemarketers may keep these leads for themselves or sell them to other boiler rooms for as much as \$10 per name.

RIP & TEAR - Operations which collect as much money as possible in a short period of time and leave town before they have been identified. Frequently they use aliases and rent mail boxes, known as mail drops, to help them avoid detection.

SALES PITCH - The actual printed document used by sales reps to help convey the nature of the promotion. This "pitch" lists all the key selling points which management deems necessary to complete the sale. With experience, sales reps tend to develop their own unique pitch or selling style which works best for them.

SEED PITCH - The actual pitch used by an automatic dialing system when generating leads. The "seed pitch" is replayed continuously over the telephone in an attempt to solicit potential customers.

SENIOR SENTINEL - Senior citizens who assist law enforcement by posing as victims and tape recording fraudulent sales pitches.

SIGHT DRAFT (CHECK DEBIT) - A method of payment whereby the telemarketer is able to receive funds directly from the customer's checking account via electronic transfer. This eliminates the actual drafting of a check as well as the float period for the instrument to clear.

TAKEOVER (TO) - Similar to a "button up" and a "closer," one sales rep may "takeover" for another in order to try and close the sale. A sales rep may ask for a "TO" in order to put a fresh voice on the phone who can try a different tactic to sell the customer.

VERIFICATION - Confirmation of a customer order. Sometime after the sale is made, most telemarketers will re-contact the customer and confirm the information provided by the sales rep and verify that the customer has made his/her payment in the prescribed manner. Verifications are normally handled by a manager or verifying specialist.

VERIFICATION RATE - The percentage of customers who continue with the purchase upon verification. Depending on the product, promotion, and the experience of the verifier, telemarketing verification rates may vary between 60 percent and 95 percent.

VICTIM VENUE - Cases in which prosecution takes place where the victim(s) reside rather than where the fraudulent telemarketer is doing business.

TELE-TIPS

Millions of American consumers are victimized annually by an increasing number of telemarketing frauds. While the Federal Bureau of Investigation (FBI) and many other law enforcement authorities are actively investigating this criminal activity, the best method of combatting telemarketing fraud is an educated consumer who recognizes a

telemarketing fraud before falling victim to it. To assist in this education process, the FBI offers the following tips to avoid becoming a victim of telemarketing fraud:

1. Be skeptical of offers that sound "too-good-to-be-true"; they usually are.
2. Resist high-pressure sales tactics. Don't allow yourself to be hurried into a decision.
3. Do not give your credit card number or checking account information to anyone over the telephone unless you know whom you are dealing with.
4. Don't spend or invest more than you can afford to lose.
5. Companies should be willing to provide their name, address, phone number, and references. If not, be skeptical. Verify this information before making a purchase.
6. If you are skeptical about a company, check with the Better Business Bureau, your state Attorney General's Office, the Federal Trade Commission, or the local consumer protection agency before you make a purchase.
7. Report incidents of telemarketing fraud to your local Better Business Bureau; your state or local law enforcement authority; or your nearest FBI field office.

National Fraud Information Center

You may also contact the National Fraud Information Center at 1-800-876-7060 for information concerning telephone frauds. The National Fraud Information Center (NFIC) provides information to consumers about current telephone frauds and tips for avoiding fraud. Through the Center's 1-800-876-7060 phone number, consumers can speak with a staff operator between the hours of 10 a.m. and 4 p.m. EST. The staff will provide information, answer questions, and provide the names and addresses of agencies that offer assistance to consumers if they feel they've been defrauded. The NFIC publishes a pamphlet entitled "Avoiding Phone Fraud" that is produced on behalf of the NFIC and MCI.

TWA Flight 800 Investigation

CRASH OF TWA FLIGHT 800
New York Field Office

Phone: 1-888-245-4636

E-Mail: <http://web.archive.org/web/19970116013004/mailto:newyork@fbi.gov> [
newyork@fbi.gov

On the evening of Wednesday, July 17, 1996, TWA Flight 800, carrying 212 passengers and 17 crew members, exploded and crashed into the Atlantic Ocean off the coast of Long Island shortly after taking off from New York City's John F. Kennedy International Airport en route to Paris. There were no survivors, and at this time the cause of the crash has not been determined.

Information from the public is always critical to the ability of law enforcement to do its job. As part of the investigation into the crash of TWA Flight 800, the FBI is appealing to the public in the New York area for help in determining the cause of the crash. A special toll-free line has been established for this purpose. If you should have any information concerning this tragic incident, please contact the FBI at **1-888-245-4636**. You may also provide information to the FBI by sending e-mail to newyork@fbi.gov.

All calls will be kept in the strictest confidence.

UNABOM Information

UNABOM

San Francisco Field Office

Phone: (415) 553-7400

E-Mail: unabom@fbi.gov

On June 18, 1996, a Federal Grand Jury in Sacramento, California, returned a ten-count indictment charging Theodore John Kaczynski with four separate bombings that killed two individuals and injured two others.

These charges were the result of a multi-agency investigation by the UNABOM Task Force into a series of bombings that occurred across the United States beginning in 1978.

The UNABOM Task Force, which is headquartered in San Francisco, California, involved the cooperative efforts of the Federal Bureau of Investigation, The Bureau of Alcohol, Tobacco and Firearms, the Postal Inspection Service, and numerous state and local law enforcement agencies.

Arrested in Montana on April 3, 1996, for possession of bomb components, Kaczynski is being held in Sacramento while awaiting trial on the ten-count indictment.

The FBI continues to urge anyone who has information relating to the UNABOM investigation to please contact the UNABOM Task Force via E-Mail at unabom@fbi.gov or via telephone at **(415) 553-7400**.

Arizona Train Wreck - Telephone Hotline

ARIZONA TRAIN WRECK
Phone: 1-800-655-1514
Write a Splitrail Investigator:
FBI
P.O. Box 33114
Phoenix, AZ 85067-3114

If you are writing anonymously, please use a code name on your communications.

In the early morning hours of October 9, 1995, the twelve-car Amtrak "Sunset Limited," bound from Miami to Los Angeles, derailed in Hyder, Arizona. There were 248 people on board. The first eight cars left the track killing one Amtrak employee and injuring more than 100 passengers. Indications are that the railroad tracks had been tampered with and the derailment was not an accident. **The Federal Bureau of Investigation is investigating the Arizona train wreck as a criminal matter.** The case is code named **Splitrail**.

The FBI is appealing to the public for assistance. A special phone line has been established for this purpose. Contact the FBI via telephone at **1-800-655-1514**. By mail, write a Splitrail Investigator at:

FBI
P.O. Box 33114
Phoenix, AZ
85067-3114

If you are writing anonymously, please use a code name on your communications.

Reward for Alexander Odeh Bombing - Los Angeles Field Office Offer

CRASH OF TWA FLIGHT 800

New York Field Office

Phone: 1-888-245-4636

E-Mail: <http://web.archive.org/web/19970116013004/mailto:newyork@fbi.gov>] [
newyork@fbi.gov

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The Ted K Archive

FBI
Major Investigations
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fbi.gov/majcases

www.thetedkarchive.com