
HOW TO DETECT FRAUDULENT WHOLESALERS AND COMPANIES?

Recently there has been an influx of fraudulent wholesalers and dubious bulk discount stores on the net. This article concentrates on how to detect such companies and what necessary checks must be carried out before investing in any business venture.

To detect whether the wholesaler or the company, being dealt with is genuine or not, these checks must be considered.

- A professionally designed website with a good layout is not an indicator that the business is genuine. A lot of wholesalers do not have great looking sites but are registered and authentic businesses. Never EVER get convinced by the design of the site.
- Ensure that the wholesaler accepts payments via credit/ debit cards and other online payment methods like paypal, nohex etc. If the company ask you to wire (BACS) money directly into their account then avoid trading with them as most definitely they are scamming you. Card payments in most cases can be easily traced and charged back whereas with money transfers, once the funds have left your account, they are gone forever.
- Try to talk to a representative of the company on the phone, it is always nice to talk to someone and clear your doubts.
- Visit their contact page and look for their contact/postal address. Try to determine whether it is a physical postal address or just a mailbox. If it's a mailbox, find out why the wholesaler doesn't have a proper postal address and where do they actually trade from?
- Request to visit their warehouse or trading office, even if there is no specific intention of doing so. Any fraudulent company would be hesitant to let you visit their premises.
- Visit the Companies Database provided by governmental bodies such as the one in UK: www.companieshouse.gov.uk and use their search index to determine whether the company is registered with them or not. Sole traders do not have to register and as result this would only serve as a secondary check but none the less will definitely help to clear any doubts.

Performing these checks will most definitely help to differentiate a scam company from legitimate wholesalers. After all any business venture involves a number of risks and seeking professional help is always a better option than making decisions based instincts and feelings. For the creator of scams, only one thing can be said: Fraud in the end secures for its companions only repentance and shame.

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