

FOR IMMEDIATE RELEASE:

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Nessel, Local Better Business Bureaus Issue

Drop-Shipping Consumer Alert Before Holiday Season

LANSING – If it's too good to be true, it probably is. That's the message Attorney General Dana Nessel and the Better Business Bureaus of Southeastern and Western Michigan are saying today in a consumer alert issued ahead of the holiday season advising Michiganders of a common rip-off tactic called drop-shipping.

Drop-shipping is a ploy used by self-proclaimed entrepreneurs to skim off the top of holiday must-haves and other goods throughout the year. Sellers set up websites to peddle products they do not keep in stock and send orders placed through their sites to various third parties to fulfill and ship the product directly to the consumer – all while charging markup-ups of up to \$50 or more.

"As we approach the holiday season, it is imperative we arm Michigan consumers with the information they need to shop wisely and avoid being victims of holiday scams," Nessel said. "While not always illegal, drop-shipping is a tactic that can increase the out-the-door price for consumers who could have purchased products cheaper elsewhere."

The drop-shipping alert issued today outlines a few ways consumers can protect themselves from falling victim to this common year-round ruse, including:

- Research the product and the seller of the product you want to purchase before you buy it;
- Complete an online image search of the product and other images the seller has posted to their site to see where the product is coming from, how much it really costs, and who else is selling it; and
- Compare prices for the same or similar products from other sellers.

"The Better Business Bureau wants people to be informed consumers," said BBB CEOs serving Eastern and Western Michigan Melanie Duquesnel and Phil Catlett. "The BBB receives a number of complaints every year from customers who didn't know the website they purchased from involved drop-shipping. Complaints include customers who never receive the item ordered or, if it is received, it comes much later than expected. Often consumers receive their product several months after it was anticipated to arrive. When done transparently, drop-shipping can connect consumers with products they may have otherwise overlooked. However, many drop-shipping websites misrepresent the real price of the item and delivery times, leaving gift givers with nothing but an empty promise on Christmas morning."

This consumer alert is part of a series of alerts Attorney General Nessel will publish for consumers ahead of the holiday gifting season to protect Michiganders from being scammed.