



COLONIAL SEAL COMPANY

Specialty Distributor of Custom Shaft Seals, Oil & Grease Seals, Hydraulic Seals and Gaskets
www.colonialseal.com

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FOR IMMEDIATE RELEASE

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Beware of credit card scams targeting industrial distribution

Westville, NJ – [Colonial Seal Company](http://www.colonialseal.com), the New Jersey based specialty distributor of [standard](#) and [custom sealing solutions](#) is taking this opportunity to inform all our customers and prospects about a parts scam circulating via email. Several of our colleagues in the industrial distribution industry have become the targets of **credit card fraud** recently. Typically, you may receive an urgent email or fax request for thousands of dollars in industrial supplies, parts or equipment. The perpetrators will reportedly place orders for next day delivery of brand name items including valves, shaft seals, fasteners etc. Officials urge that caution and good sense be exercised when confronted with these unique orders.

Some of these fraudulent orders typically exceed \$ 3,000 and the cards used are stolen, according to the Federal Trade Commission (FTC), which has received a number of complaints from distributors on the matter.

“At the time of the sale the credit card in question is verified through an on-line verification process,” says Susan Kohout, Colonial Seal’s accountant. “But by the time the seller realizes that the card is stolen or the card number is being used, usually when the credit card company issues a charge back, the goods have already been shipped.” After being alerted to one of these scams, Mrs. Kohout notified the Better Business Bureau, the police at the destination, as well as company employees, who have since become more aware of these fraudulent orders. “Every request that comes from a nontraditional (source) or for a non-

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core item is scrupulously examined,” Mrs. Kohout adds. Most distributors do business with the same customers regularly, and if orders from unverified sources seem exorbitant or unusual, it might be too good to be true. “I think most people, when they see these types of orders – realize it is not true,” she adds.

Fraudulent purchases are originating from several states including from California, Atlanta, New Jersey, Oregon and as far away as Africa. Distributors should be skeptical of orders from other states or other countries for items that are otherwise available locally.

Distributors should take some safeguards such as not shipping the parts until the payment is cleared and requiring a faxed copy of a valid driver’s license along with a copy of the credit card. Sellers should also make sure that the parts are being sent to the same address as that of the registered cardholder. Know who you are dealing with and do not ship parts to businesses or individuals who will not provide their basic contact info (name, address, telephone number). VALIDATE the information provided. Contact your payment gateway provider to find out their screening process, using the Address Verification System or CVV2 process may not be enough. And when in doubt call the credit card holder or bank before shipping the goods even if the order has been processed through automated systems.

Founded in 1994, Colonial Seal Co. is headquartered in a 10,000 sqft facility in Westville, New Jersey. Colonial Seal Co. is a specialty distributor of oil & grease seals, hydraulic seals, rotary shaft seals, rubber molded products and gaskets. Colonial Seal Co. is a Veteran Owned, Small Business Supplier to the US Government. Through a global network of manufacturers, Colonial Seal can produce custom seals designed for a client’s unique sealing applications. Colonial Seal Company is ISO 9001:2008 certified.

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