

NEWS FROM SCDCA

South Carolina Department of Consumer Affairs



Brandolyn Thomas Pinkston, Administrator

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FOR IMMEDIATE RELEASE

Car Warranty Scams

The South Carolina Department of Consumer Affairs (SCDCA) is urging consumers to be wary of mail or pre-recorded phone messages warning that their car warranty is about to expire. These post card and telephone warnings directing consumers to call a toll-free number, are often just a clever scam. Consumers who call these numbers are often asked for a “down payment” before they can even get information about the warranty.

An alert Midlands consumer knew something wasn’t right when she received a post card cautioning her that her car’s warranty was expiring soon. The red flag? She had just purchased her car brand new less than a month ago. She immediately contacted her local dealer and not only confirmed that her warranty was indeed in place, but the dealership had no knowledge of or involvement in the post card warning.

“These offers often target seniors and other car owners with postal notices and phone calls that sound so urgent,” said Brandolyn Thomas Pinkston, SCDCA Administrator. “They want to pressure you into buying an expensive car warranty – something you don’t want or need.”

Pinkston says the mailings and messages often include phrases like “motor vehicle notification,” “final notice,” or “priority level: high” to make the offer seem urgent.

About the South Carolina Department of Consumer Affairs:

Established by the Consumer Protection code in 1974, The South Carolina Department of Consumer Affairs represents the interests of South Carolina Consumers.

Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education.

For more information, visit www.sccoconsumer.gov.

Pat Watson, Executive Vice President of the SC Automobile Dealers Association, says he has seen these notices and joins the warning to consumers. “This is happening all over the country and we are trying to find out how the pranksters are getting mailing addresses to send these cards. But don’t let them alarm you. If you have a question about your warranty, either look in your owner’s manual or better yet, call your Dealer,” he said.

Red flags consumers should watch for:

- Mailings that appear to come from your automobile manufacturer offering extended warranty coverage.
- Pre-recorded phone calls. Telemarketers are not supposed to use pre-recorded messages unless a live person first asks you if you want to listen to the recording.
- Never give out personal financial or other sensitive information like your bank account number or Social Security Number, or even your Driver’s License.
- Check to see if you already have a car warranty that is still in place.
- If your car warranty expired years ago, the warning is bogus.
- Always get information in writing before you agree to sign up or pay any money.

Consumers who suspect they have been a victim of this scam, should contact the South Carolina Department of Consumer Affairs, 1-800-922-1594. For more information on consumer issues, visit the Department’s website: www.sconsumer.gov.

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