



## We Go on the Hunt to Discover Who's Sending All That 'Spam'

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MSNBC: <http://www.msnbc.com/news/702322.asp>

Wall Street Journal (Subscription Needed)

<http://interactive.wsj.com/archive/retrieve@0.cgi?id=SB1012830714576311120.djm&template=editors.tpl>

"Lose 20 pounds in 8 days" ... "Your Million \$\$\$\$s Is Waiting" ... "Exciting Home Business Opportunity!!!!"

Every day, we're deluged with junk e-mail, popularly called spam. Fad diets, home-refinancing offers, pornography -- you name it -- pile up in our in-boxes. We've never heard of most of the companies sending the e-mails, and many of the offers are for products and services we don't need. Almost all end up in the electronic trash can moments after we read the subject line.

Still, we're curious. Who is sending this stuff? How did they get our e-mail boxes? Who runs the companies behind these offers? And what would happen if a person actually followed up and tried to buy something? See examples of some spam pitches.

Armed with a fresh batch of junk mail -- culled from a work e-mail account, a personal account and from a number of personal accounts created just for this story -- we set out to answer these questions.

### E-Mail Harvesting

I get at least 25 spams a day in my personal account, advertising every business in the book. A good portion of it promotes online porn, but I also received a fair share touting business opportunities and herbal health remedies. Rarely did I get spam from companies that are household names. Using my name and a combination of six numbers, I created a few new accounts through free online services such as Microsoft Corp.'s Hotmail and Yahoo Inc.'s YahooMail. I provided different registration information for each account, then sat back and waited for the deluge. It didn't take long.

In only one of the e-mail accounts, I provided all of the information requested (name, address, demographics, etc.) during the registration

process, and I used this e-mail address just one time -- to purchase a gift certificate from Borders.com. Less than a week later, the spam started rolling in -- jamming the in-box with more spam than the other new accounts I had created.

Anne Rodems, customer-service manager for Borders.com, the online service run by Borders Group Inc., says its privacy policy prohibits Borders from selling or renting any of its customers' e-mail addresses, so it's unlikely that my e-mail address was passed along by them. Yahoo's privacy policy also bars selling or renting users' information, says Lisa Pollock, director of messaging products for Yahoo.

I contacted one of the spammers, Dial Direct USA, a long-distance telephone provider in Fond du Lac, Wis., to ask how it acquired my e-mail address. Tom Johnson, the company's marketing director, says he gets e-mail addresses from an e-mail harvesting program called Target 2001, made by Microsys Technologies Inc. of Findlay, Ohio. E-mail harvesters are computer programs that scan Web sites and databases for addresses and gather them for spammers.

Dial Direct's Mr. Johnson says e-mail has been an effective marketing tool for his small business, which competes with such telecommunications giants as AT&T Corp. and Sprint Corp. Dial Direct sends about 15,000 e-mails a day to potential customers in targeted areas, and the mailings net the company about 10 to 15 new clients a day, Mr. Johnson says.

#### No Love Lost Here

A spam from one of the other e-mail accounts that caught my eye was one after my own heart -- literally. A message from "Irichey@123goal.com" promised to provide me with an online place where I could meet thousands of other singles. "Find Your True Love Here," the e-mail beckoned, followed by a link to a Web site called Date.com. My e-mail reply to "Irichey" was returned as undeliverable.

The online-dating site included lists of personal ads for singles all over the country. The site doesn't ask for payment to submit a profile, but when users convert to "premium" memberships -- which allows other members to contact them -- they must pay \$25.

New York-based Date.com says the e-mail I received didn't come from it, but instead was generated by one of its Web affiliates that gets paid for driving traffic to the Date.com Web site. Although the company does send e-mail marketing pitches to people who have opted in to receive them, Date.com Chief Executive Meir Strahlberg says the company has a zero-tolerance policy for spammers.

"[Date.com] is a real, legitimate company that has a legitimate service," he says, noting that the site signs up 7,000 to 10,000 new users a day. Date.com is the fifth-largest personals site, with 1.2 million unique visitors in December 2001, according to Internet research firm Jupiter Media Metrix.

The company pays affiliate Web sites a commission of \$25 for each free user that registers with the site, then Date.com works to convert them to paying members. Getting them to pay for that second month is where Date.com makes

its money, Mr. Strahlberg says. E-mail marketing to people who have opted to accept sales pitches is part of a larger advertising strategy that also includes banner ads.

But the equation is dependent on relationships with the other Web sites that drive traffic to Date.com. "Sometimes these Web masters go beyond the terms and conditions that we set forth," Mr. Strahlberg says. "They send it and we have no way of controlling it other than cutting off their accounts."

A peek at the Date.com site's privacy policy revealed that to register for the site, users must give "personally identifiable information" such as Social Security numbers or bank-account information. Not what I'd call privacy. Mr. Strahlberg says individuals are asked to supply the "personally identifiable information" only when making a payment, and that the company guards that information closely and doesn't sell or rent it to third parties.

I called the Better Business Bureau of Metropolitan New York, which had started a file on the company in mid-January. The BBB had received some inquiries about Date.com and had sent a questionnaire to the Web site for more information, says Susan McMillan, a spokeswoman for the BBB. No one from Date.com has responded; Mr. Strahlberg says Date.com hasn't received the questionnaire, but the company's legal department is now looking into it.

#### Real\_Business\_At\_Home

Facing a two-hour-each-way commute these days, working from home is sounding better every day. A message from "thefutureisnow4u" boasted its service could help me make \$2,000 a week from my home using just a computer and telephone, and wouldn't require me to do any selling. Sweet.

I called "Mel & Jan" at the toll-free number listed at the bottom of the e-mail. A recording said I could earn up to \$5,000 as long as I was "coachable and teachable," and it instructed me to leave some basic details to receive more information. I left my phone number and area code, twice, after being instructed to by the recording ... which also said the company's decision about calling me back would hinge on my ability to follow directions.

Later that day, a woman who would identify herself only as "Jan" returned my message. When I told her I was a reporter and wanted more information, she said she didn't have time to talk at length about her business because more than 4,000 people had responded to her electronic ad.

Jan said she and her husband run a consulting firm called MJ Enterprises, which helps people set up home offices. She declined to provide more details on how the business works. "I help budding entrepreneurs find the right opportunity for them," she said, before abruptly hanging up on me. Further calls to the toll-free number went unreturned.

These work-at-home offers aren't confined to the Internet, but can reach a broader audience there and therefore have become more prolific, says Jennifer Mandigo, a staff attorney for the Federal Trade Commission in Washington. She stressed that not all work-from-home opportunities are scams, but consumers need to pay close attention to the claims being made. "If the advertisement is making promises about how much you can make doing this work at home job, it's probably not going to pan out," she says.

Sigh. Guess I'll keep my day job.

### 'Non-Accredited University'

Tracing that e-mail proved a lot easier than spam sent to some of my other Hotmail accounts. One message, from "AdamGreenpea@excite.com," offered to sell me a diploma from a "prestigious non-accredited" university for an undisclosed cost.

I tried to respond to the address provided in his e-mail, but the message was returned to me as being undeliverable. The e-mail also included a phone number in Chicago, but the same solicitation sent to one of my colleagues directed me to a phone number in New York.

I made a quick call to both offices of the "University Degree Program," and was instructed by voice mail to leave my name and two phone numbers for more information. A company representative from the New York number phoned me back the next morning. After I explained the reason for my call, the suddenly highly agitated woman rushed me off the phone but promised to have someone call me back to explain the program.

A person claiming to be associated with the University Degree Program returned my phone call, but declined to be interviewed by telephone for this story.

I decided to check the Better Business Bureau to see if any complaints had been filed about the company. The only listing for a company with that name was based in California City, Calif., and a call to the BBB chapter there turned up nothing but a report that the company was classified as a school or academic institution, and was entered in the system in November 2001. Vicky Phillips, chief executive of GetEducated.com, a distance-learning research and consulting firm in Essex Junction, Vt., says that in general "degree mills" like these are an old scam. "The Internet has made it easier to target people," she says.

Companies that offer diplomas or degrees for a fee, and don't require purchasers to submit transcripts or take any tests -- neither of which were a pre-requisite in the spam I received -- are tipoffs that the degrees are worthless, Ms. Phillips says. Having a degree from a college or university that's not accredited is "sort of like having a luxury car with no engine," she says.

So much for higher education.

The FTC encourages consumers to forward unsolicited commercial spam to [uce@ftc.gov](mailto:uce@ftc.gov). Write to Stacy Forster at [stacy.forster@wsj.com](mailto:stacy.forster@wsj.com).