

## Cons of Columbia

BY SARAH HANDELMAN  
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As a teenager, Frank Abagnale began living the lives of others. He disguised himself as an airline pilot, a doctor, a teacher and a lawyer, and he spun decades of lies worth more than \$2.5 million in fake checks. His personal memoir became the premise for the heist flick *Catch Me if You Can*. Until he was caught, Abagnale was one of the world's most talented con artists, a professional scammer who gained the confidence of others to steal their money and identities. The scary part for modern consumers is that plenty of cons have followed Abagnale's lead — and the best are still scheming their next moves. Believe it or not, Columbia has a few cons of its own.



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Would you trust this man?  
Frank Abagnale wrote  
millions worth of fraudulent  
checks.

### Million-dollar vending machines:

In the late '90s, Columbia-based United Management Inc. began convincing investors to put their money toward a vending-machine apparatus that monitored money and inventory. Nearly 100 people invested more than \$2 million, but when a few too many unforeseen calamities continued to push back the product launch date, Columbia attorney Brad Lear subpoenaed the company's bank records. Instead of vending machines, Lear alleged the money was going toward personal debts and department store purchases. In early 2006, Attorney General Jay Nixon filed a lawsuit against the three people associated with the firm: an elderly couple, William C. McNeely and Gail Wilkerson, and their partner, Craig Swoboda. The accused were charged with lying about the worth of their company, the production status of the vending-machine apparatus and the level of risk involved with the investment, among other things. On Sept. 8, 2006, after FBI and IRS investigations, a federal grand jury indicted the trio on six charges of fraud — both mail and wire — that occurred between 1997 and 2006. Earlier this month, the indictments were modified to include money laundering. On Nov. 20, Wilkerson pleaded guilty to the one count of the federal indictment that included her. McNeely and Swoboda await a federal trial scheduled for January.

### What should potential investors know?

Even though the case isn't closed on this company, there are lessons to take from its story.

"Be careful with your assumptions," Lear says. "Most people don't expect an elderly couple to be dishonest."

Also, if the offer is too good to be true, it probably is. "Most of these people doing this are not criminal masterminds," he says. "They don't hold up to actual scrutiny."

### Sounds phishy

Columbia's First National Bank Director of Security Keith Whitney saw red flags in June 2007 after several bank customers reported they had received suspicious e-mails from a source that claimed to be the financial institution. The e-mails linked to an official-looking site that asked for their PINs and credit card numbers. This is known as a phishing scheme, an electronic method of criminally accessing private information. After receiving numerous worried calls from customers, the bank notified the police and the FBI, and it was able to close the bogus Web site within half an hour. Only five customers provided the information to the fraudulent e-con artist, and nobody experienced a financial loss.

### How do you avoid taking the bait?

Although the bank maintains it was prepared internally for such an event, it wanted to be sure its members and the Columbia community were better informed about such scams. Whitney and a group of marketers posted information about online scams on First National Bank's Web site.

"There are things financial institutions shouldn't do," says Whitney, who speaks to organizations about safe banking. "We already have all of our customers' credit card numbers, and no one should ask you for your PIN."

Before putting faith in a Web site, consumers should look for spelling errors and blurry images. The site shouldn't ask for anything besides an account access code. Customers who give away credit card or Social Security numbers could be quick victims of fraud. In many cases, they won't be compensated for their losses.

### Diamonds are a thief's best friend

Robert Tucker, owner of Tucker's Fine Jewelry, knew he had a fake check on his hands. The customer had already been in twice that Tuesday in October 2007. He came in again after 5 p.m. when the banks were conveniently closed and information would be difficult to verify. He tried to make his purchase of \$300, and he paid with a traveler's check made out for \$500. He asked for the

"I knew it was fake when he filled the entire check out in front of me," says Tucker, adding that a bank teller should have already signed the first section of the traveler's check.

Tucker noticed that the security strip on the back looked like a photocopy, which prompted him to call American Express. The serial numbers couldn't be verified, which suggested the check was fraudulent. Tucker turned the check over to the Columbia Police Department, and the customer was later arrested.

#### How do you spot a fake?

Checks are easier to fabricate than personalized plastic. They're equivalent to counterfeit bills and can be quite convincing. But banks and business owners are getting better at identifying frauds. "You just need to pay attention," Tucker says. "It's really about common sense."

Tucker encourages anyone accepting a check to examine the paper, ink and background for telltale signs of a fake. If a fake check falls into your hands, let your bank and the police department know.

#### The moral of the stories

If you're not careful, it's easy to fall into a con artist's trap. Scammers prey on the confidence of the most vulnerable and trusting.

"People are nice but gullible; we're all guilty of that," says Mary Wilkerson, director of marketing at Boone County National Bank. "It doesn't matter what the scam is. You are responsible for your own financial life."

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