Trade Show Trickery

Protect yourself from the hustlers, swindlers, and dirty cheats hoping to take your exhibit-marketing program for a ride. By Candy Adams

Every industry has its dark side, and I’ve encountered more shady characters and situations than I’d like during my decades in the trade show biz. Since there’s a fair amount of turnover among exhibit managers, I’ve seen many rookies whose naivety has been taken advantage of by underhanded companies and individuals who ensnare their prey in schemes and contracts that contain dubious clauses at best — or are outright fraud at worst. But because knowledge is power, let’s look at some of the more blatant scams and shams I’ve come across and ways to avoid falling victim to them.

Phantom Shows

There have been a number of cases in which novice exhibitors signed up for a first-time trade show and paid for their booth spaces and show services, only to arrive on site and find an empty exhibit hall and shoulder-shrugging venue staffers. This can be the result of an unscrupulous show organizer who started the rental process with the venue but never made the required payments to rent the space — nor notified any exhibitors about the event’s cancellation — or the handiwork of a bona-fide scam artist. Quite a few of these incidents have involved consumer shows with relatively low exhibiting costs that many companies did not consider worth pursuing legal action to recover.

Before signing up for a first-time show, do your homework. Check with the venue to make sure that the show is booked and that the organizer named in the contract has paid for the space. Read the contract’s fine print to ascertain the organizer’s ability to cancel the event and in what situations you’d be issued a partial or full refund. And be sure to check out the legitimacy of the official or recommended contractors listed in the exhibitor services manual to catch any red flags. Finally, always make any deposits and payments with a credit card so you have some financial protection from its issuer if the show doesn’t happen as contracted.

Faux Hotel Reservations

Third-party hotel-room brokers, aka “room poachers” and “housing pirates,” use deceptive practices to market overpriced or nonexistent hotel rooms. These con artists will email or call exhibitors, whose contact info is harvested from show websites, and purport to be the official housing bureau or somehow affiliated with a show. They’ll generally claim that hotel room blocks are filling up fast and rooms may not be available unless they are booked and paid for that day. The requested payment is often for the full amount of the stay plus tax, rather than the one-day deposit usually required by legitimate housing bureaus. This scam typically ends with the poachers either making off with your credit-card information or renting you lower-quality rooms in a more remote location than the desirable hotels they’re offering — with hefty booking fees and cancellation or change penalties tacked on to boot.

Show organizers I spoke to admit that going after these scammers is much like playing “Whac-A-Mole,” leaving them with few options other than sending a cease-and-desist letter. But if you do receive any suspicious third-party emails or phone calls regarding hotel bookings, don’t provide any financial information, get the party’s contact info, and share it with show management.
EXHIBITING 101

Bogus Attendee Lists

Exhibiting newbies don’t have to wait long until their inboxes start filling up with emails from the likes of “GotYourShowList Inc.” and “Databases ‘R’ Us LLC” claiming they have the contact info for exactly the same number of attendees that, based on your upcoming show’s prospectus, are expected to be wandering the exhibit hall. Oh, and did they also mention that the list they’re selling is guaranteed to be 95-percent accurate, contains everything but the attendees’ blood types, and includes a refund on any outdated contacts? Well, as the old saying goes: If something sounds too good to be true, it probably is.

A review of most shows’ official marketing materials will either state that the organizers don’t even rent a list of attendee contact information, or that if they do, it’s strictly for one-time use. And if you talk with the show’s managers, don’t be surprised if they tell you they’re only at 50 percent of expected registration and that few attendees opt in to have their personal information made available, meaning the odds that anyone can provide you with a comprehensive contact list are about as great as spotting a unicorn.

My advice: Immediately relegate any fishy emails to your trash bin, and always work through official show channels when it comes to planning your pre-show marketing efforts.

Shady Surcharges

Many consumers, exhibit managers included, are unaware that it is illegal for merchants to slap them with a surcharge if they choose to pay with a credit card in 10 states (California, Colorado, Connecticut, Florida, Kansas, Maine, Massachusetts, New York, Oklahoma, and Texas) and Puerto Rico. Unfortunately, some dishonest businesses are all too willing to take advantage of this ignorance. One Colorado exhibit-house owner admitted to me that she knew imposing such a surcharge—also referred to as a “swipe charge” or “convenience fee”—was illegal in her state, but she did so anyway because most exhibitors didn’t know about the law. It goes without saying that I walked away from that contract and never did business with that exhibit house again.

Deceptive Directories

The largest directory scam involved a company called Construct Data Publishers and its Fair Guide. CDP mailed letters to exhibitors asking them to provide company information for free inclusion in online directories for shows they’d attended or planned to attend. But buried in the agreements’ fine print were four-figure annual fees and automatic listing-renewal clauses, both of which could be avoided only by sending a registered letter within 10 days of returning the form. It should come as little surprise that exhibitors received their unexpected invoices after the rescission period had passed. This multimillion-dollar racket eventually caught the attention of the Federal Trade Commission (FTC), which took action against CDP and banned it from publishing any more business directories.

In the wake of this snail-mail shakedown, crooked companies are now calling exhibitors asking them to verify their firms’ information for a directory or social-media listing that may or may not exist. The persuasive caller, who’s recording the conversation, gets the unwitting exhibitor to say “yes” to being included in what they assume is a free registry. Then the invoices start to arrive. Companies that fight the charges may wind up in court, where fraudsters eagerly
play back the tape of the initial call’s alleged verbal agreement. Or the scam artist may offer to discount the mounting invoices or to remove the company from future listings, but unfortunately this almost guarantees that the gathered contact information will be sold to another swindler. Regardless of how far the situation escalates, it’s wise to alert the FTC (www.ftc.gov/complaint).

Ominous On-Site Wi-Fi

Most trade show exhibitors and attendees have come to expect that the show venue will provide free Wi-Fi, despite its often limited speed or bandwidth. Nefarious hackers are exploiting this expectation by setting up public Wi-Fi signals, naming them to look like a show- or venue-affiliated service, and waiting for showgoers to connect. High-tech heisters can then track every keystoke and gain access to almost any file, exposing users’ most sensitive personal and financial information. As exhibit managers, there’s little we can do but repeatedly remind our staffers of the name of the show’s more secure official network, pay for private wired or wireless internet service, or simply opt to use our personal data plans.

There will always be scoundrels and racketeers in this world who will try to pull a fast one on unsuspecting and trusting people. The best you can do is be aware of the scams common to our industry and question situations that just don’t feel right. After all, there may very well be a sucker born every minute, but that doesn’t mean you have to be one of them.