

ABC News

Nationwide 'Locksmith Swindle,' Says Better Business Bureau Consumer Complaints Are on the Rise

Jan. 2, 2008 —

About 250,000 Americans make emergency calls to locksmiths daily, according to Associated Locksmiths of America.

The panicky feeling they get once they realize they've locked themselves out of their homes or cars may soon be replaced by anger, though, because according to authorities, several companies prey on locked-out consumers.

Complaints about locksmiths have increased and include accusations of overcharging, shoddy workmanship, lowball telephone quotes and unnecessary work. The Council of Better Business Bureaus said twice as many locksmiths complaints exist as did two years ago. In 2005 there were about 250 complaints, while 2007 is expected to top 500, according to the Better Business Bureau.

The problem has become so troublesome that the Better Business Bureau has called it a "nationwide locksmith swindle."

An undercover investigation by San Francisco affiliate KGO revealed how unscrupulous locksmiths can prey on people who are locked out. For example during an investigation a locksmith the affiliate called to unlock a storefront door said he couldn't pick the lock and would have to drill it. By the time he was finished drilling and replacing the lock, the bill came to \$890.

The problem has become so troublesome that the Better Business Bureau has called it a "nationwide locksmith swindle." It turned out that locksmith had been dispatched by a New York-based locksmith company.

Meanwhile, legitimate local locksmith Sam Napier said he could have picked the lock in less than one minute and the cost would have been about \$80 to \$100.

Not all the rip-offs are huge and can be \$25 or \$50 extra. Overall, these charges could add up to millions across the nation.

Among the cities where these types of schemes have been caught on tape by investigative reporters include Seattle, New York, Orlando, Fla., and Colorado Springs, Colo., and San Francisco. Suburban Chicago resident Ray Miller paid the price when he locked his keys in his house. A locksmith charged him nearly \$1,700 to unlock it. "He came here to do his job and get his bill. He works on commission," Miller said.

According to the Illinois-Indiana Locksmith Association president, people like Miller are the perfect prey for less-than-scrupulous locksmiths.

"These guys mostly target the people [who are] on the road or locked out of their house," said Mike Bronzel at the Illinois-Indiana Locksmith Association. The Better Business Bureau said the root of the problem is the deception being perpetrated by a handful of companies. The companies have taken out hundreds of listings of locksmiths in online registries and local phone books □ using bogus names and addresses to fool people into thinking they're calling local locksmiths, while in reality the numbers ring at national call centers, which could be hundreds of miles away.

The companies then dispatch their people and they might have very little training. "The odds of getting a legitimate locksmith are relatively slim □ maybe about 5 percent in the bigger cities," Associated Locksmiths of America vice president Bill Gibson said.

Dependable Locksmith, which had been based in the Bronx, N.Y., has been one major reason complaints are on the rise, according to the Better Business Bureau.

"They're definitely one of the larger offenders as far as phony locksmiths go," said Alison Preszler at the Council of Better Business Bureaus. Locksmith Shalom Newman said until mid-2006 he worked for a company the Better Business Bureau linked to Dependable and had a falling out with management when he objected to its business practices.

"I'm making money off of other [people's] misery, and it's against everything I believe," Newman said. "They just told me to charge as much as I can □ to start with a very high number to pressure the customer to pay that and to go lower if I have to."

Two companies, which the Better Business Bureau said were aliases used by Dependable, settled consumer protection lawsuits with the Illinois attorney general in January.

"They would quote people a much lower rate than they ultimately charged them. A lot of the charges were fraudulent," said Illinois Attorney General Lisa Madigan. The companies settled without admitting liability.

One of the companies was called Priceline. It's the same company whose locksmith reportedly victimized Miller. Court papers list the president of Priceline as Gillad Gill. The Better Business Bureau lists Gill as the owner of Dependable.

When ABC News reached Gill on his cell phone in Israel, he told us he no longer is in the business. And when ABC News asked him how much he made in the business, he said, "Well, you're surely not welcome to know that kind of information. But I wish I would have made some money."

Dependable's Response

In a statement, an attorney who represents Dependable told ABC News, Dependable is a separate company with no connections to the operation Gill ran. He added, Dependable tries to run a clean business, with written estimates, written approvals and no fictitious addresses.

Dependable is moving its main call center to Florida, and its attorney said the company has set up a special consumer complaint department there. Still, the Better Business Bureau blasted Dependable's "unsatisfactory" business record at the close of 2007. The Better Business Bureau said Dependable has 51 pending complaints and 87 others to which the company never responded.

"We believe that the number of complaints we've received are just a small sliver of the larger problem," Preszler said.

How to Tell Whether You're Dealing With a Scammer

There are several ways to protect yourself and your money from dishonest locksmiths.

Warning signs include:

- They answer the phone by just saying locksmith.
- They won't tell you their exact address.
- They're evasive when you ask questions.

You can protect yourself by finding a professional locksmith near you before you ever need one. Program the number into your phone. Also, get a written estimate before the locksmith does any work.