

Informational Article

For Immediate Release

Contact: Melissa Merz

312-814-3118

877-844-5461 (TTY)

mmerz@atg.state.il.us

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Madigan Seeks to Closet Door on Phony Storefront Locksmiths

Press Release by the Illinois Attorney General

Chicago — Attorney General Lisa Madigan today sued two New York locksmith companies and their owners and officers for setting up fake addresses and phone numbers in Illinois that led locked-out consumers to believe they were dealing with a local company, when in fact their calls for help were dispatched to the Bronx, New York, and, often, unlicensed Illinois locksmiths were instructed to respond. Complaints were received from Cook, DuPage and Lake Counties.

Madigan's lawsuit names as defendants Price Line Locksmith, Inc., a New York corporation, doing business as Priceline Locksmith, Inc., and Locksmith 24 Hours, Inc.; Gilad Gill, individually and as President of Price Line Locksmith, Inc.; David Sasson, individually and as President of Price Line Locksmith, Inc.; Superb Solutions, Inc., a New York corporation; and Shlomo Hadar, individually and as President of Superb Solutions, Inc.

Madigan alleges that Price Line solicited and advertised for at least 17 companies under assumed business names that claimed to be Illinois-based businesses. However, outside of their registered agent's location in Skokie, the defendants do not have a location in Illinois. The ads for the companies with the assumed business names were placed in the Yellow Pages, on various Internet Yellow Pages' search engines, its own individual Web sites at www.chicago-locksmith.com, www.USATotalSecurity.com and on telephone directory assistance.

Additionally, Price Line is not licensed to do business in Illinois under any of the assumed business names used by Price Line.

"It's time to close the door on a New York company that does everything in its power to represent that it's a local Illinois company," Madigan said. "Price Line not only operated several phony businesses, they employed questionable practices when actually doing locksmith work."

Those questionable practices included drilling consumers' locks instead of picking the locks, which in itself is more expensive and requires the extra cost of replacement locks; trying to charge customers more for work than was quoted over the telephone; giving consumers receipts stamped "Priceline Locksmith...Servicing the Great State of Illinois" when consumers thought they had contacted an entirely different company; and charging consumers for installing locks allegedly of a certain quality when in fact they were a lesser standard.

In one instance, a 67-year-old Streamwood man went to the police department after he was locked out. The police called what they thought was a local locksmith from the Yellow Pages. When the locksmith arrived, the consumer asked to see his license, which he did not show. Against the consumer's objections, he drilled the lock open and installed a new lock. Upon completing his work, the locksmith wrote a bill for \$1,709.20, which had Price Line Locksmith stamped on to it. The consumer, who paid with a credit card, called his credit card company, only to find out that the charge was made to yet another business, Superb Solutions Locksmith.

An Evanston consumer searched the Web site www.chicago-locksmith.com for a locksmith to have the front and back doors re-keyed on his recently purchased condominium. He was quoted a rate of \$80 per cylinder for the lock changes. The next day, a locksmith showed up and told the consumer it was necessary to replace the entire lock for the back door because the consumer did not have a key for that door. The locksmith said he was installing a heavy duty lock and the consumer agreed. The bill was \$359 from Price Line.

The next day, the front door lock that was re-keyed broke and the front door would not open. The consumer contacted Price Line, which agreed to send a technician, but no one showed up. The consumer finally contacted a truly local locksmith and paid \$174.50 for the door to be repaired. A few days after Price Line's work, the consumer found on the back door replacement lock box and the manufacturer's Web site that the alleged "heavy duty" lock was only standard duty, even though Price Line charged more to install that lock.

In another instance, a Matteson consumer was locked out of her car during lunch in the South Holland area. She dialed directory assistance for a local locksmith and was given information for Triple AAA Locksmith and 24hr South Holland Locksmith. Both had the same phone number. While one of the businesses said it would be right there, she waited 45 minutes.

Before opening the car door, the locksmith told the consumer it would cost her \$65 for the initial phone call and \$165 to open the door. The bill, with \$32 added in taxes, came to \$272 and was stamped Price Line at the top. After paying the bill with her credit card, the consumer called Price Line and told them they lied about where they were located, the price for their lockout services and the timely delivery of such

services. She also called directory assistance to get the addresses of the locksmiths, and was given a Park Ridge address for one and a South Holland address for the other. The consumer filed a dispute with her credit card company after she discovered that the charges were billed to a New York address.

Madigan's suit seeks to prohibit Price Line from doing business in Illinois, revocation of any and all licenses to do business in Illinois, a declaration that all contracts with consumers are unlawful and that restitution is paid. The lawsuit also seeks a civil penalty of \$50,000 and additional penalties of \$50,000 for each violation found to have been committed with the intent to defraud. Additionally, the suit seeks \$10,000 per violation committed against a person 65 or older.

"Consumers who face emergency situations such as lockouts often are targets for con artists," Madigan said. "We allege that Price Line preyed upon this stress and in the process, broke the laws of our state."

The case is being handled by Assistant Attorney General Henry Ford, Jr., in Madigan's Consumer Protection Division.