

FTC, Florida Attorney General Sue to Stop Deceptive Robocalls from Operation That Pitched Seniors "Free" Medical Alert Systems

FOR RELEASE

July 6, 2015

TAGS: <u>Over-the-Counter Drugs and Devices</u> | <u>Midwest Region</u> | <u>Gonsumer Protection</u> | <u>Advertising and Marketing</u> |
Telemarketing

The Federal Trade Commission has filed a joint complaint with the Florida Attorney General's Office charging a New York-based operation known as Lifewatch with using blatantly illegal and deceptive robocalls to trick older consumers throughout the United States and Canada into signing up for medical alert systems with monthly monitoring fees ranging from \$29.95 to \$39.95.

Last year one of Lifewatch's telemarketing firms, Worldwide Info Services, agreed to be banned from making robocalls or engaging in other deceptive conduct, to settle charges brought by the FTC and State of Florida. In the action being announced today, the FTC and Attorney General allege that Lifewatch knew of, and is responsible for, the illegal activities in that case, and that Lifewatch simply continued its telemarketing campaign using a variety of other telemarketers after Worldwide was shut down.

"Some scammers won't take a hint," said Jessica Rich, Director of the FTC's Bureau of Consumer Protection. "When we sued Lifewatch's telemarketers for making deceptive robocalls, they just continued the same illegal practices with new telemarketers. The FTC and the Florida Attorney General won't be deterred, and will continue to work together to stop illegal robocalls."

"This company violated the Do Not Call Registry to deceive seniors, not only in Florida but across the country, and we will continue to work with the FTC to do everything in our power to make sure the individuals responsible for this scheme pay," said Attorney General Pam Bondi.

According to the joint complaint, since 2012 Lifewatch has been bombarding consumers – primarily elderly consumers – with millions of unsolicited robocalls. These calls are often placed to consumers whose numbers are on the National Do Not Call Registry, and typically use fake, "spoofed" caller ID information. They also use pre-recorded messages, including one supposedly from "John from the shipping department of Emergency Medical Alert," to falsely tell the consumers that a medical alert system has been purchased for them, and they can receive it "at no cost whatsoever."

Consumers who press a number to speak with a live operator are told that even though the system costs over \$400, they will get it for free. However, the telemarketers refuse to answer questions about who bought the system for them, and tell consumers the offer is only good for one day. Telemarketers often use the well-known phrase, "I've fallen and I can't get up" or tell consumers they may have seen the product on television, to add an air of legitimacy to the sales pitch.

Eventually, consumers are told they will be responsible for a monthly monitoring fee and that they must provide their credit card or bank account information. They often also are told that they will not be billed until they receive and "activate" the system, although they actually are charged almost immediately. Those who later realize they have been tricked discover that it is very difficult to cancel, and are told they have to pay to return the system or pay a \$400 penalty, according to the complaint.

Many of the consumers the defendants called have fixed or limited incomes or rely on family members or health professionals to make

The joint complaint charges the Lifewatch defendants with violating the FTC Act and the FTC's Telemarketing Sales Rule, as well as Florida's Unfair and Deceptive Trade Practices Act. Defendants in the case include: Lifewatch, Inc., also doing business as Lifewatch USA and Medical Alarm Systems; and Evan Sirlin, individually and as an officer or manager of Lifewatch, Inc.

The agencies are seeking a preliminary injunction to stop the defendants' use of illegal robocalls and deceptive telemarketing claims, as well as funds for eventual restitution to victims.

The Commission vote approving the joint complaint was 5-0. It was filed in the U.S. District Court for the Northern District of Illinois, Eastern Division.

The FTC and Florida Attorney General's Office would like to thank the following agencies for their help in bringing the action announced today: Indiana's Office of the Attorney General, the Florida Department of Agriculture and Consumer Services, the Better Business Bureau of Eastern Missouri, the American Heart Association, the American Diabetes Association, the National Institute on Aging, and AARP.

Information for Consumers

Unsolicited commercial robocalls and deceptive telemarketing calls are illegal. <u>Information about avoiding such calls and signing up for the DNC Registry</u> can be found on the FTC's website.

NOTE: The Commission files a complaint when it has "reason to believe" that the law has been or is being violated and it appears to the Commission that a proceeding is in the public interest. The case will be decided by the court.

The Federal Trade Commission works for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC's online Complaint Assistant or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to more than 2,000 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC's website provides free information on a variety of consumer topics. Like the FTC on Facebook, follow us on Twitter, and subscribe to press releases for the latest FTC news and resources.

Contact Information

MEDIA CONTACT:

Mitchell J. Katz
Office of Public Affairs
202-326-2161

STAFF CONTACT:

David A. O'Toole FTC's Midwest Region 312-960-5601

AUTOMATICALY BLOCK UNWANTED HARASSING PHONE CALLS



Stop unwanted phone calls efficiently and effortlessly with the new **Reverd free spam call detector app**Download now directly from iTunes Appstore

