FTC Testifies Before U.S. Senate Special Committee on Aging on the Continuing Fight to Combat Illegal Robocalls







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October 4, 2017

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The Federal Trade Commission today told a U.S. Senate Special Committee that the agency is continuing its efforts on behalf of American consumers to combat illegal telemarketing robocalls through aggressive law enforcement, initiatives to spur technological solutions, and robust consumer education and business outreach.

<u>Testifying on behalf of the FTC before the Special Committee on Aging, Lois Greisman</u>, Associate Director for the agency's Division of Marketing Practices, said that consumers are justifiably frustrated by the illegal robocalls they are getting, and that last year alone, the FTC received more than 3.4 million robocall complaints. This year, between January and August alone, she said, the FTC has received more than 3.5 million robocall complaints.

Illegal robocalls are more than just a frustrating invasion of consumers' privacy, according to the testimony, as callers frequently use fraud and deception to pitch their goods and services, leading to significant economic harm. Such robocalls also are often used by criminal imposters posing as trusted officials or companies.

To help protect consumers from such calls, the testimony notes that since the Commission began enforcing the DNC provisions of the Telemarketing Sales Rule, the FTC has brought 131 enforcement actions seeking civil penalties, restitution for victims of telemarketing scams, and disgorgement of ill-gotten gains against 429 corporations and 345 individuals. As a result of the 124 cases that have been resolved thus far, the Commission has collected over \$120 million in monetary relief for defrauded consumers and civil penalties.

The FTC's most recent victory in the fight against illegal robocalls came this past June, when a federal district court in Illinois issued an order imposing the largest civil penalty ever in a DNC case -- \$280 million against satellite television provider Dish Network. The case charged Dish and its telemarketers with making tens of millions of calls – often robocalls – to consumers on the DNC Registry, as well as continuing to call consumers who had previously asked not to be called again.

The testimony details FTC enforcement actions that have strategically targeted robocall violators, noting that nearly all telemarketing robocalls – to both landlines and cell phones – have been illegal since September 1, 2009. Over the past two years alone, the FTC, often working with its law enforcement partners, has brought nine new actions targeting defendants

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responsible for making billion of illegal robocalls pitching everything from home security systems to supposedly free vacations.

The testimony explains the FTC's ongoing efforts to understand what is driving the volume of illegal robocalls and what can be done to develop effective technological solutions. New technologies have made making robocalls increasingly inexpensive and have made it easier for robocallers to hide by manipulating Caller ID information and "spoofing" the numbers from which they are calling. To stimulate technological solutions to these problems, the FTC has, among other things, held several robocall challenges, calling on innovators to develop consumer-facing robocall blocking solutions.

The FTC actively coordinates with state, federal and international law enforcement partners, technical experts, industry, and other stakeholders – for example, providing input to the industry-led Robocall Strike Force – to help deliver comprehensive solutions to prevent, detect, and filter unwanted calls. The Commission also recently began posting on its website robocall numbers generated from consumer complaints for use by industry in developing new call-blocking solutions.

Finally, the testimony details the Commission's substantial consumer education efforts to help people avoid and prevent unwanted robocalls. The best advice: "If you pick up the phone and hear an unwanted telemarketing robocall, hang up. Period." Other key messages for consumers include how to put a number on the DNC Registry, how and where to report illegal robocalls, available call-blocking solutions, and how to identify common scams.

The Commission vote approving the testimony and its inclusion in the formal record was 2-0.

The Federal Trade Commission works to promote competition, and <u>protect and educate consumers</u>. You can <u>learn more about consumer topics</u> and file a <u>consumer complaint online</u> or by calling 1-877-FTC-HELP (382-4357). Like the FTC on <u>Facebook</u>, follow us on <u>Twitter</u>, read our <u>blogs</u> and <u>subscribe to press releases</u> for the latest FTC news and resources.

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