

This is not an unexpected result. Long before the CFPB's rookie season, the FTC had a well-deserved reputation of being a team player when it came to our sister agencies. We have successfully coordinated with FDA in advertising, with HHS in privacy, with the banking agencies in financial services – even before Dodd Frank – and with the States in almost every area.

With the CFPB, we've established six working groups – on credit reporting, debt collecting, debt relief, mortgage assistance and credit repair, mortgage advertising, mortgage services, and online lending – so the lawyers at our two agencies can talk about cases and better coordinate. And this is just a start. I expect our relationship with the CFPB will continue to grow in depth and breadth in the coming months and years.

Though that is all I am going to say tonight about the teamwork between our two agencies, I would like to stay with the baseball analogy a bit longer. Sports seem to seep into every conversation this time of year anyway. We are either naming a top dog in golf, basketball, or hockey or starting a new season in baseball. And though my passion is for professional basketball – the world champion, soon-to-repeat Miami Heat to be exact – the rhetorical opportunities offered by that sport tend more to trash talk and rap, not really suitable for polite dinnertime conversation, or for illuminating the FTC's focus on financial services enforcement and policy.

Not so baseball – a sport that has long attracted writers, poets, and philosophers. And in the latter category, I can think of no one whose oeuvre is more appropriate to mine than Hall of Famer Yogi Berra, catcher, manager, and coach, mostly for my beloved New York Yankees.

So let's start with one of my favorite Yogi-isms: "The future is not what it used to be," Berra once said – an aphorism that sums up the situation in which many consumers find themselves these days. With the economic downturn, the mortgage crisis, and rising consumer debt, too many families are facing an uncertain economic future, and becoming easy prey for financial services scammers.

The bulk of the FTC's work on financial services is protecting these vulnerable consumers. I won't try to highlight all of what we do – we'd never get to dessert. Instead I'll touch on some of our recent activity in four areas near and dear to my heart: debt collection, payday lending, mortgage and debt relief, and mobile payments.

The FTC receives more consumer complaints about debt collectors than about any other single industry – almost 200,000 per year.² As a result, we devote significant enforcement, research, and education resources to this area.

In the last twelve months, we have brought cases against four debt collection outfits that we believe used deceptive or abusive tactics to intimidate consumers.³ We also have pursued

² See Press Release, FTC Releases Top 10 Complaint Categories for 2012 (Feb. 26, 2012), *available at* <http://www.ftc.gov/opa/2013/02/sentineltop.shtm>.

We are currently litigating two cases involving defendants who claim affiliations with Native American tribes: *AMG* and *Lakota Cash*.⁷ In both instances, the payday lenders have claimed immunity from state enforcement actions, and *AMG* has also claimed immunity from FTC jurisdiction. We expect the *AMG* court to rule that federal statutes such as the FTC Act apply to tribes and tribal businesses,⁸ just as other courts have found for other federal statutes. We recently learned that the defendants in *Lakota Cash* were suing consumers in tribal court in South Dakota – a court far from where most of those consumers reside. We amended our complaint to address our concerns that this practice is deceptive and unfair to the case. We know that payday lending is an issue of deep concern to many of our state partners, and we work with them sharing information and strategies.

Like payday loan swindles, scams involving bogus mortgage assistance and other debt-relief proliferate during tough economic times. In the last few years, we've seen an avalanche of such shady operators, and the FTC and many of you have taken swift action to shut a good number of them down.

Unfortunately, there are always new debt relief cons popping up – the perfect embodiment of “déjà vu all over again”. One particularly pernicious debt relief scam involved the illegal robocaller “Rachel from Cardholder Services,” who has become the FTC’s public enemy number one.

Many of you are familiar with Rachel. You may have even received a call from her during which she promised a supposedly easy way to save money. While I’m sure none of you pressed a number to be connected to a live operator, those who did heard promises of significant reductions in their credit card interest rate – to as low as 6%, or even 0% – which would allow them to pay off their balances two or three times faster. Of course there was a catch – the promise of the low rate came at a cost of an illegal upfront fee as high as \$3,000. The consumers who paid found that promise as cold and empty as Yankee stadium on a December evening.

Late last year, the FTC, working together with our state partners in Arizona, Arkansas, and Florida, led a joint law enforcement action against these illegal and unwanted debt relief robocalls.⁹

In another example of our aggressive – and creative – efforts to combat illegal robocalling, last year, we announced a “Robocall Challenge,” and offered a \$50,000 prize to whoever came up with the most innovative way to block illegal robocalls on landlines and

⁷ See Press Release, FTC Action Halts Allegedly Illegal Tactics of Payday Lending Operation That Attempted to Garnish Consumers’ Paychecks (Sept. 12, 2012), available at <http://www.ftc.gov/opa/2011/09/payday.shtm>; and see Press Release, FTC Charges Payday Lending Scheme with Piling Inflated Fees on Borrowers and Making Unlawful Threats when Collecting (Apr. 2, 2012), available at <http://www.ftc.gov/opa/2012/04/amg.shtm>.

⁸ Federal Trade Commission Act, 15 U.S.C. §§ 41-58 (2006).

⁹ See Press Release, FTC Leads Joint Law Enforcement Effort Against Companies That Allegedly Made Deceptive “Cardholder Services” Robocalls (Nov. 1, 2012), available at <http://www.ftc.gov/opa/2012/11/robocalls.shtm>.

mobile phones. We had nearly 800 entries, and last month we announced two winners who will share the prize for their separate software.¹⁰ I am sure once these product are on the market, I
