

PECON Press Conference

October 3, 2012

>> I'M CECELIA PREWETT, THE DIRECTOR OF PUBLIC AFFAIRS.

THANK YOU FOR COMING TODAY.

WHOSE BRANDS AND TRADEMARKS WERE MISAPPROPRIATED BY FACTORS, HAVE TAKE A MAJOR STEP FORWARD IN STANDING UP FOR CONSUMERS AROUND THE WORLD.

AT THE FTC'S REQUEST, A FEDERAL COURT HAS IMPOSED A TEMPORARY RESTRAINING ORDER, OF TEMPORARY RESTRAINING ORDERS, AGAINST SIX TECH SUPPORT SCAMS INVOLVING 14 COMPANIES AND 17 INDIVIDUAL DEFENDANTS.

THE ORDERS FREEZE THE DEFENDANTS' ASSETS AND ESSENTIALLY SHUT DOWN THEIR OPERATIONS REQUIRING THEIR WEB HOSTING AND PHONE COMPANIES TO BLOCK THE DEFENDANTS FROM USING THEIR SERVICES.

HERE'S HOW THE SCAM WORKED.

DEFENDANTS SOLD CALLED PEOPLE, EVEN THOSE WHOSE NUMBERS WERE ON "DO NOT CALL" REGISTRIES.

THEY ALSO PURCHASED ADS FROM GOOGLE FOR SEARCHES LIKE McAfee, PC SUPPORT AND FIX MY OFFICE WITH ASSUMED NAMES AND A FRIED NUMBER TO CALL, PRETENDING TO BE AFFILIATED WITH A MAJOR COMPUTER COMPANY.

THE DEFENDANTS CLAIMED TO HAVE RECEIVED AN AUTOMATIC NOTIFICATION FROM THE PERSON'S COMPUTER ABOUT A PROBLEM.

THEY USED THE INTERNET... VOICE OVER INTERNET PROTOCOLS TO SEEM LIKE THEY WERE CALLING FROM NUMBERS IN THE CONSUMER'S COUNTRY, SOMETIMES IN THE SAME AREA CODE.

AND THEY TOLD THEIR POTENTIAL VICTIMS TO GO TO THEIR COMPUTER, LOOK AT A FILE THAT SHOWS WARNING MESSAGES. QUOTE/UNQUOTE "WARNING MESSAGES."
ACTUALLY, THESE WARNING MESSAGES ARE A STANDARD PART OF THE WINDOWS OPERATING SYSTEM.

THE MESSAGES DO NOT MEAN THAT THE COMPUTER IS INFECTED WITH VIRUSES OR WITH ANY OTHER MALWARE.

CLEARLY, THE DEFENDANTS' M.O. WAS TO EXPLOIT THESE FEARS ABOUT MALWARE HIDING IN YOUR MACHINES.

BUT DON'T TAKE MY WORD FOR IT; LISTEN TO THIS EXCERPT FROM AN UNDERCOVER BUY BETWEEN THE DEFENDANTS IN ONE OF THE CASES AND A HIGHLY SKILLED FTC INVESTIGATOR.

I HOPE THAT WE CAN CUE THAT UP NOW.

>> OKAY.

SO, NOW, WHAT YOU NEED TO DO, MADAM, YOU NEED TO SCROLL DOWN THAT PAGE VERY SLOWLY VERY CAREFULLY FROM YOUR END.

AND YOU NEED TO JUST SCROLL IT DOWN AND TELL ME IF YOU CAN SEE ANYTHING ELSE OTHER THAN THE INFORMATION THAT'S THERE OR NOT.

AND IF YOU SEE ANYTHING GO>BDC -41(1(E)-3(.P <</MCID 22 >>BDC AFT)-1(H)4(E)11(D)-4(EF)4(EN)6T

>> OKAY.

HOLD ON, I'M DOING THAT.

LET ME GO THROUGH...

>> BE VERY CAREFUL, ALL RIGHT?

>> LET'S SEE.

OOH... HOLD ON.

>> UHHUH.

>> I SEE SOMETHING THAT SAYS "WARNING" AND SOMETHING THAT SAYS "ERROR."

>> JESUS!
DID YOU SAY IT WAS A WARNING?

>> YEAH.

IT SAYS... IT...

>> HELLO?

>> YEAH, IT SAYS "WARNING."

>> MADAM, IT WILL BE MY HUMBLE REQUEST TO YOU, PLEASE DO NOT TRY TO CLICK ON ANY OF THEM, OKAY?

>> OKAY.

>> AND IT WOULD BE MY REQUEST TO YOU, MADAM, IF YOU KEEP YOUR MOUSE ~~PROT~~ AWAY FROM THEM BECAUSE THAT'S ONE OF THE MALICIOUS ONLINE INFECTIONS I WAS SPEAKING ABOUT, OKAY?

>> OKAY.

>> AND ONCE YOU CLICK ON ANY OF THEM, YOUR COMPUTER MIGHT EVEN STOP RESPONDING AT POINT OF TIME.

SO BE VERY CAREFUL, OKAY?

>> OKAY.

I'M NOT TOUCHING THE MOUSE.

AND WHAT?

>> YES, I AM HERE.

AS YOU HAVE ALREADY SEEN, THEN, THIS MEANS THAT YOUR COMPUTER IS ALSO ONE OF THOSE COMPUTERS WHICH HAS BEEN BADLY INFECTED WITH THOSE ONLINE INFECTIONS, OKAY?

>> OKAY, SO, ON ONE LEVEL, THAT'S LIKE A BAD BOLLYWOOD MOVIE, BUT, ON ANOTHER LEVEL, IT'S VERY SERIOUS ~~OFF~~ OF CONSUMERS, AND ONE THAT ALL OF US ARE WORKING TOGETHER TO TRY TO STOP.

OTHER CONSUMERS, BY THE WAY, WERE TOLD THAT THE WARNING MESSAGES MEANT HACKERS WERE IN THEIR COMPUTER OR EVEN ~~THEIR~~ THEIR COMPUTER

OUR ONE-STOP SHOP FOR KEEPING
SAFE ONLINE: ONGUARDONLINE.GOV.

THIS IS A WORLDWIDE SCAM WITH MANY DEFENDANTS FROM INDIA,
AND YOU WILL HEAR FROM OUR
PARTNERS SHORTLY.

AN FTC COMMISSIONER WILL BE LEADING A FTC DELEGATION TO DELHI AT THE END OF NOVEMBER
IMPROVE RELATIONS WITH CONSUMER PROTECTION AND CRIMINAL
AUTHORITIES THERE.

FINALLY, AS INTERNATIONAL SCAMS
INCREASINGLY TAKE ADVANTAGE OF
CHEAP COMMUNICATION TOOLS
LIKE VOIP, THEY
BENEFIT CONSUMERS ENORMOUSLY BUT CAN BE USED FOR SCAMS
WE NEED ENFORCEMENT TOOLS TO KEEP UP WITH THE BAD GUYS.

OUR SAFE ACT AUTHORITY, WHICH COORDINATES AND SHARES INFORMATION WITH FOREIGN
COUNTERPARTS, GIVES US THE TOOLS TO DO OUR JOB, INCLUDING THIS ONE IN THIS INSTANCE.

WE ARE GRATEFUL TO SENATOR
JAY ROCKEFELLER AND CONGRESSWOMAN MARY BONO MACK, WHO, ALONG WITH CHAIRMAN FRE
UPTON OF THE HOUSE ENERGY AND COMMERCE COMMITTEE, CONGRESSMAN HENRY WAXMAN, JO
DINGLE, G.K. BUTTERFIELD, CHARLIE BASS AND SENATOR MARK PRYOR HAVE REALLY BEEN BIPAR
CHAMPIONS OF THE RENEWAL OF OUR SAFE WEB ACT AUTHORITY.

THE HOUSE HAS PASSED THE LEGISLATION, AND WE'RE HOPING THE SENATE WILL PASS IT IN A LA
DUCK SESSION, BECAUSE OTHERWISE OUR AUTHORITY TO EXCHANGE THIS TYPE OF INFORMATIO
CRITICAL TO DEVELOPING THIS CASE WILL EXPIRE NEXT YEAR, AND THAT WOULD BE MORE THAN
UNFORTUNATE.

NOW, LET ME INTRODUCE SOME OF OUR PARTNERS IN THIS INITIATIVE.

AND NEXT WE HAVE THE PREVIOUSLY MENTIONED CHRIS CHAPMAN, THE HEAD OF THE AUSTRALIA
COMMUNICATION AND MEDIA AUTHORITY.

HE'S DEVELOPED REALLY AN
INTERNATIONAL REPUTATION FOR HIS EXTRAORDINARY ENFORCEMENT REGULATORY
WORK, AND,
AGAIN, WE THANK HIM FOR ALL
HIS EFFORTS HERE AND FOR HIS WILLINGNESS TO ANTICIPATE AT WHAT COULD POSSIBLY BE THE
WORST TIME FOR ANY PRESS CONFERENCE IN HIS HOME COUNTRY.

SO, WITH THAT, I WILL TURN IT OVER TO CHRIS, AND THAT'S MUCH, MR. CHAIRMAN.

>> CHAIRMAN LIEBOWITZ, THANK YOU VERY MUCH.

IT'S A.M. IN BOTH... IN YOUR CITY AND SYDNEY, SO WE'RE ON THE SAME PLAYING FIELD.

THANK YOU FOR THOSE VERY KIND REMARKS, AND I COULD I ALSO ACKNOWLEDGE ANDREA ROSE AND FRANK TORRES.

WE HAVE, CHAIRMAN, BUILT UP A VERY GOOD RELATIONSHIP WITH THE FTC AND THE CRTC, AND WE'VE RECEIVED TERRIFIC SUPPORT FROM MICROSOFT.

THE AUSTRALIAN COMMUNICATIONS AND MEDIA IS THE REGULATOR FOR MEDIA AND COMMUNICATIONS IN AUSTRALIA, BUT, IN THIS ~~SPARTAN~~ AREA, WE HAVE A VERY BROAD AGREEMENT FOR REGULATING, OVERSEEING THE SCAMS.

THE IMPACT ON CONSUMERS AND BUSINESS IS PHENOMENAL.

IT'S INCREASING, IT'S VERY DETRIMENTAL, AND WE REALIZED A COUPLE OF YEARS AGO THAT WE NEEDED TO HAVE A STATE CHANGE ~~IN OUR~~ APPROACH.

WE NEEDED TO BE FAR MORE SOPHISTICATED.

WE NEEDED TO REACH OUT TO OUR COLLEAGUES INTERNATIONALLY.

AND WE'RE VERY PROUD THAT WE WERE, ALONG WITH THE FTC AND CRTC, FOUNDATION MEMBER OF THE FORUM.

AND THAT'S REALLY TAKEN OUR INFORMATION GATHERING, OUR INTELLIGENCE GATHERING, AND ABILITY TO SHARE INFORMTION 9EMC 1(9EMC 1(9EMC WO))TJ KE)11()-1(H)5(T)-3(U)-(N)6(D)11(C)1

THE REALITY IS THAT THE FREQUENCY OF THESE SCAMS IS GOING TO INCREASE, AND THE VIGILANCE CONSUMERS AND CITIZENS IN OUR COUNTRY NEEDS TO SIMILARLY INCREASE.

WE ARE PUTTING AN ENORMOUS AMOUNT INTO EDUCATION AND AWARENESS PROGRAMS, AND THE CHAIRMAN TOUCHED ON SOME OF THESE THINGS.

WE, TOO, IN AUSTRALIA, ARE RELEASING TODAY AN INFO GRAPHIC, IF YOU LIKE, CALLED "OUTSMART THE SCAMMERS."
IT CONTAINS ALL VERY SENSIBLE TIPS TO SPOT THE SCAMMERS AND STOP THE SCAMMERS.

CHAIRMAN, I'VE SAID ENOUGH.

THANK YOU VERY MUCH FOR THE INVITATION AND THE OPPORTUNITY TO PARTICIPATE.

I JUST WANT TO REITERATE THE WONDERFUL COOPERATION THAT HAS DEVELOPED BETWEEN YOUR STAFF AND MINE, AND THE CRTC.

IT'S ALL VERY WELL FOR OUR FUTURE, AS I SAY, STATE CHANGE OPERATIONS IN THIS SPACE, AND AGAIN, THANK YOU FOR THE OPPORTUNITY TO PARTICIPATE.

>> THANK YOU, MR. CHAIRMAN,
AND, YES, IT IS A WONDERFUL AND GROWING RELATIONSHIP TO PROTECT CONSUMERS.

AND NOW LET ME JUST TURN IT OVER TO ANDREA ROSEN, CHIEF COMPLIANCE AND ENFORCEMENT OFFICER OF THE CANADIAN RADIO AND TELECOMMUNICATIONS COMMISSION, WITH WHOM WE HAVE WORKED ON COMPETITION AND CONSUMER PROTECTION ISSUES FOR QUITE SOME TIME.

ANDREA.

>> THANK YOU, JOHN.

THANK YOU, EVERYBODY.

GOOD MORNING.

GOOD MORNING, CHRIS.

AND GLAD TO BE HERE WITH EVERYBODY TODAY.

AND I THANK THE FTC FOR THEIR KIND INVITATION, AND FOR EVERYONE WHO HAS BEEN INVOLVED IN THE CASE FOR THE HELP THAT WE HAVE RECEIVED.

WE ARE THE CANADIAN AGENCY RESPONSIBLE FOR THE UNSOLICITED TELECOMMUNICATIONS REGISTRY AND OUR NATIONAL DO NOT CALL REGISTRY, WHICH HELPS CANADIANS PROTECT THEMSELVES AND THEIR PRIVACY.

THE NATIONAL DO NOT CALL LIST IS VERY SIMILAR TO THE REGISTRY THAT WAS CREATED AND MANAGED BY THE FTC HERE IN THE U.S., AND BY ACMA IN AUSTRALIA.

AND SO THEREFORE WE'RE THE COUNTERPART AGENCY IN THIS REGARD WITH THEM... TO THEM.

WE ARE COVERING THE WATERFRONT, AND, WHERE APPROPRIATE, WE ARE TRYING TO MAKE BORDERS DISAPPEAR SO THAT PERPETRATORS CANNOT HIDE FROM AUTHORITIES IN ANY COUNTRY.

IN CLOSING, LET ME REITERATE THAT WE APPLAUD THE FTC'S EFFORTS TO REIN IN UNSOLICITED TELEMARKETING CALLS FROM OFFSHORE TELEMARKETERS TO DATE.

AND WE ARE PLEASED THAT OUR PARTNERSHIP HAS ENABLED THE FRUITFUL INVESTIGATIONS THAT WE HAVE CONCLUDED TO DATE.

MOST IMPORTANTLY, WE ARE COMMITTED TO WORKING TOGETHER IN THE FUTURE TO COMBAT THIS GLOBAL PROBLEM.

NOW I'D LIKE TO COMMENT TO THE FTC AND THE ACMA FOR THEIR EFFORTS BOTH FROM THE ENFORCEMENT AND FROM THE EDUCATION INITIATIVES, AND ALSO INDICATE THAT TODAY WE ARE ALSO PUMPING UP OUR CONSUMER PROTECTION INITIATIVES BY ISSUING NEW GUIDELINES TO HELP CONSUMERS DETECT AND PROTECT THEMSELVES AGAINST THESE TYPES OF SCAMS.

AND AGAIN, I THANK YOU FOR YOUR HOSPITALITY AND TURN THIS OVER.

>> THANK YOU, ANDREA, AND YOU GUYS HAVE DONE JUST ABSOLUTELY WONDERFUL WORK, AS HAS THE ACMA.

AND NOW I'M GOING TO TURN IT OVER TO FRANK FROM MICROSOFT.

MICROSOFT HAS BEEN EXTRAORDINARILY HELPFUL IN THESE INVESTIGATIONS.

THEY ARE COMPLICATED, AND THEY INVOLVE LOTS OF FORENSICS.

AND WE CAN'T WORK EFFECTIVELY WITHOUT THE HELP OF OUR PARTNERS IN THE PRIVATE SECTOR.

SO, WITH THAT, I TURN OVER TO YOU, FRANK.

>> THANK YOU, MR. CHAIRMAN.

IT'S GREAT TO BE HERE WITH YOU AND WITH ANDREA AND WITH CHRIS, AND WE APPRECIATE YOU BEING HERE SO EARLY IN THE MORNING IN AUSTRALIA.

SO, THE GOOD NEWS THROUGH THE YEARS IS THAT THERE'S BEEN DEAN COFFIN'S AN SECURITY UPDATES IN ANTIVIRUS SOFTWARE.

THE BAD NEWS IS, LIKE PLAYING A GAME OF WIGGLE, IT'S FORCED CYBER CRIMINALS TO FIND NEW AND CREATIVE WAYS TO DECEIVE PEOPLE.

BUT THE GOOD NEWS IS, AS TODAY'S ANNOUNCEMENTS AROUND THE WORLD SHOW, IS THAT THERE ARE MANY PEOPLE WORKING TO COMBAT CYBER CRIME.

IN THE TECH COMMUNITY, RESEARCHERS IN ACADEMIA, AND GOVERNMENT, LAW ENFORCEMENT AND REGULATORY AGENCIES THAT YOU SEE HERE TODAY AND THE OTHERS THAT WORK ON THESE ISSUES.

SO MICROSOFT REALLY WANTS TO COMMEND THE FTC AND THEIR COLLEAGUES FROM CANADA AND AUSTRALIA FOR THEIR GLOBAL LEADERSHIP AND ACTIONS TO FIGHT THESE SORTS OF PHONE SCAMS AND TO PROTECT CONSUMERS.

MICROSOFT WAS VERY PLEASED TO PARTNER WITH THE FTC AND OTHERS IN THIS EFFORT, AND WE WILL CONTINUE TO DO SO AS OTHER SCAMS EMERGE AND TO MAKE SURE THAT WE CLEAN UP THIS ONE.

SO, JOHN HAS ALREADY TALKED ABOUT THE SORT OF SCAMS THAT CYBER CRIMINALS HAVE USED TO EXPLOIT THE VULNERABILITIES OF PEOPLE BY TRICKING THEM INTO BELIEVING THAT THEY HAD A COMPUTER PROBLEM, AND THAT THE SCAMMER COULD HELP RESOLVE THEM AND GET IT DONE OVER THE PHONE.

THESE CYBER CRIMINALS OFTEN INVOKE A TRUSTED BRAND LIKE MICROSOFT OR ONE OF OUR PARTNERS OR OTHER COMPANIES TO GAIN THE VICTIM'S TRUST.

WHAT'S WORSE IS THAT THESE SCAMS NOT ONLY COST VICTIMS MONEY, IN TERMS OF MAKING CONSUMERS PAY FOR SOMETHING THAT THEY DON'T REALLY NEED OR THAT JUST DOESN'T HAPPEN, BUT IT COULD ALSO COMPROMISE THE SECURITY OF THEIR COMPUTERS AND LEAVING THEM VULNERABLE TO MALICIOUS SOFTWARE AND POTENTIALLY OTHER ATTACKS.

SO, LIKE THESE REGULATORS, MICROSOFT REMAINS COMMITTED TO PROTECTING ITS CUSTOMERS AND SERVICES FROM THESE CRIMINALS.

WE WILL CONTINUE TO FIGHT CYBER CRIME.

ONE THING IS CLEAR, T

MICROSOFT WILL NEVER COLD CALL A CONSUMER AND ASK FOR THEIR CREDIT CARD INFORMATION. DON'T LET THEM CHARGE THEM FOR A SERVICE THAT THEY DON'T NEED.

IF A CONSUMER GETS A CALL LIKE THIS, IF THE CONSUMER GETS A CALL FROM SOMEBODY SAYING THEY HAVE A PROBLEM WITH THEIR COMPUTER, HAND OVER THEIR CREDIT CARD INFORMATION TO THE PERSON ON THE PHONE WILL FIX IT REMOTELY, THE CONSUMER SHOULD HANG UP.

IF THE CONSUMER BELIEVES HE OR HER HAS A PROBLEM, THEY SHOULD GO TO A TRUSTED SITE OR TRUSTED RESOURCE, OR CALL A NUMBER OF A TRUSTED COMPANY AND SORT THROUGH WHAT MAY OR MAY NOT BE GOING ON WITH THEIR COMPUTER.

AGAIN, I WOULD VENTURE TO SAY THAT A LEGITIMATE COMPANY LIKE SYMANTEC, A McAfee-- VERY UNLIKELY TO DO THESE SORTS OF COLD CALLS.

FINALLY, IF YOU'RE A CONSUMER AND THINK YOU HAVE A PROBLEM WITH YOUR COMPUTER, THERE ARE LOTS OF RESOURCES AVAILABLE TO YOU ONLINE.

MICROSOFT PROVIDES FREE TOOLS FOR CONSUMERS TO CHECK AND SEE WHETHER OR NOT THEIR COMPUTER HAS BEEN INFECTED, AND THE TOOLS TO REMOVE THEM.

OTHER COMPANIES OFFER SIMILAR PRODUCTS, VERY COMPANIES THAT ARE HIGHLY TRUSTED AND HIGHLY WELL KNOWN.

AND THOSE ARE THE AVENUES THE CONSUMERS SHOULD TAKE.

NOT ONLY ARE THEY FROM TRUSTED SOURCES, BUT IN MANY CASES THEY'RE ALSO FREE SERVICES.

SO AGAIN, THANK YOU TO THE FTC, THEIR COLLEAGUES IN CANADA AND AUSTRALIA, FOR PROTECTING CONSUMERS BY BRINGING THESE CASES, AND ON AN ONGOING BASIS TO CONTINUE TO PRIORITIZE, AND ON 4/11/01

AND WE'RE GOING TO BE JOINED BY DAVID VLADIC.

>> BUT WHAT WE SUSPECT IS THAT THE NUMBER OF VICTIMS MAY BE SUBSTANTIALLY HIGHER.

I THINK WE'RE GOING TO FIND THAT OUT AS WE GO ALONG IN THIS INVESTIGATION.

>> LET ME JUST ADD, WE HAVE

YOU'RE LUCKY.

AND MOST IMPORTANTLY, YOU STOP
THESE SCAMS GOING FORWARD.

LET'S TAKE ONE MORE QUESTION FROM THE AUDIENCE, AND WE'LL TURN IT TO FOLKS WHO ARE
CALLING IN FROM AUSTRALIA.

ED?

>> ED WYATT, "NEW YORK
TIMES."

OTHER THAN FILING A LAWSUIT
SAYING THEY SHOULDN'T DO THIS
ANYMORE, WHAT HAVE YOU DONE, THOUGH, THAT ACTUALLY STOP THESE CALLS FROM BEING
MADE?

>> WELL, WE'VE FROZEN ASSETS.

WE'VE IDENTIFIED DEFENDANTS.

WE HAVE SHUT DOWN THE DOMAIN NAMES THAT THEY REGISTERED UNDER.

AND SO, OUR SENSE IS WE HAVE DONE THIS IN A VARIETY OF
JURISDICTIONS IN THE ENGLISH-SPEAKING WORLD.

OUR SENSE IS THAT THIS IS A
SIGNIFICANT STEP IN DISRUPTING
THEIR OPERATIONS, AND WE'RE
ALSO WORKING WITH INDIAN LAW
ENFORCEMENT AUTHORITIES.

AND SO, YOU KNOW, WE'RE NOT A CRIMINAL AGENCY.

WE DON'T YANK PEOPLE OFF THE
STREET AND PUT THEM IN JAIL.

WE DON'T HAVE CRIMINAL
AUTHORITY.

BUT WE DO WHAT WE CAN, AND WE THINK THIS WILL BE VERY, VERY HELPFUL.

AND THE OTHER THING, WHICH IS
WHY IT'S SO CRITICAL THAT ALL OF US ARE HERE TODAY, IS THAT WE CAN'T THINK, FOR
CONSUMERS.

AND THEY'RE GOING TO READ STORIES ABOUT THIS SCAM, AND THEY'RE GOING TO THINK THE NEXT
TIME SOMEONE CALLS UP AND SAYS, YOU KNOW, "THERE'S A PROBLEM IN YOUR COMPUTER."
THESE TECH SUPPORT SCAMS ARE
VERY, VERY SERIOUS, AND THE

FIRST LINE OF DEFENSE IS

HOW MANY COMPLAINTS FROM THE U.K.?

>> WE DON'T HAVE THE NUMBER FROM THE U.K.

WE CAN SEE WHAT INFORMATION, DIANE, WE CAN GET YOU AND GET BACK TO YOU THIS AFTERNOON

>> OKAY, GREAT.

AND IN TERMS OF WHAT ~~YOU~~

OKAY, YOU FROZE THE MONEY THAT COULD FIND, IDENTIFIED DEFENDANTS, SHUT DOWN DOMAIN NAMES, AND YOU SAID SOMETHING ALSO ABOUT DISRUPTING PHONE SERVICE IN YOUR OPENING THING, AND I DIDN'T QUITE UNDERSTAND HOW THAT WORKED.

>> WELL, WE HAVE CONTACTED PHONE COMPANIES THAT WE KNOW THE NUMBERS BELONG TO THE DEFENDANTS THAT WE TARGETED, AND SO WE'VE ASKED THEM TO SHUT DOWN THE PHONE NUMBERS THAT THEY WERE USING TO CALL CONSUMERS.

>> AND SO THESE ARE PHONE COMPANIES IN INDIA?

>> NO.

THESE ARE PHONE COMPANIES THAT IS ARE IN THE U.S.

>> SO BUT I THOUGHT THAT PEOPLE WERE CALLING FROM INDIA.

>> THEY WELL, THEY ARE CALLING FROM INDIA, BUT THEY ARE USING U.S. CARRIERS.

>> OH, OKAY.

SO PEOPLE SO HOW EXPLAIN TO ME HOW THESE U.S. CARRIERS STOP PHONE CALLS COMING FROM PLACES IN INDIA?

>> WELL, WHAT WE'VE ASKED THEM TO DO IS TO SHUT DOWN THOSE PARTICULAR PHONE NUMBERS THAT ARE BEING USED BY THE DEFENDANTS.

SO THOSE NUMBERS WILL NOT BE ABLE TO BE UTILIZED BY THE DEFENDANTS.

>> SO, U.S. CARRIERS GOING TO

BLOCK CERTAIN PHONE NUMBERS IN INDIA FROM CALLING INTO THE U.S.

>> THEY'RE BLOCKING THE USE I'M NOT SURE TECHNICALLY HOW IT WORKS, BUT I KNOW THEY'RE BLOCKING THE USE OF THE PHONE NUMBER THAT THEY ARE THE SUBSCRIBER OF.

>> ALL RIGHT.

CAN I CALL YOU LATER?

[LAUGHTER]

>> SURE.

>> WE WON'T BLOCK HER NUMBER!

[LAUGHTER]

>> YES, HER NUMBER IS ALWAYS OPEN.

>> ALL RIGHTY, I'LL CALL YOU.

>> NEXT ON THE LINE: ASHLEY BROWN, REPRESENTING RADIO MELBOURNE.

PLEASE GO AHEAD.

>> HI.

THIS IS ASHLEY FROM 3AW.

JUST TO CHRIS CHAPMAN I GUESS, CAN YOU TELL ME IF THERE'S ENOUGH INFORMATION OUT THERE FOR PEOPLE NOT TO GET SCAMMED?

WE GET SO MANY WARNINGS, I GUESS.

WHY DO YOU THINK IT'S NOT SINKING IN?

>> LOOK, I THINK THAT THE EDUCATION PROGRAM IS ONE

IT'S A LONG-RUNNING PROGRAM, AND I THINK IT'S HUMAN NATURE TO EXTEND GOODWILL AND TO BE TAKEN IN, AND YOU LEARN THE HARD WAY OFTEN.

BUT I THINK THERE HAVE BEEN SO MANY EXAMPLES ONLINE AND IN THE CYBER SAFETY WORLD, NOT ONLY IN

AUSTRALIA BUT IN OTHER JURISDICTIONS OVER THE LAST COUPLE OF YEARS, THAT PEOPLE ARE STARTING TO WAKE UP.

AND THE ACMA IS BEING PARTICULARLY ACTIVE OVER THE LAST YEAR OR TWO IN PUTTING OUT THINGS THAT ARE EASY TO UNDERSTAND, DIGESTIBLE, THAT GIVE PEOPLE COMFORT THAT GIVES THEM OPTIONS AS TO WHERE TO GO TO.

AND I THINK THE MESSAGE IS STARTING TO GET THROUGH, BUT IT'S A LONG AND SLOW ONE.

AND THERE'S YOU KNOW, THERE ARE DIFFERENT GENERATIONS WITHIN OUR AUDIENCE.

THERE'S MY GENERATION, WHO ARE, YOU KNOW, COMING TO BE BORN

THERE'S MY PARENTS' GENERATION, WHO ARE AT THE OTHER END OF THE SPECTRUM.

AND, OF COURSE, THERE IS OUR CHILDREN'S GENERATION.

THIS IS NOT A "ONE SIZE FITS ALL," AND WE NEED TO HAVE OUR MESSAGING APPEALING TO DIFFERENT AUDIENCES AT DIFFERENT TIMES.

AND THAT TAKES A VERY CONSIDERABLE AND CONSISTENT RESOURCE INVESTMENT, AND THAT'S WE'RE DOING.

>> I GUESS, GIVEN THAT THIS IS AFFECTING SO MANY DIFFERENT COUNTRIES, HOW IMPORTANT IS IT TO WORK TOGETHER TO KIND OF GET A GLOBAL SOLUTION TO THIS

>> WELL, LOOK, IT'S BEEN VITAL IN THIS PARTICULAR CASE.

CHAIRMAN LIEBOWITZ HAS ALREADY INDICATED THE COOPERATION AND THE STORE THAT THEY'VE PLACED ON THE INTELLIGENCE GATHERING AND THE INFORMATION PROVIDED BY THE ACMA.

AND WE ARE SEEING IN THE ONLINE WORLD SO MANY EXAMPLES WHERE INTERNATIONAL COOPERATION AND COLLABORATION BETWEEN 5ND CJ -3.>>BD-1.217 Td [(B)2(C)-2d [(C)1(P)-4(ER)1(OR)1(L)TJ 0H)1(EL-7(B)9-(H)1(E)S)1(E)8

STAFF ON BOTH OF

AND DO THEY HAVE THE RESOURCES TO HELP TACKLE THIS?

>> THE ANSWER IS, WE DO BELIEVE THEY HAVE A ROLE TO PLAY.

WE ARE WORKING WITH THEM.

I CAN'T SAY MUCH MORE ABOUT THAT BECAUSE OF THE CONFIDENTIAL NATURE OF THESE INVESTIGATIONS.

BUT YES, OF COURSE.

>> THANK YOU.

>> OUR NEXT QUESTION COMES FROM THE LINE OF JOHN BRODKIN WITH ARS TECH.

PLEASE GO AHEAD.

>> OH, YEAH, HI.

I SAW THE PICTURE OF THE WINDOWS FILE THAT THE SCAMMERS USE TO TRICK PEOPLE.

I WAS WONDERING, CAN YOU SORT OF DESCRIBE WHAT EXACTLY IS THAT FILE, AND HOW DO YOU THROUGH THE WINDOWS INTERFACE TO GET TO THAT?

>> WE WILL BRING YOU ~~OUR~~ WINDOWS EXPERT RIGHT HERE.

FRANK, GO AHEAD.

[LAUGHTER]

>> WELL, I'LL JUST GIVE YOU THE BASIC DESCRIPTION.

I MEAN, THAT'S MORE OF THE TECHNICAL ERRORS THAT COULD OCCUR AS PEOPLE USE THE WINDOW PROGRAM.

THAT CERTAINLY DOES NOT INDICATE THAT YOU'VE GOTTEN MALWARE ON YOUR MACHINE, YOU KNOW.

SO, FOR A CONSUMER TO SEE THAT, AGAIN, THAT'S MORE OF THE TECHNICAL THINGS THAT MIGHT GOING ON.

>> NO, I KNOW THAT.

WHAT I'M SAYING IS, HOW DO YOU
ACTUALLY GET TO THAT FILE?

LIKE, I UNDERSTAND HOW THE SCAMMERS USED IT, BUT WHAT I WANT TO ~~KNOW~~ ~~IF~~ HOW
WAS LOOKING AT MY WINDOWS COMPUTER AND I WANTED TO RECREATE THIS PROCESS, HOW
WOULD I GO ABOUT DOING THAT?

>> OKAY.

>> THANK YOU.

>> NOW WE HAVE A QUESTION FROM
THE LINE OF DARREN HOLLY WITH
SECURITY COMPUTING.

PLEASE GO AHEAD.

>> HI, GUYS.

SORRY.

MY LINE IS JUST A LITTLE BIT BAD.

MY QUESTION IS FOR CHRIS.

AGAIN, I'M WONDERING IF YOU
CAN QUALIFY OR QUANTIFY THE
FINANCIAL DAMAGE.

JUST GIVE ME AN ESTIMATE HOW
MUCH THE SCAMS WOULD HAVE COST
THE AUSTRALIAN CONSUMERS, IF
YOU HAD A ROUGH FIGURE?

>> IT'S VERY HARD.

I CAN'T GIVE YOU A HARD
NUMBER.

FROM SOME OF OUR PRELIMINARY
WORK, IT WAS ROUGHLY ABOUT
\$85 PER AUSTRALIAN CONSUMER,
AS AN AVERAGE NUMBER.

IT'S VERY HARD TO GIVE YOU A
HARD NUMBER AS TO THE EXACT
NUMBER OF AUSTRALIAN CITIZENS
WHO WERE AFFECTED.

BUT SOME OF THE WORK SUGGESTED
THAT AN AVERAGE FIGURE OF \$85
PER SUCCESSFUL SCAM.

>> PER SUCCESSFUL SCAM, OKAY.

AGAIN, AND I'M ~~SOR~~.

YOU MENTIONED ~~ED~~ MIGHT BE WRONG ~~NO~~ ABOUT 10,000 COMPLAINTS.

SO WOULD THAT BE \$85 MILLION WOULD YOU BE ABLE TO CORRELATE?

>> I UNDERSTAND.

INDICATIVELY, TO EXTRAPOLATE THAT ALL OUT, IT WAS IN THE ORDER OF \$85 MILLION IN SCAMS.

THAT'S A BALLPARK NUMBER FOR AUSTRALIA OVER THE LAST SEVERAL YEARS.

THEY'RE NOT PRECISE NUMBERS

BUT INDICATIVE AND THEY SHOW YOU THE DIMENSION OF THE

FINANCIAL INFLUX AND ALSO THE

GREAT RISK THAT AUSTRALIA

CONSUMERS ARE PUT TO, IF THEIR COMPUTERS ARE BEING WIDELY MISUSED

OF CREDIT CARDS AND THE FACT THAT THEIR COMPUTERS COULD BE USED IN OTHER ATTACKS.

SO IT'S NOT ONLY THE

FINANCIAL IT'S THE

DISRUPTION TO TH-D [(D)-7(IN)3(A)1(N)3(C)72(O)-4()Tj -0.00.228'1 -1(HE)]3.717 0 Td ()Tj 5 /P <</MCID 1