

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Julie Brill

4. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act.
5. At all relevant times, respondents have been in the business of transcribing digital audio files (“audio files”) for individuals and businesses in a variety of professions and industries. Respondents’ customers include: university students and faculty; well-known corporations (including retailers, insurers, and telecom and financial service providers); government agencies; and health care providers and hospitals.

- Why GMR Transcription Services? . . . Security Measures to Protect Your Confidentiality.
- Each transcriptionist within the GMR community is required to sign a Confidentiality Agreement prior to working for us. This is kept on file. You can be assured that the materials going through our system are highly secure and are never divulged to anyone.

(**Exhibit A:** www.gmrtranscription.com (from 2006 through 2013)).

- HIPAA Compliant Medical Transcription Service

(**Exhibit B:** www.gmrmedicaltranscription.com (from 2006 through May 2012)).

- It is often asked what one needs to be careful while choosing an outsourcing transcription company. In the medical industry, security and privacy are extremely important. In outsourcing arrangements with services and healthcare vendors, you can check the vendor's expertise and credibility by HIPAA compliance. Amongst all the rules

(1)

VIOLATIONS OF THE FTC ACT

COUNT I

17. Through the means described in Paragraph 10, respondents represented, expressly or by implication, that they implemented reasonable and appropriate security measures to prevent unauthorized access to the personal information in audio and transcript files.
18. In truth and in fact, as described in Paragraphs 11-14, respondents did not implement reasonable and appropriate security measures to prevent unauthorized access to personal information in audio and transcript files. Therefore, the representation set forth in Paragraph 17 was false or misleading and constitutes a deceptive act or practice.

COUNT II

19. Through the means described in Paragraph 10, respondents represented, expressly or by implication, that they took reasonable measures to oversee their service providers to ensure such service provider implemented reasonable and appropriate security measures.
20. In truth and in fact, as described in Paragraphs 11-14, respondents did not take reasonable measures to oversee their service providers to ensure such service providers implemented reasonable and appropriate security measures. Therefore, the representation set forth in Paragraph 19 was false or misleading and constitutes a deceptive act or practice.

COUNT III

21. As set forth in Paragraphs 11-15, respondents failed to employ reasonable and appropriate measures to prevent unauthorized access to personal information in audio and transcript files. Respondents' practices caused, or are likely to cause, substantial injury to consumers that is not outweighed by countervailing benefits to consumers or competition and is not reasonably avoidable by consumers. This practice was, and is, an unfair act or practice.
22. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this _____ day of _____, 2014, has issued this complaint against respondents.

By the Commission.

Donald S. Clark
Secretary