

Statement of Commissioner Terrell McSweeney

Before the United States Senate Committee on Commerce, Science, and Transportation

Protecting consumers is too big a job for the FTC to do alone. That's why we partner with other government agencies, states, and civic organizations in our anti-fraud work – and why we invest in consumer and business education.

Educating American consumers is one of the best ways we can combat fraud. We produce materials in multiple languages for almost every demographic and make them available across platforms to reach the broadest possible audience. We hold Ethnic Media Roundtables around the country to help diverse communities highlight frauds affecting them.

We also have a campaign to help older people learn about common scams and pass that information on to their peers. And we work closely with the Department of Defense and others to help the military community avoid fraud.

It is vital that we continue this important outreach – and ensure that we have the resources to meet the demand for our materials. This is especially true for our educational materials for parents and children, which help parents keep their kids safe online. These materials need to be updated to remain relevant, including optimizing them for mobile platforms.

The FTC must continue to stay abreast of emerging consumer protection issues. Our always-on, always-connected digital world is full of marvelous innovations – but it also creates some new opportunities for bad actors. Imposter scams are just one example.

I'm particularly concerned about the growth in ransomware attacks. Ransomware attacks on computers – both for individuals and businesses – are unfortunately already well known. But I worry that attacks on connected consumer devices will soon become more common – especially given wide-ranging industry data security practices. In the not-too-distant future a consumer might turn on her smart TV only to see a message that asks for \$50 in Bitcoin if she wants to watch television again.

In a world of new cyber threats, the FTC must keep pace with changing technology. We have been doing that by engaging with stakeholders – and, most importantly, bringing technologists on board. The FTC's Office of Technology Research and Investigation, or OTech, is in its second year.

OTech is a talented inter-disciplinary team of lawyers and computer scientists who provide us with in-house research capabilities and the expertise to understand cutting-edge technology – like cross-device tracking, or how algorithms impact consumer choice. As more of these technologies come into the marketplace, it is vital that the FTC continue to expand these capabilities.

As our complaint data indicate, scammers are finding creative new ways to target consumers. It

Our enforcement actions not only provide American consumers with justice, they help foster consumer trust in the marketplace, strengthening the dynamism of the American economy itself.

Thank you again for holding this hearing. I look forward to answering your questions.