

OPERATION CALL IT QUILTS:
PRESS CONFERENCE STATEMENT
ANDREW SMITH, DIRECTOR
BUREAU OF CONSUMER PROTECTION

June 25, 2019
10:30 a.m., FTC Midwest Region Office

Good morning, and welcome everyone. I am Andrew Smith, Director of the FTC's Bureau of Consumer Protection. I am pleased to be joined today by Indiana Attorney General Curtis Hill, whose office has long been a leader among our state partners in the fight against illegal robocalls. We also are joined this morning by someone who was subjected to the illegal practices we are challenging today, and you will hear from her in just a minute.

This morning the Federal Trade Commission and its law enforcement partners are announcing "Operation Call it Quits," a coordinated effort to help stem the scourge of illegal robocalls. I will not bury the lede: Operation Call it Quits has stopped billions of robocalls. These illegal robocalls promised, among other things, to reduce your credit card interest rate (for a fee), help you earn eight figures by working from home (again, for a fee), and get your free (but not really free) medical alert system. Odds are, you got one of those calls — or lots of them.

Operation Call it Quits includes several FTC actions, eighty-two actions brought by forty state and local law enforcement partners, and five criminal actions brought by five federal partners.

Background

Last year, the FTC got nearly 3.8 million complaints about unwanted robocalls, pre-recorded messages trying to sell something. Now, we know that number is a drop in the bucket.

of all the robocalls people are getting. But we have seen that number grow dramatically over the last several years, so the point that on average, we're getting about 10,000 complaints about robocalls every day. And that is just from people who complain to the FTC. Does not come close to the overall number of robocalls we all get. But it does help show why we are fed up.

We know that robocalls are cheap and easy way for scammers to reach millions of people. We also know that scammers go to great lengths to avoid detection by law enforcement and to trick people into hearing their pitch. For example, illegal callers fake caller ID information, which hides their identity. But it also makes it more likely that people will answer their call. So, when you see a call that looks like it comes from next door, that call might actually originate from the other side of the world. And if you see a call that says IRS or Social Security Administration, do not trust it.

Scammers also use a kind of robocall known as ringless voicemail where your phone does not even ring, but you get a voicemail. Of course when you check your messages, you hear a recorded pitch urging you to call back. Absolutely do not call them back. In fact, of the settlements the FTC is announcing today involves a defendant who contacted consumers with ringless voicemails.

Before I describe the cases we have brought, let me be clear: nearly all robocalls are illegal under the FTC's Telemarketing Sales Rule, unless you have given your consent, in writing, to get that call.

Enforcement

To date, the FTC has filed 145 cases against 479 businesses and 387 individuals alleging Do Not Call Registry and robocall violations. The FTC has obtained more than \$1.5 billion in judgments and has collected over \$124 million in civil penalties and other relief.⁵ Our cases today and in the past have targeted all aspects of the robocall ecosystem, including sellers, telemarketers, dialers that blast out the illegal calls, and lead generators

Today's cases involve robocalls that pitch a variety of products and services. Let me give you a few examples. Earlier this month, the FTC sued a Florida-based operation that allegedly used robocalls 7004 (T)1ibc-6 v -32.82 ast

corporate defendants in a few moments,

seniors through at least one billion illegal robocalls⁹. These robocalls said that people could claim “free” medical alert devices that had been bought for them by friends, family members, or medical professionals. But those devices had not actually been purchased, and the monitoring service was anything but free. The settlement negotiated by the FTC and the State of Florida bans some defendants from future telemarketing and bans other defendants from robocalling. As a result of the settlement, these defendants, too, must “quit”

Work with Industry

But law enforcement alone is not going to solve this problem. That is why the FTC has worked closely with industry to spur innovation and promote solutions. For example, the FTC has held four public challenges to promote the development of call blocking tools to protect consumers from those unwanted and illegal calls. When the FTC started these call blocking contests in 2012, there were just a handful of call blocking tools on the market. Today, there are hundreds. In addition, we have supported the industry by releasing call numbers identified in Do Not Call complaints. In August 2017, the FTC began publicly releasing this data on a daily basis so that call blocking apps and telecommunications carriers can use this data to block unwanted calls. Moreover, the FTC also coordinates with its partner agencies, including the FCC, to enhance our efforts to promote industry solutions.¹²

The telecommunications industry is currently working on a system to authenticate caller ID information. Once implemented, this system should help combat spoofing and restore consumers' confidence in their calls. Two telecommunications companies already have tested the system, and it is expected to be rolled out more broadly by the end of this year. The FTC fully supports these efforts.

¹² For example, we have actively supported FCC efforts to allow carriers to block calls. In November 2017, the FCC issued rules permitting carriers to block some not all—calls at the network level. See, e.g., Press Release, Fed. Comm'n Comm'n, FCC Adopts Rules to Allow Phone Companies to Proactively Block Illegal Robocalls (Nov. 16, 2017), <https://docs.fcc.gov/public/attachments/DOCS7787A1.pdf>. In March 2018, the FCC and FTC held a joint forum on robocalls and call blocking to help spread the message that call blocking can help consumers avoid abusive and fraudulent calls. In April, the FCC and FTC held a joint expo for call blocking technologists to showcase their products and services. See Press Release, FTC, FTC and FCC to Host Joint Policy Forum and Consumer Expo to Fight the Scourge of Illegal Robocalls (Mar. 7, 2018), <https://www.ftc.gov/news-events/press-releases/2018/03/fcc-host-joint-policy-forum-consumer-expo-fight-scourge>

Education

Last, but certainly not least, I want to highlight the role of consumer education in combatting illegal robocalls. Today, we are releasing new information at [ftc.gov/calls](https://www.ftc.gov/calls) and our message is this: hang up, block, and report.

1. Hang up: If you hear a recorded sales pitch when you pick up the phone, hang up — the call is illegal. You never want to buy something from someone who contacts you through an illegal call. Here is a tip: pressing numbers to speak to someone or remove yourself from the list will probably only lead to more robocalls.

2. Block: You can reduce the number of unwanted calls you get by using call blocking. At [ftc.gov/calls](https://www.ftc.gov/calls), you will find the FTC's advice on what to do, based on the type of phone service you have.

3. Report: After you hang up on an unwanted or illegal call, report it to the FTC at [ftc.gov/complaint](https://www.ftc.gov/complaint). The more data we receive about the call, the better we can target our law enforcement efforts.

These resources at [ftc.gov/calls](https://www.ftc.gov/calls) will help anybody who wants to know what to do about robocalls and other unwanted calls. You will find articles, infographics, and three new short videos about stopping unwanted calls on your mobile and home phones and calls from fake numbers.

I wish we were here to announce that robocalls are a thing of the past. But the fact that Operation Call It Quits partners have silenced some three billion robocalls, and blocked some egregiously serial dialers from the industry, is important. The continued vigilance shown by every one of these law enforcers is impressive:

a second in stopping these illegal calls, but we also want your help. Use those call-blocking tools, which you can learn about [at ftc.gov/calls](http://ftc.gov/calls). And keep reporting those unwanted calls to the FTC. Those millions of complaints help give us important law enforcement leads, allowing us to bring the kinds of cases we are announcing today.

Thank you all for being here, and again my special thanks to Attorney General Hill, to Jeri Wilds, and to all of the FTC's partners in this effort. Our collective message to robocallers is simple— it is time to call it quits!