

Protecting Older Consumers

2022–2023

A Report of the Federal Trade Commission

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FEDERAL TRADE COMMISSION

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I. Introduction 1



with assistance from the FTC. Finally, this section describes the Commission’s work on a proposed rule prohibiting government and business impersonation, as part of its ongoing strategy and efforts to provide better tools to enhance its law enforcement work.

A. Enforcement Actions

The Commission filed the following new enforcement actions in the last fiscal year that likely had a significant impact on older adults:

In *Publishers Clearing House*, the FTC charged that the company used “dark patterns” to mislead consumers, many of whom were older adults or lower-income, about how to enter the company’s well-known sweepstakes drawings and made them believe that a purchase was necessary to win or would increase their chances of winning.⁷ The FTC also charged that the company added surprise shipping and handling fees to the costs of products, misrepresented that ordering was “risk free,” used deceptive emails as part of its marketing campaign, and

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timeshare exits within the promised time. It states that the defendants seldom succeeded in securing exits from the timeshares and failed to return nearly every requested refund, citing numerous phony reasons as to why they did not deliver the promised service. Ultimately, the defendants allegedly scammed consumers out of more than \$90 million. The complaint seeks civil penalties, other monetary relief, and a court order to prevent future violations.

In *Global E-Trading, LLC*, the FTC and the Office of the Attorney General of Florida filed a complaint alleging that the defendants, who operate a chargeback mitigation business known as “Chargebacks911,” have used misleading information to contest chargebacks on behalf of their merchant clients.¹⁵ Chargebacks occur when consumers dispute credit card charges with their banks, such as when consumers believe they have been subject to fraud or unfair business practices. The defendants assist merchants in the credenan



robocalls through its network, even after receiving multiple warnings.¹⁹ The complaint alleges that XCast Labs received dozens of “traceback” inquiries from US Telecom’s Industry Traceback Group regarding suspected illegal calls that originated on XCast Labs’ network, as well as inquiries from law enforcement agencies about transmission of suspected illegal traffic on the XCast Labs network. The complaint also alleges that even after receiving these direct warnings, XCast Labs transmitted illegal robocalls to consumers. In addition, the FTC discovered that many of these suspect robocalls were part of organized campaigns designed to generate telemarketing leads by, for example, impersonating federal officials from the Social



assisted and facilitated illegal sales and laundered credit card charges.²⁴ The complaint alleges that defendants worked with telemarketers who made misrepresentations to consumers about the performance and security of their computers in connection with the sale of bogus technical support services. It also alleges defendants violated the law either by assisting and facilitating those illegal sales and laundering the c



B. Case Resolutions

The Commission reached resolution in three pending cases involving older adults in the last fiscal year.

In *Raging Bull.com*, the FTC settled charges against Kyle Dennis, the last remaining defendant in a case filed in December 2020 against *Raging Bull.com* and related companies. The FTC’s complaint alleged the defendants fraudulently marketed investment-related services that they claimed would enable consumers to make consistent profits and beat the market.²⁹ It also alleged the defendants used inflated and false earnings claims to induce consumers into signing up for costly and hard-to-cancel subscriptions and to pay for investment strategies. The FTC further alleged that Raging Bull and its owners were “bilking consumers out of millions of dollars on a monthly basis” and that “a number of these consumers [were] older adults, retirees, and/or immigrants.” In September 2023, defendant Kyle Dennis, a supposed stock trading “guru” for RagingBull.com, who was charged by the FTC with pitching bogus stock tips that cost consumers more than \$40 million, agreed to settle the FTC’s charges. Under the to



In *Romero*, the FTC obtained summary judgment in its favor in a case filed in June 2021 against Frank Romero, doing business as Trend Deploy.³³ The complaint stated that Romero acted on consumers' fears during the COVID-19 pandemic and deceptively advertised quick delivery of N95 masks and other protective devices.³⁴ The FTC further stated that Romero rarely if ever shipped the devices his websites offered for sale, failed to offer refunds for consumers' purchases required by the FTC's Mail Order Rule, and failed to notify customers of shipping delays. The court order permanently enjoins Romero from selling or offering for sale any protective goods or services, imposes a civil penalty, and enters a monetary judgment.

C. Other Enforcement Highlights

Other FTC enforcement highlights include the issuance of cease and desist demand letters, the provision of consumer redress to consumers in cases previously brought by the FTC, and criminal actions by other agencies that relate to prior FTC matters or where the FTC provided assistance.



“[A]pproved by the ayurvedic Department of Health, an immune-enhancing drink for the COVID-19 virus based on ancient indigenous prescription and treatment,” and encouraged consumers to purchase Ceylon black teas by stating that: “While still in its preliminary findings, it has been noted that according to the latest research, the presence of theaflavin, a polyphenolic compound in black tea is said to have a medicinal value; thus acting as an inhibitor against several viruses . . . even SARS-related viruses like COVID-19.”

- In November 2022, the FTC sent a cease and desist demand letter to Alternative Health Distribution LLC (d/b/a CannaAid) challenging its promotion of cannabidiol (CBD) products to treat and prevent COVID-19. The company made claims on its website such as:

“HOW DOES CBD HELP TO FIGHT AGAINST COVID-19? . . . Recent analyses from numerous preliminary in vitro and animal studies have shown that cannabinoids in hemp, specifically CBD, can significantly reduce COVID-19’s ability to infect new cells – limiting inflammation in the lungs and possibly improving a patients’ quality of life during severe COVID-19 infection.”

- In January 2023, the FTC sent a cease and desist letter to PharmaCanna challenging its advertising of cannabinoid products to treat and prevent COVID-19. The company made claims on its website and social media including: “CBDefense 2000 - Virus Protective Formula . . . This revolutionary virus fighting product contains the two cannabinoids, CBDa & CBGa, that has been shown through a published study to keep covid from infecting human cells,” and “Our CBDefense 2000, anti-covid formula, is Now Available.”
- In January 2023, the FTC sent a cease and desist letter to PureCraft LLC challenging claims that its CBD products could treat and prevent COVID-19. The company made the claims on its website including: “Early results show that therapeutic doses of CBD do have a protective effect against COVID,” and “According to a March 2022 article in *Frontiers in Immunology*, CBD has been shown to decrease the severity of COVID. It’s primarily doing this by counteracting the body’s inflammatory response to the SARS-CoV-2 virus”
- In January 2023, the FTC sent a cease and desist letter to Medical Mikes, Inc. challenging its promotion of CBD products to treat and prevent COVID-19. The company made claims on its website that included: “widely circulated research indicated that highly



2. Consumer Monetary Relief

In the last fiscal year, FTC enforcement actions have resulted in relief of more than \$285 million to consumers of all ages.³⁶ Although the FTC’s ability to seek monetary relief for harmed consumers is now substantially limited following the Supreme Court’s decision in *AMG Capital Management*,³⁷ the FTC continues to deliver refunds to consumers when possible. These payments provide people some recompense for the losses that occurred due to illegal conduct.

In September 2023, the FTC sent a second round of payments in *Lifewatch Inc.* totaling more than \$1.04 million to 27,809 people, following a previous round of checks sent in December 2021 that resulted in \$669,195 in refunds to consumers. The FTC and the Florida Attorney General alleged that Lifewatch Inc., its officers and related entities bombarded consumers with at least a billion unsolicited robocalls pitching supposedly free medical alert systems, and claimed that the systems were endorsed or recommended by reputable organizations like the American Heart Association when they were not. The company’s telemarketers often told consumers that they could receive the medical alert system “at no cost whatsoever,” but consumers eventually learned that they were responsible for monthly monitoring fees, and it was difficult to cancel without paying a penalty. Defendants are permanently banned from telemarketing and prohibited from misrepresenting the terms associated with the sale of any product or service.

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system. In its 2018 filing addressing violations of the 2009 order, the FTC alleged that MoneyGram failed to implement the comprehensive fraud prevention program mandated by the 2009 order, which required the company, among other things, to promptly train, investigate, restrict, suspend, and terminate high-fraud agents. The 2009 order also required MoneyGram to conduct timely fraud investigations of any agent location that received two or more fraud complaints within 30 days, had fraud complaints totaling 5 percent or more of the location's total monthly received transactions, or displayed any unusual or suspicious money transfer activity. MoneyGram also was required to terminate locations that may be complicit in fraud-induced money transfers. The original FTC case described several scams perpetrated through the MoneyGram payment system including lottery or prize scams that often target older adults. MoneyGram agreed to a \$125 million payment as part of a global settlement, which resolved allegations that MoneyGram also violated a separate 2012 deferred prosecution agreement with the Department of Justice.³⁸

In March 2023, the FTC began sending payments totaling nearly \$2.4 million to consumers who paid subscription fees to the stock trading website **Ragingbull.com**.³⁹ The FTC's complaint against Raging Bull and its owners, filed in December 2020, alleged that Raging Bull used



In *Elite IT Partners, Inc.*, the FTC alleged that the defendants operated





competent and reliable scientific evidence; prohibits misrepresentations about clinical proof or the scope of FDA clearance; and requires them to pay redress. The order imposed a \$4 million judgment and required the defendants to turn over any future foreign licensing payments under existing contracts at the time.

Between September 2020 and August 2021, the FTC sent checks and PayPal payments, which



were elderly.⁵⁹ The Prosecutor’s Office and the United States Secret Service, which coordinated the operation, thanked the FTC for its assistance in the matter.

4. Referrals to the FBI’s Recovery Asset Team

Since 2019, the FTC has referred reports involving high dollar losses to the Federal Bureau of Investigation (“FBI”) Internet Crime Complaint Center (IC3) Recovery Asset Team. This team’s goal is to “streamline communication with financial institutions and assist FBI field offices with the freezing of funds for victims who made transfers to domestic accounts under fraudulent pretenses.”⁶⁰ In 2022, the FBI IC3 Recovery Asset Team responded to 2,838 incidents and with the assistance of their banking partners, froze an impressive \$433.30 million of the \$590.62 million in reported losses, making recovery possible for many victims.⁶¹

The FTC refers reports received through its *ReportFraud.ftc.gov* website and call center that meet certain criteria (typically larger dollar losses) to the FBI IC3 Recovery Asset Team when the consumer agrees to the referral. In the past year, the FTC has referred more than 800 reports through its Consumer Sentinel Network to the FBI IC3’s Recovery Asset Team. Here are some recent success stories involving older adults shared by the FBI IC3 Recovery Asset Team:

- In January 2023, an older adult reported to the FTC that their business email was compromised, resulting in the individual receiving a spoofed email containing fraudulent wire transfer instructions to a beneficiary trust account. The individual ultimately sent a wire of more than \$850,000 to the fraudulent account. The individual quickly reported the incident to the FTC, and the FBI IC3 Recovery Asset Team was able to contact the recipient bank and freeze almost the full wired amount for possible recovery.
- In March 2023, an older adult reported to the FTC that they placed a call to their investment advisor firm because they were unable to access their online account. The call did not go to their investment advisor, but to a spoofed phone number for Vanguard. The individual was told their account had been blocked for inappropriate material and they should make an almost \$400,000 wire transfer to a fraudulent domestic bank account for a cryptocurrency exchange. Since the individual reported the incident quickly to the FTC, the FBI IC3 Recovery Asset Team was able to contact the recipient bank and freeze the full wired amount for possible recovery.



- In March 2023, an older adult reported to the FTC that they received a pop-up message



in 2022. The FTC held an informal hearing on the proposed rule on May 4, 2023. This rulemaking is ongoing.⁷⁰

III. Outreach and Education Activities

A. *Pass It On* Education Campaign

Pass It On is the FTC’s ongoing fraud prevention education campaign for older adults. Campaign materials show respect for the readers’ life experience and accumulated knowledge and supply them with resources to read and “pass on” to family and friends to start conversations about fraud. The factsheets, bookmarks, videos, presentations, and other materials refresh and add to readers’ knowledge by briefly explaining how certain scams work and what a reader can do in response. Since the *Pass It On* campaign began in 2014, the number of topics it covers in print and online has expanded, based on community partners’ requests and changes in fraud trends. The updated catalog of print and online material addresses these 13 common frauds:

- Business Impersonator Scams
- Charity Fraud
- Government Impersonator Scams
- Grandkid and Family Scams
- Health Insurance Scams
- Home Repair Scams
- Identity Theft
- Investment Scams
- Job and Money-Making Scams
- Romance Scams
- Tech Support Scams
- Unwanted Calls and Text Messages
- “You’ve Won” Scams

The FTC has distributed almost 20 million *Pass It On* items since the campaign began, including more than 2.1 million items in fiscal year 2023. The free English and Spanish print material is



requested by groups including banks, libraries, police departments, adult protective services offices, state attorneys general, military support groups, and educational and community groups nationwide. Campaign materials are available at



The FTC works with libraries to reach communities nationwide, and help libraries and educators address questions about consumer issues, fraud, and avoiding scams and identity theft. People visit libraries and bookmobiles to get information, use technology, and attend programs and lectures. More than forty percent of people aged 52-70 visited a library or bookmobile in the last twelve months,⁷⁴ and more than half of people in that age range said libraries help them get information to help with decisions.⁷⁵ Staff attended the Association of Bookmobile and Outreach Services, whose members serve patrons in rural and urban locations; Coalition of Adult Basic Education, which advances adult education and literacy; Joint Conference of Librarians Of Color, which advocates for American Indian, Asian/Pacific American, Black, Chinese and Latino libraries and their communities; Teachers of English to Speakers of Other Languages, an international association of English language teaching professionals; and the Texas Library Association, whose 5,000 members make up the nation's largest state library association.

In 2021, the FTC launched the Community Advocate Center (CAC) to support legal services



2. Pandemic Response

The pandemic has had a significant impact on older adults. As the effects of the pandemic have evolved, the agency increased its outreach on issues related to financial resiliency. The outreach includes posting and sharing advice and resources at www.ftc.gov/MoneyMatters (www.ftc.gov/AsuntosDeDinero in Spanish) to help people learn — and teach others — how to tackle financial issues resulting from or worsened by the pandemic. The website gathers in one place dozens of articles, graphics, and ready-made presentations about common money issues, including finding work, getting loans, and buying or renting a home for consumers and speakers.

Commission staff used a large-scale mailing and presentations to deliver information about financial resiliency. In November 2022, staff mailed 13,000 folders with *Pass It On* fraud prevention material to community-based organizations serving older Spanish-speaking adults in senior centers, Area Agencies on Aging, and adult education and community centers. Staff attended the Qualitas of Life Organization during its Financial Access Fair, called Health, Nutrition, and Finance (Salud, Nutrición y Finanzas), and talked with attendees about buying and saving money as part of overall consumer financial health. Staff also gave information about consumer rights and what to know before you shop. The FTC joined the CFPB, National Center on Elder Abuse and SAGE,



Key findings from the 2022 Sentinel data:

- Older adults (ages 60 and over) were still less likely than younger adults (ages 18-59) to report losing money to fraud.
- Older adults continued to report higher individual median dollar losses than younger adults. The disparity remained particularly large among people 80 and over compared to younger adults.
- Older adults remained much more likely than younger adults to report losing money on tech support scams, prize, sweepstakes and lottery scams, and family and friend impersonation.
- Online shopping fraud continued to be the most commonly reported category of fraud in which people of all ages indicated they lost money, but older adults remained much less likely to report losing money to online shopping fraud than younger adults.
- Losses to investment scams continued to soar, becoming the top fraud type based on aggregate reported losses by older adults generally. But for those 80 and over, prize, sweepstakes and lottery scams remained the costliest.
- Aggregated reported losses and the number of reports indicating money was lost by older adults were highest for online frauds, but reported median individual losses continued to be highest for frauds that started with a phone call.
- Aggregate losses reported by older adults were highest on bank transfers or payments, followed by cryptocurrency. Credit cards and gift cards were the fraud payment methods most frequently reported by older adults.⁸³
- Analysis points to differences in how older adults in different demographic populations may experience fraud. Most notably, older adults most likely to be Asian American and Pacific Islander⁸⁴ reported a much higher share of losses to investment scams, and older adults most likely to be Black reported a higher share of losses to prize, sweepstakes and lottery scams.
- Working with two different assumptions on the underreporting of fraud, we estimate the overall cost of fraud to older adults to be \$5.9 billion or \$48.4 billion. These figures

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reflect a considerable degree of uncertainty because the scale of underreporting, particularly when losses are high, is not well understood.

These findings, explored more fully below, help inform the FTC’s efforts to protect consumers through consumer education, law enforcement, and policy work.

a. Most Older Adults Who Filed Fraud Reports Avoided Losing Any Money

As in previous years, the overwhelming majority of Sentinel fraud reports filed in 2022 by people 60 or over did not indicate any monetary loss. Figure 1, which controls for population size,⁸⁵ shows that older adults were 57% more likely to file these no-loss reports about fraud they had spotted or encountered—but avoided losing money on—than people ages 18-59.⁸⁶ Moreover, consistent with previous years, older adults were 18% less likely to report losing money to fraud than people ages 18-59. This suggests that older adults may be more likely to avoid losing money when exposed to fraud, more inclined to report fraud when no loss has occurred, or a combination of these or other factors. The FTC’s most recent fraud survey, published in October 2019, also found that what it called the “rate of victimization” for the various categories of frauds included in the survey was generally lower for those 65 and older than for younger consumers.⁸⁷

⁸⁵ The comparison of older adults and younger consumers is normalized against the population size of each age





less likely than younger people to report losing money to online shopping fraud, the number of loss reports submitted by older adults on this fraud type continued to exceed any other category of fraud reported by older adults.

Analysis of total dollars reported lost by older adults by fraud type, shown in Figure 4, highlights the tremendous financial harm caused by investment scams, business impersonation scams, and romance scams. Reported losses by older adults to investment scams continued to soar, increasing from \$147 million in 2021 to \$404 million in 2022.⁸⁹ These reports often describe fake cryptocurrency investment opportunities that target people through ads, posts, and messages

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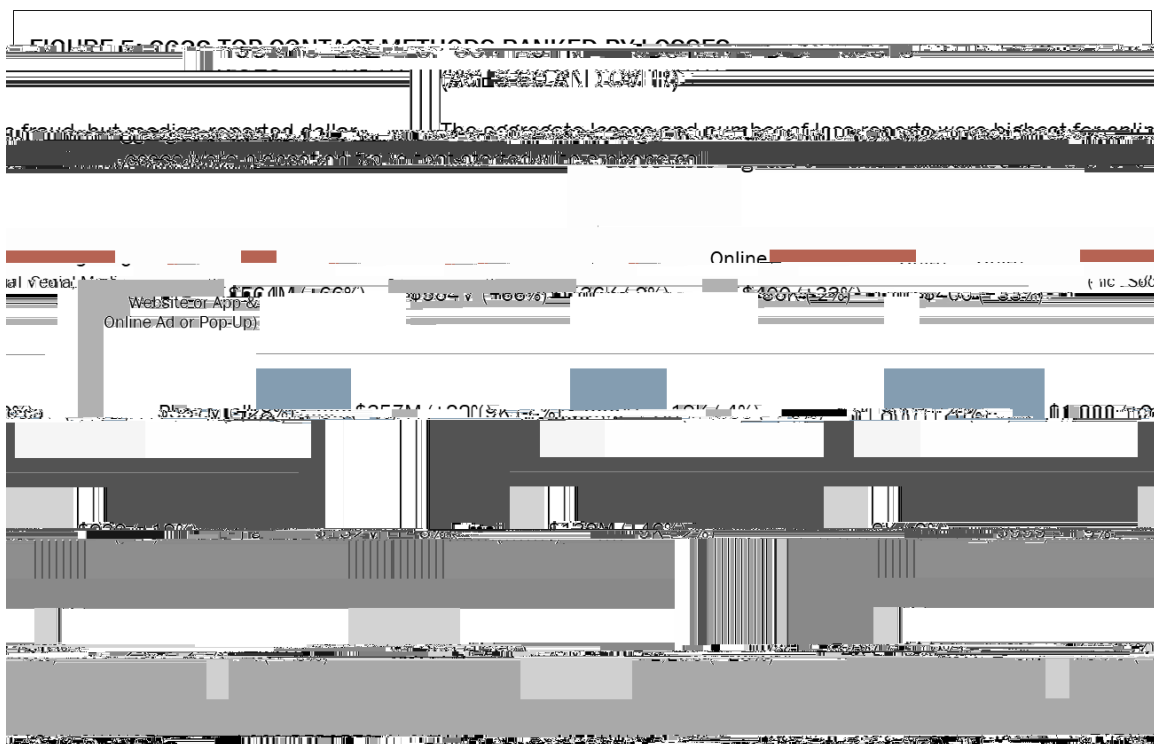


on social media platforms.⁹⁰ Losses to business impersonation scams by older adults increased 78%, with Amazon impersonators once again the most frequently reported.⁹¹ Reported losses to romance scams by older adults increased 13%, topping the record levels seen in 2021.⁹² For adults 80 and over, the highest aggregate reported losses were again on prize, sweepstakes and



d. Loss Reports and Aggregate Losses were Highest on Online Fraud, but the Highest Median Individual Loss Amounts were to Fraud that Started with a Phone Call

In 2022, as shown in Figure 5, older adults filed nearly twice as many loss reports about online fraud as phone fraud,⁹³ and their aggregate reported losses to online fraud were also higher. However, 2022 reported median individual losses remained far higher for phone fraud at \$1,800 compared to \$400 for online fraud. Among the online contact methods, social media continued to stand out, with total reported losses increasing from \$163 million in 2021 to \$277 million in 2022.⁹⁴ Also notable were text scams, which were second only to phone calls on median individual reported losses by older adults. The total loss amount reported by older adults on text scams more than doubled from \$41 million in 2021 to \$90 million in 2022.



⁹³ Online frauds are defined here as those in which the consumer reported first learning about the fraud on a website or app, on social media, or via an online ad or pop-up. Phone frauds are those in which the consumer reported first learning about the fraud via a phone call. Text frauds belong to a category separate from phone frauds.

⁹⁴ Median individual losses by older adults on scams reported as starting on social media increased from \$460 in 2021 to \$800 in 2022.



The second column in Figure 6 shows that, in 2022, older adults most often reported paying scammers with credit cards followed by gift cards



identifying any trends in reporting.⁹⁹ Using this method, 48,001 fraud reports filed in 2022 from older adults most likely to be Black, Latino, and AAPI were identified for analysis.¹⁰⁰ The results show differences in the reported fraud types and payment methods for each community, as well as larger reported losses for older adults most likely to be AAPI.

Figure 7 shows top fraud types by the share of total reported fraud losses by older adults most likely to be Black, Latino, and AAPI. The gray bars represent all reports by older adults, including reports where no race/ethnicity prediction was made. Each colored bar shows the share of total losses from each demographic group from various types of fraud. The data suggest that the fraud types with the highest reported dollar losses for older adults as a whole are also among the most costly for Black, Latino and AAPI older adults. However, differences are also evident. Most notably, 62% of all reported losses by older adults most likely to be AAPI were on investment scams, compared to 27% of all reported losses by older adults. The median reported loss to investment scams by older adults most likely to be AAPI was a staggering \$100,000. These reports most often describe fake cryptocurrency investment opportunities. Of reports from older adults most likely to be Black, prize, sweepstakes and lottery scams stood out at 16% of the total reported losses for this group compared to 9% for older adults generally. The largest share of these losses was on scams in which consumers reported that the scammers claimed a connection with Publishers Clearing House. Differences were less pronounced for older adults most likely to be Latino.

⁹⁹ The procedure used to impute race and ethnicity for this report combines information from a consumer's first name, surname, and home zip code, with a method known as Bayesian Improved First Name Surname Geocoding (BIFSG). Where BIFSG could not be applied, race/ethnicity probabilities were determined using surname and zip code (BISG) and using zip code alone where surname could not be used. Race/ethnicity was not predicted for reports that did not include a U.S. zip code. Consumers were then classified according to their largest single race/ethnicity probability. To check for robustness, statistics were also computed using race probabilities as weights and threshold classification methods to ensure that the findings broadly held across methodologies. BISG is a standard technique in fair lending analysis for banking supervision, originally explored in Mark N. Elliott *et al.*, *Using the Census Bureau's Surname List to Improve Estimates of Race/Ethnicity and Associated Disparities*, Health Services and Outcomes Research Methodology 9, no. 2. (2009). For more information on BIFSG, see Ioan Voicu, *Using First Name Information to Improve Race and Ethnicity Classification*, Statistics and Public Policy, Volume 5, Issue 1 at 1-13 (2018), available at <https://www.tandfonline.com/doi/full/10.1080/2330443X.2018.1427012>.

¹⁰⁰ The number of 2022 reports identified for analysis for each group were as follows: 23,602 Black, 17,112 Latino, and 7,287 AAPI. Note that this information only includes a fraction of the older adults in these populations who experienced fraud. One study has shown that only about 4.8 percent of the victims of mass-marketing consumer fraud complained to the Better Business Bureau or a government agency. Anderson, K. B., *To Whom Do Victims of Mass-Market Consumer Fraud Complain?* at 1 (May 2021), available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3852323 (study showed that only 4.8 percent of victims of mass-market consumer fraud complained to a Better Business Bureau or a government entity). Further, research involving nine consumer protection matters found that heavily Black and Latino areas complained -1.()0.5 (c)9.1.5 (n)TJyn



post or contact on social media. These reported losses were overwhelmingly on investment scams.¹⁰¹

Figure 9



Fraud reports from older adults in each demographic group also show differences in individual loss amounts and the share of reports that indicated any money was lost. The median reported loss in 2022 was \$750 for the older adults most likely to be Black, \$959 for older adults most likely to be Latino, and \$2,500 for older adults most likely to be AAPI, compared to \$850 for all older adults. Aggregate reported losses were also highest for (t.1 (o) p (d) n (t) h (e) r (e) 1 (d (r) u) 7 (l) t) demographic groups where no-loss reports.



g. Estimating the Overall Cost of Fraud to Older Adults

While



move all of the funds to “protect” them. Losses from these scams can be devastating, particularly for those losing retirement savings late in life.

The FTC has continued its program engaging with older adults who reported losing money to FTC impersonators. These adults often talk about how these scammers tell convincing stories that appear legitimate. The fact that the caller says they are with the FTC makes them a trusted voice. These adults also describe how the scammers called daily to build a rapport, lowering any suspicions as they requested more payments.

After listening to these stories, FTC staff has found it important to make sure these older adults know that the experiences were scams and the FTC will never demand money or personal information. Because these scammers are so good at what they do, it can be challenging to help people believe that FTC staff are legitimate and that the truth is that the previous callers were scammers. Taking the time to reach out to these consumers has been an important way for the FTC to hear more about these terrible scams, while empowering these older adults with information to identify and avoid such scams in the future.

B. Coordinated Efforts to Protect Older Consumers

The FTC’s Every Community Initiative leads the agency’s strategic planning for the protection of older consumers. As highlighted in the 2021 Serving Communities of Color Report, different types of consumer protection issues affect different groups of people, and this Initiative examines the impact of various schemes on distinct groups, including older adults, military service



For example, to pursue law enforcement actions that have the largest possible impact, the FTC coordinates with federal, state, local, and international agencies, including those with criminal authority. Through partnerships, the FTC leverages resources to track down fraudsters and build cases to stop them. In particular, the FTC participates in the Global Anti-fraud Enforcement Network, a multilateral network of agencies that enforce laws prohibiting mass marketing fraud.



four initiatives to address fraud impacting older adults. These initiatives are focused on: 1) expanding consumer education efforts; 2) improving industry training on scam prevention; 3) identifying innovative or high-tech methods to detect and stop scams; and 4) developing research on consumer or employee engagement to reduce fraud. To tackle these initiatives, the Advisory Group formed four committees led by the FTC and one or more Advisory Group members, and invited interested members of the public with relevant expertise to submit applications to join a committee. The FTC and the committee co-leads also identified key stakeholders and extended invitations to those partners to assist the Advisory Group’s work. As a result of broad public interest and the Advisory Group’s recruiting efforts, the four committees include a diverse array of collaborators with expertise from academia; local, state and federal government; trade associations, businesses, and other industry members; and consumer advocacy and other non-profit organizations, which are all joining forces to help stop scams from impacting older adults.¹¹⁷ The committees began meeting regularly in December 2022, and are focused as follows:

Consumer Education Committee. The Consumer Education Committee is led by AmeriCorps, Cuyahoga County Consumer Affairs, FTC, and the U.S. Department of Treasury. The committee’s work is divided into two parts: the Outreach Subcommittee and the Guiding Principles Subcommittee. The Outreach Subcommittee is working to identify more effective ways to reach older adults. To help older adults protect themselves from scams, subcommittee members are implementing test pilot projects that involve sharing consumer education materials with an expanded network of trusted community members. Members of this subcommittee are using the pilot projects to experiment with new materials, partnerships, or other communication channels to see if they result in better outcomes than their traditional outreach methods. For example, the FTC’s own pilot, the Fraud Fighters outreach program, builds on the *Pass It On* campaign, offering train-the-trainer sessions to a range of participants to determine if it enhances the experience and results for participants and their



outreach experiences, including materials used, research conducted or relied on, and any measured outcomes from their past outreach campaigns. The two subcommittees will distill their discussions and learnings into a document outlining guiding principles and best practices that many different organizations can utilize to enhance their fraud prevention communications with older adults.

Industry Training Committee. The Industry Training Committee is led by AARP and the FTC. The committee's work is focused on implementing the Stop Senior Scams Act's mandates by collecting information on employee training and educational materials used by industry and discussing how they can be used as a guide to educate employees on identifying and preventing scams that affect older adults. Committee members come from a wide range of industries including financial institutions, digital assets, gift cards, wire transfers, retail, and other payment companies. Committee members also include consumer advocates, trade associations, and state and federal government. The committee has identified several principles of effective employee training and is meeting regularly to discuss each principle in greater depth. In its meetings, committee members volunteer to explain how their organization approaches a particular principle and share examples of their training materials that illustrate their approach. The committee will produce, among other outputs, a guidance document describing the principles of effective employee training that can be applied and adapted to any industry segment.

Technology and New Methods Committee. The Technology and New Methods Committee is led by the Consumer Financial Protection Bureau, FTC, U.S. Department of Justice, and USTelecom. The committee's work is concentrated on identifying technologies that can help stakeholders spot scams and promoting other ways that stakeholders can collaborate to provide greater protection to older adults from the impact of fraud. For example, this collaboration could include sharing data and information more broadly to make fraud detection easier. Since December 2022, the committee meets monthly and has focused on sharing information regarding the strategies and techniques committee members currently use to detect and stop scams. Committee members come from a diverse range of industries, and sharing information on their different approaches to mitigate fraud has been educational for the members. The committee has also invited guest speakers to present to the members on different models of effective industry collaboration. The committee will collate a list of possible collaborations that can help provide older adults additional protection from the impacts of fraud, and committee members will commit to working on one or more of these projects.

Scam Prevention Research Committee. The Scam Prevention Research Committee is led by the Consumer Financial Protection Bureau, FTC, Financial Industry Regulatory Authority, International Association of Better Business Bureaus, and the U.S. Department of Justice. The committee draws expertise from fraud prevention experts from non-profits, government, industry, as well as several researchers who have authored studies relevant to the Commission's work. The committee has completed an initial survey of the relevant research, with a focus on research addressing fraud prevention messaging. The committee is synthesizing the information they have reviewed. The committee plans to identify key takeaways that can serve as a resource for the Consumer Education Committee as it prepares information to assist those who prepare consumer messaging or education on scam prevention on how they can integrate research-based recommendations into existing scam prevention methods. The Scam Prevention Research Committee also plans to prepare a resource that will highlight research gaps and propose



Appendix A – Federal Trade Commission FY 2023

Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	Outcome
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Federal Trade
Commission v.
Passport
Automotive

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Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	Outcome
United States of America, State of Wisconsin v. Consumer Law Protection LLC., <i>et al.</i> (Square One)	4:22-cv-01243	Eastern District of Missouri	11/21/2022	FTC's Cooling Off Rule	Alleged the defendants scammed consumers—mostly older adults—out of more than \$90 million in a massive timeshare exit scam.	Litigation Ongoing

In the Matter of
 Google LLC
 and
 iHeartMedia,
 Inc.



Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	ST	ET	BT	TT	ET	TT	Tri	S	dof
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Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	Outcome
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In the Matter of
LCA-Vision
(LasikPlus)



Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	Outcome
United States of America v. Stratics Networks, Inc., <i>et al.</i>	3:23-cv-00313	Southern District of California	2/16/2023	Telemarketing Sales Rule	Alleged the defendants transmitted millions of illegal VoIP and ringless voicemail robocalls pitching phony debt	



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Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	Outcome
United States of America v. Xcast Labs, Inc.	23-cv-03646	Central District of California	5/12/2023	Telemarketing Sales Rule	Alleged the defendant, a Voice S2.86\$32.821 0f.[(S)2fr rere89(2.86)2 4w 0[(S)2f33e89(2.821	



Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	Outcome
United States of America v. Amazon.com, Inc., <i>et al.</i>	2:23-cv-00811	Western District of Washington	5/31/2023	Children's	Online NBT0.7.38 473.4 Tm[(O)4 (n)2 (lin)8v2 TcQBT[(W)4ETEMCt373.38 65	



Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	Outcome
		Co. Co.	11/12/2003	453400	1p.-0.23170[(C)BT/TT2 1 Tf-0.002 Tc 0242 Tw 12	-0 0 12 299.3



Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	Outcome
Federal Trade Commission v. Publishers Clearing House LLC	2:23-cv-04735	Eastern District of New York	6/26/2023	CAN-SPAM Act	Alleged the defendant used “dark patterns” to mislead consumers about how to enter the company’s well-known sweepstakes drawings and made them believe that a purchase is necessary to win or would increase their chances of winning, and that their sweepstakes entries are incomplete even when they are not.	Settlement
United States of America v. Michael J. Connors <i>et al.</i> (Smoke Away)	2:23-cv-00475	Middle District of Florida	6/29/2023	Opioid Addiction Recovery Fraud Prevention Act	Alleged the defendants deceptively marketed their Smoke Away products as able to eliminate consumers’ nicotine addiction and enable them to quit smoking quickly, easily, and permanently.	Settlement
United States of America v. Hello Hello Miami, LLC <i>et al.</i>	1:23-cv-22553	Southern District of Florida (Miami Division)	7/10/2023	Telemarketing Sales Rule	Alleged the defendants assisted and facilitated illegal robocalls, including calls to consumers on the National Do Not Call Registry, and misrepresented themselves as representatives of Amazon.	Litigation Ongoing

Case Name	Case Number	Court Name	Date of Complaint	Case Type	Description	Outcome
Federal Trade Commission v. Hey Dude, Inc.	2:23-cv-1412	District of Nevada	09/11/23	Deceptive Endorsement Claims/Mail, Internet, or Telephone Order Merchandise Rule	Alleged that defendant misled consumers by suppressing negative reviews, and failed to respond appropriately when they were unable to ship consumers' orders on time.	Settlement
Federal Trade Commission v. Lurn, Inc., <i>et al.</i>	8:23-cv-02622	District of Maryland	09/27/23	Deceptive Earnings Claims/TSR/ Notice of Penalty Offenses	Alleged the defendants used deceptive and unsubstantiated earnings claims to sell consumers business coaching services.	Settlement



