



# NETWORK NEWS

NETWORK NEWS IS A PUBLICATION OF CONSUMER SENTINEL, LAW ENFORCEMENT'S SOURCE FOR CONSUMER COMPLAINTS

## SPRING CLEANING — PURGING OLD DATA

As part of its new data retention policy, Sentinel will delete all complaints filed before August 31, 2004 and all other data — such as consumer requests for information — entered before February 29, 2008. Sentinel will now purge five-year-old data every six months, at the end of June and December.

Sentinel also is removing all telemarketing sales scripts and related information received from the National Tape Library, which is maintained by the United States Postal Inspection Service (USPIS). USPIS stopped updating the Library in 2005.

Do you need access to complaint data that's more than five years old? Use Sentinel's Litigation Hold feature to prevent older complaints from being deleted. Conduct an Advanced Search: at your results page, you'll see the litigation hold feature with instructions on how to use it. Questions? Contact the Consumer Sentinel Help Desk at [CustomerSupport@ConsumerSentinel.gov](mailto:CustomerSupport@ConsumerSentinel.gov) or (877) 701-9595. ■■■

## TELEMARKETING BAN

At the FTC's request, a U.S. district court judge has ordered a Canadian operation to pay more than \$7.8 million and imposed a telemarketing ban on it. According to the FTC, Select Personnel Management defrauded about 12,000 people out of millions of dollars between 2005 and 2007 by falsely claiming that it could substantially reduce card holders' existing credit card interest rates and save them thousands of dollars in interest and finance charges.

Read more: [ftc.gov/opa/2009/07/spm.shtm](http://ftc.gov/opa/2009/07/spm.shtm). ■■■

## GETTING SHORT CHANGED

The FTC and its partners are cracking down on scammers who are taking advantage of the economic downturn to bilk vulnerable people. Operation Short Change includes 15 FTC cases, 44 Department of Justice actions, and suits brought by at least 13 states. The con artists promise non-existent jobs, promote get-rich-quick plans, bogus government grants, and phony debt-reduction services or make unauthorized charges on account holders' credit or debit cards.

Read more: [ftc.gov/opa/2009/07/shortchange.shtm](http://ftc.gov/opa/2009/07/shortchange.shtm). ■■■

## STAT-O-SPHERE

During calendar year 2008 Sentinel got more than 2 million consumer complaints — over 643,000 were fraud-related. 12% of the fraud-related complaints were identified as cross-border fraud. ■

## NEW TO THE NETWORK

Since January 1, Sentinel has added 108 new agencies — including 62 sheriffs' offices and police departments. ■

## OPERATION MIRAGE

The FTC participated in Operation Mirage, a joint initiative with Canadian law enforcement authorities to crack down on business directory scams. The FTC filed suit in federal court in Illinois to stop the illegal operations of three telemarketing boiler rooms in Montreal, Canada. The agency alleged that the telemarketers bilked thousands of small- and medium-sized U.S. businesses and non-profits, including churches, schools, and charities, out of millions of dollars by tricking them into paying for listings they never ordered in worthless business directories. The FTC charged that the three telemarketing operations targeted businesses and other organizations with schemes to mislead them into paying hundreds of dollars each for unwanted business directory listings. The court has issued temporary restraining orders in two cases and a preliminary injunction in the third.

In their phone calls to businesses and non-profits, the telemarketers often have posed as well-known local “yellow pages” directories, and have told employees who answer the phone that they are calling to verify addresses and telephone numbers, the FTC’s complaints stated. The telemarketers then used the “verifications” as the basis to claim that these organizations agreed to listings that often cost \$400 or more. The FTC alleged that the companies sent their victims invoices that again often imply that they are well-known yellow-pages companies. Many businesses and organizations simply paid these invoices. Those that did not were harassed with threatening phone calls and letters. To hide their location, the companies have used mailing addresses around the United States.

Read more: [ftc.gov/opa/2009/06/optmirage.shtm](http://ftc.gov/opa/2009/06/optmirage.shtm). ■

## ROBO-CALLS

A federal judge has issued a temporary restraining order stopping Voice Touch, Inc., a telemarketing company, its principals, James and Maureen Dunne, and their associates from operating a massive telemarketing scheme. According to the FTC, they used random, pre-recorded phone calls to fool people into thinking that the warranties on their vehicles were about to expire.

Read more: [ftc.gov/opa/2009/05/robocalls2.shtm](http://ftc.gov/opa/2009/05/robocalls2.shtm). ■

## FRAUD: AN INSIDE LOOK

As part of the Operation Short Change initiative, the FTC produced a video to help consumers understand how con artists work and how to avoid fraud. It features two victims and a former scammer who hawked phony business opportunities and ultimately served prison time for deceiving investors. The former scammer gives an insider account of how he tricked prospective buyers into spending thousands of dollars for a product they knew nothing about.

View the video at [youtube.com/FTCVideos](http://youtube.com/FTCVideos). ■■■

## A JOLT FROM THE BLUE

Partnerships among law enforcement agencies in the U.S. and Jamaica are making it tougher for cross-border scam artists to ply their tricks. Fraudulent telemarketers based in Jamaica are calling people in the U.S., telling them that they’ve won a sweepstakes or foreign lottery. The FTC, U.S. Immigration and Customs Enforcement (USICE), and the Jamaican Constabulary Force (JCF) say most of these promotions are likely to be phony and they are working together to stop them. The fraudulent telemarketers typically identify themselves as lawyers, customs officials or lottery representatives, and tell people they’ve won vacations, cars or thousands of dollars. “Winners” need only pay fees for shipping, insurance, customs duties or taxes before they can claim their prizes. The FTC, USICE and the JCF are cooperating on an initiative called Project JOLT (Jamaican Operations Linked to Telemarketing), sharing information, investigators, and other resources; gathering consumer complaint information; and contributing to the legwork involved in building a case, including surveillance and interviewing victims. As a result, fraudulent telemarketing operations in Jamaica are being exposed and shut down.

Read more: [ftc.gov/bcp/edu/pubs/consumer/alerts/alt148.shtm](http://ftc.gov/bcp/edu/pubs/consumer/alerts/alt148.shtm). ■■■

## COMMENTS, QUESTIONS, OR KUDOS

Got a success story? Should we profile your agency? Want to share an article idea? Email [sentinel@ftc.gov](mailto:sentinel@ftc.gov). ■



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