



NETWORK NEWS

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

DO NOT CALL REPORT

The FTC has released its report to Congress about the Do Not Call Registry for Fiscal Year 2007. The report addresses the Registry's effectiveness, operation, and enforcement. Read more: www.ftc.gov/opa/2008/07/dncfyi.shtm.

MEMBER SPOTLIGHT

EUREKA! The Police Department of Republic, Washington, was early to register for the new Consumer Sentinel Network. Formerly known as Eureka Gulch, Republic is a small town in the north central part of the state, surrounded by national forest lands. With a population under 1,000 and three police officers, the Department is accustomed to working across jurisdictional lines to leverage resources. According to Alexander Wirth, Acting Police Administrator, the Republic P.D. works cooperatively with several other local law enforcers to share training and coordinate other efforts. For example, in addition to their regular duties, Republic officers serve on a combined drug task force with law enforcement in bordering Stevens and Okanogan counties. Because of Republic's proximity to Canada, some cross-border fraud comes through the area. Administrator Wirth sees Sentinel as an important tool to help the force protect the community and bring bad actors to justice. "We already cooperate quite a bit locally," Wirth said. "Sentinel should make it easier to track fraud complaints and connect with our counterparts locally and in Canada." ■■■

SURVEYING THE SITUATION.

The FTC will study the experiences of consumers who contacted the agency after becoming victims of identity theft. The survey will examine certain rights of victims: to place fraud alerts on their credit files if they are, or suspect they may become, victims of identity theft; to block information on their credit reports that resulted from identity theft; and to get copies of their credit reports free of charge. Read more: www.ftc.gov/opa/2008/07/fcra.shtm. ■■■

CONSUMER SENTINEL – NEW AND IMPROVED

Check out the updated Consumer Sentinel Network! An even more effective tool for immediate and secure access to consumer complaints about identity theft, the National Do Not Call Registry (DNC), Internet fraud and deceptive telemarketing, the new Sentinel includes all complaints filed with the FTC about financial issues, like credit reports, debt collection, financial institutions, and lending. Sentinel lets you find complaints faster and more easily, store search results in your own 100 MB space, search within searches, and connect with other law enforcers. Learn more about the new Sentinel at www.ftc.gov/sentinel. Then, join the list of law enforcers who are already there at: Register.ConsumerSentinel.gov. ■■■

COOL TOOLS

Re-registering to access the new Sentinel system is as easy as 1-2-3. Here's how:

1. Sign on the dotted line. The head of your organization or sub-group must sign a new confidentiality and data security agreement with the FTC.
2. Check it off. Use this [check list](#) to make sure you meet the requirements for registering your organization in the Consumer Sentinel Network.
3. Then, register online at Register.ConsumerSentinel.gov. Contact the Sentinel team at sentinel@ftc.gov or by phone (877-701-9595) if you have any questions.



THE NOT-SO-GREAT PYRAMIDS.

The FTC has settled its charges against BurnLounge and its principals for their multi-level marketing operation that was a pyramid scheme. According to the FTC, the defendants told consumers they could make a lot of money operating on-line digital music stores. But BurnLounge's compensation program paid consumers for recruiting others, not for selling products or services. The settlement requires the defendants to give up \$20,000 in ill-gotten gains and bars them from participating in any pyramid scheme or making false earning claims. Read more:

www.ftc.gov/opa/2008/07/elliott.shtm.

COMMUNITY BEAT

Law enforcers know that identity theft is a serious and costly crime. Consumers need clear, actionable advice about reducing their risk of ID theft. To empower consumers, the FTC's national education campaign, Avoid IDTheft: Deter, Detect, Defend, provides free tools to enable anyone — regardless of their existing knowledge of the issue — to effectively educate others. Use the FTC's ID Theft Consumer Education Kit — available in English and Spanish — to talk about how to reduce the risks of identity theft and respond if it strikes. It includes a booklet with step-by-step instructions, a slide presentation with notes, a speech, a press release, and ideas for community outreach; a tri-fold brochure; a 10-minute DVD featuring law enforcers, FTC officials, and victims talking about their own experiences; and a detailed guide for ID theft victims.

To order copies of the kit, visit www.ftc.gov/bulkorder.

To learn more about how to deter, detect, and defend against identity theft, go to www.ftc.gov/idtheft.

STOCK UP

Order free FTC materials at www.ftc.gov/bulkorder.

SUCCESS STORIES

The owners of an invention promotion operation have agreed to pay \$10 million in consumer redress to settle FTC charges that they lied to prospective customers. According to the FTC, Davison Design and Development, Inc., its affiliates, and its principal, George Davison, charged consumers up to \$12,000 to evaluate and promote inventions. They allegedly enticed consumers with false claims about the operation's selectivity in choosing products to promote, their track record in turning inventions into profitable products, and their relationships with manufacturers. Under the settlement, the defendants must tell prospective clients — whether in person, online, or in ads — how many consumers submitted ideas within the past five years, signed agreements for their services, licensed their ideas, and earned more money in royalties than they paid in fees. The defendants also must disclose the percentage of their income that comes from royalties earned from their customers' inventions.

According to Steven Balster, the FTC's attorney on the case, Sentinel had many complaints against the operation that led to evidence for the investigation. "We used information from Sentinel to determine the extent of complaint activity in this area, to confirm the changing names of the operation, and to identify new victims," he said. "It also was helpful to compare complaints over time." Read more:

www.ftc.gov/opa/2008/07/davison.shtm.

STAT-O-SPHERE

As of June 2008, consumers had placed 168 million telephone numbers on the National Do Not Call Registry.

COMMENTS, QUESTIONS, OR KUDOS

Got a success story? Should we profile your agency? Want to share an article idea? Email sentinel@ftc.gov.



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