

Congratulations! You're a Winner!

Lottery, Prize, and Sweepstakes Scams and the Role of Money Transfer Services



May 2-3, 2011

Ralph H. Metcalfe Federal Building
77 West Jackson Boulevard, Room 331
Chicago, Illinois



Monday, May 2, 2011

8:00 – 8:45 Registration and Refreshments

8:45 – 9:30 Introduction and Keynote Address

David Vladeck, Director, Bureau of Consumer Protection, FTC
Thomas Brady, Inspector In Charge, Chicago Division, USPIS

9:30 – 9:50 Scope of the “You’re a Winner” Problem

Statistics and other data on the size and nature of the problem.

Steven Baker, Director, Midwest Region, FTC

9:50 – 10:20 Anatomy of a Fraud: How These Scams Operate

How they contact consumers (cold calls/emails/mail); what they claim; and how they collect the money.

Jeff Thomson, National Intelligence Analyst, RCMP

10:20 – 10:40 Break

10:40 – 11:30 Panel: Who Is Vulnerable to These Frauds?

What do we know about the types of people who are victims? Do scams affect the public generally, or are there demographic groups that are more vulnerable? What can we learn from studies in this area or from actual experience working with consumers?

Bridget Small, Division of Consumer and Business Education, FTC
Debra Deem, Victim Specialist, FBI

11:30 – 1:00 Lunch: On Your Own

1:00 – 1:30 Other Scams That Use Money Transfers

This session will cover other types of scams that tend to employ money transfer services to obtain funds, such as grandparent or friend in need scams, advance fee loans, secret shopper scams and check overpayment schemes.

Laureen Kapin, Office of International Affairs, FTC

1:30 – 2:15 Role of Fake Checks in These Frauds

Many of these scams send consumers counterfeit checks they are instructed to use to pay the “fees” to get their winnings. How do these schemes work? What efforts have been made to educate the public? What can law enforcement do about this problem?

David Kepchar, Mail Fraud Team Leader, Chicago Division, USPIS

Michael Benardo, Division of Risk Management Supervision, FDIC

Susan Grant, Director of Consumer Protection, Consumer Federation of America

2:15 – 2:30 Break

2:30 – 3:30 Fraud Prevention Efforts by Western Union

What programs does Western Union have in place to prevent use of its system in fraud schemes? What additional efforts are planned?

Moderator: Todd Kossow, Midwest Region, FTC

Denise Jaworski, Vice President, Western Union

Phil Hopkins, Vice President, Western Union

3:30 – 5:00 Law Enforcement Response to These Scams

Many of those behind these scams tend to be located outside the United States. What is the experience of law enforcers - both here and outside the U.S. - in dealing with these scams? How well do cooperative efforts work?

Moderator: Thomas Brady, Inspector In Charge, Chicago Division, USPIS

Elizabeth Nygaard, Special Agent, NY Field Office, FBI

Christopher Merendino & Rexford Setzer, U.S. Department of Homeland Security, ICE

Christy Fawcett, Assistant U.S. Attorney, M.D. Pa.

Joe McGowan, Fraud Team Leader, Pittsburgh Division, USPIS

Dena Davis, Inspector General’s Office, FTC

Lynne Murphy, Intelligence Analyst, Commercial Crime Section, RCMP

5:30 Reception (Cash Bar)

JW Marriott Chicago, International Lounge, 151 West Adams Street, Chicago

Tuesday, May 3, 2011

8:00 – 8:30 Refreshments

8:30 – 9:15 Views from the Sweepstakes and Lottery Industry

Many times the scammers also impersonate state and provincial lotteries or companies that employ sweepstakes in promotional efforts. How are they affected by the scammers and what steps are they taking to help protect the public?

Moderator: Sarah Schroeder, Western Region, FTC

Tom Tulloch, North American Association of State and Provincial Lotteries
Christopher Irving, Asst. VP, Consumer & Legal Affairs, Publishers Clearing House
Erica Katz, Assistant General Counsel, Reader's Digest
Linda Goldstein, Promotion Marketing Association

9:15 – 10:15 Fraud Prevention Efforts by MoneyGram

What programs does MoneyGram have in place to prevent use of its system in fraud schemes? What additional efforts are planned?

Moderator: Todd Kossow, Midwest Region, FTC

Tim Everett, Executive VP & General Counsel, MoneyGram
Phyllis Skene-Stimac, Senior VP & Chief Compliance Officer, MoneyGram
Scott Sandlin, Senior Director—Money Services, Walmart
Benjamin Floyd, Senior Director & AML Compliance Officer, Walmart

10:15 – 10:30 Break

10:30 – 11:15 Consumer Education and Walmart's Experience with Fraud-Induced Money Transfers

This session will focus on general consumer education, as well as the recent efforts by Walmart to reduce fraud by educating customers, and training store personnel.

Carolyn Shanoff, Director, Division of Consumer and Business Education, FTC
Benjamin Floyd, Senior Director & AML Compliance Officer, Walmart
Louis Robertson, Criminal Intelligence Analytical Unit, RCMP

11:15 – 12:00 What More Can We Do to Limit Fraud Employing Money Transfers?

This roundtable discussion will focus on ways to stop or limit the use of money transfers as a payment mechanism for fraud. Panelists will discuss not only what has been effective thus far, but also explore other possible steps and whether they would be practicable.

Moderator: Charles Harwood, Deputy Director, Bureau of Consumer Protection, FTC

James Arlt, Minnesota Department of Public Safety

Lois Greisman, Director, Division of Marketing Practices, FTC

Anthony Luis Rodriguez, Chief Global Compliance Officer, RIA Financial Services

Phyllis Skene-Stimac, Senior VP & Chief Compliance Officer, MoneyGram

Joseph Cachey, Chief Compliance Officer, Western Union

12:00 – 1:00 Lunch: On Your Own

1:00 – 2:00 Brainstorming on Other Methods of Addressing Lottery, Prize, and Sweepstakes Scams

This session will invite all participants to offer and combine ideas on steps that can be taken to help protect the public from these frauds. Thoughts will be sought on consumer education, ways to help the public find out if they have, in fact, won and potential law enforcement or regulatory solutions.

Moderator: Steven Baker, Director, Midwest Region, FTC

2:00 – 2:15 Break and Close of Public Session

2:15 – 4:00 Law Enforcement Only Session

4:00 Conclusion