



THE CHAIRMAN

FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

January 18, 2005

Mr. Paul L. Jones  
Director, Homeland Security and Justice  
US Government Accountability Office  
441 G Street NW  
Washington, DC 20548

Dear Mr. Jones:

Thank you for the opportunity to comment on the Government Accountability Office's draft report titled *Telemarketing: Implementation of the National Do-Not-Call Registry* (GAO-05-113) ("GAO Report" or "Report"). As the GAO Report concludes, the National Do-Not-Call Registry ("DNC Registry") is successful by three measures. Specifically, the Commission had the DNC Registry operational by the end of calendar 2003; the system could and did enroll over 60 million telephone numbers within one year of operation (June 2004); and all evidence indicates that most consumers who say they have registered their telephone numbers are receiving substantially fewer telemarketing calls.

We understand that the agencies' respective staffs have worked cooperatively throughout the preparation of this Report and that the Commission staff has provided informal technical comments on the draft of the Report to the GAO staff, the vast majority of which have been incorporated. The Commission does not disagree with the contents of the Report. As FTC staff noted, quantitative measurement of the effectiveness of a program based on "before and after" snapshots is often difficult, particularly in situations like the Do-Not-Call program where only anecdotal evidence of a baseline for the "before" figure exists. Nonetheless, when reports from consumers, the media, and professional surveyors consistently conclude that the DNC Registry effectively and successfully protects registered consumers against invasions of their privacy by most commercial telemarketing calls, it is reasonable to infer that the program is working as intended. This is especially so when there is no evidence to the contrary.

In addition, viewed from the perspective of industry compliance, the DNC Registry is a striking success. The relatively small number of complaints – 675,337 through December 11, 2004, or 1% of the number of registrations through that date – suggests that overall compliance with the DNC Registry is high. Additionally, the FTC's early enforcement record sends a strong message to telemarketers that the FTC is ready and able to address violations of the DNC Registry. To date, ten law enforcement actions have been filed in federal district court, either by the Department of Justice on behalf of the FTC to obtain injunctions and civil penalties, or by the FTC itself to obtain injunctions and consumer redress.

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Finally, with respect to state participation in the DNC Registry, we believe that harmonization efforts have continued to be successful. All but eight of the states that maintain their own registries have shared their registration data with the DNC Registry, thereby minimizing consumer confusion and making telemarketer access to the DNC Registry more efficient. The Commission continues to work with the remaining states to coordinate their registries and relevant laws with the DNC Registry.

The Commission appreciates the opportunity to review and comment on GAO's Report.

By direction of the Commission.

  
Deborah Platt Majoras  
Chairman