

Part 1-23-02
FTC Defends Plan for 'Do Not Call' List.

By CAROLINE E. MAYER
Washington Post Staff Writer

Federal Trade Commission officials said yesterday that their proposals to control unwanted telemarketing calls are constitutionally sound.

Responding to industry criticism that the commission's proposal to create a national do-not-call registry was an attempt to limit the right of free speech, the director of the FTC's Consumer Protection Bureau said it was an attempt to protect another key American right—the right to privacy.

"Privacy is an important substantial govern-

ment interest, and restrictions to enhance privacy and protect peoples' privacy can certainly withstand a constitutional challenge," Howard Beales said at a news conference at which the details of the FTC's proposed telemarketing rules were disclosed.

Chief among the proposals is a toll-free telephone number that people could call to get their names removed from many telemarketing sales lists. Telemarketers could be fined as much as \$11,000 for calling a number on the list.

Although the list would be maintained by the FTC, Beales said it did not represent a government order limiting calls to consumers. "We're

not saying, 'Don't call,'" but giving consumers the ability to say that, Beales said.

The FTC also proposed barring telemarketers from blocking identifying information from caller-ID equipment so people would be able to know who is calling. Telemarketers also would be prohibited from exchanging, selling or buying a customer's billing information.

The FTC additionally proposed that anyone selling credit card-loss protection plans would have to disclose that there is a \$50 limit on cardholder liability for unauthorized use of a credit

See TELEMARKETING, E10, Col. 1

Rule to Curb Sales Calls

TELEMARKETING, From E1

card. The agency said many telemarketers never mention that fact, thus giving the mistaken impression that cardholders could be liable for substantial sums of money if their cards are stolen, misused or lost.

The Direct Marketing Association said, "The FTC must be careful and deliberate in weighing the merits of this proposal because more than 6 million jobs and \$668 billion in sales in the United States are at stake." The association added that the regulations "could push companies offshore" to avoid burdensome federal rules.

No relief from unwanted sales calls is imminent, Beales acknowledged. The proposed rules will be open for public comment before final rules are issued, late this year or early next year, Beales said. Even then, it could take some time to get the national do-not-call list implemented.

Several industries are exempt from the FTC's jurisdiction, including banks and telephone companies. Unless the Federal Communications Commission revises its telemarketing rules—which Beales said he expected it to do—such companies will be able to continue soliciting new business by calling private homes.

Charities and political campaigns would remain exempt from the rules, although professional fundraising companies working for charities would be affected.

\$0.8871

Squashing Phone Pests

Part 2-11-02

There is a simple and cheap way to avoid a "courtesy call" during dinner: Caller ID. Robert Kuttner, in his column "Protecting Our Inalienable Right to Eat in Peace" (op-ed, Jan. 28), argues that there are only "half-hearted measures to limit unwanted telemarketing, and they just don't work."

I pay \$5 a month for the service and spent \$30 on a telephone that has caller ID. I do not answer the telephone if the number is listed as "unavailable," which is the way telemarketers avoid being identified by name. If "unavailable" appears but it is a person I want to talk to, she can leave a message on the \$20 answering machine, and I can pick up the telephone when I hear her voice.

This sounds like a market solution that does not require Federal Trade Commission intervention. There is a strong case for the government to intervene in other areas Mr. Kuttner mentioned, but telemarketing is insignificant compared with pollution and affordable access to medical care.

JONATHAN FISHER
Arlington

When will pundits learn that jargon does not sound economic analysis make? Robert Kuttner offers a laundry list of alleged "collective action" problems, including the annoyance of telemarketing, accounting fraud, clean food and reliable drugs. But markets do produce good food,



BY TIM BRANTON

accountants and drugs better than any other economic system. In the market, entrepreneurs propose solutions, and consumers try them out, with resources directed to the highest priority problems first. To call for regulation beyond basic laws against theft and fraud for occasional problems is to short-circuit the process of trial and error that makes markets yield better long-run results than regulation.

Mr. Kuttner likes the Federal Trade Commission's proposal to create a national "opt-out" list of people who don't want telemarketing calls, with stiff penalties for violations. This is not the most heavy-handed regulatory proposal ever made, but it is overkill. Telemarketers are annoying, but calls from legitimate businesses do no harm and may yield enough sales or donations to launch a new product or charity. Penalties that would strike a death blow to an unwitting small

business or charity are no more appropriate a response to mere annoyance than flogging. Telemarketers have incentives to strike opt-outs off their call lists, because calls to them are a waste of time. More sophisticated technology to screen telemarketing calls is being developed, including filters that screen out any caller with caller ID turned off. If these haven't caught on in the mass market, it's because consumers would rather spend their dollars on music, theater tickets, virus-protection software or a nice dinner out than on addressing a momentary annoyance.

Bringing in the feds for such a trivial problem creates the kind of slow bureaucracy and business-strangling environment that has given regulators a bad name.

SOLVEIG SINGLETON

Senior Analyst
Competitive Enterprise Institute
Washington

February 28, 2002

To The Secretary of The Federal Trade Commission:

I hope I'm not too late to voice my opinion regarding the "Do Not Call" registry.

PLEASE, let this become a reality. Our family has been interrupted, disturbed, inconvenienced, annoyed, harassed by these calls for years. The latest technique of having the computer dial so that we answer the phone to the annoying "click, click" is particularly irritating.

We've had calls on birthdays (in the middle of the family celebration), calls when someone in the family is sick and gets up or wakes up to answer, calls on Sundays, holidays; these people and companies don't care. I'm tired of family time being interrupted, tired of being bothered while making dinner. One caller insulted my husband, telling him that he "was the man of the house and should be making decisions, not your wife." This call was in the evening on my daughter's birthday. We've also encountered rude callers who when I'm in the middle of telling them we don't take solicitation, have slammed down the receiver in our ears. We've never asked for these calls and don't like them or want them.

I appreciate having the opportunity to express my frustration and thoughts. I'm very glad the FTC is attempting to

do something to help citizens who are
beleaguered by these callers and companies.
Thank you very much.

Sincerely,
Ann 2. Sloan

Ann Sloan

[REDACTED]
[REDACTED] VA [REDACTED]

TO: FEDERAL TRADE COMMISSION
OFFICE OF THE SECRETARY
ROOM 159
600 PENNSYLVANIA AVE. N.W.
WASHINGTON, DC 20580

DATE : February 18, 2002
SUBJECT: TELEMARKETING SALES RULE

1. Establish a toll-free number through which consumers could request to be put on a "do not call list."
2. Please do everything possible to keep telemarketers from calling me. I HATE TO ANSWER THE PHONE TO HEAR A PERSON TRYING TO SELL SOMETHING WHICH I CAW NOT SEE. Stop them from calling me. I can shop where I can see what I will buy. TELEMARKETERS INVADE PRIVACY AND WASTE MY TIME.

Thank you for your consideration,

Ella A. Stutzman



Jerry Walker

CA

March 4, 2002

Office of the Secretary
Federal Trade Commission, Room 159
600 Pennsylvania Ave., N. W.
Washington, D. C. 20580

Dear Secretary:

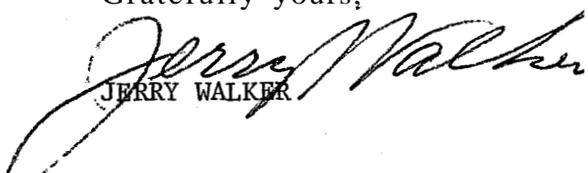
I am enormously in favor *of your* creating a national "do not call" **list**, thus **allowing** me to call a toll-free number and placing my name on this list.

I am also in favor of your setting fines up to \$11,000 for companies **who** call numbers on this list.

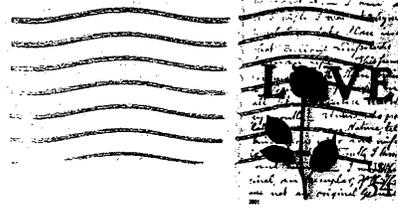
I cannot possibly tell you how much peace and privacy **this** proposal would bring into **my** home and **my** life.

PLEASE, PLEASE, PLEASE create this national "do not call" list.

Gratefully yours,


JERRY WALKER

ME 450
CALIFORNIA
Street Scenes of Fairfax.
Photos by C. Vergara
Printed in Korea



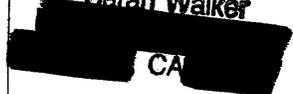
Gentlemen:
yes! Please get us have
a "do not call" list to
get telemarketers out
of my life! I have
screened my calls for
years. I'd like to
stop it and stop los-
ing my temper at the
calls - Thanks -

© 1992 Smith Novelty Company
460 Ninth St., San Francisco, California

Post Card

Office of the Secretary, #159
Federal Trade Commission
600 Pennsylvania Ave, NW
Washington, DC
20580

Sarah Walker



Thank you
Sarah Walker

[REDACTED]
[REDACTED], NJ [REDACTED]
February 4, 2005

FTC

Office of the Secretary

Room 159

600 Pennsylvania Ave, NW.

Washington DC 20541

- Telemarketing Rulemaking - Comment, FTC File No R 411001

Re: National telemarketing do-not-call list

Dear Sir or Madam:

I heartily encourage you to establish a
National Telemarketing Do-Not-Call List.

Thank you

Leonard Weinberg
(Leonard Weinberg)

Subj: Returned mail: User unknown
 Date: 3/3/02 6:39:06 PM Mountain Standard Time
 From: MAILER-DAEMON@aol.com
 To: [REDACTED]
 Sent from the Internet (Details)

The original message was received at Sun, 3 Mar 2002 20:38:43 -0500 (EST) from root@localhost

----- The following addresses had permanent fatal errors -----
<tsn@ftc.gov>

----- Transcript of session follows -----
 ... while talking to redfox.ftc.gov.:
 >>> RCPT To: <tsn@ftc.gov>
 <<< 550 5.1.1 <tsn@ftc.gov>... User unknown
 550 <tsn@ftc.gov>... User unknown

Final-Recipient: RFC822; tsn@ftc.gov
 Action: failed
 Status: 5.1.1
 Remote-MTA: DNS; redfox.ftc.gov
 Diagnostic-Code: SMTP; 550 5.1.1 <tsn@ftc.gov>... User unknown
 Last-Attempt-Date: Sun, 3 Mar 2002 20:38:53 -0500 (EST)

Received: from [REDACTED]
 by imo-m06.mx.aol.com (mail_out_v32.5.) id o.175.479c556 (4209)
 for <tsn@ftc.gov>; Sun, 3 Mar 2002 20:38:43 -0500 (EST)
 Return-path: <Jrwent2@aol.com>
 From: [REDACTED]
 Message-ID: <175.479c556.29b42a23@aol.com>
 Date: Sun, 3 Mar 2002 20:38:43 EST
 Subject: Telemarketers Bill
 To: tsn@ftc.gov
 MIME-Version: 1.0
 Content-Type: multipart/alternative; boundary="part1_175.479c556.29b42a23_boundary"
 X-Mailer: AOL 7.0 for Windows US sub 256

I will answer your questions but first I want to express my idea regarding the bill. I don't think any business should be able to violate the privacy of private citizens without prior written permission to do so! I think there should be a "Do Call List", instead of a "Do Not Call List". Permission could be granted with a simple post card. This would also eliminate the need for elaborate legislation. Now for your questions.

- A. If a person has his name placed on the do not call list, it should remain there forever unless he has it removed.
- B. Only the person whose name is on the telephone acct. has the option of putting the telephone number and names on the do not call list.
- C. Verification can be made via E-mail, postcard or even a check off on ones federal tax return, as is the election for political contributions.
- D. If your name is on the do not call list, nobody can call advertising new products

Sunday, March 03, 2002 America Online: [REDACTED]

or services without first obtaining written permission. Basically all or nothing. With the exceptions under question E.

- E. If you are doing business with a company, they should be able to call you regarding that specific business. After that specific business has been completed, they should not be able to telephone you regarding any new business until or unless they have specific, written permission. This way an individual can choose who is able to call him. The selling and or sharing of names and numbers, between companies, associates or affiliates, should not be allowed if the persons name and number is on the do not call list.

If you have any questions please write or E-mail me.

[REDACTED]
[REDACTED] Co [REDACTED]
[REDACTED]

Jim

[REDACTED] PA [REDACTED]

March 4, 2002

FTC
Office of the Secretary
600 Pennsylvania Avenue
Washington, D.C. 20580

Dear Sir:

I certainly am in agreement with your proposal to establish a national telemarketing do-not-call list.

As someone said "I do not welcome door to door sales people into my home so why would I welcome these unwanted phone calls day and night and recently on Sundays".

There are many ways to inform people of the product that is out there by mail or ads without having to annoy them with all these calls. I do have caller ID and when I see "Unavailable" come up I just don't answer the call. Why do these people avoid identifying themselves.

I resent paying the hefty phone charges imposed upon us to have my phone used to solicit whatever.

I certainly hope you are successful in this attempt.

Sincerely

Shirley Wyatt
Shirley Wyatt

*Telemarketing Rulemaking
Comment. FTC File No.
R411001*

1397