FTC Fraud Affects Every Community Workshop
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Segment 4
Transcript

ROBERT ANGUIZOLA: --of marketing practices where our mission is to crush fraud. So this entire day is near and dear to my heart.

I'm really, really eager to do what Andy Tuck suggested and passively listen, which is very, very difficult for me. But before we get started with the panel, I have a housekeeping announcement.

We have learned that there is a potential alarm that may go off, because as we speak they're testing our sprinkler system here at the headquarters building. What we've been told is if you hear an alarm, do not be alarmed. Just sit tight, and if we need to evacuate the building, they'll come on the speaker system.

So with that, we'll move on to our final panel of the afternoon, and it's a really exciting panel. At the FTC, as you've heard all day, data and complaints are extremely powerful. And we pride ourselves on being data-driven at the FTC, and we're very interested in research, especially when it comes to fraud.

Through our research out of the Commission's Bureau of Economics, we've learned that fraud is an incredibly significant problem facing every community. Based on our survey, the FTC can estimate that 10.8% of US adults, that's over 25 million people were the victims of fraud in 2011, alone. We can extrapolate and estimate that 37.8 million incidents of these frauds occurred during the survey year.

And that's fraud happening on every medium, whether it's through internet, which is the number one medium, at least the last time we surveyed this, or telemarketing, or an affinity fraud, that is, person to person, it's a significant problem. Through our survey we've learned that risk takers are more likely to be victims of fraud. That those who have experienced a recent serious negative life event, such as a death in the family, are also more likely to be victims of fraud.

The folks, consumers that have limited quantitative skills. Those with more debt that they can handle are more likely to be victims of fraud. We've also learned that African Americans and Latinos experience more of the surveyed frauds than any other group. In fact, based on our fraud survey, 17.3% of African Americans and 13.4% of Hispanics were victims, while the rate for non-Hispanic whites was 9%.

So this is important research. And next, we have a distinguished panel that's going to speak to you about some cutting edge and innovative research that they have conducted in this very important area.

So first, and first to my left, you're going to hear from Gary Mottola. He's the Research Director at FINRA Investor Education Foundation. After that, you will hear from Billy Hensley who is the Director of Education at the National Endowment for Financial Education.

Then you're going to hear from our very own Ryan Sandler who's a staff economist in the Bureau of Economics here at the Federal Trade Commission, and who's written a really cutting edge paper that focuses on the [INAUDIBLE] scam, which is a scam that the FTC shut down.

And then finally, you'll hear from Harvard University Professor James Greiner, and some of the very interesting work that he's doing.

So without further ado, I would like to listen.

GARY MOTTOLA: Thanks, Robert. It really is exciting to be here today with such an engaged group and passionate group of people who are all interested in financial fraud, and decreasing the susceptibility and vulnerability of people to fraud.

Now, we'd like to that discussion going by talking a little about the research and the data. When we were talking about how to structure this panel, we thought, hey, let's start with just a high level profile of a typical fraud victim. Or stated more plainly, who are the victims?

There's been a lot of talk today about victims and what demographics are associated with victimization. I wish an unequivocal answer was available. It's just not that easy to answer the question, "Who are the victims?"

And the conflicting nature of the findings out there is really nicely summarized in this book by-- I should say report by the Stanford Financial Fraud Research Center. It was co-authored. The FINRA Foundation co-authored it with them.

But basically, it does a great job, among other things, of summarizing the demographical profiles that are associated with victims. And one reason there are so many contradictory findings is that there probably is not one profile of a fraud victim. There's not one typical profile.

In reality, there's a profile for all the different types of fraud. So just an example that I'll be returning to throughout my 10 minutes is a lottery fraud victim looks very different from an investment fraud victim. And we have to think about them and think about communicating with them differently.

By the way, another reason we get the evidences mixed and we get some conflicting results is that methodologies vary dramatically from study to study. Even something as simple as how do you define a fraud victim can vary quite a bit in the research that we're looking at.

So with that background, what I'd like to do is just take a look at some of the key demographic variables and give you a real high level whirlwind tour of what we know about it. So let's start with age.

Age is probably the most researched and, perhaps, the most controversial demographic variable associated with fraud. The stereotypical view of fraud victim is what? It's somebody who's older. And that may not, in fact, be the case.

There are several studies that actually show lower rates of fraud victimization. When you look across all different types of fraud, these studies show lower victimization rates among older people. However, there are other studies, of course, that look at specific types of scams that show that older people are more vulnerable.

Gender. For the most part, the research on gender says there's not much of a relationship between gender and fraud victimization. But not always the case. You can look at specific types of fraud. And I'll come back to that lottery fraud, investment fraud example.

Lottery fraud victims typically are female. Investment fraud victims typically are male. So if you, again, you look across fraud in general, you don't really see much because the effects wipe out because they differ from fraud type to fraud type.

Race, not a whole lot of evidence to suggest race is associated with fraud victimization. But two FTC studies found that-- actually, you just mentioned it-- two FTC studies found that African Americans, Hispanics, and-- what was the third racial group? African Americans, Hispanics, and-- what's the group I'm missing-- Native Americans have higher fraud rates than whites. So again, we see contradicting result.

Income, generally speaking, people think that fraud is more associated with lower income people in household. And we've heard that a couple times today. Likely, there's a lot of evidence to support that. But again, think to specific types of fraud. Investment fraud. I can assure you that it's not the lower income household that's going to be affected by investment fraud. It's the households that have higher income and that have investment.

So again, we fall back to that scam-specific demographic profile.

And education-- I'll wrap-up with education here. The FTC in the FTC study is that there was no effect for education. I think that with the 2003 study, the FTC didn't find a relationship between education and fraud victimization. But there is some research to say that, hey, it's really highly educated people and people with low levels of education that are victimized.

Again, I'll just come back to my favorite example, lottery and investment fraud. We find that investment fraud victims are higher educated relative to the general population. And lottery fraud victims have lower education relative to the general population.

So bottom line here, I kind of gave you a lot of inconclusive information. And probably not particularly satisfying either. But the emerging conclusion is that we just need to think in terms-- non in terms of fraud victim, but in terms of specific types of fraud and what those victims look like.

Now, since I did just throw a lot of just general information at you, I wanted to give you just specific findings from some recent research that we conducted.

So we did a study we released in 2012, and we surveyed 2,300-- actually, we had the help of Andy Tuck from ARC. They did a fantastic job helping us with the study.

We looked at 2,300 adults, age 40 over. And we looked at the entire fraud process. We just didn't ask if you were a victim of fraud. We said, hey, have you ever been solicited for fraud? Have you engaged with the solicitation? And finally, we said, have you lost money, which is the traditional definition of a fraud victim.

And here's just a couple snippets of data from that study. Yes, we did find that older Americans are more vulnerable. So score one for older Americans right there. Older Americans are more likely to be solicited. That can be by email, by mail, by phone than younger respondents. And once solicited, they're more likely to be victims.

So when compared to 40 year olds. So 40 year olds, yes, they're getting solicited, but they seem to be able to fight off the fraudsters a little better than the 65 and over cohort. One other snippet of data from this study, and this study has a lot of data in it. It's available on the saveandinvest.org website. So definitely check it out if you get a chance.

But we also looked at education. So this compares high school educated-- actually, high school only-- to college. And across the board, you could see that the higher the education level, the more likely you are to be solicited. Again, the solicitation rate's so high because it's any form of solicitation, including emails. More likely to be solicited, more likely to actually engage or invest with the fraudulent activity, and more likely to lose money.

So clearly, there are some demographic effects here, and we've heard a number of them throughout the day. We just need to be careful about how we interpret them, and what part of the fraud process we're looking at.

Go onto the next slide.

So I do want to talk a little about the role of race, but we're going to come at this from a completely different angle. The prevalence of financial fraud is commonly measured using surveys. Yet, there's research from other domains that suggest that the context of the survey can really impact the response to survey questions.

So think about this for a moment. We're going to field a study on crime in general. And we're going to ask several questions. Have you ever been burglarized? Have you ever been the victim of an assault? Have you ever been involved with an armed robbery? And have you ever been a financial fraud victim?

So the question is getting those four questions about violent forms of crime right before getting a question about financial fraud, which is a serious form of crime, but not necessarily violent, is that going to change the way people respond to the question about whether they're a fraud victim? And that's a question that we asked with-- we worked with the Stanford Financial Fraud Research Center and we conducted the study.

And in a nutshell, what we found-- hold off on looking at the slide for one second, because the slide's a little more complicated than what we found. But what we found was in the crime context, so when somebody was basically primed with questions about violent crimes, they were less likely to report fraud victimization.

Now, why is that the case? Perhaps it has to do with the fact that after thinking about these violent forms of crime, they might not think financial fraud is as serious. Now, we know that financial fraud is a very, very serious crime and has a lot of negative impacts on the victims. Nonetheless, in the context of a crime survey, it appears that it's affecting the way respondents are answering that particular question.

So if you could go to the-- yeah, there you go. One of the points I want to make is this effect was not true for the black respondents. So the two bars on the left-hand side, that's for the not black respondents. In a crime context, 21% reported being fraud victims and 28% of-- I'm sorry. In the crime context, 21% reported being a fraud victim, compared to 28%. But for the black respondents, 33% reporting crime victim, compared to 26% in the control group.

In other words, the crime context pushed down fraud rates in all races but black. So why is this happening? We don't know. We're being completely honest. But what does it mean? I can talk a little about what it means.

Essentially it means that comparing or trying to understand the effect of fraud on various communities and various racial groups may not be as easy as just comparing fraud rates across surveys. Because different races may respond to the survey context in different ways, and it's something researchers need to be aware of.

It's something partitioners need to be aware of when they're reading the research. And quite frankly, it's something that needs more research. So I'll throw that out as a preliminary, but interesting finding.

The last point with my last I think two minutes about, I'd like to shift gears and pivot a little here and talk about evaluating the effectiveness of financial education. Throughout the day today, a number of people brought up financial education programs. To this point, we haven't talked about whether they're effective or not.

So what we did, we partnered with AARP on this one. And I'm going to oversimplify this greatly. But what we did, we had a one hour of investment fraud seminar called Outsmarting Investment Fraud. So what we did is we hired a professional telemarketer to contact the people who just went through the Outsmarting Investment Fraud program and try to sell them a fraudulent investment.

And we had them-- I hear some chuckles in the back. We did this all above the board. We also contacted people who did not take that fraud seminar and tried to sell them a fraudulent investment.

And what did we find? Well, you could see the results up there. In short, we found that if you went through this seminar-- 31% of the people who went through this seminar agreed to receive material from the fraudster and confirmed their address with the fraudster. So that's how we define engagement. So 31% of the people who went through the seminar engaged with the fraudster, compared to 44% in the control group who did not go through the training.

So yes, the training worked. But what was particularly encouraging is that two weeks out we contacted these people again. And we said, hey, we tried to sell them a fraudulent investment. And the same exact rate. Only 31% engaged with the fraudster two weeks out. So there was a bit of stickiness to the education as well.

So I'll wrap-up now, basically just by saying that I'm glad that I can end on a positive note here. So education, the evidence from this one study suggests that education can be effective in reducing financial fraud. And as a researcher, I'll say again because I like to say it, it's job security, more research is needed.

Nonetheless, I leave you with this promising finding that we have evidence that education works. Thanks for your time.

BILLY HENSLEY: OK, so building on that point, my name is Billy Hensley. I'm director of Education at the National Endowment for Financial Education. For those of you who don't know who we are, we're a private operating foundation headquartered in Denver, and we're here more than we're in Denver sometimes it seems like.

But we provide educational resources, fund research, provide consumer education and so forth on topics of financial education, and financial literacy, and financial capability. So that's a little bit of context of how we are here. And part of my role is to facilitate research and help fund innovative ideas that are looking at better understanding behavior and so forth within the context.

So I'm going to talk a little bit about-- oh, and before I begin. The irony is not lost on me that I was told to ignore the alarm at a fraud conference. So is that a test? Are we being tricked?

So anyway, all kidding aside. This study, we funded it a couple years, two or three years ago now. It wrapped up last summer. And how many of you have heard of the term meta-analysis before? So meta-analysis is essentially a study of a bunch of studies.

And what came out of this was the researchers listed here came to an event that we hosted that was looking at 25 years of research in the field, and found that-- had a couple of lingering questions. And so we received a proposal that is looking at what's the connection between financial education, financial literacy, and the choices that people make about their finances.

My remarks are going to focus on the educational intervention piece of it, and how do classes and workshops and so forth actually change or impact behavior, if at all.

So from that, here's the little bit of information about the study. It's 201 different studies that were looked at. 585,000 participants. And the authors of the study recoded the data so that, from the original studies, to put all the variables and skills together so that you can really do this one big comparison.

And in the breakdown is the randomized control trial, 15 studies. 75 studies that are non-RCT, and then 24 advanced statistics, and 87 were basic statistics. So you're already kind of seeing a trend of what's wrong in the field in that regard.

So context. No one is saying that we shouldn't educate the consumer and improve consumer savvy. I don't think anyone would say that. What sparks the debate though, is how to build financial literacy in ways that promote healthier behaviors.

And this translates to the direct work you're doing in the sense of fraud as far as educating consumers. And then when you look at and try to figure out well, what works. What's that one thing that we can do that's going to assure change?

There's a lot of disagreement about that. And when you take individual studies that look at whether there's impact or not, you have people that have drawn lines in the sand that have fierce debates about the effectiveness of financial education programming.

And these studies have been published for many years, and the findings are very wide, and then you've got the sense of some studies say it works really well, and some studies that say it doesn't work at all. And so this was our attempt to begin to better understand what does that actually mean when you have a wide array of findings coming out here.

So three key takeaways from this study, and I'll get into each one of these a little more in depth. The amount and timing of the financial education matters. And I think that is-- Gary actually made the point for me here. That when you're looking at the timing of this, and it's being close to the points of decision, and being close to someone being called, it's actually impactful.

Behaviors in literacy, as measured to date, are weakly linked. It doesn't mean that there's no link. It just means it's very weak. And that has to do with the other slide I was pointing out about the kinds of studies, and the kinds of interventions, and who's actually teaching the classes and so forth.

And then past findings merit revisiting. Looking at former studies and trying to figure out what were the factors that we think that caused that to be successful and those factors that caused an intervention to not be successful.

So the amount and timing matters. The impact of the education varies with how much education you receive. It's just like when you are in school. If you sit through a 30 minute discussion about a topic, it's going to have a different impact on you educationally about what you know and about how you make choices than sitting through a semester.

And what we found is that the longer the intervention, the more impact it had on behavior. And the effects are still going to decay, and that's really the main point to consider here.

So this chart is really the most telling chart of all. So when you see the effect size and you see the different lengths of the intervention, meaning the number of hours of instruction of the class, there's much more effect based on the larger number of hours. However, over time, there's still a decay. It may take longer, but there's also farther to fall when you think about that.

It doesn't mean that one hour of intervention isn't impactful. It just means that it's going to fall into insignificance quicker than a three day training or a four day training, for example.

So the challenge here is how do we define timely and relevant in our work? That's something that we're thinking about at NEFE, we're thinking about in general. Some of you know Ted Beck. He's the CEO of NEFE. He's on the President's Council that's really considering financial capability work right now.

This is something that we think about in the sense of when is the right time? What does relevant education actually mean? And the panel that was before us was really getting to a lot of that in the sense of looking at language, making sure that the things we're saying are appropriate for each audience.

And then how do we deliver education close to a point of decision? Now, I'm not saying that that's the only way to provide effective financial education, but I'm saying it is impactful based on the data we currently have available to us.

And then something to consider, should financial education take place throughout life? And always link to an upcoming financial decision? There is a school of thought that oh, well, we have succeeded. We're successful because we got a class in the local high school. We're done. Our work is over.

And that is absolutely not what we think is true. We really are looking at this from a sense of how do you approach each decision in your life, and how do you build your propensity to plan ahead and so forth.

The other point, the weak link between the interventions and the behavior, the effect size was 0.1%, and that was the variability here. Effect size below that is very small. 0.4 is above. So we're right at the very tip of being affected, and that's really not acceptable. So that's why we want to actually be clear about this then.

So in the aggregate, we're having very little success, but it's not a reason to walk away. It's a reason to say what causes that success? How do we mitigate the decay that's happening over time? And then how do we encourage better research and better research tools and so forth?

So a couple other points. The strongest findings did involve high school instruction, and again, that's linked to dosage. How long that the topic was covered. But what's discouraging here is that the effects were lower for studies of low income consumers in relation to the general population.

Another question to consider and think through over the next few days as you're considering all that you've heard today. Should more research focus on pedagogical best practice, so in order, how do we be better educators? Should we really be focused on how to improve instruction, how to link instruction to the timeliness and what's happening?

And then looking at the impact of this study being lower than other domains, like workplace, education. Looking at career counseling. Areas where people have had lots of success in helping change the trajectory of people's decision-making in the workplace and so forth.

And then a good talking point that the folks who did this study bring out in the sense that 20 years of advertising has had more effect than exposure to a single billboard. So thinking about the work in the sense that if a lifelong exposure to good financial decision-making and good information is more successful than just the one class.

And so from that, and I'm going to skip through some of these, a couple implications for educators and those of you in the field who are trying to get good information to consumers. Identify those teachable moments. I would assume that this audience is probably better at that than most of us that are looking at financial education specifically. Learn from those who have demonstrated a greater impact to other areas.

So for example, how have school systems been successful in increasing math scores maybe in troubled school districts. What have they actually done? How can we replicate those things in school-based, as well as community-based education.

Sharing effective interventions and best practices with each other like we're doing now. And then use research to guide practice. And based on this study, we've actually developed something that we're calling the five key factors for effective financial education. And it's something that we started talking about, and it's really common sense.

The first one-- and there's no slide for this though, you have to write it down-- a well-trained educator. Just because someone is an expert in a topic doesn't mean they're a good teacher. And the opposite. Just because you're a good teacher doesn't mean you can take any subject and be successful at it at first.

So understanding the content, understanding the concept, and the vice versa. What are good teaching principles and education principles when you're working with adults? When you're working with those who are retired and so forth. So really considering that, being a well-trained educator. Or using a really good e-learning platform, if you're doing things online.

Vetted program materials was really important. Just to run something together, talking, using anecdotes are helpful. But looking at evaluated truly rigorous materials that have been developed by subject matter experts.

Timely instruction. I've already talked about that. Linking it to decision points. The fourth one is relevant topics. So not talking about a diversified investment portfolio with your ninth grade class. Or not talking about picking the best cell phone plan with people who are not even considering using a cell phone. So really looking at the relevance of that. And I know that's simple, but it's important to take the time to really examine the topics.

And then evaluate for impact. Don't be intimidated to see that you know what, we didn't really have much effect here. But without knowing that, how can you improve? So looking at evaluation and understanding the jargon associated with valuation and using evaluation tools to improve your work. So it's a lot.

RYAN SANDLER: I have to leave a little early to pick up my kid, so I'm going to stay-- set myself a timer here. I have to draw your attention to the disclaimer at the bottom required being FTC employee.

So I'm going to talk today about some research done by myself and some others in the FTC sphere of economics, relating to one of the largest telemarketing fraud cases that the agency brought in the last decade.

The firm was called Fantasia Marketing. They would call people up, pretend to be from their bank, and tell them they had qualified for some great reward and then would try to confirm their "eligibility," quote, unquote.

Their particular gimmick is once they knew where you banked, they would know the routing number on your checks, and then they'd tell you, OK, I just want to confirm your account number. I'll read off the first part on your check, you read off the rest. Lovely people.

They took a lot of money from people for basically useless subscription programs where they bill you every month until you went through the fairly arduous process to quit. In 2007 the FTC sued them. The judge handed over control of the company to a receiver, the receiver shut the company down.

Now, here's where things get interesting from a research perspective. During the lawsuit, the company insisted that some of the people who were enrolled in their program surely knew they were enrolled, wanted the service, and they ought to be allowed to resume billing them.

FTC counsel said this is crazy. They were probably right. But the judge approved a plan concocted by the company and the receiver to send notification letters to everybody who was still enrolled in the subscription by the time the law suit happened.

But if you enrolled after a certain date, you were sent an opt-in letter telling you we're going to cancel your account unless you tell us something. As you enrolled before that date, you got an opt-out letter telling you we're going to start billing you unless you tell us no.

Here's what those two letters look like. You can't see it all that clearly. Basically, they're identical. And from a research perspective this is great, even if from a policy perspective this is crazy. Because people who enrolled immediately after that date, that cut-off date, shouldn't be really any different than people who enrolled immediately before the cut-off date.

And so essentially we created an experiment where the only difference in how these people were treated is what the default option that was given to them in response to these notification letters.

Now, on the next slide I'm going to show you a graph telling the cancellation rate by the date you enrolled in response to these letters. So this is the percentage of people who got the opt-out letter who opted out. Percentage of people who got the opt-in letter who did not opt-in. And see if you can tell where the opt-in/opt-out cut-off is.

So February 1 was the cut-off date. Basically, nobody opted in. Opt-out, the frequency there is daily, and so on any given day there may have only like 30 or 40 people enrolled on a given day, so that amount bouncing around is not unexpected. Only about a third of people opted out.

So where this ties into today's workshop is we delved in to the responses to the opt-out letters to see if they differed by demographic group. Because the overall population that Fantasia enrolled it was actually pretty close to the direct demographics of the US as a whole. Slightly disproportionate percentage of African Americans, but otherwise it looks pretty much like everybody.

Now, the database we got from the company that we did this project with did not actually contain consumer demographics. What it did contain was people's addresses. So what we ended up doing is we matched addresses to census geographies. And the census has the average demographics of fairly fine geography.

For income and education, we have a median income, and percentage of people with BAs by census block group, which if you're not familiar with that, that's smaller than a census tract, which in turn is smaller than a zip code. About 600 to 3,000 people in a given census block group.

We have the percentage of people who own their own home, and race and ethnicity by census block. The size of census blocks vary, but there's about 39 blocks to a block group. So we know the demographics of the very immediate neighborhood around where you live.

For race and ethnicity, we can also supplement it with another set of data from the census that gives the frequency of ethnicities by last name. So for instance, if your last name is Rodriguez, we know from the 2000 census that 90% of people with that last name were Hispanic, and so that can improve our estimate of what the probability is that you are one ethnicity or another.

I want to be really clear. Again, these are neighborhood characteristics. We don't know anybody's individual demographics, which limits, to some extent, what we can say about these results.

In addition, although we know that all of these factors are, to some extent, correlated at an individual level, when you aggregate up to any level aggregation, that correlation becomes stronger. So what that's going to mean is that to the extent that we find results that all kind of point in the same direction along each of these factors, we can't disentangle which of those is actually driving our results.

And what we find is that while the company was in operation, while they were billing people every month, if you were more likely to be a minority, if you were in a lower income or a less educated census block group, you were more likely, more likely to call the company up and cancel. You were more likely to figure out these people were billing you and go through the fairly arduous process to get their customer service to stop doing that.

After the opt-out letters go out, for people who received those opt-out letters, that relationship switches. And you find that consumers who were more likely to be white who live in higher income, higher education census block groups were more likely to respond to those opt-out letters.

To give you a sense of the magnitudes, based on the statistical model that estimates each of those individual relationships, we can predict what the probability is that you would cancel given a particular set of characteristics.

So if you were certain to be a minority, and lived in a bottom quartile education, bottom quartile income neighborhood, while the company was in operation, there's about a 9.4% chance in any given month that you would figure it out and cancel.

Compared to about 7.9% if you were certain to be white and in a high education, high income neighborhood. That's about a 20% difference. And that's notable despite the fact that there were slightly more minorities in the pool. And that's pretty much remained true even after people cancelled at a high rate early in the program.

In response to the opt-out letters, that switches pretty dramatically. If you were certain to be white, from a high income, high education neighborhood, it was about a 30% chance that you responded to the opt-out letter, which is about nine percentage points higher than someone who was a minority in a low income, low education neighborhood. Then that's about a 40% difference in relative terms.

So again, we don't know exactly what's driving this. We can't affirmatively distinguish whether this is about race or about education or about income. Furthermore, we don't necessarily know if it's about anything about individual characteristics or about neighborhoods.

For instance, if you live in a high education, high income neighborhood that means that you know a lot of high education, high income people. It also means you're the type of person who, for whatever reason, can or is able to live in that kind of neighborhood. We can't distinguish those.

And if we were able to distinguish those, we can't readily know what the mechanism is underlying it. There's a bunch of different-- and it's not because we can't think of an explanation, but because there's actually too many explanations that all fit the data.

These include explanations about these are differences in skills. These are differences in your income, which affects your cost of time. I've heard one explanation from a colleague I've shown this to thought it's all about your propensity to read your mail. So we don't know. This is, again, I guess justifying our paychecks, directions for more research.

Nonetheless, it is a point of concern that people who are, perhaps, less likely to be able to afford to continually be billed month after month for these useless programs were the ones who benefited least from this particular informational intervention. With the caveat that it is this particular informational intervention. Those letters were not exactly a picture of best practices and information disclosure. They were never copy tested, but I wouldn't exactly recommend that format.

And so at least this should give us pause when implementing sort of nudge type interventions certainly with a more opaque informational tool. And I'm 30 seconds before my time, but I will hand it over anyway.

JAMES GREINER: So I feel a little more comfortable standing, if that's OK. My name is Jim Greiner, and I'm here to present a couple of different research projects that we're working on. One is in the field, and one is in year two and 1/2 of planning, and it has, at least, probably another year of planning in it.

So we have only preliminary results of one of the research projects to share with you. But I think you'll recognize many of the themes that we're attempting to deploy in this research from the previous speakers and the previous panels. And so maybe part of the message of this is that is an effort to encapsulate and deploy many of those themes that you already heard about.

The basic issue that we're attempting to tackle here, and you can see all three of the researchers-- Dalie Jimenez, [INAUDIBLE] Topeka and I are law school professors. We are lawyers. And this is a research that's going to take pace in a very legal space. It's going to start with courtrooms. Is what works to remedy financial distress, particularly with respect to debt management and debt collection, both the litigation and the post litigation aspects of debt collection and debt management.

So some contradictions, some things that should not exist simultaneously in the world, and yet they appear to do exist, to some exist simultaneously, it appears, at least from the outside-- I want to say that we don't know this for certain, and there's a reason for it. I'll explain.

It appears that from the outside that there are excellent defenses to a great deal of debt collection lawsuits that are brought in the United States under the current evidentiary structures that exist. So basically, what's going on here in more non-legal terms, plaintiffs who file debt collection lawsuits typically, at least, again, from the outside, appear not to be able to prove that they should win the lawsuit. That the plaintiffs bear a burden of proof, and they don't have the evidence that they would need to win.

So a debt buyer may lack the evidence that the debt that the buyer purchased is actually legitimately owed or how much and what the source of that debt is. The information that the it appears, as courtrooms, should require. And yet, what happens is that the plaintiffs, debt buyers, and credit card companies are winning more than 90% or more of these lawsuits in certain settings.

Why is that happening? That shouldn't happen. Management of that. There are programs to help people manage debt, medical debt, for instance, public utility debt. And there's insufficient use of those programs. And that's classic social uptake problem-- the comments would put it that way.

The bankruptcy system. Most economists tend to think that there is massive under-utilization of the bankruptcy process. And it can give you a discharge of debt, and it can give you an enormous reduction in stress levels, we think-- expecting your happiness. But folks are not utilizing it.

So what's going on here in terms of why it is that these three sets of things should exist simultaneously in the world where, like if there's fire and ice, one of them is supposed to go away. The result, in terms of what happens here, is the consumers become vulnerable to fraud, and that's what we've just heard about with respect to certain types of fraud tend to pray more on low income consumers.

And there are some examples there where government agencies, for instance, in the debt collection space have filed lawsuits against debt collectors with fraud type theories in them. That you fraudulently misrepresented, for instance, that you were going to go forward with a lawsuit that you filed when you filed it. And the only intention that you actually had when you filed the lawsuit was to go forward as long as the other side didn't show up.

And government agencies have filed lawsuits saying that is a form of fraud. It's not common law fraud. It's linked to a particular set of statutes. But it's a misrepresentation. That's an example of what happened.

So our hypothesis here is that among the causal factors of what we're seeing, that might be susceptible to effective interventions. And again, let me just say that mouthful. There's a lot of different causes, but what we're interested in here is what can we do about it? What would actually work?

But among the causes are that folks who are in financial distress have a lot of cognitive barriers have difficulty deploying the remedies that are available to them, to take advantage of the things that they could do to address these particular management of debt litigation and debt portfolio issues.

And I have listed some of them there. These were some of our hypotheses going in, and as you will see we have some evidence for them in a moment that I'll describe. Some evidence in terms of talking to members of the population. And some evidence in terms of a kind of diagnosis by treatment where we intervene in a certain way, and the primary way we'd expect the intervention to work is if one of those is true and it does work, and so we concluded, at least tentatively, that that's what's going on.

So this is what we're-- again, these are basic feelings, barriers. People are ashamed of debt. When they get hit with a debt collection lawsuit they feel paralyzed. They feel powerlessness. They don't want to tell people about it. They don't feel like they can do anything about the hopelessness, the lack of self agency. This is our hypothesis.

These are some quotes from some interviews that we conducted where it feels like you're being scolded when you get hit with a debt collection lawsuit. I'm pretty sure if I were of something different from what I am, I would not have to come to court. I felt awful when I got this lawsuit. Well, if you feel awful, you're typically not going to perform your best. You're not going to make the best decisions. This is a hypothesis that we have.

So what do we do? Well, we want to provide information to people. From the debt collection space, we might want to provide everybody with legal assistance, actual have them lawyers. That's never, ever, ever going to happen. Never, ever, ever. In order to get to the point-- and I support civil Gideon movements, I contribute to them. I know it's never going to happen where we're going to give people lawyers.

And so we have to have education and self-help be a major part of the story here, because there just is no option. Not the only measurement, but it has to be part of it.

It's not enough to provide people with the self-help materials alone. And this is, again, what you've heard in previous panels, what you've heard about today. And so I don't want to go over this in as much detail as I would of had you not heard this.

You've heard about cartoons already, for instance, which is going to be a major theme here. Not photographs-- photographs have too much distracting detail in them. People don't focus on exactly what they should. But with a cartoon you can eliminate the detail. You can entertain people with a cartoon.

You don't care that they're entertained. What you care about is they keep reading if they're entertained. That's what you really are after, et cetera. And these are the sorts of things that we need to be thinking about with the educational materials that address the cognitive barriers and the psychological impediments to taking action.

So who knows how to do all this? Well, if you think of something as an adult education intervention, you might want to think about talking to people who do adult education for a living. And at least in the legal space, very few people are thinking that way. The psychologists have been thinking about this. Public health folks have done research. How do I get people to get flu shots on a particular day? How do I get people to a flu shot clinic on a particular day?

Well, maybe they know more about how to get people to a particular location than the lawyers do, when we're trying to get people to court on a particular day. Maybe we can take lessons from this.

Political science which is not listed here. How do we get people to vote on a particular day? That may be something we can learn from.

So we have read literature and building for these randomized control trials that I'm going to talk to you about. All of these literatures we have tried to read. We also tried to read the legal literature, and this is what it contributed for us in terms of how much we were able to draw from it. And so that's disturbing to the three of us as law professors.

And then from the statistics literature, the idea is test and evaluate and test and evaluate, and not just via randomized controlled trials. Also test qualitatively and gather information qualitatively. Go down to small claims courts and to debt collection court and talk to people in those spaces. Find people who are struggling with student loans and talk to them about how it is that they are managing the student loans and what materials, and get qualitative feedback about any proposed education materials.

Find people who are in the bankruptcy process. Show them proposed materials, education materials. Get feedback. This is where we're trying to do.

So after the construction of the materials, then we test them. And again, I'm talking to you about two tests. One is a much smaller effort in Boston municipal court. The results are not final. We're right smack in the middle of the study, basically, in terms of randomizing, in terms of intake.

The other much more aggressive one will take place in Maine, where we will attempt to see if we can empower people to rehabilitate themselves out of severe financial distress. And that one, again, is in two and 1/2 years of planning. At least another year or so. I think about another year we'll be able to go forward with the randomization.

Construction of the self-help materials. What are we talking about here? Well, the cartoons again. So addressing the idea of you can take some action. Do something. We have blob on the right and fat cat on the left.

And the idea of this cartoon, for instance, is not so much to transmit information about what to do. But it's a lead cartoon for us on a letter that we're sending out in Boston to say take some action. Get angry or get empowered. Do something. You can do something. Ask questions.

And again, the great thing about the cartoons is the characters can suddenly grow body parts that they didn't have before. So blob has eyebrows on the far right that blob didn't have before to indicate the emotional contact. This is what you can do with cartoons that you can't do with photographs.

For this one, the idea from psychology. We don't know if this is strong enough medicine, but psychology and behavioral economics have suggested that if you are giving people threatening or difficult to process information, if you can make them feel a strong sense of self beforehand, if you can make them feel good about themselves, they may be able to better able to process the information that you're giving them.

So from public health, we know that if you, for instance, get people to think about the last time that I was a good parent, or that I helped a person in need, or that I was compassionate, I am more likely to respond to public health literature that says stop smoking, or lose weight, or exercise more. Even though the I'm being a good person has nothing to do conceptually with the stopping smoking, it's that I feel as though I'm a good person, therefore, I'm not threatened by the information or, and therefore, I can take some action.

And so we're going to try to deploy that. We use analogies to try to teach concepts, although we try to limit the number of concepts that we teach. This hourglass tested well when we were trying to come up with ideas for limitations, periods.

Insert a willingness to improve a position. We know we have a trademark violation on this slide. We're going to need to change it. We're going to change that to capes, but you get the idea here. Showing people what they should do-- in the mirror, practice in the mirror, et cetera, and give people still a willingness to assert a position. This is I am super blob. That's our blob and our fat cat character.

Plan implementation and commitment techniques coming from economics. There are several other of these. I'm not going to go through all of them. You can see this is how we're showing people where to look on legal papers by just blotting out the rest of it. Don't show them a realistic image. Just blot out what we don't want them to look at. And other ideas to get folks in the frame of mind that we want them to get to.

So what have we found so far? These are all preliminary results. In the Boston study, what are we attempting to do? We found out that at least in individual debt collection cases against individuals, there's about a 90% default rate in the sense that people do not even file answers to the lawsuits.

And so we are sending mailings. We are randomizing to whom we send mailings. And our two major outcome variables are can we get people to answer the lawsuit, meaning file a legal document that responds to the lawsuit. That's called an answer. Can we get people to file an answer to the lawsuit? And can we get people to show up, actually, at the first scheduled court hearing? Those are our two major outcome variables.

We send them a letter with all of these cartoons and deployed-- the reading level is about fifth grade reading level letter. Some answer forms, et cetera. We randomized a control group to now mailing a limited group with the letter and some additional materials. The maximum group with the letter plus a postcard the day before and stamps on the envelopes to see if those make any difference.

These, again, are preliminary results. They are changing. They're moving around, but this is what we're finding so far. In terms of the answer rates, we're roughly able to in two and 1/2 times double around that. And the key is that the difference between the first column, the control group column, and the limited group column as of right now is statistically significant.

The difference between the middle column and the right-hand column is not statistically significant, it therefore appears to us, based on these very preliminary and still changing results. But the stamps and the postcard the day before is not doing a huge amount of work.

What is instead doing the work is the package itself. Getting something that people will actually go find the stamps, for instance, to mail the letters if they need to. That's encouraging for, say, providers of this information, because stamps are expensive relative to other things.

Again, we don't know whether these numbers will stay stable, but we appear to be on track on that. We have no figure on the showing up in court rates yet, because we didn't have the figures by the time those came in. The first batch of those came in last week. I will just share to you that it looks as though we can roughly quadruple the rate at which people will actually attend the first court proceeding.

There appears to be an effect at the rate of answering, and then you also conditional an answer appear to be more likely to show up. That's very preliminary. We don't have much data on that. That quadrupling is statistically significant, but it's still moving. So we don't know what the final results will be.

But this is encouraging. This suggests that some of this stuff appears to be working. And so our second much larger scale study of this is-- this is just to suggest that the cartoon-based psychological techniques may be doing the work.

Our second much larger scale study will take place in Maine, and the idea is to see if we can improve these outcomes within a population that has severe debt problems. And the severe debt problems is a pine tree is a legal aid provider, it meets the pine tree eligibility criteria, and has been sued on a debt collection proceeding in Maine. That's our study population. They will call a hotline number. There is a selection in terms of who calls the hotline number.

Can we improve these aspects of financial health? Excuse me, one more we'll be testing via surveys. And the treatment group gets a packet that covers all of these aspects of how to rehabilitate oneself from financial distress. The packet is very large. We will send it to the folks in pieces.

It covers how to litigate a small claims court case. Request your credit report. If you decide to try to manage debt, utility debt, credit card debt, student loans-- what's the other one that I'm missing-- medical debt. How to manage all of those. How to negotiate with creditors. Negotiation, a critical part of this, often ignored, and how to negotiate. Just how to do it.

Obtaining credit court, and if you decide not to try to manage, how to try to file Chapter 7 bankruptcy. And then, in addition is a self-help packet saying how do you stay out of trouble going forward? Basically mirroring the content of a financial education packet.

What are we going to contrast that treated group drug to? The control gets the professionals. The professionals are really expensive, especially the lawyers. We are seriously expensive. Obnoxiously expensive. And because we are obnoxiously expensive, we are unavailable to a large portion of this population, even with the legal aid provision. Because there are just simply not enough of us to go around.

And so we use the lawyers as a control group for the backwards-looking stuff, the mess behind you. And the professional educators, the professional financial counselors as the professionals for the forward grouping. How do you stay out of trouble in the future?

And so that leads us to basically a two by two set of boxes for study groups, where the top left treated group will get the packet on all of these aspects. The top right box will get the packet on the lawyer things, the debts behind you, but the professionals for staying out of trouble going forward.

The bottom left group will get the lawyer, not the packet, the lawyer for all of the stuff behind you, but the packet to stay out of trouble going forward. And on the bottom right is our total control that gets the lawyer for the stuff behind you, and the financial counselor for the stuff in front of you.

And so this is a basic contrast. The rows contrast self-help versus attorney representation. And the columns contrast self-help versus financial counseling. We give the folks who get the self-help packet placebo counseling, also, to try to equalize the burden in terms of how much folks have to get through. And also to make financial incentives to go through the counseling equal across both groups, we're going to offer people a $50 incentive to go through these two groups.

This research is supported very kindly by the National Science Foundation and other folks. And this is what we hope to do, and find out the results. Again, trying to encapsulate a great many of the themes that the previous speakers in the previous panels had presented.

Thank you.

[APPLAUSE]

ROBERT ANGUIZOLA: So if you have any questions, raise your hand and we can have cards collected. But while we wait for questions, I wanted to ask whoever wants to jump in and answer what suggestions do you have for future research?

JAMES GREINER: So I guess I would say to echo themes that have already been emphasized the previous panels, I think the way in which information is presented is a critical thing. I think the just-in-time idea, one of the themes of the research projects just presented was we are giving people information when the state has proposed to intervene in their lives in a coercive way. The state is about to screw around with your financial situation unless you do something.

And then randomizing to find out what works. Strong evaluation structures I think are three themes that I would emphasize in answer to that question. We have to know and not be afraid of null findings. I mean we spent three years working on this. We hope to randomize it to find out whether any of it does any good whatsoever. And we can't be afraid of getting a null finding that says nope, it doesn't do any good.

GARY MOTTOLA: What I'll add to that is I've already alluded to the fact that there's a lot of conflicting information out there that some of it's due to the methodology of the study. Not that the methodology is poor, but it's not particularly standardized.

So to really understand the prevalence of fraud, to really understand the correlations between fraud and different demographic groups, it's important that we, as a community, have some type of agreement or standardized definition on what fraud is.

And to that end, I should say what financial fraud is, and to that end, the FINRA Foundation, with the Department of Justice and some other groups are working to try to standardize the measurement of fraud so that we can begin to get a better handle on it.

The other area I'll mention that could use additional research, which hasn't been talked about much today is the non-traditional or we'll say non-financial costs of fraud. Yes, the person loses potentially a lot of money. Yes, they lose a lot of their time, and perhaps they have lawyer fees.

But what about the psychological and emotional costs that are associated with fraud? Like I said, they've been alluded to, but some research could really shed some light on the devastating impact that fraud can have on other aspects of people's lives outside the financial aspect.

BILLY HENSLEY: Just one point. How do we mitigate the efficacy decay that's happening? How do we slow that down? How do we stretch out the impact longer? That's very complicated, lots of factors at play, but that's something that we're thinking about, and I think we need to have more research on.

ROBERT ANGUIZOLA: So we have a question from the audience for Jim Greiner, and it is how did you develop and test the assistance packet for your interventions?

JAMES GREINER: So we spent a lot of time-- I remember spending weeks, about six or seven weeks with a cartoonist and a student looking at different versions of our cartoon figures. So here's blob again. Trying to figure out what blob should look like, a protagonist character.

And we wanted our protagonist character to be genderless, which meant no hair, no clothes. We wanted the protagonist character to not have a race, to the extent that was possible. We wanted to test that, and so when we showed people, we showed various shaded-in versions of blob, and asked them what race this character was.

What we got was extraordinarily puzzlement, bafflement, and annoyance, which is exactly what we were looking for, because they said this thing is a cartoon. It doesn't have a race. It's the color of the paper. It's not white. And we were like ding, ding, ding. That's what we wanted.

We then had the cartoonist, and we drew blob and other alternatives in action. From that we sort of discovered that the nice rounded figure was good. Here you can sort of see blob's caring a few extra pounds. Which one of us isn't? That's what we were sort of hoping for.

And we would ask questions when we were looking at blob and their interaction with fat cat and judge. Who are you in this drawing? And we tended to get the right answer. This is the sort of thing that we-- now, I don't want to say that this was like we anticipated a lot of it.

We then drew substantive cartoons and put them in packets and took them down to small claims courts and debt collections courts. And we are about to take student loan packets to student classes, colleges around Massachusetts and Maine-- part of the country, anyway.

And we found out that to our astonishment some of our cartoons just bombed. They totally failed to communicate the concepts that we were after. And typically, to the extent that we were able to find a theme and which cartoons bombed and which ones didn't, it was basically if we got the tiniest bit abstract, we were in trouble. And we had to remove as much of the level of abstraction.

So this one here tested well. The hourglass tested well in terms of communicating a time. That was about as abstract-- we had a glorious cartoon we thought about a fat cat pulling evidence out of a trash can and handing it to the judge to say that the evidence may be garbage, it may not be worth believing. This is garbage evidence. Question it.

And instead what we got was people saying, wait a minute, is that the court's trash can right there? Does the court keep evidence in the trash can? Is that where they put it? That seems an odd place to put the evidence. And we're like oop, back to the drawing board-- literally, back to the drawing board.

We had to redraw the cartoon and remove all of the-- so it has been an extraordinarily iterative process in coming up with the packets. And we've used, again, all sorts of things about simplification of language, research from adult education about the relationship of cartoons and text on pages. There's research on font characteristics, font sizes. And we were trying to just internalize as much of that as we can.

ROBERT ANGUIZOLA: So my next question is for Gary Mottola, but any of you can jump in. Businesses have a balance sheet and an income statement to tell them how they're doing. We use unemployment rates and growth rates to measure the economy. What should we be doing in terms of research to measure how we're doing in our work to combat fraud?

GARY MOTTOLA: Yeah. That's a great question, and it kind of ties in with the point I was making earlier about just the differing methodologies. So imagine we had 10 different unemployment rates in this country. It would be very difficult to really understand how the country was doing from an employment standpoint.

So I think what needs to be done, and again, what we're trying to do, but we haven't started yet, is to gather a group of stakeholders in this area and say, OK, how do you define fraud in your area? In the lottery scam? How do you define it in the investment area? How do you define it in-- pick your fraud that has been brought up today.

And try to come up with what we're calling a taxonomy of fraud. Essentially a categorization of fraud that then, when we agree upon that, we can develop survey questions that can be used to go out, and different researchers can use the same survey questions.

So it's not necessarily that everybody will be using the same measure of fraud, just like you get different measures of unemployment. Seasonally adjusted, with or without certain groups. The point is that it'll be a start to try to get a common measure of financial fraud that we can really begin to get a better understanding.

So we don't have to come up and say, well, on the one hand we find this with gender. On the other hand we find this. So that's kind of where we're trying to head with that.

ROBERT ANGUIZOLA: Anybody else have thoughts on that?

BILLY HENSLEY: We've been thinking about this from an educational point of view in the sense of what is success? What is education itself? What is financial education? What should be covered? What's the minimum standard?

So this theme is permeating a lot of our work right now. And I think it's important that we spend time working diligently to define these things.

JAMES GREINER: I guess the only thing I'd add is that what we've been trying to do is see if we could move beyond knowledge to see about outcomes, not just behavior, in terms of what people do, but what their actual financial situation is. So I'm trying to get to the slide where we have our outcome information.

So what sorts of outcomes are people experiencing in their lives? So the public health equivalent of this is if you give somebody anti-smoking literature, you can give them a test afterwards to find out whether they know more about the effects of smoking.

But what you really care about is are they stopping. And those may be two very different things, especially when you're thinking about addictive behavior or behavior that is resorted to by folks who feel as though they have another option.

GARY MOTTOLA: One other point I'll add is that to really understand fraud and its impact in some various communities, we need to measure over time. So in addition to standardizing the measure, we need something that's tracked over time. And once we have that, we can begin to see, hey, are we making an impact? And somebody alluded today that it's hard to move the dial with education. And it hard to move the dial with education. But as of right now, we don't have a dial. So let's get that dial.

ROBERT ANGUIZOLA: How frequently would you recommend measuring?

BILLY HENSLEY: Ideally it would be every year, but these things are costly. So you're probably looking at every three years.

ROBERT ANGUIZOLA: I think we've run out of time. But thank you very much.

GARY MOTTOLA: Thank you very much for the opportunity.

[APPLAUSE]

MONICA VACA: Hello. I'm Monica Vaca. I'm going to close us out today.

First of all, let me just say thank you to everyone. At last count I think we had 910 views on the webcast. Thanks to all of you who tuned in. Thanks to all of you in the room. Thanks to all of our marvelous panelists. I learned a ton today listening to you. And a big thanks to Patty Poss and Julie Mayer for putting together this event. You all did a wonderful job. And to all of our moderators and all the paralegals who helped us out today as well. Thank you all.

So I told you my name. Let me tell you who I am. I work in the Division of Marketing Practices, which as Robert so eloquently described, is the shop here at the FTC that likes to crush fraud. That is what we like to do.

So I'm just going to close us out with a few remarks. I want to just begin by observing something that went relatively unspoken today, but it's true. Fraud is a multi-billion dollar industry, and people from every community, and from every walk of life are affected by it.

Today we've begun a renew and revitalized conversation on how fraud looks in these different communities and what we collectively and individually as organizations can do to try to truly move the needle.

So one of the things that-- well, we heard from so many different folks about how fraud looks in different communities, and what was really interesting about that to me is that there were some themes that emerged. Some fairly strong themes. And one of them was a theme of trust. We heard it again and again.

Trust relationships can help people make decisions, whether they're good decisions or bad decisions. What does that tell us? So let's go through it for the different people in the room. For law enforcement, what does this tell us? This tells us we need to look at specific marketplaces. Recall what Latanya Sweeney told us in her last slide, which showed websites offering prize promotions.

These were found on websites with high exclusivity among a variety of communities. This tells us that we need to be looking outside mainstream commercial advertisement to find the marketplaces these consumers are visiting.

For advocates, how can we use these trust relationships that you have in abundance to help reduce the incidence of fraud in your communities? Connecting awareness of fraud to prevention strategies must include a mechanism to talk with law enforcement about what's plaguing your constituents. We're powerless to do anything if we don't know what's going on, and that's precisely what the con artists are counting on.

For industry, when a good name is used to commit fraudulent acts, especially when it's used against seniors, as we heard from Microsoft today, and hear regularly from financial institutions and online merchants, everybody loses, not just that one company. And as Gary from FINRA just told us, he just mentioned that there is a high non-economic cost of fraud. That's important. It's important to remember.

Dollars consumers lose to fraudsters, and money is lost to legitimate industry. Trust and confidence in the marketplace suffered, and so it's an all of our interest to work to stop that fraud.

How do we do that? All of us. Our organizations and agencies and non-profits and companies, we have different strengths. We have different weaknesses that we bring to the table.

The FTC has and will crack down on fraud. That's a top priority. That will remain a top priority. We know how to do that, as our record reflects, and as you heard today from Commissioner McSweeney. We're tough on fraud, we're an excellent law enforcer. And we're also pretty good at crafting consumer education messages that ring true. And the more we hear from you, the better we can get at making those messages ring true.

But this has got to be a collaboration. We need complementary efforts. Many of you have trust relationship with communities that we have less access to, or you have specific expertise conducting research to advance policy objectives. All of these are going to be needed to address the fraud problems that creep into every community.

So as we look to the future, I want you to know what the FTC is going to be doing. And it's going to be engaging with all of you. We're going to be teaming up with the folks in this room and with others to address some of these problems.

So number one. We're ramping up our work with our federal partners to fight fraud in the marketplace. You've heard today about the concerted work federal agencies have done to crack down on fraud, affecting various communities. You'll be hearing more about these kinds of partnerships with federal agencies and with state agencies in the near future.

Second thing. We're taking the show on the road. We're going to be continuing to host common ground conferences around the country to learn from communities what fraud experiences they see. We want particularly to reach out to the folks who are joining us by webcast to let you know that next up, we will be in Detroit, and soon thereafter, we will be in Seattle. So please keep in touch with us.

And then the third thing I want to just say is we want to continue to partner to reach further into the diverse American marketplace. We need to hear from you. We need to hear from you even more. We're going to be announcing webinars and other events in the future to keep our dialogue going.

But here's one way you can be in touch. Complaint to the FTC. And Annette LoVoi said earlier, complaints matter. They really matter. They fuel our law enforcement. And they help us set priorities, policy priorities. So please complain to us. We need to hear from you.

To the researchers in the room, we need more high quality data on the prevalence and scope of the problem so we can all be more strategic in how we use our resources. We're always looking for strategies that have metrics showing demonstrable success in stopping fraud and preventing injury.

That's what I have for you today. Thank you all.

Wait. Before you go, I'm going to give you my email address, because I do want to hear you. It is mvaca@ftc.gov. That's m-v-a-c-a @ftc.gov. I'm also going to give you my direct dial phone number. This is not as dangerous as it sounds, because I do this a lot, and not that many people call me. But I'm going to give it to you. It is 202-326-2245.

Thank you again for being with us today, and have a great day.

[APPLAUSE]