



NETWORK NEWS

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

PUSHING THE ENVELOPE.

The FTC has settled its charges against two marketers of bogus work-at-home business opportunities. According to the FTC, these promoters promised Spanish-speaking consumers that they'd make lots of money stuffing envelopes. In one case, the defendant, Zolio Cruz, allegedly told consumers that for \$37, they would receive all necessary supplies — including stamped, addressed envelopes — and that they'd earn \$1,400 per week for stuffing 80 envelopes. Instead, consumers got an English-language pamphlet, telling them they wouldn't really get paid and how to take out their own ads to deceive others with the same scheme. Read more: www.ftc.gov/opa/2008/08/workathome.shtm. ■■■

SUCCESS STORY.

Kudos to the District of Columbia Department of Insurance, Securities and Banking (DISB) for using the Consumer Sentinel database to snag the perpetrators of an advance fee loan scheme. In December 2006, DISB investigated a complaint involving a caller who told a consumer he was “approved” for a \$5,000 personal loan but had to pay a \$500 “processing” fee up front. DISB investigators searched Sentinel to develop leads and expand their case. By doing a variety of Sentinel searches, they identified 20 more complaints against the loan company, seven aliases and several company phone numbers — ultimately uncovering more than 800 victims and over \$650,000 in losses.

“Access to the wealth of information in Sentinel was crucial to the development of this case,” said Gregory Marsillo, Assistant Director of the DISB's Enforcement & Investigations Bureau. “Sentinel's reports transformed one victim with a \$500 loss into a multi-jurisdictional, nationwide loan scheme case.” Sentinel led DISB — and eventually the FBI — to the alleged scammer and their conspirators. A U.S. Attorney's office arrested and prosecuted at least one of the scheme coordinators. That litigation is ongoing; the proceedings are sealed. “Sentinel made the difference between a complaint that would have been shelved to one that was prosecuted successfully by the U.S. Department of Justice,” added Marsillo. ■■■

JOIN CONSUMER SENTINEL

Re-registering to access the new Sentinel system is as easy as 1-2-3.

Visit Register.ConsumerSentinel.gov.

Contact the Sentinel team at sentinel@ftc.gov or by phone (877-701-9595) if you have any questions.

LESHIN LEARNED.

The FTC has a new resource for consumers who bought debt-consolidation services from Randall Leshin, Express Consolidation, or its affiliated companies. The consumers who call the line, 866-706-7597, will hear options to transfer or cancel their debt management plans. A court-appointed monitor will oversee the transfer of consumers' plans to alternate providers not connected to the defendants. Consumers also can get more information at the monitor's site, www.expressconsolidationmonitor.com or from 1-800-718-5071. Read more: www.ftc.gov/opa/2008/07/leshin.shtm. ■■■

STAT-O-SPHERE.

In its October 2007 statistical survey of fraud in the U.S., the FTC found that **30.2 million adults** — 13.5 percent of the adult population — were victims of fraud during the year studied. ■■■

COMMUNITY BEAT.

The FTC has developed a toolkit with everything you need to host a “Protect Your Identity” day with citizens in your community. The kit has information and materials on how to deter, detect and defend against identity theft, including handouts you can customize and print, videos, a speech, a PowerPoint presentation, the answers to frequently asked questions, and materials to use for outreach to your local media -- in both English and Spanish.

Order copies from www.ftc.gov/bulkorder or

Download the kit at www.ftc.gov/idtheft (under Key Publications in the right column). ■■■

CONSUMER SENTINEL — NEW AND IMPROVED.

Check out the updated Consumer Sentinel Network! An even more effective tool for immediate and secure access to consumer complaints about identity theft, the National Do Not Call Registry (DNC), Internet fraud and deceptive telemarketing, the new Sentinel includes all complaints filed with the FTC about financial issues, like credit reports, debt collection, financial institutions, and lending. Sentinel lets you find complaints faster and more easily, store search results in your own 100 MB space, search within searches, and connect with other law enforcers.

Learn more about the new Consumer Sentinel at www.ftc.gov/sentinel.

Join the list of law enforcers who are already there at Register.ConsumerSentinel.gov. ■■■

STOCK UP!

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

MEMBER SPOTLIGHT:

THE OFFICE OF THE FLORIDA ATTORNEY GENERAL

As chief legal officer of the Sunshine state, Florida Attorney General (AG) Bill McCollum protects Floridians from fraud, enforces the state’s antitrust laws, and defends the state in civil and criminal litigation. The AG’s Statewide Prosecution unit also targets widespread criminal activities throughout the state — identity theft, drug trafficking, gang activity, and stopping internet sex predators and the distribution of child pornography. “We’ll also continue our focus on mortgage fraud, and personal data breach issues,” said AG McCollum. “I am proud of the work this office does to protect our consumers.”

Of the 20 divisions within the AG’s Office, six, staffed by 360 employees, are devoted to consumer protection. Since AG McCollum took office in January 2007, the Office has won nearly \$101.7 million in restitution for consumers, and has implemented significant reforms addressing undisclosed or improper fees imposed by cell phone content providers, prepaid calling card sellers, and cruise line operators. Learn more at www.myfloridalegal.com. ■■■

LOUIE LOUIE.

Two brothers have agreed to settle FTC charges that they misled consumers with false earnings claims for work-at-home schemes. According to the FTC, Eric and Calvin Louie charged consumers up to \$129 to access their “Members only” website with “money-making secrets.”

The settlement bans the siblings from marketing work-at-home opportunities. Read more: www.ftc.gov/opa/2008/08/mmsecret.shtm. ■■■

COMMENTS, QUESTIONS, OR KUDOS?

Got a success story? Should we profile your agency? Want to share an article idea?

Email sentinel@ftc.gov and let us know! ■■■