



NETWORK NEWS

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

CLEAN SWEEP

The FTC and 22 states announced a crackdown on 33 operations that deceptively claimed they could remove negative information from consumers' credit reports, even if it was accurate and timely. The FTC is trying to stop the defendants' allegedly unlawful business practices -- and make them pay consumer redress.

Press release: www.ftc.gov/opa/2008/10/opcleansweep.shtm. ■■■

SUCCESS STORY: SPAM -- A LOT.

A U.S. district court has stopped a huge international spam network that sold prescription drugs and bogus male-enhancement products. The network has been called the largest "spam gang" in the world by the anti-spam organization Spamhaus: computer users have sent the FTC more than 3 million complaints about spam related to this network. At the FTC's request, the court issued a temporary injunction prohibiting the defendants from spamming and making false product claims. The court froze the defendants' assets, preserving them for consumer redress pending trial. Authorities in New Zealand, working with the FTC, also have sued.

Press release: www.ftc.gov/opa/2008/10/herbalkings.shtm. ■■■

COMING EVENTS: FRAUD FORUM

The FTC will host a Fraud Forum on February 25 and 26, 2009 to examine how to better protect consumers from scams. On the first day, law enforcers, consumer advocates, business representatives, and academics will examine: the extent of fraud in the economy; how scammers learn the tools of the trade; who's at greatest risk of fraud; and what opportunities exist for improved industry self-regulation. The second day will be open only to domestic and international law enforcement officials. Send comments to fraudforum@ftc.gov. A live Webcast of the workshop will be available at www.ftc.gov. Read more: www.ftc.gov/opa/2008/10/fraud.shtm. ■■■

POSTAL JOB SCAM.

The FTC has charged a nationwide operation with tricking consumers into buying materials they thought would help them get federal postal jobs. According to the FTC, U.S. Work Alliance, d/b/a Exam Services, told consumers that for a fee they'd get the resources to help them pass the postal exam and a job with the U.S. Postal Service (USPS). The defendants aren't affiliated with the USPS and had no special materials or connections to match consumers to postal jobs. A federal judge has issued a preliminary order. Read more: www.ftc.gov/opa/2008/11/examservices.shtm.

STAT-O-SPHERE

According to the FTC's second Fraud Survey, consumers who indicated they had more debt than they could comfortably handle were more likely to be victims of fraud than those with less debt. Nearly one quarter of those with more debt had been victims of one of the frauds in the survey.

Surprisingly, they also were more than three times as likely to have purchased a fraudulent weight-loss product than consumers with less debt. Read more at:

www.ftc.gov/opa/2007/10/fraud.pdf.

COMMUNITY BEAT: FORECLOSURE RESCUE SCAMS

Foreclosure scams come in many forms, but at the heart of each is a false promise that the firm will save the consumer's home. If you work with people who are looking for foreclosure prevention, the FTC has these tips to share with them. Consumers should avoid any company that:

- ♦ guarantees to stop the foreclosure process — no matter what the circumstances
- ♦ instructs them not to contact their lender, lawyer, or credit or housing counselor
- ♦ collects a fee before providing them with any services
- ♦ encourages them to lease their home so they can buy it back over time
- ♦ tells them to make their mortgage payments directly to it, rather than to their lender
- ♦ tells them to transfer their property deed or title to it

The FTC says that consumers who are having trouble paying the mortgage or who have gotten a foreclosure notice should contact their lender immediately. They may be able to negotiate a new payment schedule. Legitimate help is available through the Homeownership Preservation Foundation (HPF), a nonprofit organization that operates the national 24/7 toll-free hotline (1.888.995.HOPE) with free, bilingual, personalized assistance to help at-risk homeowners avoid foreclosure.

To learn more, visit www.ftc.gov/bcp/edu/pubs/consumer/credit/cre42.shtm. ■■■

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COMMENTS, QUESTIONS, OR KUDOS?

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

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

MEMBER SPOTLIGHT: ROYAL CANADIAN MOUNTED POLICE (RCMP) AND PHONEBUSTERS

The RCMP, Canada's national law enforcement agency, polices the country at the federal, provincial/territorial and municipal levels and deploys Canadian police to international peace missions. The roots of the RCMP go back to 1873, when the Parliament of Canada established a central police force and sent 150 recruits to Manitoba. That force gradually evolved into today's RCMP, with close to 28,000 employees.

In addition to its many responsibilities, the RCMP (with the Ontario Provincial Police and the Competition Bureau Canada) runs PhoneBusters, the Canadian Anti-Fraud Call Centre, which collects complaints from Canadians about mass marketing fraud and identity theft. Corporal Louis Robertson directs the RCMP's Criminal Intelligence Analysis unit, which examines the information filed with PhoneBusters. "Because we're a criminal intelligence team, our job is to analyze the information from the call center," said Robertson. "To do that well, we often use Sentinel as a resource." Robertson — with two officers and eight civilian analysts — compare their evidence against data in Sentinel to look for similar complaints — or the same targets surfacing elsewhere. Said Robertson, "Sentinel helps us see new trends faster. Fraud is a global problem and we're trying to find a global solution using Sentinel. It gives us another piece of the puzzle." ■■■

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. ■■■