Prepared Statement of
The Federal Trade Commission

Before the
Senate Special Committee on Aging

on

Stopping Senior Scams: Developments in Financial Fraud Affecting Seniors

Washington, DC
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Chairman Collins, Ranking Member Casey, and members of the Committee, I am Lois Greisman, Associate Director of the Division of Marketing Practices, in the Bureau of Consumer Protection at the Federal Trade Commission (“Commission” or “FTC”). I appreciate the opportunity to appear before you today to provide an overview of current trends affecting older Americans and the Commission’s actions to address them.

Combatting fraud is a critical component of the FTC’s consumer protection mission. All consumers are potential fraud targets. While older Americans are not necessarily defrauded at higher rates than younger consumers, certain types of scams are more likely to impact older Americans, such as fraudulent prize promotion schemes. Such trends are crucial for the FTC to understand. According to recent U.S. Census Bureau projections, by 2030 more than 20 percent of U.S. residents will be over age 65, compared to 13 percent in 2010 and 9.8 percent in 1970.

As the population of older Americans grows rapidly, the FTC’s efforts to identify illegal

1 The views expressed in this statement represent the views of the Commission. My oral presentation and responses to questions are my own and do not necessarily reflect the views of the Commission or any individual Commissioner.

2 In this testimony, and in FTC enforcement cases, the terms “seniors,” “older Americans,” and “the elderly” refer to the population age 65 years and older, unless noted otherwise. Statistics regarding complaints to the FTC (see Appendix), however, use 10-year age brackets (e.g., 60-69, 70-79) because that is the manner in which age is reported in the complaints.


4 FTC Fraud Survey at 58-59.

marketing impacting seniors and bring aggressive law enforcement action, as well as provide useful consumer advice, become increasingly vital.

To protect seniors, the Commission has implemented a multi-faceted approach that encompasses robust law enforcement, strategic policy initiatives, and vigorous consumer education and outreach. This testimony describes the current landscape and then outlines the Commission’s various initiatives to protect older Americans.

I. Current Threats to Older Americans

Virtually every law enforcement case the Commission brings affects some seniors, and certain types of scams appear to target seniors specifically or may have a disproportionate impact on them. To identify and analyze trends regarding scams that affect different groups of consumers, the FTC assesses the marketplace in numerous ways: tracking consumer complaints; examining empirical data gathered from surveys; and investigating information from law enforcement partners and stakeholders about the issues facing consumers.

The Commission also conducts workshops and conferences to bring together law enforcement partners, industry, consumer groups, academics and others to identify new issues and collaborate on fighting fraud.6 Since 2010, the FTC has held 33 “Common Ground” conferences around the country to engage local law enforcement officials and community organizations, including legal services providers, in the conversation about fraud. These conferences have covered a variety of consumer protection topics and looked at issues affecting a range of population segments; for example, a recent conference in Madison, Wisconsin included

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a panel focused on combating fraud affecting older consumers. In March, the FTC will host a workshop in partnership with the National Association of State Charities Officials, to aid in its work to combat fraud in charitable giving. This workshop will examine the demographics of those who make charitable donations, and will explore how the FTC and other consumer advocates can effectively arm consumers against charitable fundraising scams.

Through these types of collaborations and our law enforcement experience, the Commission has identified several varieties of fraudulent and deceptive schemes that affect seniors including: (1) sweepstakes, prize promotions, and lotteries; (2) timeshare sales and re-sales; (3) health care products and services; (4) investments, business opportunities, and work-from-home programs; (5) technical support services; and (6) charitable donations.

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9 Some scams, such as Medicare imposter frauds, may be directed specifically to seniors; others, such as sweepstakes and technical support scams, may have a disproportionate impact on seniors. Many other frauds may affect seniors no more than younger consumers.

10 See, e.g., FTC v. Terry Somenzi, No. 16-CV-7101 (C.D. Cal. Sept. 21, 2016), https://www.ftc.gov/enforcement/cases-proceedings/1623226/terry-somenzi-individually-officer-international-advisory (alleging defendants sent hundreds of thousands of mailings for a prize promotion scam, targeting mostly elderly consumers). See, infra note 44 (discussing the case as part of a coordinated effort with the Department of Justice and other entities to fight mass-mailing fraud schemes).


12 See, e.g., FTC v. Supple, LLC, No. 16-CV-1325 (E.D. Wis. Oct. 4, 2016), https://www.ftc.gov/enforcement/cases-proceedings/142-3231/supple-llc (alleging defendants falsely claimed supplement was scientifically proven to eliminate joint pain and completely relieved pain from arthritis and fibromyalgia); FTC v. Mercola.com, LLC, No. 16-CV-4282 (N.D. Ill. Apr. 13, 2016), https://www.ftc.gov/enforcement/cases-proceedings/142-3210/mercolacom-llc (alleging defendants
In addition, self-reported consumer data from our Consumer Sentinel Complaint database—an online database of complaints maintained by the Commission—shows that in 2015 and 2016, consumers age 60 and older primarily complained about imposter scams, as well as telemarketing practices and tech support scams.

In response to these complaint trends, as well as the insights gained from our survey research and conferences, the FTC has focused its efforts to protect older consumers in three areas: (1) law enforcement targeting specific types of fraudulent and deceptive practices; falsely advertised that tanning beds “reversed the appearance of aging,” did not increase risk of cancer, and were approved by the FDA).


16 In calendar year 2015, the Consumer Sentinel Network received 2,650,577 fraud and other complaints (excluding identity theft and Do-Not-Call registry complaints). Consumers reported their age in 674,000 (25%) of these complaints, with 220,965 reporting their age as 60 or older. In calendar year 2016, Consumer Sentinel received 2,651,149 fraud and other complaints. Consumers reported their age in 766,034 (29%) of these complaints, with 251,731 reporting their age as 60 or older. For information regarding the Consumer Sentinel Network, which is available to more than 2000 state, local, and federal law enforcement agencies, as well as some international partners, see FTC, Consumer Sentinel Network, https://www.ftc.gov/enforcement/consumer-sentinel-network.

17 Complaints classified as “telemarketing practices” include an array of issues with telephone calls. However, the category does not include complaints categorized as Do-Not-Call registry complaints.

18 See Appendix, Figures 1 and 2.
(2) policy initiatives designed to identify and track trends affecting older consumers; and
(3) effective education messages to help older Americans avoid common fraud schemes.

II. **Law Enforcement**

Aggressive law enforcement is crucial to the FTC’s efforts to protect older Americans. Though all of the FTC’s fraud cases involve older consumers as part of the general population, in the past three years alone the Commission has brought 25 cases alleging that defendants’ conduct has specifically targeted or disproportionately harmed older adults. Many of these cases related to illegal telemarketing or deceptive marketing of health-related products and services. The FTC also has pursued actions regarding the money transfer services that are commonly used in scams affecting older adults, and has coordinated efforts with criminal and foreign law enforcement agencies to achieve a broader impact.

A. **Deceptive Telemarketing**

Telemarketing remains one of the most pervasive means scammers use to target consumers. It allows them to reach nearly every American consumer, wherever they may live, at minimal expense.¹⁹ Many scammers take advantage of technological advancements in the phone system to blast millions of prerecorded messages, or robocalls,²⁰ to seniors. Since 2009, the Telemarketing Sales Rule has prohibited the vast majority of robocalls selling a good or service.²¹ To date, the Commission has filed 45 cases against 163 companies and 121 individuals

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²⁰ New technologies have led to an immense source of consumer frustration – the blasting of prerecorded messages that primarily rely on Voice over Internet Protocol (“VoIP”) technology. In 2016, the FTC received an average of more than 290,000 robocall complaints per month.

²¹ See 16 C.F.R. § 310.4(b)(1)(v).
responsible for billions of illegal robocalls, as well as numerous Do-Not-Call violations. The 37 actions that have concluded have resulted in judgments totaling more than $500 million in civil penalties, redress, or disgorgement, with $29 million in collected judgments. Recently, the FTC led a multinational legal crackdown on robocallers, working with domestic and international law enforcement partners to bring nearly 40 cases against operations believed to be responsible for billions of illegal robocalls. Just last month, the FTC announced actions against two massive robocall telemarketing operations, alleging that these operations together made hundreds of millions of robocalls per month. The agency announced proposed settlements with many of the defendants that would permanently ban them from making robocalls.

Operations that place billions of calls to U.S. consumers affect all consumers, including seniors, but the FTC is also vigilant for evidence of schemes that specifically target the elderly. This past June, the FTC and the Florida Attorney General obtained a court order temporarily shutting down a company that allegedly bombarded consumers with illegal robocalls touting bogus credit-card interest rate reduction and debt relief services. We charged that the defendants used fake company names that deceived consumers into thinking that the defendants had a relationship or affiliation with the consumers’ credit-card issuers. In some instances, the

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defendants allegedly tailored their debt elimination pitch to consumers over age 60.\textsuperscript{25} The complaint states that this scheme bilked consumers out of more than $15.6 million since 2013.

Technical support scams also may disproportionately affect older Americans.\textsuperscript{26} A typical technical support scam begins when a consumer receives a phone call from someone who claims, “There is a problem with your computer. I will help you fix it.” The scammer then deceives the consumers into purchasing unnecessary or even harmful services to “fix” non-existent problems; consumers believe that their computer has been “fixed,” but in reality it never had a problem.

In recent years, the FTC has seen a number of tech support scams employing a new twist on this model by using various methods to induce consumers to pick up the phone and place calls to the scammers. For example, last June the FTC obtained a court order temporarily shutting down an operation that allegedly used internet ads to imitate alerts on consumers’ computer displays.\textsuperscript{27} According to the FTC’s complaint, the phony alerts mimicked legitimate messages from Apple or Microsoft, misleading consumers, many of whom were senior citizens, into believing their computers had serious problems and directing them to call a toll-free number.\textsuperscript{28} Once on the phone, the operation’s telemarketers allegedly claimed to “diagnose” the computer, inevitably claiming to find grave problems requiring immediate repair by a technician. The

\textsuperscript{25} For example, one consumer stated that the telemarketer claimed to be offering “a program to help senior citizens eliminate their debt.” \textit{FTC v. Life Management Services of Orange County, LLC}, 6:16-CV-982-Orl, Plaintiff’s Exhibit 7 (M.D. Fla. June 8, 2016).

\textsuperscript{26} The FTC’s Consumer Sentinel complaint data and law enforcement experience suggest that tech support schemes disproportionately affect older Americans.


scammers then allegedly charged consumers hundreds of dollars for repairs they likely did not need. Technical support scams like this one have caused consumers hundreds of millions of dollars in injury. The FTC continues to target such scammers, consulting with state and federal partners as well as researchers and computer software and manufacturing industry members, and has additional investigations underway.

Other pernicious telemarketing schemes threaten the elderly. The FTC recently brought two cases involving business opportunities that appear to have affected older adults, including veterans, looking to supplement their income. In *FTC v. Advertising Strategies, LLC*, the FTC alleges that defendants told their consumer victims—many of whom are seniors or veterans—that the consumers would earn substantial income by owning or investing in e-commerce websites. We contend that defendants collected hundreds or thousands of dollars from each victim, but consumers never received the promised income. In another case, the FTC charged that the defendants took money from seniors, veterans, and debt-laden consumers by selling them a worthless money-making opportunity purportedly linked to Amazon.com, and lured them with a phony grant program.

In the *J. William Enterprises* case, the FTC obtained an order halting an operation in which it alleged telemarketers called timeshare owners, falsely claimed to have identified a buyer

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for the consumer’s timeshare, and asked the consumer for a several-thousand-dollar fee. Many consumers paid, but we alleged the company never delivered the promised buyers, bilking consumers out of at least $15 million. In this case, as in the other telemarketing schemes described above, many of the affected consumers were older adults.

B. Deceptive Marketing of Health-Related Products

The FTC also has focused on the deceptive marketing of health-related products promoted to older adults. Companies selling such products understandably want consumers to believe that their products will improve consumers’ health or cognitive abilities. Unfortunately, unscrupulous marketers sometimes make such claims without support to substantiate their claims. The FTC actively monitors and takes action against such advertisers. For example, this past October the FTC settled an action for allegedly deceptive advertising that affected older Americans. The FTC alleged that the company, Supple, LLC, claimed its dietary supplement would completely eliminate joint pain, marketing it on television and social media touting the benefits of the product. The FTC charged that, in truth, the company could not support its claims about the product, the television program was a paid infomercial, and the expert endorser, a doctor, was the CEO’s wife. The company agreed to a court order requiring scientific evidence to support any future claims and imposing a $150 million judgment, most of which was suspended based on the defendants’ inability to pay.

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Earlier in 2016, the FTC obtained a settlement that put a stop to allegedly false and unsubstantiated marketing claims about an indoor tanning system.\(^{34}\) The FTC alleged that the defendants claimed their tanning system could “reverse the appearance of aging,” did not increase the risk of skin cancer, and had been endorsed by the Food and Drug Administration as safe. But, the FTC charged, the FDA had not endorsed the tanning system and there was no proof of its claimed safety or anti-aging benefits. The defendants agreed to a court order that permanently bans them from marketing or selling indoor tanning systems and requires them to issue refunds to consumers, which could cost over $5 million.

Last year, the FTC also obtained court orders as part of settlements that halted deceptive advertising about two “brain training” programs.\(^{35}\) The FTC alleged that Learning RX Franchise Corp. touted its “brain training” program as clinically proven to permanently improve severe cognitive impairments such as Alzheimer’s,\(^{36}\) and that Lumos Labs, which created and marketed the Lumosity program, claimed that Lumosity “brain training” games could help users reduce or delay cognitive impairment associated with age and other serious health conditions.\(^{37}\) The FTC charged that the companies made the claims without adequate evidence to substantiate them.

\(^{34}\) *FTC v. Mercola.com, LLC*, No. 16-CV-4282 (N.D. Ill. Apr. 13, 2016), [https://www.ftc.gov/enforcement/cases-proceedings/142-3210/mercolacom-llc](https://www.ftc.gov/enforcement/cases-proceedings/142-3210/mercolacom-llc).


court orders require both companies and their principals to support any health claims with clinical testing, and impose multi-million dollar judgments.

C. Money Transfer Services

Complementing these enforcement actions, the FTC has aggressively pursued the money transfer services commonly used in scams targeting older Americans. Scammers’ use of these money transfer services is particularly pernicious because the victimized consumer is effectively sending cash to the scam artist, and there is no way for a consumer to get his money back once he discovers he has been deceived. Just two weeks ago, Western Union agreed to historic settlements with the FTC and the Department of Justice (“DOJ”). The FTC’s action alleged that despite knowing its service was used by scammers, Western Union failed to take reasonable steps to stop the fraud.\(^{38}\) For example, the FTC alleged that Western Union’s own database included over 40,000 complaints about “emergency” scams, such as grandparent scams.\(^{39}\) The settlement with the FTC requires Western Union to take proactive steps to prevent scammers from using its services to defraud consumers, including warning consumers about possible fraud and conducting due diligence with respect to its agents. It also calls for an independent compliance auditor to oversee Western Union’s efforts for the next three years. As part of the settlements, the company has agreed to pay $586 million to redress victims.


\(^{39}\) A grandparent scam involves an imposter claiming to be a grandchild in need of immediate financial help, such as money to get out of jail or to cover hospital costs. Many perpetrators in these types of cases are located overseas. *See, e.g.*, Press Release, FBI, Alleged Operator of “Grandparent Scam” Indicted (Oct. 26, 2012), http://www.fbi.gov/losangeles/press-releases/2012/alleged-operator-of-grandparent-scam-indicted.
In addition to its enforcement efforts, the FTC continues to collaborate informally with money transfer companies, reloadable prepaid card services, retailers, financial institutions, and other private sector entities to improve their fraud-prevention practices.

D. Coordinating with Criminal and Foreign Law Enforcement Agencies

The Commission has collaborated extensively with criminal and foreign law enforcement partners to combat fraud, including scams affecting the elderly. In 2003, the Commission created the Criminal Liaison Unit (“CLU”) and, since that time, hundreds of fraudsters have faced criminal charges and prison time as a result of FTC prosecution referrals. For example, last year as part of a contempt action, the FTC won an award of over $17 million in sanctions against the ringleader of a prize promotion scam.40 Through coordination with the FTC’s CLU, criminal authorities recently indicted the ringleader along with a co-conspirator.41

The FTC, with the DOJ, also organizes and participates in the International Mass Marketing Fraud Working Group, a multilateral network of agencies that enforce laws prohibiting mass marketing fraud. The network has been pivotal in recent enforcement actions, working to dismantle a global network of mass mailing fraud schemes that allegedly defrauded millions of elderly and vulnerable consumers out of hundreds of millions of dollars. For example, in September 2016, the FTC, the DOJ, the U.S. Postal Inspection Service, the Department of the Treasury’s Office of Foreign Assets Control, and a number of other domestic and foreign law enforcement partners announced civil and criminal actions against a host of

40 FTC v. Dayton Family Productions, No. 97-CV-00750-GMN-VCF (D. Nev. Mar. 16, 2016). The decision is currently on appeal before the Ninth Circuit. The FTC’s third consumer fraud survey revealed that consumers between ages 65 and 74 were more likely to be victims of fraudulent prize promotions than younger consumers. FTC Fraud Survey, supra note 3, at 59.

defendants, as well as a public education campaign. As part of this effort, the FTC filed an action seeking to shut down an allegedly deceptive mail order prize promotion scheme that had mostly affected elderly consumers. The FTC also provided information that led to a criminal indictment against two alleged mass-mailing fraudsters.

Given the cross-border nature of many scams, the Commission also partners with multiple foreign agencies to combat fraud that affects the elderly. For example, the Commission is a member of the Centre of Operations Linked to Telemarketing Fraud (“Project COLT”), a joint operation involving U.S. and Canadian agencies to combat cross-border telemarketing fraud. Through this mechanism, the FTC coordinates law enforcement efforts and exchanges intelligence with Canadian authorities. The FTC’s involvement in Project COLT has resulted in at least ten indictments of individuals involved in grandparent and timeshare scams. Since its inception in 1998, Project COLT has recovered more than $26 million for victims of telemarketing fraud.

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43 For example, the FTC has released a Mail Fraud fact sheet and a blog post to educate consumers about signs that a mailing is part of a scam. Mail Fraud Scams, FTC, https://www.consumer.ftc.gov/sites/default/files/ftc_pass-it-in-mail-fraud-scams_092116.pdf; Bridget Small, Prize scams in your mailbox, FTC (Sept. 22, 2016), https://www.consumer.ftc.gov/blog/prize-scams-your-mailbox.


45 See supra note 41.

46 See, e.g., supra.

Another area of international concern involves Indian call centers, which continue to be the source of various imposter frauds targeting English-speaking consumers, and appear to be responsible for many of the complaints the FTC receives from older Americans about government imposter scams and tech support scams, among other fraudulent telemarketing activity. In addition to our enforcement cases, the FTC has organized multiple stakeholder meetings, including three in India, to develop and pursue a coordinated and multi-pronged approach to this threat. The collaboration led to a four-city law enforcement training in India this past summer, in which the FTC participated, aimed at developing Indian law enforcement’s capacity to arrest and prosecute the India-based individuals who perpetrate these frauds. This fall, Indian police shut down a massive telemarketing fraud ring operating outside Mumbai, arresting 70 people and questioning hundreds more. The operation had allegedly targeted U.S. consumers with an IRS impersonation scam that defrauded consumers of tens of millions of dollars. Shortly after the Indian police action, the DOJ unsealed an indictment charging 61 individuals with involvement in a transnational telemarketing fraud scheme operating out of a network of call centers in India and bilking U.S. consumers out of hundreds of millions of dollars.


using the IRS and other government imposter scams.\textsuperscript{50} Following these actions, the number of IRS imposter scams being reported to the FTC plummeted.\textsuperscript{51}

\section*{III. Policy Initiatives}

The FTC knows it is critical to be responsive and agile in responding to challenges posed by changes in the marketplace, including rapid developments in both demographics and technology. The agency uses a variety of policy tools at its disposal to address such changes—from workshops and industry coordination to public contests seeking technological innovation.

On December 6, 2016, the Federal Trade Commission held “The Changing Consumer Demographics” workshop to examine the predicted population changes in the U.S. and how those changes will affect the FTC’s consumer protection mission.\textsuperscript{52} The event brought together expert demographers, marketers, consumer advocates, and law enforcement professionals to discuss how the population is shifting, how marketers are working to reach different consumer segments, and what the FTC and others can do to better reach and protect the growing population of older Americans as well as the next generation of consumers.

The population of older Americans is growing at a much faster rate than other groups. The baby boomer generation, which is driving the growth of the older population, is expected to live longer, have different expectations about retirement, and experience different economic situations than earlier generations of older adults. Panelists discussed the lack of retirement savings and the increasing need for retirees to supplement their income, as well as baby

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\begin{itemize}
  \item Press Release, Dozens of Individuals Indicted in Multimillion-Dollar Indian Call Center Scam Targeting U.S. Victims (Oct. 27, 2016), \url{https://www.justice.gov/opa/pr/dozens-individuals-indicted-multimillion-dollar-indian-call-center-scam-targeting-us-victims}.
  \item See Demographics Workshop, \url{https://www.ftc.gov/news-events/events-calendar/2016/12/changing-consumer-demographics}.
\end{itemize}
boomers’ desire to travel during retirement and interest in anti-aging products. Scammers often prey on the needs and desires of consumers, and the FTC will be identifying bad actors that seek to exploit the interests of aging baby boomers. The several actions the FTC has brought against telemarketers of bogus money-making opportunities and the marketers of brain-training programs and anti-aging products, mentioned earlier, reflect our ongoing vigilance in this area.

As part of its commitment to evolving to meet new challenges, the FTC also has taken steps to mount a particularized response to certain threats that exploit some recent technological changes. For example, over the past several years, FTC staff has studied extensively the problem of unwanted and illegal robocalls. This work made clear that technology would need to play a key role in ensuring consumers have the peace and protection they desire.

In response, the FTC led four public challenges to spur industry initiatives to develop solutions that will help both consumers and law enforcement combat robocalls. These challenges spurred private actors to develop consumer applications to block robocalls, as well as new law enforcement tools for use in finding and stopping robocallers.

The FTC will continue to develop innovative strategies to respond to marketplace changes that will affect the next generation of aging consumers.

IV. Consumer Education and Outreach

Public outreach and education is another essential means to advance the FTC’s consumer protection mission. The Commission’s education and outreach programs reach tens of millions of people each year through our website, the media, and partner organizations that disseminate

53 Demographics Workshop video Part 2, Panel 4, at 1:02 – 2:04.
consumer information on the agency’s behalf. The FTC delivers actionable, practical, plain
glanguage materials on dozens of issues, and updates its consumer education whenever it has new
information to share. The Commission’s library of articles in English and Spanish includes
numerous pieces of particular relevance to seniors, including those specifically describing
grandparent scams,55 prize and lottery fraud,56 medical alert scams,57 Medicare scams,58
technical support scams,59 veterans’ benefits scams,60 and government imposter fraud.61

In addition, in 2014, the FTC created Pass It On, an innovative education effort aimed at
active, older adults. Pass It On seeks to arm older people with information that they can “pass

55 See Family Emergency Scams, FTC, https://www.consumer.ftc.gov/articles/0204-family-emergency-
57 See Colleen Tressler, To Robocall Scammers Who Lied About Free Medical Alert Devices: We’ve Got
Your Number, FTC (Jan. 13, 2014), https://www.consumer.ftc.gov/blog/robo-call-scammers-who-lied-
about-free-medical-alert-devices-weve-got-your-number; Bridget Small, Robocall Scams Push Medical
Alert Systems, FTC (July 18, 2013), https://www.consumer.ftc.gov/blog/robo-call-scams-push-medical-
alert-systems.
58 See Aditi Jhaveri, Medicare imposters want to steal your money. Don’t let them, FTC (Jan. 12, 2016),
https://www.consumer.ftc.gov/blog/medicare-imposters-want-steal-your-money-dont-let-them; Colleen
Tressler, Medicare ‘Open Enrollment’ Scams, FTC (Nov. 5, 2015),
https://www.consumer.ftc.gov/blog/medicare-open-enrollment-scams; Medicare Fraud: Health
59 See Andrew Johnson, Official-Sounding Calls About an Email Hack, FTC (April 5, 2016),
https://www.consumer.ftc.gov/blog/official-sounding-calls-about-email-hack; Lisa Schifferle, FTC
Cracks Down on Tech Support Scams, FTC (Nov 19, 2014), https://www.consumer.ftc.gov/blog/ftc-
cracks-down-tech-support-scams; Nicole Fleming, Getting Your Money Back After a Tech Support Scam,
FTC (Nov. 13, 2013), https://www.consumer.ftc.gov/blog/getting-your-money-back-after-tech-support-
scam; Lesley Fair, At the Boiling Point About “Tech Support” Boiler Rooms, FTC (Oct. 3, 2012),
https://www.ftc.gov/news-events/blogs/business-blog/2012/10/boiling-point-about-tech-support-boiler-
60 See Carol Kando-Pineda, Veterans: Don’t let scammers bilk your benefits, FTC (Nov. 9, 2015),
61 See Government Imposter Scams, FTC, https://www.consumer.ftc.gov/articles/0048-government-
imposter-scams; Government Imposter Scams, FTC, https://www.consumer.ftc.gov/media/audio-0053-
government-imposter-scams; Amy Hebert, Scammers Continuing to Pose as IRS Agents, FTC (May 29,
Collectors Are Calling, FTC (Apr. 7, 2014), https://www.consumer.ftc.gov/blog/fake-irs-collectors-are-
calling.
on” to family and friends who might need it. The materials and videos available at www.ftc.gov/PassItOn are direct and to the point, with a friendly and respectful tone informed by research about the target community’s preferences. The materials cover topics such as imposter and health care scams, charity fraud, and identity theft, all of which are available in print in both English and Spanish. The Pass It On materials are in the public domain, and Committee Members or their constituents can post them, link to them, or order printed copies from www.ftc.gov/bulkorder.

In June 2016, the FTC released a new video about how an imposter scam affected a retired teacher.62 She powerfully describes how the scam unfolded and is emphatic about helping others avoid fraud. The video is part of a video series the FTC has created to encourage people to talk about the fraud they experience. People who talk about a suspected fraud are much less likely to incur a financial loss, and they are also better able to help their friends and family avoid scams. Since June, the FTC has added videos to help consumers identify different types of imposter scams, including IRS, tech support, grandparent, and romance scams.63 These materials are available at www.ftc.gov/PassItOnImposters. The FTC also recently unveiled a new video about the Pass It On campaign itself, and the importance of empowering older Americans to proactively pass on information to help their friends and relatives avoid being victimized.64

The Commission seeks to reach older adults where they gather and live: libraries, social and civic clubs, senior centers, adult living communities, and veterans’ facilities. When the FTC mailed sample Pass It On information folders to three thousand such facilities, within three days

63 These videos are available at https://www.consumer.ftc.gov/media.
64 This video is available at https://www.consumer.ftc.gov/media/video-0140-using-pass-it-your-community.
it received orders from around the country for more than two thousand copies of the materials. This confirmed the demand for clear, friendly, respectful education materials for older Americans. Indeed, since 2014, the FTC has distributed 5.9 million pieces of Pass It On print material in English and Spanish. The Commission looks forward to continuing to share these materials with public and private sector organizations.

Pass It On resources complement the FTC’s other outreach and coordination activities on behalf of older people. For instance, we work extensively with the Elder Justice Coordinating Council to identify cross-agency initiatives to protect seniors from abuse, neglect, exploitation, and other crimes.65 And, the FTC collaborated with the Consumer Financial Protection Bureau and the National Area Agencies on Aging to help produce a brochure for older adults on avoiding home improvement scams.66

**V. Conclusion**

The Commission is committed to protecting all consumers from fraud in the marketplace. To address scams that target older Americans, the agency will continue to employ a combination of law enforcement, strategic policy initiatives, and effective consumer education messages. Moreover, the Commission will continue to identify areas in which new policy and law enforcement approaches are warranted. The Commission looks forward to working with the Committee on these important issues.


APPENDIX

Figure 1: Top Product Service Codes for Consumers Age 60 and Over in Consumer Sentinel Network Complaints January 1 - December 31, 2015

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Percentages are based on the 220,965 complaints in 2015 where consumers reported their age as 60 and over (out of the total 674,000 who reported their age). These figures exclude Do Not Call registry and identity theft complaints. Note: The section of the chart labeled “Other” represents complaints regarding over 100 other types of products, such as counterfeit checks, credit cards, unsolicited emails, advance-fee loans and credit arrangers, and spyware/adware/malware.
Figure 2: Top Product Service Codes for Consumers Age 60 and Over in Consumer Sentinel Network Complaints January 1 – December 31, 2016

Percentages are based on the 251,731 complaints in 2016 where consumers reported their age as 60 and over. These figures exclude Do Not Call registry and identity theft complaints. Note: The section of the chart labeled “Other” represents complaints regarding over 100 other types of products, such as counterfeit checks, credit cards, unsolicited emails, advance-fee loans and credit arrangers, and spyware/adware/malware.