



United States of America
FEDERAL TRADE COMMISSION
East Central Region

1111 Superior Avenue, Suite 200
Cleveland, Ohio 44114
(216) 263-3455

Jon Miller Steiger
Director

March 17, 2023

CEASE AND DESIST DEMAND

VIA EMAIL TO:
hp@every1telecom.com

Every1 Telecom
Harold Speight, CEO
5305 Halwill Place
Austin, TX 78723

We have determined that Every1 Telecom is apparently routing and transmitting illegal robocall traffic, directly or indirectly, for entities involved in the following campaigns:

- Amazon-AuthorizeOrder
- Amazon-AuthorizeOrder-P3
- Amazon-Variou-P1
- CBP-GovtImpers-P2
- CCIRR-P4FinancialImpers
- Chinese-PackageDelivery
- Chinese-PackageDelivery-P3
- Discount-Avail50%
- SSA-Impers-P1
- Utility-30MinDisconnect

More specifically, our investigation revealed that Every1 Telecom apparently routed and transmitted illegal robocalls, as set forth in Attachment A.

The Federal Trade Commission (FTC) works closely with USTelecom's Industry Traceback Group (ITG), which is the registered industry consortium selected pursuant to the TRACED Act to conduct tracebacks.¹ Between October 5, 2022, and February 8, 2023, ITG investigated 39 prerecorded voice message calls that law enforcement, voice service providers using honeypots (i.e., unassigned numbers held by providers to detect illegal robocalls), and

¹ See Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence Act, Pub. L. No. 116-105, 133 Stat. 3274, Sec. 13(d) (2019) (TRACED Act).

customers of YouMail had flagged as illegal robocalls made without consent of the called party.² ITG conducted tracebacks and determined that Every1 Telecom routed and transmitted the calls. ITG previously notified you of these calls and provided you access to supporting data identifying each call—including a recording of the illegal robocall—as indicated in Attachment A. Further, the numerous traceback notices directed to Every1 Telecom indicate that you are apparently routing and transmitting illegal robocall traffic knowingly. If you are engaged in these activities, then you must immediately cease and desist from engaging in them.

The FTC, the nation’s consumer protection agency, enforces the Federal Trade Commission Act (FTC Act), 15 U.S.C. § 45 et seq., which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces the Telemarketing Sales Rule (TSR), 16 C.F.R. Part 310, which prohibits deceptive and abusive telemarketing practices. Section 310.3(b) of the TSR prohibits “assisting and facilitating” certain specified conduct.³ Under that provision, it is unlawful for any person or entity to “provide substantial assistance or support to any seller or telemarketer when that person knows or consciously avoids knowing that the seller or telemarketer is engaged in any act or practice that violates Sections 310.3(a), (c), or (d), or Section 310.4 of this Rule.” These Sections prohibit, among others, the following conduct:

- Making a false or misleading statement to induce any person to pay for goods or services or to induce a charitable contribution (16 C.F.R. § 310.3(a)(4));
- Misrepresenting a seller or telemarketer’s affiliation with any government entity (16 C.F.R. § 310.3(a)(2)(vii));
- Transmitting false or deceptive caller ID numbers (16 C.F.R. § 310.4(a)(8));
- Initiating or causing the initiation of calls that deliver prerecorded messages,⁴ unless the person called provided the seller express written permission to call (16 C.F.R. § 310.4(b)(1)(v)); and
- Initiating or causing the initiation of telemarketing calls to numbers listed on the National Do Not Call Registry, unless the person called provided express written permission to receive calls from the seller or the seller had an existing business relationship with the person called (16 C.F.R. § 310.4(b)(1)(iii)(B)).

The FTC can obtain civil penalties for TSR violations. Each illegal call is subject to a maximum civil penalty of \$50,120. *See* 16 C.F.R. § 1.98. In addition, a violation of the TSR is a violation of Section 5 of the FTC Act. *See* 15 U.S.C. §§ 6102(c), 57a(d)(3), 45(a). Accordingly, the FTC has authority to seek both preliminary and permanent injunctive relief to address TSR violations. *See* 15 U.S.C. § 53(b). The FTC may also seek the refund of money or payment of damages to address TSR violations. *See* 15 U.S.C. § 57b(b).

Combating illegal telemarketing is a top priority for the FTC, with a special emphasis on halting illegal robocalls.⁵ We want you to be aware that the FTC has, for example, brought

² *See* 16 C.F.R. § 310.4(b)(1)(v).

³ A copy of the TSR is attached as Attachment B.

⁴ These calls are often referred to as “robocalls.”

⁵ In 2022, the FTC received more than 2.7 million complaints about unwanted calls, including more than 1.61 million robocall complaints. The FTC maintains an interactive Tableau Public

assisting and facilitating claims against technology companies that knowingly provided software and servers used by illegal robocallers, even though these technology companies did not contract directly with the illegal robocallers. *See FTC v. James B. Christiano*, Case No. 8:18-cv-00936 (C.D. Cal. May 31, 2018).

We also bring to your attention that the FTC has sued VoIP service providers for allegedly violating the TSR. In *FTC v. Educare*, the FTC alleged that defendant Globex Telecom, Inc. assisted and facilitated telemarketers it knew, or consciously avoided knowing, were violating the TSR's prohibitions on calls delivering prerecorded messages. *See FTC v. Educare Centre Services, Inc.*, No. 3:19-cv-00196-KC (W.D. Tex. Dec. 3, 2019).⁶ In September, 2020, Globex Telecom and its associates agreed to pay \$2.1 million to settle the FTC lawsuit, and Globex Telecom's former CEO and President was banned from telemarketing to the U.S. and was subject to a permanent court order.⁷ Similarly, in *FTC v. Alcazar Networks, Inc.*, the FTC alleged that Alcazar Networks, Inc. and its founder and sole owner assisted and facilitated telemarketers responsible for tens of millions of illegal telemarketing calls, including robocalls and spoofed calls that displayed "911" as the caller ID. *See FTC v. Alcazar Networks Inc., et al.*, No. 6:20-cv-2200 (M.D. Fla. Dec. 3, 2020).⁸ As part of their settlement with the FTC in January 2021, the defendants agreed to a permanent injunction that prohibits similar misconduct in the future and requires them to screen and monitor their customers, as well as imposing a monetary penalty.⁹

The FTC has business educational materials that can assist you in complying with the TSR. *See* <https://www.ftc.gov/tips-advice/business-center/guidance/complying-telemarketing-sales-rule>.

In addition to FTC regulations and the FTC's actions against providers of VoIP services, you should also be aware that the United States Department of Justice (DOJ), state attorneys general, and other agencies have brought civil actions against VoIP companies and their owners. In two cases, DOJ alleged that the defendants were committing and conspiring to commit wire fraud by knowingly transmitting robocalls that impersonated federal government agencies.¹⁰ In August 2020, a federal district court entered a permanent court order barring the defendants from

web page that publishes details about do not call complaints on a quarterly basis. *See* <https://public.tableau.com/profile/federal.trade.commission#!/vizhome/DoNotCallComplaints/Maps>.

⁶ A copy of the FTC's Amended Complaint is attached as Attachment C.

⁷ *See* <https://www.ftc.gov/news-events/press-releases/2020/09/globex-telecom-associates-will-pay-21-million-settling-ftcs-first>.

⁸ A copy of the FTC's Complaint is attached as Attachment D.

⁹ *See* <https://www.ftc.gov/news-events/press-releases/2020/12/ftc-takes-action-against-second-voip-service-provider>.

¹⁰ *See* <https://www.justice.gov/opa/pr/department-justice-files-actions-stop-telecom-carriers-who-facilitated-hundreds-millions>.

conveying telephone calls into the U.S. telephone system.¹¹ State cases have had similar impacts.¹²

Within three business days, please send a message to FTC attorneys Fil Maria de Banate and Christian M. Capece, via electronic mail at fdebanate@ftc.gov and ccapece@ftc.gov, certifying that Every1 Telecom has ceased engaging in the activities described above that may subject it to liability under the TSR or the FTC Act. Please direct any inquiries regarding this letter to Mr. de Banate and Mr. Capece by email or by telephone at 216.263.3413 or 216.263.3419.

Sincerely,

JONATHAN STEIGER
Digitally signed by
JONATHAN STEIGER
Date: 2023.03.17
14:30:22 -04'00'

Jon Miller Steiger
Director

Enclosures:

Attachment A (Chart of illegal robocalls)
Attachment B (TSR)
Attachment C (*Educare* Amended Complaint)
Attachment D (*Alcazar* Complaint)

¹¹ See <https://www.justice.gov/opa/pr/district-court-enters-permanent-injunction-shutting-down-telecom-carriers-who-facilitated>.

¹² For example, the Vermont and Michigan Attorneys General have brought successful actions against VoIP providers who route scam robocall traffic. See <https://ago.vermont.gov/blog/2022/08/02/vermont-joins-nationwide-anti-robocall-task-force>; <https://www.michigan.gov/ag/news/press-releases/2020/08/07/ag-nessel-announces-settlement-eliminating-telecom-carrier-responsible-for-illegal-robocalls>; https://www.michigan.gov/documents/ag/Assurance_of_Voluntary_Compliance_-_All_Access_Telecom_FINAL_9-11-20_702047_7.pdf.

ATTACHMENT A

Date of ITG Notification	Date of Call	Caller ID	Robocall Campaign Identifier	Link to Robocall Recording	Potential Violation
2/8/2023	2/7/2023	4434565437	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1230384	16 C.F.R. 310.4(b)(1)(v)
1/13/2023	1/12/2023	9069190604	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1205446	16 C.F.R. 310.4(b)(1)(v)
1/13/2023	1/12/2023	8888184006	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1205449	16 C.F.R. 310.4(b)(1)(v)
1/13/2023	1/12/2023	5624361251	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1205451	16 C.F.R. 310.4(b)(1)(v)
1/13/2023	1/12/2023	5624361251	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1205453	16 C.F.R. 310.4(b)(1)(v)
1/10/2023	1/9/2023	2254465158	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1202408	16 C.F.R. 310.4(b)(1)(v)
1/7/2023	1/5/2023	2293500976	Discount-Avail50%	https://portal2.tracebacks.org/api/public/attachments/1199327	16 C.F.R. 310.4(b)(1)(v)
1/4/2023	12/27/2022	8388343173	CCIRR-P4FinancialImpers	https://portal2.tracebacks.org/api/public/attachments/1194050	16 C.F.R. 310.4(b)(1)(v)
1/4/2023	1/3/2023	5302396275	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1195627	16 C.F.R. 310.4(b)(1)(v)
1/3/2023	12/26/2022	5184486002	CCIRR-P4FinancialImpers	https://portal2.tracebacks.org/api/public/attachments/1194051	16 C.F.R. 310.4(b)(1)(v)
12/28/2022	12/22/2022	8382239780	Discount-Avail50%	https://portal2.tracebacks.org/api/public/attachments/1187854	16 C.F.R. 310.4(b)(1)(v)
12/21/2022	12/17/2022	9178619340	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1181987	16 C.F.R. 310.4(b)(1)(v)
12/21/2022	12/17/2022	9178617709	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1181991	16 C.F.R. 310.4(b)(1)(v)
12/21/2022	12/17/2022	9178616970	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1181993	16 C.F.R. 310.4(b)(1)(v)
12/20/2022	12/17/2022	9178614414	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1181979	16 C.F.R. 310.4(b)(1)(v)

12/20/2022	12/17/2022	9178618108	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1181981	16 C.F.R. 310.4(b)(1)(v)
12/20/2022	12/17/2022	9178611991	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1181983	16 C.F.R. 310.4(b)(1)(v)
12/20/2022	12/17/2022	9178612217	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1181985	16 C.F.R. 310.4(b)(1)(v)
12/13/2022	12/7/2022	5186139610	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1167382	16 C.F.R. 310.4(b)(1)(v)
12/9/2022	12/7/2022	5185686819	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1167381	16 C.F.R. 310.4(b)(1)(v)
12/2/2022	12/1/2022	5188260722	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1159022	16 C.F.R. 310.4(b)(1)(v)
11/22/2022	11/15/2022	4808700939	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1140891	16 C.F.R. 310.4(b)(1)(v)
11/22/2022	11/16/2022	7179228746	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1140907	16 C.F.R. 310.4(b)(1)(v)
11/22/2022	11/21/2022	5187499668	Amazon-Various-P1	https://portal2.tracebacks.org/api/public/attachments/1146521	16 C.F.R. 310.4(b)(1)(v)
11/18/2022	11/15/2022	2522941852	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1140878	16 C.F.R. 310.4(b)(1)(v)
11/18/2022	11/15/2022	2543206956	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1140883	16 C.F.R. 310.4(b)(1)(v)
11/17/2022	11/16/2022	5185178193	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1137678	16 C.F.R. 310.4(b)(1)(v)
11/4/2022	11/1/2022	9343459766	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1114591	16 C.F.R. 310.4(b)(1)(v)
11/4/2022	10/31/2022	7167589992	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1114593	16 C.F.R. 310.4(b)(1)(v)
11/3/2022	10/31/2022	5188969424	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1114595	16 C.F.R. 310.4(b)(1)(v)
11/3/2022	11/2/2022	8383329641	CBP-GovtImpers-P2	https://portal2.tracebacks.org/api/public/attachments/1114638	16 C.F.R. 310.4(b)(1)(v)

11/2/2022	10/31/2022	5189872157	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1112259	16 C.F.R. 310.4(b)(1)(v)
10/27/2022	10/18/2022	17163849210	SSA-Impers-P1	https://portal2.tracebacks.org/api/public/attachments/1100784	16 C.F.R. 310.4(b)(1)(v)
10/24/2022	10/18/2022	9342040978	Chinese-PackageDelivery	https://portal2.tracebacks.org/api/public/attachments/1094282	16 C.F.R. 310.4(b)(1)(v)
10/24/2022	10/18/2022	5188260686	Chinese-PackageDelivery	https://portal2.tracebacks.org/api/public/attachments/1094286	16 C.F.R. 310.4(b)(1)(v)
10/20/2022	10/17/2022	7162346407	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1086677	16 C.F.R. 310.4(b)(1)(v)
10/12/2022	10/9/2022	7167579349	Amazon-Various-P1	https://portal2.tracebacks.org/api/public/attachments/1066853	16 C.F.R. 310.4(b)(1)(v)
10/11/2022	10/8/2022	9295806709	Amazon-Various-P1	https://portal2.tracebacks.org/api/public/attachments/1066844	16 C.F.R. 310.4(b)(1)(v)
10/5/2022	10/4/2022	8382089670	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1056574	16 C.F.R. 310.4(b)(1)(v)