Federal Trade Commission staff sent letters to nine Voice over Internet Protocol (VoIP) service providers and other companies warning them that “assisting and facilitating” illegal telemarketing or robocalls related to the coronavirus or COVID-19 pandemic is against the law. Many of these calls prey upon consumers’ fear of the virus to perpetrate scams or sow disinformation.

“It’s never good business for VoIP providers and others to help telemarketers make illegal robocalls that scam people,” said FTC Bureau of Consumer Protection Director Andrew Smith. “But it’s especially bad when your company is helping telemarketers exploiting fears about the coronavirus to spread disinformation and perpetrate scams.”

The staff sent the letters to the following companies: 1) VoIPMax; 2) SipJoin Holding, Corp.; 3) iFly Communications; 4) Third Rock Telecom; 5) Bluetone Communications, LLC; 6) VoIP Terminator, Inc., also known as BLMarketing; 7) J2 Web Services, Inc.; 8) VoxBone US LLC; and 9) Comet Media, Inc.

They stress that combatting illegal telemarketing is a top priority of the Commission, with a special emphasis on stopping illegal robocalls. Staff’s letters cite two cases the FTC has brought in this area, one against James B. Cristiano whose companies provided software to robocallers, and another against a VoIP service provider called Globex Telecom.
The letters also cite two civil enforcement actions the Department of Justice has taken against VoIP companies and their owners for "committing and conspiring to commit wire fraud by knowingly transmitting robocalls that impersonated federal government agencies."

The letters warn the recipients that the FTC may take legal action against them if they assist a seller or telemarketer who they know, or consciously avoid knowing, is violating the agency’s Telemarketing Sales Rule (TSR).

The letters note several types of conduct that may violate the TSR, including:

- making a false or misleading statement to induce a consumer to buy something or contribute to a charity;
- misrepresenting a seller or telemarketer’s affiliation with any government agency;
- transmitting false or deceptive caller ID numbers;
- initiating pre-recorded telemarketing robocalls, unless the seller has express written permission to call; and
- initiating telemarketing calls to consumers whose phone numbers are on the National Do Not Call Registry, with certain exceptions.

The FTC can seek civil penalties and court injunctions to stop TSR violations. It also can seek money to refund to consumers who were defrauded via illegal telemarketing calls.

The Commission would like to thank Nomorobo, USTelecom, and Somos, Inc. for their assistance in combatting illegal calls.

The Federal Trade Commission works to promote competition, and protect and educate consumers. You can learn more about consumer topics and file a consumer complaint online or by calling 1-877-FTC-HELP (382-4357). Like the FTC on Facebook, follow us on Twitter, read our blogs, and subscribe to press releases for the latest FTC news and resources.

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