FTC and FCC Send Joint Letters to VoIP Service Providers Warning against ‘Routing and Transmitting’ Illegal Coronavirus-related Robocalls

USTelecom also notified of potential law enforcement actions against VoIP providers

April 3, 2020

The Federal Trade Commission today sent joint letters with the Federal Communications Commission (FCC) to three companies providing Voice over Internet Protocol (VoIP) services, warning them that routing and transmitting illegal robocalls, including Coronavirus-related scam calls, is illegal and may lead to federal law enforcement against them.

The agencies sent a separate letter to USTelecom – The Broadband Association (USTelecom), a trade association that represents U.S.-based telecommunications-related businesses. The letter thanks USTelecom for identifying and mitigating fraudulent robocalls that are taking advantage of the Coronavirus national health crisis, and notes that the USTelecom Industry Traceback Group has helped identify various entities that appear to be responsible for originating or transmitting Coronavirus-related scam robocalls.

The letter further notifies USTelecom that if, after 48 hours of the release of the letter, any of the specified gateway or originating providers continue to route or transmit the specified originators’ robocalls on its network, the FCC will: 1) authorize other U.S. providers to block all calls coming from that gateway or originating provider; and 2) authorize other U.S. providers to take any other steps as needed to prevent further transmission of unlawful calls originating from the originator.

“The FTC will not stand for illegal robocallers that harm the public, particularly in the middle of a health crisis,” said Chairman Joe Simons. “These warning letters make clear that VoIP providers who help illegal robocallers prey on fears surrounding the Coronavirus are squarely in our sights.”

“When it comes to scam robocalls, if you’re not part of the solution, you’re part of the problem. These phone companies need to cut off this traffic and protect consumers from these scams. The choice is simple: Move forward as responsible network providers or see themselves cut off from the phone system,” warned FCC Chairman Ajit Pai.

The agencies sent the three letters to the following gateway providers: 1) SIPJoin; 2) Connexum; and 3) VoIP Terminator/BLMarketing. They warn the companies that they have been identified as routing and transmitting scam robocall traffic related to Coronavirus, and request that they cease these actions immediately or face potential law enforcement actions.

Facilitating such calls, the letters state, “has the potential to inflict severe harm on consumers” and “prey on consumer fear and anxiety” related to the Coronavirus pandemic. The letters also notify the recipients that the FTC and FCC obtained information about their conduct working in conjunction with the USTelecom Industry Traceback Group.
The letters come one week after the FTC sent nine warning letters to VoIP service providers and other companies, warning them that they may be assisting illegal telemarketing relating to the Coronavirus.

In January, FTC sent letters to 19 VoIP service providers warning them that “assisting and facilitating” illegal telemarketing or robocalling is against the law. In addition, the FTC recently brought claims against a VoIP service provider called Globex Telecom.

As noted in previous warning letters, the FTC may take legal action independently if it finds VoIP service providers or others are assisting a seller or telemarketer who they know, or consciously avoid knowing, is violating the agency’s Telemarketing Sales Rule (TSR).

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.

Updated statistics about the number of Do Not Call complaints show a drop in complaint volume. View the latest statistics here.

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.

PRESS RELEASE REFERENCE:

FTC Warns Nine VoIP Service Providers and Other Companies against ‘Assisting and Facilitating’ Illegal Coronavirus-related Telemarketing Calls

CONTACT INFORMATION

MEDIA CONTACT:
Mitchell J. Katz
Office of Public Affairs
202-326-2161

STAFF CONTACT:
Ian Barlow
Bureau of Consumer Protection
202-326-3120