

Media Contact: Will Wiquist will.wiquist@fcc.gov

For Immediate Release

FCC AUTHORIZES PHONE COMPANIES TO CUT OFF LIKELY AUTO WARRANTY SCAM ROBOCALL CAMPAIGN

Enforcement Bureau is Investigating an International Operation for Facilitating Billions of Possibly Illegal Robocalls

WASHINGTON, July 7, 2022—The FCC's Robocall Response Team today announced a series of actions to cut off a flood of possibly illegal robocalls marketing auto warranties targeting billions of consumers. The FCC and its partners believe upwards of eight billion robocalls have been generated by Roy Cox, Jr., Aaron Michael Jones, their Sumco Panama companies, and international associates.

Based on its investigation so far, the FCC's Enforcement Bureau told certain carriers to cease and desist carrying this possibly illegal traffic and ordered all networks to be on the lookout for this traffic. Also, FCC Chairwoman Jessica Rosenworcel today confirmed that the Bureau has opened a formal case and are actively investigating these calls for possible legal violations. This investigation involves multiple robocall investigatory partners including the Ohio Attorney General who today announced a lawsuit against this operation.

FCC Chairwoman Rosenworcel:

"Billions of auto warranty robocalls from a single calling campaign. Billions! Auto warranty scams are one of the top complaints we get from consumers and it's time to hold those responsible for making these junk calls."

Enforcement Bureau:

"The Enforcement Bureau will use all the tools at its disposal to protect consumers and U.S. telecommunications networks from the scourge of illegal robocalls," said Acting FCC Enforcement Bureau Chief Loyaan A. Egal. "The actions announced today, in coordination with the Ohio Attorney General's lawsuit, demonstrate the benefits of the federal and state partnerships that have been established to address this enforcement priority."

How We Got Here:

The Cox/Jones/Sumco Panama operation appears to be responsible for making more than eight billion unlawful prerecorded message calls to American consumers since at least 2018. The robocalls include prerecorded messages marketing vehicle service warranties. The messages encouraged call recipients to follow prompts to speak with a "warranty specialist" about extending or reinstating their car warranty.

Some of the robocalls contained the following message: "We've been trying to reach you concerning your car's extended warranty. You should have received something in the mail about your car's extended warranty. Since we have not gotten a response, we are giving you a

final courtesy call before we close out your file. Press 2 to be removed and put on our Do-Not-Call list. Press 1 to speak with someone about extending or reinstating your car's warranty. Again, press 1 to speak with a warranty specialist. (Pause) Or call our 800 number at 833-304-1447."

Recent tracebacks show that the Cox/Jones/Sumco Panama operation is still generating millions of apparently unlawful calls to consumers on a daily basis.

What's New:

<u>Warning to All</u> – The Enforcement Bureau issued a Public Notice authorizing all U.S.-based voice service providers to cease carrying any traffic originating from the Cox/Jones/Sumco Panama operation consistent with FCC regulations. The Public Notice lists associates in California and Texas as well as overseas in Hungary and Panama. It makes clear that facilitating traffic from these parties may result in enforcement action, including permanent removal from the Robocall Mitigation Database.

<u>Cease and Desist</u> – The Enforcement Bureau also sent cease-and-desist <u>letters</u> to Call Pipe, Fugle Telecom, Geist Telecom, Global Lynks, Mobi Telecom, South Dakota Telecom, SipKonnect, and Virtual Telecom to warn them to stop carrying this suspicious robocall traffic within 48 hours, report the steps they take to the FCC, and continue to close off scam traffic. The letters warn that failure to comply may result in the Bureau directing other providers to cut off traffic from these companies.

<u>Ongoing Investigation</u> – The Chairwoman also announced the Enforcement Bureau has opened a formal case and is actively investigating these calls for possible legal violations. None of today's actions foreclose the possibility that the FCC might also take enforcement measures including financial penalties against the parties.

<u>Partnerships</u> – These efforts are fueled by coordinated investigative efforts with our state partners– particularly today's <u>announcement</u> by the Ohio Attorney General. State and federal robocall enforcement entities are working together like never before to combat robocall and spoofing scams.

"When it comes to disconnecting robocallers, we must work together on every level of government to go after every link in the chain," Ohio Attorney General Dave Yost said. "This particular operation prompted more than 1,600 complaints to my office. Partnerships like ours with the FCC will help close down these bad operators."

Consumer Guidance - Auto Warranty Scams:

As a general matter, "Auto Warranty" scam robocalls resulted in more consumer complaints to the FCC than any other unwanted call category each of the <u>last two years</u>. These calls usually claim your insurance or warranty is about to expire and they frequently use consumers' real information in order to appear legitimate. These calls may be seeking consumers' personal or financial information in order to defraud them, hoping to initiate a payment, and/or garnering information about active phones. More information (including audio of a scam call) are available at: <u>https://www.fcc.gov/consumers/guides/beware-auto-warranty-scams</u>

Consumer Tips:

- Don't Share Do not provide any personal information to anyone that calls you unexpectedly.
- Be Aware Telephone scammers are good at what they do and may use real information to gain your trust and imply that they work for a company you trust.

- Caller ID Criminals might use "spoofing" to deliberately falsify the information transmitted.
- Double Check If you think it might be a legitimate call, hang up and call the company with which you have an established business relationship using a phone number from a previous bill or on their website.
- Let Us Know File a complaint with the FCC: <u>https://consumercomplaints.fcc.gov/</u>.

The Bigger Picture:

Under Chairwoman Rosenworcel's leadership, the Robocall Response Team was created to serve as an FCC staff working group that pulls together expertise from across the agency to leverage the talents of enforcers, attorneys, policy makers, engineers, economists, and outreach experts to combat the unyielding menace of illegal spoofed, scam, robocalls.

This effort has resulted in:

- record-breaking spoofing and robocall fines;
- closing gateways used by international robocallers to reach Americans' phones;
- widespread implementation of STIR/SHAKEN caller ID authentication standards to help traceback illegal calls and improve blocking tools to protect consumers;
- the signing of robocall investigation partnerships with the large majority of state Attorneys General; and
- unprecedented policy proposals to combat the rising threat of bogus robotexts.

###

Media Relations: (202) 418-0500 / ASL: (844) 432-2275 / Twitter: @FCC / www.fcc.gov

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).