

**STATEMENT OF
CHAIRWOMAN JESSICA ROSENWORCEL**

Re: *In the Matter of Sumco Panama SA, Sumco Panama USA, Virtual Telecom kft, Virtual Telecom Inc., Davis Telecom Inc., Geist Telecom LLC, Fugle Telecom LLC, Tech Direct LLC, Mobi Telecom LLC, and Posting Express Inc.*, Notice of Apparent Liability for Forfeiture, File No.: EB-TCD-21-00031913

Maybe it happened to you this last year. You picked up the phone and someone you don't know, who you didn't ask to call, tells you they have been trying to reach you about your car's extended warranty. It's a scam.

The fraudsters responsible for this auto warranty scam flooded phone lines across the country with these junk calls. So we took action. We worked with our counterparts at the Ohio Attorney General's office to uncover the ring behind these calls and boot it off our networks. We started by giving all phone companies permission to cut off this traffic and then followed it up with an order that—for the first time in this agency's history—flat-out directed all phone companies to block it. It made a difference. According to Robokiller, the steps we took reduced the number of auto warranty robocalls by 99 percent.

But we are not stopping here. Because today we take additional steps to hold to responsible those behind this scam. We propose the largest forfeiture in our history—nearly \$300 million—against the perpetrators of this complex scheme, which includes entities based in Hungary and Panama. Next, I want us to move to a forfeiture order and I hope that Congress will give us the authority to go to court and directly collect these fines from these bad actors.

The good news is that the tools we used to get us to this point—straight-up blocking of fraudulent calls—are ones we are already using in other contexts. In fact, earlier this month, we ordered phone companies to block the company responsible for up to 40 percent of scam calls involving student loans. Plus, we now have agreements with 43 State Attorney Generals, the District of Columbia, and Guam to go after illegal robocalls—just like we did here with the Ohio Attorney General. So our message is clear to those who would follow in the footsteps of the auto warranty scammers—we are watching, we are working with our state counterparts, and we will find you, block you and hold you accountable.

Thank you to the Robocall Response Team for their efforts to uncover and stop this scam, including Caitlin Barbas, Loyaan Egal, Lisa Gelb, Jessica Manuel, Raul Rojo, Daniel Stepanicich, Kristi Thompson, Ashley Tyson, and Lisa Zaina from the Enforcement Bureau; Aaron Garza and Karen Schroeder from the Consumer and Governmental Affairs Bureau; Edgardo Cureg, Kenneth Lynch, Alexander Simmons, and Ramesh Vishnubhotla from the Office of Economics and Analytics; Megan Davis, Richard Mallen, Wisam Naoum, William Richardson, Derek Yeo, Chin Yoo from the Office of General Counsel; and Elizabeth Drogula and Edward Krachmer from the Wireline Competition Bureau.