

FTC Fighting Illegal Overseas Robocalls At Point Of Entry

By **Christopher Cole**

Law360 (April 12, 2023, 6:00 PM EDT) -- The Federal Trade Commission said it is making inroads against illegal robocalls that originate overseas by targeting the so-called point of entry over network gateways.

In the consumer protection initiative, working with partners such as the Federal Communications Commission, the FTC has warned internet-based voice service providers that they must act to keep junk calls from crossing into the United States.

Dubbed "Project Point of No Entry," or Project PoNE, the FTC's effort aims to disrupt "foreign-based scammers and imposters" that blast U.S. consumers with annoying and unwanted calls, the FTC said in a statement Tuesday.

"We will use all of our tools to stop companies that knowingly permit illegal calls to flood into the country," said Samuel Levine, director of the FTC's Bureau of Consumer Protection.

Although the FCC enforces the Telephone Consumer Protection Act rules against illegal robocalls, the FTC also takes actions under the Telemarketing Sales Rule, which places strict limits on calls that can be placed to consumers.

For example, the FTC in February **sued two telecom companies** in California federal court, alleging that they sent tens of millions of "ringless voicemails" that illegally telemarketed phony debt services and other goods.

The FTC noted that U.S. residents receive millions of unwanted calls each month to both their landlines and cellphones and said data show that a "significant proportion, if not the majority" of illegal robocalls originate from overseas.

Project PoNE lets gateway Voice over Internet Protocol service providers know they must work to keep illegal robocalls out of the country.

This is done with a three-pronged strategy — identifying VoIP service providers that are routing or transmitting illegal call traffic, demanding they stop doing so by citing the telemarketing rule and then pursuing "recalcitrant" providers, potentially through law enforcement probes and lawsuits.

The FTC said it "coordinates directly" with the agency's federal and state partners, including the FCC and state attorneys general, as well as a private sector consortium, the Industry Traceback Group, that helps identify call originators.

A representative for the FCC declined to comment Wednesday.

So far, Project PoNE has uncovered the activity of 24 target point of entry service providers responsible for routing and transmitting illegal robocalls between 2021 and 2023, connected to more than 300 telemarketing campaigns, the FTC said. Those included government and business imposters, COVID-19 relief payment scams, student loan debt relief and forgiveness schemes and others.

The FTC demanded that each of the target providers stop allowing illegal robocalls into the United

States, and traceback data show that after being contacted by Project PoNE staff, 22 of the 24 targets "significantly curbed or altogether stopped" the flow of illegal robocalls entering the country over their networks, the agency said.

--Additional reporting by Piper Hudspeth Blackburn. Editing by Stephen Berg.