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Stopping Fraudulent Robocall Scams: Can More Be Done?

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Thank you, Senator McCaskill, Mr. Chairman, and distinguished members of the Committee. I appreciate this opportunity to testify.

I am here today to illustrate that the technology exists, right now, to block illegal robocalls. And, while there are some challenges, such as Caller ID spoofing and privacy concerns, there also are effective solutions.

To that end, there are three main points that I will discuss.

First, I am going to talk about my winning FTC Robocall Challenge entry. Then I will discuss some issues and concerns involved with blocking robocalls. And finally, I will discuss the commercial viability of robocall blocking services.

Currently, the Do-Not-Call registry is almost completely ineffective against illegal, mass dialed, robocallers. To fight back, the FTC launched a competition to find new and creative solutions to this problem. They chose my proposal, which I call "Nomorobo," as the co-winner.

In real-time, Nomorobo analyzes the incoming Caller ID and call frequency, across multiple phone lines. If it detects a robocaller, the call is automatically disconnected. All of this happens before the consumer's phone rings.

As each call is analyzed, a blacklist of robocallers is continually updated. The system is actually built using the same technology that the robocallers are using, allowing it to scale, inexpensively, to handle millions of calls. The more calls that come into the system for analysis, the better the algorithm works.

Nomorobo works on land lines, voice-over-IP and cell phones on all of the major carriers and does not require any additional hardware or software. All that is required by the consumer is a simple, one-time setup, enabling a free feature called simultaneous ring.

But, as with all new ideas, there's always some skepticism. Industry players have expressed three major concerns about robocall blocking: (1) spoofing Caller ID; (2) violating consumer privacy; and (3) allowing legal robocalls.

It is incredibly easy to spoof the Caller ID to show any phone number - and almost all of the robocallers do this. But, while you can falsify the calling number, you cannot falsify calling patterns. It is a red flag, for example, when the same phone number, spoofed or not, has made

5,000 calls to different numbers in the past hour. It is also a red flag when the same phone number is sequentially calling large blocks of phone numbers. Both of these scenarios indicate robocalling patterns.

A static blacklist of known robocallers only works in very limited situations. But, by combining the Caller ID, whether real or faked, with real-time calling pattern analysis, robocalls can be effectively detected.

Also, with solutions that only look at the metadata of a call, there is no need to monitor or listen to the phone call, assuring consumer privacy. The Caller ID data, along with the date and time, across many phone lines, gives enough of a fingerprint to detect robocallers without having to analyze the actual content of the call.

The final concern that has been raised is how to allow legal robocalls, such as schools and emergency notifications, to bypass robocall blocking. This can be accomplished by building a trusted, real-time whitelist. I have had the opportunity to speak with some of the legal robocalling companies and they are very open to working on a solution that allows them to successfully deliver their calls. They want the illegal robocallers put out of business as much as the average consumer does.

As my final point, I will show proof of consumer demand for this type of service as well as commercial viability. I commissioned a nationwide survey that indicated that 57% of respondents would use a robocall blocking service. Further, 17% said they would pay a monthly fee for such a service.

Since the beginning of April, when the FTC announced the winner of the competition, over 3,600 people have signed up on the Nomorobo mailing list. I have received over 400 hundred emails asking, or rather, begging for this service to be released.

Based on the feedback that I have received, robocalls are a serious quality-of-life issue. I hear time and time again how consumers feel helpless to stop robocalls. It hits at a certain core level. Here they are, in their homes, with their family, and they are being interrupted by a fraudster trying to sell them something they do not want or need.

Members of this Committee, I hope that I have effectively demonstrated that the technology to defeat robocalls exists today. It can be implemented quickly and easily with no changes to the current telephone infrastructure. And, while there are some concerns, such as spoofing and privacy, there are also solutions. Stopping robocalls would be a huge win for the consumer. The market is large and the problem is so irritating that consumers have even shown a willingness to pay for a solution.

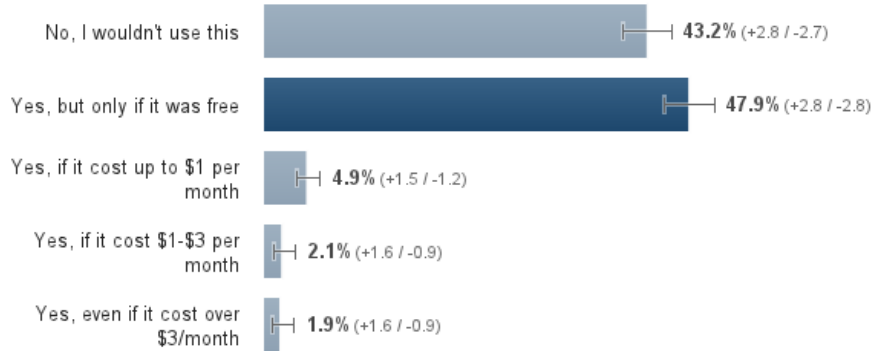
I thank you for your time and I am committed to supporting your efforts in any way that I can.

SINGLE ANSWER

Would you use a service that prevents robocalls & telemarketers from calling your phone?

Results for respondents with demographics. Weighted by Age, Gender, Region. (1379 responses)

Winner statistically significant.



All (1379)

No, I wouldn't use this	43.2% (+2.8 / -2.7)
Yes, but only if it was free	47.9% (+2.8 / -2.8)
Yes, if it cost up to \$1 per month	4.9% (+1.5 / -1.2)
Yes, if it cost \$1-\$3 per month	2.1% (+1.6 / -0.9)
Yes, even if it cost over \$3/month	1.9% (+1.6 / -0.9)

Methodology: Conducted by Google Consumer Surveys, April 12, 2013 - April 15, 2013 and based on 1379 online responses. Sample: National adult Internet population.

Source:

<http://www.google.com/insights/consumersurveys/view?survey=awabk4sgralgw&question=1&filter=&rw=1>