



NEWS RELEASE
For Immediate Release
Wednesday, May 13, 2009

American Teleservices Association Condemns Auto Warranty Telemarketing Scams

Association Pledges Full Resources in Support of Anti-Fraud Enforcement and Calls on Congress to Address Issues

Indianapolis, IN – Pending formal action from the Federal Trade Commission (FTC), the American Teleservices Association (ATA) is speaking out against companies believed to be behind a national wave of spam "robocalls" warning people that their auto warranties are about to expire and stating that they need to sign up for a new service plan. The American Teleservices Association, a non-profit professional trade association representing the contact center industry, condemns such practices and strongly supports the removal of such fraud. Association and industry leaders are calling on their contacts in Washington, as well as various State Attorneys General, to quickly focus on anti-fraud enforcement. The ATA is suggesting that congressional hearings be conducted to address legislative action against these illegal calls that are affecting thousands of consumers nationwide. Today, the ATA also contacted representatives at the FTC and pledged its continued support of their efforts to protect consumer rights and legitimate use of the phone to conduct business.

"The American Teleservices Association and its members stand beside the federal government and its agencies in the fight against fraud," said Tim Searcy, CEO of the ATA. "It is illegal for firms or individuals to use a legitimate channel of customer communication like the telephone to perpetrate criminal acts such as the auto warranty fraud currently being committed. It is for this very reason that the ATA has established consumer guidelines to assist the public in assessing whether a call is legitimate or fraudulent."

Consumer complaints regarding car warranty scams are believed to number over 10,000 with the FTC, over 140,000 to local Better Business Bureaus, and a national total is estimated to exceed 300,000 reports, as stated in a news conference announcement on Tuesday from Senators Charles Schumer (NY-D) and Mark Warner (VA-D). The FTC has inquiries under way into several companies involved in the deceptive calls and is also providing an electronic link on its homepage for consumers to file complaints.

Searcy continued, "It is important for consumers to know that the phone, when used properly, continues to be the most cost effective and efficient means to conduct business. As long as consumers continue to use their common sense and consumer guidelines with telephone solicitations as they would with any other channel of marketing or communication, they will be able to avoid the defrauding that has occurred."

The American Teleservices Association has taken its own measures toward self-regulation and enforcement of fraudulent activities within the teleservices industry. In 2006, the Association created a Self-Regulatory Organization (ATA-SRO) and subsequently released its own contact center self-regulatory standards and certification program. The ATA-SRO provides a complete accreditation process for contact centers to ensure compliance with state and federal regulations.

About American Teleservices Association

The American Teleservices Association (ATA) is the only non-profit trade organization dedicated exclusively to the advancement of companies that utilize contact centers as an integral channel of operations. ATA members include companies with inbound or outbound contact centers, users of Teleservices, trainers, consultants, and equipment suppliers who initiate, facilitate, and generate telephone, Internet, and e-mail sales, service, and support. ATA provides leadership in the professional and ethical use of the telephone for conducting business and is committed to serving the needs of its members, recommending the highest standards of quality for the channel and protecting the rights of consumers. Members benefit from the ATA's strong advocacy at the national and state level; advanced and timely educational opportunities and business-building events; advocacy and support in the public realm; and rich and trusted resources for Teleservices professionals.

Relevant sites:

www.ataconnect.org
www.atasroconnect.org
www.ftc.gov

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