

# FVRO

THE FRAUD VICTIM RIGHTS ORGANIZATION

## ANALYSIS

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### Analysis of FCC's Release of Q2, 2024 Traceback Data

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#### Summary

On September 30, 2024 the Federal Communications Commission (FCC) released Q2, 2024 traceback data<sup>1</sup>. This information illustrates three important points for policy makers.

1. There appears to be an emerging trend toward making outbound scam calls using prepaid SIM cards.
2. The data shows, for the fourth consecutive documented quarter, that there is no single so-called "gateway" responsible for allowing illegal robocalls into the United States.
3. Significant additional reductions in illegal robocalls are possible if the FCC applies Know Your Customer identification procedures to registrants to the Robocall Mitigation Database.

#### Background

The Industry Traceback Group (ITG) is a consortium of US phone companies that collectively share information about suspected illegal robocalls in an effort to protect American consumers from fraud. ITG members provide funding to the trade association USTelecom to administer the online portal the ITG uses to trace suspected scam calls (see FVRO: **Call Tracing Demystified**)<sup>2</sup>.

Since July 2021, complaints about unwanted calls made to the Federal Trade Commission (FTC) have declined 58%<sup>3</sup>. This has largely been the result of deterrence promulgated by traceback requests. Criminal groups that send robocalls have learned that calls can be traced to their location and reported to law enforcement.

All objective data indicates that every successful effort to reduce robocalls has been the result of an enforcement action or fear of an enforcement action.

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<sup>1</sup> <https://www.fcc.gov/document/fcc-releases-rollback-transparency-report-2>

<sup>2</sup> <https://fraudvictimrights.org/call-tracing-demystified/>

<sup>3</sup> <https://public.tableau.com/app/profile/federal.trade.commission/viz/DoNotCallComplaints/Maps> Q2 2021 v. Q1 2024.

- In 2016, IRS impersonation calls dropped 85% the day after Indian police raided six criminal call centers in Thane, India (see FVRO: **How to Stop IRS Impersonation Calls**)<sup>4</sup>.
- In 2017, robocalling was reduced 50% after the FCC filed civil actions against Adrian Abramovich for sending millions of “neighbor spoofed” vacation and timeshare offer calls (see FVRO: **How to Stop Scam Vacation and Timeshare Calls**)<sup>5</sup>.
- In 2018, a series of raids by local police in and around New Delhi based on tips from the Royal Canadian Mounted Police reduced Canadian Revenue Agency (CRA) impersonation calls 77% (see FVRO: **How to Stop CRA Impersonation Calls**)<sup>6</sup>.
- Beginning in December 2019, health and health insurance related robocalls declined 60% after the Federal Trade Commission (FTC) obtained a Temporary Restraining Order (TRO) against a Canadian VoIP provider called Globex Telecom (see FVRO: **How to Stop Health Insurance Robocalls**)<sup>7</sup>.
- Beginning in July 2021, car warranty robocalls declined 95% after the FTC opened an investigation into several telemarketing businesses. The FCC also issued advisories to telecom carriers in July 2022 to disconnect a different group of businesses that had been sending car warranty robocalls (see FVRO: **How to Stop Car Warranty Robocalls**)<sup>8</sup>.

During this same time, however, financial loss reported to the FTC resulting from fraud initiated by phone call increased 32% (see FVRO: **Robocalling Trends**)<sup>9</sup>. This has been the result of criminal groups in India avoiding traceback by shifting from making large volumes of spoofed, outbound calls to distributing call back phone numbers through computer pop-up ads and e-mail messages (see FVRO: **How to Stop Tech Support Fraud**)<sup>10</sup>.

### Analysis of Q4, 2023 Traceback Data

The Q2 2024 ITG data contains 670 trace records from 570 suspected scam robocalls. These calls were carried by more than 185 voice service providers. This represents a 47% reduction in traced calls from Q1 2024.

Period	Traced Calls
Q2 2024	570
Q1 2024	1,072
Q4 2023	1,273
Q3 2023	1,218

<sup>4</sup> <https://fraudvictimrights.org/How-to-Stop-IRS-Impersonation-Calls/>

<sup>5</sup> <https://fraudvictimrights.org/How-to-Stop-Scam-Vacation-and-Timeshare-Calls/>

<sup>6</sup> <https://fraudvictimrights.org/How-to-Stop-CRA-Impersonation-Calls/>

<sup>7</sup> <https://fraudvictimrights.org/How-to-Stop-Health-Insurance-Robocalls/>

<sup>8</sup> <https://fraudvictimrights.org/How-to-Stop-Car-Warranty-Robocalls/>

<sup>9</sup> <https://public.tableau.com/app/profile/federal.trade.commission/viz/FraudReports/FraudFacts> > Payment & Contact Methods; <https://fraudvictimrights.org/Robocalling-Trends/>

<sup>10</sup> <https://fraudvictimrights.org/how-to-stop-tech-support-fraud/>

Traceback transparency report data includes more than one voice service provider for many suspected scam robocalls. The FCC releases data in this format data so that both the suspected “Point of Entry” into the US and the suspected originators of calls are included. It is important to note that the designation of “Point of Entry” (POE), “Originator” (ORG) or “International Originator” (IOR) are subjective determinations manually entered by ITG staff based on their best judgement. Without the cooperation of every phone company that transited a particular call, it may not always be clear where a call originated.

Provider	Traced Calls	First Trace	Last Trace	Call - Campaign Description
T-Mobile USA, Inc.	34	04/04/24	06/25/24	Amazon-Variou-P1 Amazon
Telnyx	27	04/04/24	06/25/24	Phone Number-Change Impersonation
Go Voip Dialing	25	04/15/24	06/25/24	Economic Impact-Debt Elimination Debt Reduction
VOIP CITI	23	04/03/24	06/12/24	ISP/Cable/Wireless-Impers-P1 Cable/Phone Impersonation
Sipphony, LLC	20	04/12/24	06/12/24	CreditCard-DebtRelief-P1 Debt Reduction
Verizon	18	04/04/24	06/28/24	Amazon-Variou-P1 Amazon
Voip Torque	15	04/17/24	06/12/24	ISP/Cable/Wireless-Impers-P1 Cable/Phone Impersonation
CallWin LLC	14	04/03/24	05/23/24	Insurance-FinalExpense-P5 Health Ins
IT VOIP SOLUTIONS (Imposter)	14	06/18/24	06/26/24	Authorized-Order-P2 Order Scam
AT&T	13	04/11/24	06/25/24	Chinese-Package Delivery Package Delivery Scam
<b>147 Other Providers<sup>11</sup></b>	<b>366</b>			

### Use of Prepaid SIM Cards

Q2 2024 marks the first time ever that the three largest wireless providers—AT&T, Verizon, and T-Mobile—were all listed in the top ten sources of traced robocalls. Robocalls mostly enter the U.S. through wholesale VoIP providers and terminate to major carriers like AT&T, Verizon, and T-Mobile. Previously, robocalls in the U.S. almost never originated from wireless carriers.

This new trend likely indicates use of prepaid SIM cards to originate robocalls from inside the U.S. Given that the robocalling campaigns originating from these wireless numbers are the same campaigns that have previously originated from overseas, it is likely these prepaid SIM cards are being remotely managed through SIM box equipment.

The trend toward prepaid SIMs is also corroborated by empirical observations of providers used for call back numbers on tech support fraud computer pop-up ads. As described above, in mid to late 2021, criminal groups in India began to transition from outbound scam calls to delivering call back numbers on tech support fraud computer pop-up ads and e-mail messages. Between August and October 2024, web search programs designed to detect tech support fraud computer pop-ups documented 206 T-Mobile numbers used as call back numbers.

This further emphasizes the point telecom fraud professionals have been making for years: stopping illegal robocalls at the source through enforcement against the parties that make robocalls is more efficient and effective than trying to block robocalls at the network. Network measures to label and block robocalls are inaccurate, ineffective, and costly. However, because a relatively small number of criminals are responsible for a large majority of robocalls, enforcement has historically been proven to be the most efficient and effective means of stopping robocalls.

<sup>11</sup> 28 other providers were listed only as the Point of Entry (POE).

**No Single Gateway**

The top ten sources of robocalls in the Q2 data accounted for 36% of traced calls. 147 other voice service providers were identified as sending the rest. Voice service providers who deliberately allow illegal traffic on their network can and should be held accountable. However, there are more than 8,000 registered voice service providers in the U.S. alone. Sending traffic through multiple routes and replacing service providers if others become unavailable does not place a significant burden on criminals sending robocalls.

**Better Know Your Customer (KYC) Procedures by the FCC Will Yield Additional Reductions in Illegal Robocalls**

As described above, three of the top ten sources of robocalls in Q2 are major wireless providers. Another of the top ten, Telnyx, is a major wholesale VoIP provider and communications service platform. Of the remaining six top sources of Q2 robocalls:

- One is labeled as “imposter” (meaning a criminal impersonated an established VoIP provider);
- One almost certainly registered as a VoIP provider by means of identity theft, using the name and address of a real U.S. citizen without that individual’s knowledge or consent;
- Two appear to be foreign VoIP providers that registered in the U.S. using fictitious information (business contact names with no social media or telecom sales history, incorporated at a PO boxes in 2023, and they did not renew annual corporate registrations); and
- Two have previously received cease and desist letters from the FCC.

There does not appear to be any process for validating an FCC registrant’s information. The use of “pop-up” straw voice service providers that incorporate at U.S. PO boxes and then disappear once they receive traceback requests has become commonplace. There are more than 200 voice service providers registered at addresses with more than five voice service providers each.

Voice Service Providers	Registered Address
50	30 N Gould St., Sheridan WY 82801
44	1309 Coffeen Ave, Sheridan WY 82801
25	8 The Green, Dover DE 19901
22	16192 Coastal Highway, Lewes DE 19958
12	7901 4th St N, Petersburg FL 33702
11	2055 Limestone Rd, Wilmington DE 19808
12	651 N Broad St., Middletown DE 19709
7	1621 Central Ave, Cheyenne WY 82001
7	548 Market St., San Francisco CA 94104
6	1603 Capitol Ave., Cheyenne WY 82001
6	4330 S Lee S., Buford GA 30518

Enhanced KYC procedures for Robocall Mitigation Database registration will result in additional reductions in robocalling.