

United States Senate

WASHINGTON, DC 20510

October 9, 2018

The Honorable Joseph Simons
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, Northwest
Washington, DC 20580

The Honorable Noah Joshua Phillips
Commissioner
Federal Trade Commission
600 Pennsylvania Avenue, Northwest
Washington, DC 20580

The Honorable Rohit Chopra
Commissioner
Federal Trade Commission
600 Pennsylvania Avenue, Northwest
Washington, DC 20580

The Honorable Rebecca Kelly Slaughter
Commissioner
Federal Trade Commission
600 Pennsylvania Avenue, Northwest
Washington, DC 20580

The Honorable Christine S. Wilson
Commissioner
Federal Trade Commission
600 Pennsylvania Avenue, Northwest
Washington, DC 20580

Dear Chairman Simons and Commissioners Phillips, Chopra, Slaughter, and Wilson:

We write to ask you to release the full list of schools that purchased user information from illegal and deceptive lead generators, like Sunkey Publishing, Inc. (“Sunkey”) and Fanmail.com, LLC (“Fanmail”). Further, we urge you to investigate and take action against any institutions that you determine were knowingly complicit in this illegal scheme. We were pleased to see that the Federal Trade Commission (FTC) recently took action against Sunkey and Fanmail, operators of copycat military websites that preyed on prospective recruits by falsely representing themselves as affiliated with the military, while actually generating lead sales for post-secondary schools. This action will help protect current servicemembers and veterans, and it will preserve and protect the pipeline for our next generation of heroes. However, more must be done.

The FTC complaint links Sunkey and Fanmail to several post-secondary schools, including Grantham University, which was specifically named in the text of complaint, as well as DeVry University, University of Phoenix, Kaplan University, Ashford University, and Walden University, based on accompanying exhibits. Many of these institutions have already been investigated or sued by the FTC, Department of Justice, and Department of Education for defrauding borrowers and making false claims to prospective students. Americans, servicemembers, and veterans deserve to know the full list of institutions that used these schemes to prey on them. The FTC should also investigate these institutions and hold them accountable if

they were aware of the origins of the leads they purchased and were, therefore, complicit with Sunkey and Fanmail's actions.

In November of last year, many of us sent a letter to the Commission urging the FTC to remain vigilant in ensuring that federal laws and rules regarding deceptive college recruiting tactics are enforced to protect veterans, servicemembers, and their families from unscrupulous actors. We strongly commend your recent actions shutting down these impostor sites. However, sunlight is said to be the best disinfectant, and more transparency is necessary to effectively rein in these bad actors, and ensure that Americans have the information they need to protect themselves. Sunkey's and Fanmail's unlawful actions were particularly heinous and demonstrate the need for sunlight.

According to the FTC's complaint, websites involved, like army.com and enlistarmy.com, deceptively posed as official military enlistment websites. The websites prompted site visitors, including individuals seeking to join the armed forces, to provide their personal information, promising they would be used solely for recruitment purposes and would be contacted by a "military representative" and that their information would not be shared with anyone else. After site visitors submitted their personal information, however, their information was sold to post-secondary schools for \$15 to \$40 per lead.

Instead of being contacted by an official representative of the United States military, site visitors were contacted by telemarketers who often misidentified themselves as military representatives. These telemarketers then encouraged individuals to pursue a post-secondary education at specific institutions, often falsely suggesting that the military supported certain schools or that the military was no longer recruiting due to "downsizing," and giving individuals the false impression that specific schools were endorsed by the United States military.

The illegal actions of these companies negatively affect everyday Americans, the military community, and our country—and will potentially continue to do so for years to come. They harm our pipeline for the next generation of servicemembers, and thus undermine our national security. The defendants behind these illegal scams, including Sunkey and Fanmail, have been rightfully charged with violating the FTC Act's prohibition on deceptive acts and practices, and the FTC's Telemarketing Sales Rule (TSR), including Do Not Call provisions. The defendants were subjected to financial judgement and had their websites taken down. However, the post-secondary schools that purchased and benefited from the leads remain relatively unaffected.

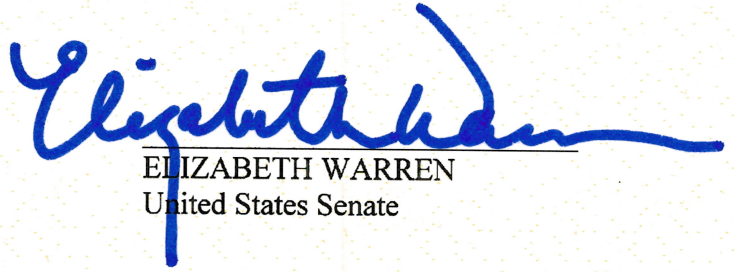
This deceptive scheme may have already harmed those who have been willing to put their lives on the line for the country by steering them away from military service, and encouraging them to incur costs for education they claim will "increase your chances for a better job or higher pay." In addition the scheme denied our country of the services of talented, qualified individuals who wanted to enlist. We must ensure this does not happen again by bringing accountability and transparency to all those involved.

We respectfully request a response by October 23, 2018.

Sincerely,



RICHARD BLUMENTHAL
United States Senate



ELIZABETH WARREN
United States Senate



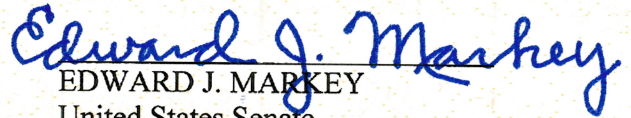
RICHARD J. DURBIN
United States Senate



PATTY MURRAY
United States Senate



MARGARET WOOD HASSAN
United States Senate



EDWARD J. MARKEY
United States Senate



TAMMY BALDWIN
United States Senate



KIRSTEN GILLIBRAND
United States Senate



SHERROD BROWN
United States Senate