

Monthly Columns

by Attorney General Jack Conway



May 2009

The recent rash of automated vehicle warranty calls that has plagued Kentucky consumers is another reminder that scam artists are constantly looking for new ways to victimize consumers. They utilize the latest technology and go to great lengths to perpetrate their crimes.

Despite being on the federal “Do Not Call” list, I too have received these annoying “robo calls” alerting me that my vehicle warranty is about to run out.

These calls have not only been a nuisance, they are misleading, deceptive and a violation of the telemarketing “No Call” law and the Consumer Protection Act. Their real purpose is to deceive consumers into providing important financial information.

Over the past couple of months, my Office of Consumer Protection has received more than 400 complaints from consumers who have received these “robo calls” on both cell phones and land lines. With the information provided to us by consumers, we were able to subpoena telephone records to identify the alleged perpetrators of at least some of the phony warranty calls.

On May 14, I filed suit against SVM, Inc., Fortress Secured, Inc. and their principal owner, Bruce MoneyMaker, to stop these calls. The following day, Fayette Circuit Judge Kim Bunnell granted our request for a restraining

order. I, and many others, appreciate Judge Bunnell’s quick consideration of this matter. The Federal Trade Commission has also taken action against several of these telemarketing companies.

My office continues to identify other potential violators, and we have issued subpoenas to determine those responsible. These companies are on notice that this type of harassment and disregard for the law will not be tolerated in Kentucky.

If you have not yet registered your home or cell phone on the “No Call” list, please visit www.nocall.ky.gov or call 888-382-1222. If you are already on the “No Call” list and receive any telemarketing call you believe is in violation of the law, file a complaint with my office at the above web address or call 1-866-877-STOP (7867) to request a complaint form.

Gas Prices

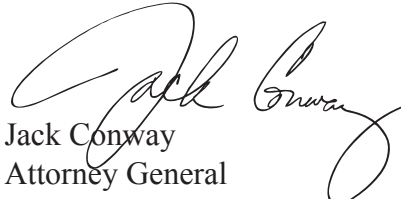
One of the most frequent questions I get when I travel the state is “what can I do about rising gas prices?” Be assured, we are constantly monitoring the price of gasoline in the Commonwealth.

My office currently has multiple gas price investigations. We have asked the Federal Trade Commission (FTC) to review data my office gathered regarding the merger of Ashland and Marathon back in the 1990s. I have requested a meeting with the FTC’s new chairman, Jon Leibowitz, to

discuss what we believe is a potentially illegal monopoly in Kentucky’s petroleum market that has affected the price of gasoline. I look forward to working with Chairman Leibowitz and with Congressman John Yarmuth in addressing this important issue.

We are also seeking more than \$90 million in penalties from Marathon for alleged price-gouging in the wake of Hurricane Katrina. In January, we issued fines against retail stations in seven different Kentucky communities over price-gouging at the pump in the wake of Hurricane Ike and the subsequent wind storm.

During these tough economic times, no one wants to see higher gas prices. And no one wants to be harassed by scam artists trying to make an extra buck. Be assured, I remain committed to protecting Kentucky consumers, both at the pumps and from deceptive business practices.


Jack Conway
Attorney General