

Federal Trade Commission and SubscriberWise Reduce Risk of Identity Theft for U.S. Consumers and Children

According to the Federal Trade Commission, an estimated nine million Americans have their identities stolen each year. Red Flag compliance is designed to mitigate identity theft.

Fort Myers, FL ([PRWEB](#)) May 23, 2014 -- SubscriberWise, the leading provider of analytics-driven subscriber risk management technology and the nation's largest issuing consumer reporting agency for the communications industry, announced today that the Federal Trade Commission (FTC)'s "Red Flag" identity theft program is indeed mitigating fraud for both consumers and operators thanks to the initial directive from Congress and the technology developed by SubscriberWise.

The negative consequences of identity theft and fraud can be staggering not only for businesses and their customers, but even for children who are also frequent victims of fraud:

<http://www.enhancedonlinenews.com/news/eon/20130924006571/en/FTC/Parental-Identity-Theft/Child-Identity-Theft>.

"SubscriberWise recently analyzed its proprietary Red Flag technology to understand just how profound the impact of the law may be," stated David Howe, president of SubscriberWise. "Although it's a challenge to quantify the frequency of confirmed fraud, and obviously exposure will vary depending on a myriad of factors, SubscriberWise is nevertheless able to provide the nation a highly accurate and empirically calculated distribution of several of the most common Red Flags:

- 0.15%. Subject Deceased (this Red Flag is obviously the result of fraud:

<http://www.youtube.com/watch?v=KaEFp7s-Bko>; however, it can also occur when a spouse (or other authorized user) dies. In non-predatory and innocent situations, a shared credit account(s) that contains the deceased indicator may get reported on the living spouse's report thus triggering this flag).

- 0.075%. Active Freeze (victims of identity theft can place a credit freeze on their credit file. A freeze generally stops all access to a consumer credit report. The availability of a credit freeze depends on state law or a consumer reporting agency's policies. Some states charge a fee for placing or removing a credit freeze).

- 3.74%. No Record (a common situation for communications operators and not necessarily a Red Flag.

Compliance suggestions include positive identification with government-issued photo id or challenge questions initiated by creditor. 'No records' are most common among: new immigrants who apply for credit for the first time; mature cash spenders who have never obtained or applied for credit; young adults who are just starting out on their own and who also do not have credit file; predatory behavior including SSN and child identity fraud; submission/keying errors and subject selection rejection; state laws that restrict file delivery).

- .01%. Credit suppressions and files that may belong to minors

- 4% to 6% (estimate). Extended fraud alerts, state security alerts, high risk fraud alerts, SSN mismatch alerts; SSN mismatch errors are typically the result of agent keying errors, fraud, and mis-reported information on the consumer file. SubscriberWise does not quantify these specific alerts because of user agreements with data furnishers that strictly limit how information from a consumer credit report is used. When these flags are triggered SubscriberWise member operators are provided the alert exactly as indicated by the consumer or the credit reporting agency. Based on an operator's internal Red Flag policy, the agent who is engaged with the consumer can proactively respond and ensure protection for both the customer and the operator).

"SubscriberWise was among the first solution providers in the nation to evolve Red Flag technology to help the nation's communications companies spot suspicious patterns, proactively respond to identity theft, and comply with the federal law," explained Howe. "Everyday SubscriberWise technology prevents identity theft, SSN

fraud, and predatory behavior. SubscriberWise technology has been used as evidence in felony and misdemeanor cases that have resulted in numerous convictions. Myriads of SSN's belonging to children are today blocked because of the organization's direct engagement with law enforcement. In the past decade, every level of law enforcement has engaged SubscriberWise including FBI, judges, prosecutors, local police, detective bureaus, city officials and mayors, and other professionals including risk and scoring professional employed by the world's leading global organizations.

To put the significance of Red Flags into a real world perspective, if one considered the fact that Comcast currently has approximately 21.7 million total customers and therefore generates an average 271,250 service applications each month, Comcast using SubscriberWise technology would encounter the following each and every month:

- 407 'Subject Deceased'
- 203 'Active Freeze'
- 10k 'No Record'
- 27 'Credit Suppression'
- ~ 14k various other red flags

Those statistics are certainly worthy of Comcast's attention," concluded Howe. "And since I'm one of the 21.7 million Comcast customers, I certainly hope they're paying close attention the same way SubscriberWise member operators do each and every day."

About SubscriberWise (<http://www.subscriberwise.com>)

By incorporating years of communications performance data and decision models, including FICO's latest analytic technology (FICO 8 Score), SubscriberWise® delivers unprecedented predictive power with a fully compliant, score driven decision management system. In 2009, SubscriberWise and TransUnion announced a joint marketing agreement for the benefit of America's independent cable operators (<http://www.subscriberwise.com/TransUnionJointMarketing.pdf>). SubscriberWise is a preferred solutions provider in risk management for the National Cable Television Cooperative.

SubscriberWise is a U.S.A. federally registered trademark of the SubscriberWise Limited Liability Co.



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