

U.S. SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
Hearing: Backpage.com's Knowing Facilitation of Online Sex Trafficking
January 11, 2017

Statement of Chairman Rob Portman

This hearing will come to order.

We are here this morning to address a very serious subject. It's about sex trafficking—and the selling of children online.

More than 20 months ago, this Subcommittee launched a bipartisan investigation concerning how sex traffickers use the Internet to ply their trade. Experts (including victims) tell us that this terrible crime has increasingly moved from the street to the smart phone. The National Center for Missing and Exploited Children (known as NCMEC) reported an 846% increase in reports of suspected child sex trafficking from 2010 to 2015 — a spike the organization found to be “directly correlated to the increased use of the Internet to sell children for sex.”

Backpage.com sits at the center of that online black market. This is a large, profitable company: Backpage operates in 97 countries and 934 cities worldwide and was last valued at well over a half-billion dollars. According to an industry analysis in 2013, eight out of every ten dollars spent on online commercial sex advertising in the United States went to Backpage.

NCMEC tells us that Backpage is linked to nearly *three quarters* (73%) of all suspected child sex trafficking reports that it receives from the general public through its “CyberTipline.” And according to a leading anti-trafficking organization called Shared Hope International, “[s]ervice providers working with child sex trafficking victims have reported that between 80% and 100% of their clients have been bought and sold on Backpage.com.”

Our Investigation

Based on this record, the Subcommittee saw a compelling need to investigate the business practices of Backpage, especially the efforts it takes to prevent use of its site by sex traffickers.

We thought that might be simple enough because Backpage actually promotes itself as a “critical ally” in the fight against human trafficking. The company says it “leads the industry” in its screening of advertisements for illegal activity—a process it calls “moderation.” In fact, Backpage’s top lawyer Elizabeth McDougall has described their moderation process as the “key” tool for “disrupting and eventually ending human trafficking via the World Wide Web.”

Despite those boasts, Backpage refused to cooperate with the Subcommittee’s investigation. They defied our subpoena, failing to appear at November 2015 hearing or provide the requested documents.

In response, we brought the first civil contempt action authorized by the Senate in more than 20 years. And in August 2016, the Subcommittee prevailed and secured a federal court order rejecting Backpage’s meritless objections and compelling the company to turn over the subpoenaed documents.

Our Findings

It is now clear why Backpage fought so hard to withhold this information.

The Subcommittee published a staff report last night that conclusively shows that Backpage has been more deeply complicit in online sex trafficking than anyone imagined. And without objection, that report will be made part of the record.

Our report demonstrates that Backpage has concealed evidence of crimes by systematically *deleting* words and images suggestive of illegal conduct from advertisements submitted to their website *before* publishing the ads. And some of those ads involved child sex trafficking. Backpage’s editing process sanitized the content of millions of advertisements and hid important evidence from law enforcement.

This story begins in 2006, when Backpage executives began instructing staff responsible for screening ads (known as “moderators”) to *edit* the text of adult ads to conceal their true nature. By October 2010, Backpage executives formalized a process of both manual and automated deletion of incriminating words and phrases in ads.

A feature known as the “Strip Term From Ad filter” did most of the work. Backpage CEO Carl Ferrer personally directed his employees to create this electronic filter to “strip”—that is, *to delete*—hundreds of words indicative of sex trafficking or prostitution from ads *before* publication.

To be clear, this filter did not *reject* ads for illegal activity. Backpage executives were afraid that would cut into profits and, in Ferrer’s words, “piss off a lot” of customers. Instead, the Strip Term From Ad filter simply altered ads to conceal signs of illegality. They put profits ahead of vulnerable women and children.

The evidence is clear that Backpage deliberately edited out words indicative of child sex trafficking and other crimes from ads.

The list of terms is chilling. Starting in 2010, Backpage *automatically* deleted words including “lolita,” “teenage,” “rape,” “young,” “little girl,” “teen,” “fresh,” “innocent,” “school girl,” and even “amber alert”—and then published the edited versions of the ads to their website. Backpage also systematically deleted scores of words indicative of prostitution.

Backpage claims their staff reviews ads to avoid child exploitation, but these terms were stripped out before anyone at Backpage even *looked* at the ad. And when law enforcement officials came asking for more information about suspicious ads—as they routinely did—Backpage had already destroyed the original ad posted by the pimp or trafficker. The evidence was gone.

Think about the real-world effect of that practice:

- A trafficker submits an ad on Backpage.com containing a word like “lolita” or “teen” — a pretty good clue that a crime may be afoot.
- But then Backpage’s Strip Term From Ad filter would delete the problematic term and the remainder of the ad would be published.
- Of course, this editing changed *nothing* about the real age of a person being sold for sex or the real nature of the advertised transaction.
- But as one Backpage executive explained, thanks to the filter, Backpage ads looked “cleaner than ever” to the public eye.

We will never know for sure how many girls and women were subject to abuse and exploitation that Backpage.com helped to conceal. By Backpage’s own estimate, the company was editing “70 to 80% of ads” in the commercial-sex section either manually or automatically by late-2010. Based on our best estimate, this means that Backpage was editing well over a half-million ads each year. It is unclear whether and to what extent Backpage still uses the Strip Term From Ad filter, but

internal emails indicate that the company was using the filter to some extent as of April 2014.

These are not the practices of an “ally” in the fight against human trafficking. These are the practices of a corporation intent on *profiting* from human trafficking—and human misery--and profit they have, at the expense of countless innocent victims.

Backpage has not denied a word of these findings. Instead, several hours after the report was issued yesterday afternoon, the company announced the closure of its adult section—claiming “censorship.” But that’s not censorship. That’s *validation* of our findings. As for this new development, I’ll just quote from part of the National Center for Missing & Exploited Children’s statement about Backpage’s closure of its ‘adult’ site: “We are gratified to know that as a result [of this closure], a child is now less likely to be sold for sex on Backpage.com.”

Our Ranking Member, Senator McCaskill, will have more to say about the other key findings in our report. And I just want to conclude by thanking Senator McCaskill and her staff for their shoulder-to-shoulder work with my team at PSI on this bipartisan investigation. I am also grateful to the members of the full Committee and the Senate as a whole for unanimously supporting us as we pursued the enforcement of a subpoena against Backpage.com.

In the weeks and months ahead, I intend to explore whether potential legislative remedies are necessary and appropriate to end the facilitation of online sex trafficking that Backpage.com has pioneered. We’ll have more to say on that later.

With that, I want to turn to Senator McCaskill for her opening statement.