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[The World's Biggest Spam Network Shut Down](#)

The Federal Trade Commission has frozen the assets funding the spamming activities



Operations of the
biggest spam network
halted
Rahul Hacking Articles

The U.S. Federal Trade Commission (FTC) has obtained a court order to shut down a number of companies serving a vast spam network. All the assets and accounts have been frozen and the two individuals behind the whole operation have received restraining orders.

Lance Atkinson from New Zealand and Jody Smith from Texas are [accused](#) of running the spam network and, according to the FTC, they are responsible for sending billions of spam messages. The Spamhaus project [considers](#) the enterprise run by the two, also known as the HerbaKing gang, "the #1 worst spam gang on the Internet for much of 2007 and 2008" and, as they revealed, it has been running since 2005.

[The Register](#) reports that Richard Cox, Spamhaus CIO, noted that Atkinson and Smith "are probably the most prolific spammers at the moment". The two used several companies in U.S. and abroad to sell fake prescription drugs that were not FDA approved as well as male-enhancement and weight loss pills. The drugs were being shipped from countries like India and did not conform to the FDA standards. In addition, when the FTC covertly obtained samples of the drugs and had them tested, the results revealed that the drugs posed health risks.

The two men also set up an affiliate program called Affking through which they recruited other spammers. This service is believed to have been responsible for one third of the entire spam activity in the world. The money resulting from the scams was laundered through multiple merchant accounts set up by Smith in countries like Cyprus or Georgia to make it harder for the U.S. authorities to track it. To put things into perspective, one of Smith's U.S.-based companies, Tango Pay, received around \$3.3 million from September 2007 to May 2008 from bank accounts in Cyprus.

"Their enterprise included participants in Australia, New Zealand, China, India, Russia, Canada, and the United States," is noted in the FTC [press release](#). Therefore, the Commission coordinated their efforts with the New Zealand Department of Internal Affairs and the Australian Communications and Media Authority in order to hit the network infrastructure at the same time hoping to put a halt to the operations. Spamhaus' Richard Cox pointed out that "this is probably the first time that an action by law enforcement will affect the level of spam in people's inboxes" throughout the world.