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For Immediate Release

FCC FINES GPSPS \$9.065 MILLION FOR ILLEGALLY BILLING CUSTOMERS AND SWITCHING THEIR PHONE COMPANIES
Long Distance Carrier Relied on Fabricated “Authorization” Recordings to Mislead the Commission and State Regulators

WASHINGTON, July 23, 2015 – The Federal Communications Commission has fined GPSPS, Inc., an Atlanta, GA telephone company, \$9,065,000 for switching consumers’ long distance carriers without their authorization (“slamming”), billing consumers for unauthorized charges (“cramming”), and submitting falsified evidence to government regulatory officials as “proof” that consumers had authorized the company to switch their long distance providers.

“Companies that engage in these practices betray consumers who trust that their telephone bills will contain only authorized charges,” said Travis LeBlanc, Chief of the Enforcement Bureau. “Today’s announcement makes clear that the FCC will take strong action against those who switch consumers’ telephone carriers without authorization and then mislead the government to try to avoid detection.”

The Enforcement Bureau reviewed more than 150 complaints against GPSPS that consumers filed with the Commission, the Federal Trade Commission, the Public Utility Commission of Texas, and the Better Business Bureau. Consumers complained that GPSPS switched their long distance service provider without their authorization even though they had never heard of or spoken to the company before discovering GPSPS’s charges on their telephone bills. In many cases, GPSPS refused to refund all of the unauthorized fees it charged consumers.

Instead, the company misrepresented to consumers that they or someone in their household had authorized GPSPS’s service, and that GPSPS possessed an audio recording evidencing the authorization. The audio “verification” recordings GPSPS mentioned to consumers were fake. GPSPS submitted these fabricated recordings to the Commission and state regulatory authorities as “proof” that the consumers authorized its service.

With today’s action, the Commission has now taken more than 30 enforcement actions for cramming or slamming in the past five years. These actions have announced more than \$100 million in penalties, and are slated to return more than \$250 million to consumers.

For more information about the FCC’s rules protecting consumers from unauthorized charges on phone bills, see the FCC consumer guide, *Cramming – Unauthorized, Misleading, or Deceptive Charges Placed on Your Telephone Bill*. For information about other communications issues, visit the FCC’s Consumer website, or contact the FCC’s Consumer Center by calling 1-888-

CALL-FCC (1-888-225-5322) voice or 1-888-TELL-FCC (1-888-835-5322) TTY; faxing 1-866-418-0232; or by writing to:

Federal Communications Commission
Consumer and Governmental Affairs Bureau
Consumer Inquiries and Complaints Division
445 12th Street, SW
Washington, DC 20554

The Forfeiture Order is available at: https://apps.fcc.gov/edocs_public/attachmatch/FCC-15-93A1.pdf

The Notice of Apparent Liability is available at:
https://apps.fcc.gov/edocs_public/attachmatch/FCC-15-26A1.pdf

Action by the Commission July 23, 2015 by Order (FCC 15-93). Chairman Wheeler, Commissioners Clyburn, Rosenworcel, Pai, and O’Rielly. Commissioner Pai issuing a statement.

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).