COMCAST TO PAY $2.3 MILLION AFTER SUBSCRIBERS COMPLAIN OF BILLING FOR SERVICES & EQUIPMENT THEY NEVER ORDERED
Will Implement Compliance Plan to End Erroneous Charges and Provide Prompt Refunds

WASHINGTON, October 11, 2016 – The FCC’s Enforcement Bureau today announced that Comcast Corporation will pay a $2.3 million fine to resolve an investigation into whether the company wrongfully charged cable TV customers for services and equipment that those customers never authorized. The Communications Act and the FCC’s rules prohibit a cable provider from charging its subscribers for services or equipment they did not affirmatively request, a practice known as “negative option billing.” Negative option billing burdens customers with the responsibility of contacting a cable company to dispute the charges and obtain refunds. The Communications Act and the FCC’s rules prohibit a similar practice by telecommunications carriers when unauthorized charges are placed on customers’ phone bills, an abuse known as “cramming.”

“It is basic that a cable bill should include charges only for services and equipment ordered by the customer—nothing more and nothing less,” said Travis LeBlanc, Chief of the Enforcement Bureau. “We expect all cable and phone companies to take responsibility for the accuracy of their bills and to ensure their customers have authorized any charges.”

The Commission received numerous complaints from consumers alleging that Comcast added charges to their bills for unordered services or products, such as premium channels, set-top boxes, or digital video recorders (DVRs). In some complaints, subscribers claimed that they were billed despite specifically declining service or equipment upgrades offered by Comcast. In others, customers claimed that they had no knowledge of the unauthorized charges until they received unordered equipment in the mail, obtained notifications of unrequested account changes by email, or conducted a review of their monthly bills. Consumers described expending significant time and energy to attempt to remove the unauthorized charges from their bills and obtain refunds. In response to these complaints, the FCC undertook an investigation of the company.

Under the terms of today’s settlement, Comcast will pay the largest civil penalty assessed from a cable operator by the FCC and implement a five-year compliance plan. Specifically, Comcast will adopt processes and procedures designed to obtain affirmative informed consent from customers prior to charging them for any new services or equipment. Comcast will also send customers an order confirmation separate from any other bill, clearly and conspicuously describing newly added products and their associated charges. Further, Comcast will offer to customers, at no cost, the ability to block the addition of new services or equipment to their accounts. In addition, the settlement requires Comcast to implement a detailed program for redressing disputed charges in a standardized and expedient fashion,
and limits adverse action (such as referring an account to collections or suspending service) while a disputed charge is being investigated.

To file a complaint with the FCC, go to https://consumercomplaints.fcc.gov/hc/en-us 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


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Office of Media Relations: (202) 418-0500
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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).