

Media Contact:

Will Wiquist, (202) 418-0509
will.wiquist@fcc.gov

For Immediate Release

FCC FINES COMPANIES \$11 MILLION FOR UNAUTHORIZED CHARGES ON CONSUMER BILLS, DECEPTIVE MARKETING, AND ILLEGAL CARRIER CHANGES

Companies Impersonated Consumers' Existing Carriers

WASHINGTON, September 15, 2016 – The Federal Communications Commission today announced \$11 million in fines against three related long distance carriers for “cramming” unauthorized charges onto consumer telephone bills, “slamming” consumers by switching their preferred phone carriers without authorization, deceptive marketing, and violating the FCC’s truth-in-billing rules. The companies, Central Telecom Long Distance, Consumer Telcom, and U.S. Telecom Long Distance, are run as one operation by Data Integration Systems, Inc. The FCC is committed to combating abusive practices that result in telephone consumers paying for services they never requested or received and expending significant time and effort to seek to reverse the unauthorized charges and services.

“This isn’t rocket science: no consumer should be charged for phone services that they canceled or never requested in the first place,” said Enforcement Bureau Chief Travis LeBlanc. “Today’s fines make clear that we will aggressively prosecute those who ‘slam,’ ‘cram,’ or otherwise abuse consumers by unlawfully charging them for services they didn’t want or request.”

During this investigation, the FCC’s Enforcement Bureau reviewed over 260 consumer complaints about the three California-based companies. Many of the complaints were submitted by or on behalf of consumers who had neither heard of the companies nor intended to sign up for their services.

Operating as a single enterprise, the companies’ telemarketers falsely claimed that they were calling on behalf of consumers’ real telephone carriers about a change in existing service. The companies then misused consumers’ answers to switch their long distance carriers to one of the companies. When customers realized what had occurred and returned to their preferred carriers, these companies continued to charge consumers a recurring monthly fee. The companies also failed to clearly and plainly describe the charges included in their customer bills, as required by the FCC’s rules.

For more information about the FCC’s rules protecting consumers, see the FCC consumer guides regarding cramming at <http://go.usa.gov/cyvhh> and slamming at <http://go.usa.gov/cyvhh>. More information on the FCC’s truth-in-billing rules can be found at <https://www.fcc.gov/general/truth-billing-policy>.

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

The fines, formally known as Forfeiture Orders, are available at:

https://apps.fcc.gov/edocs_public/attachmatch/FCC-16-122A1.pdf

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Action by the Commission September 14, 2016 by Forfeiture Orders (FCC 16-122, FCC 16-123, FCC 16-124). By the Commission: Commissioner O'Rielly concurring in part and dissenting in part.

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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).