



NEWS

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FCC Imposes \$680,000 Forfeiture Against Vista Services Corporation for Slamming

Washington, D.C. - Today the Federal Communications Commission (Commission) released an order imposing a \$680,000 forfeiture on Vista Services Corporation (Vista) for violation of the Commission's rules against slamming. Slamming is the illegal practice of switching consumers' preferred long distance or other telephone carriers without their consent.

The Commission received hundreds of written consumer complaints against Vista during an eleven-month period. Several complaints alleged that Vista, as part of its slamming scheme, misrepresented or implied to the consumers: 1) that Vista was affiliated with the consumers' existing local or long distance carriers; and 2) Vista's service was a consolidation plan that would combine the consumers' local and long distance charges on one bill for the consumers' convenience.

Vista denied that it had substituted itself for the long distance carriers preferred by the 18 consumers at issue without their authorization. Vista argued that: 1) the Commission had failed to prove that the consumers had not authorized Vista to be their long distance carrier; 2) Vista's telemarketers were independent contractors who had exceeded their authority; 3) Vista was not responsible for the alleged violations emanating from the customer list Vista bought from another carrier; and 4) various circumstances required mitigation of the forfeiture amount.

In its forfeiture order, the Commission rejected most of these defenses, finding that Vista had violated the statute and the Commission's anti-slamming rules for fourteen of the eighteen consumer complaints at issue. With respect to the remaining four consumer complaints, the Commission found that Vista had submitted adequate proof of authorization in response to the Commission's August 1999 Notice of Apparent Liability. The Commission ultimately found Vista liable for forfeiture in the amount of \$680,000.

(over)

Vista is a privately held company headquartered in Westlake, Ohio. The consumers slammed by Vista described in this forfeiture action reside in Colorado, Virginia, Tennessee, Michigan, Kansas, Wisconsin and New York, among other states.

Action by the Commission, October 18, 2000, by Order (FCC 00-378). Chairman Kennard, Commissioners Ness, Furchtgott-Roth, Powell and Tristani with Commissioner Furchtgott-Roth issuing a separate statement.

File No. EB-99-10

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