



# NEWS

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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. Circ 1974).

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## FCC CONTINUES NATIONAL FRAUD AWARENESS WEEK ACTIVITIES *Day Two: Cell Phone Fraud*

Washington, DC – On Monday the FCC announced it is observing National Fraud Awareness Week (August 4<sup>th</sup>-10<sup>th</sup>) by highlighting five topics about which it gets many inquiries and complaints from consumers. One topic will be addressed each day this week. Not all are frauds or scams, but all are topics about which consumers should be informed.

On Monday the Commission addressed “The Do-Not-Call-List Verification Scam.”

Today’s topic is:

### **CELL PHONE FRAUD**

Cellular fraud (cell fraud) is the unauthorized use, tampering, or manipulation of a cellular phone or service. At one time, cloning of cellular phones accounted for a large portion of cell fraud. As a result, the Wireless Telephone Protection Act of 1998 expanded prior law to criminalize the use, possession, manufacture, or sale of cloning hardware or software for cell phones.

Currently, the primary type of cell fraud is subscriber fraud. The cellular industry estimates that carriers lose more than \$150 million per year due to subscriber fraud.

#### **What Is Subscriber Fraud?**

Subscriber fraud occurs when someone signs up for service with fraudulently-obtained customer information or false identification. Lawbreakers obtain your personal information and use it to set up a cell phone account in your name.

Resolving subscriber fraud could develop into a long and difficult process for victims. It may take time to discover that subscriber fraud has occurred and an even

longer time to prove that you did not incur the debts. Call your billing carrier if you think you have been a victim of subscriber fraud.

### **What Is Cell Phone Cloning Fraud?**

Every cell phone has an electronic serial number (ESN) and mobile identification number (MIN) programmed by the carrier. A cloned cell phone is one that has been reprogrammed to transmit the ESN and MIN belonging to another (legitimate) cell phone. Unscrupulous people may be able to obtain valid ESN/MIN combinations by illegally monitoring the radio wave transmissions from the cell phones of legitimate subscribers. After cloning, both the legitimate and the fraudulent cell phones have the same ESN/MIN combination and cellular systems cannot distinguish the cloned cell phone from the legitimate one. The legitimate phone user then gets billed for the cloned phone's calls. Call your carrier if you think you have been a victim of cloning fraud.

### **Summary**

Remember, to prevent subscriber fraud, make sure that your personal information is kept private when purchasing anything in a store or on the Internet. Protecting your personal information is your responsibility. For cell phone cloning fraud, the cellular equipment manufacturing industry has deployed authentication systems that have proven to be a very effective countermeasure to cloning. Call your cellular phone carrier for more information.

### **FILING A COMPLAINT**

You can file a complaint with the FCC by e-mail ([fccinfo@fcc.gov](mailto:fccinfo@fcc.gov)), the Internet ([www.fcc.gov/cgb/complaints.html](http://www.fcc.gov/cgb/complaints.html)), telephone 1-888-CALL-FCC (1-888-225-5322) voice, 1-888-TELL-FCC (1-888-835-5322) TTY, or mail (Federal Communications Commission, Consumer & Governmental Affairs Bureau, Consumer Inquiries and Complaints Division, 445 12th Street, SW, Washington, DC 20554).

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For information on this and other topics of interest to consumers, visit our Web site at [www.fcc.gov/cgb](http://www.fcc.gov/cgb)

To receive information on this and other FCC consumer topics through the Commission's electronic subscriber service, click on [www.fcc.gov/cgb/emailservice.html](http://www.fcc.gov/cgb/emailservice.html).