



# NEWS

Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D. C. 20554

News Media Information 202 / 418-0500  
Internet: <http://www.fcc.gov>  
TTY: 1-888-835-5322

---

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).

---

**FOR IMMEDIATE RELEASE:**  
June 16, 2011

**NEWS MEDIA CONTACT:**  
David Fiske (202) 418-0513  
Email: [david.fiske@fcc.gov](mailto:david.fiske@fcc.gov)

**FCC TO CRAMMERS: NO MORE “MYSTERY FEES”**  
***\$11.7 Million in Penalties Proposed For Unauthorized Charges on Consumers’ Monthly Phone Bills***

Washington, D.C. – The Federal Communications Commission (FCC) today proposed a total of \$11.7 million in penalties against four companies that appear to have unlawfully billed tens of thousands of consumers for unauthorized charges – a practice known as “cramming.” The proposed penalties were issued against Main Street Telephone (\$4,200,000); VoiceNet Telephone, LLC (\$3,000,000); Cheap2Dial Telephone, LLC (\$3,000,000); and Norristown Telephone, LLC (\$1,500,000).

“Cramming” occurs when a company places charges on a consumer’s phone bill without authorization. These mystery fees typically range from \$1.99 to as much as \$19.99 per month. They are often buried in multi-page phone bills and have misleading labels that make it difficult for a consumer to detect them. The FCC has found that cramming is an “unjust and unreasonable” practice that violates section 201(b) of the Communications Act.

FCC Enforcement Bureau Chief Michele Ellison stated: “Cramming attacks consumers in the pocketbook, where it really hurts. The Enforcement Bureau takes today’s actions to protect thousands of consumers who appear to have been hoodwinked into paying for services they never wanted, ordered, or used.”

In today’s cases, the FCC issued Notices of Apparent Liability to each of the four companies for apparently charging thousands of customers for “dial-around” long distance service that they had not ordered. The Enforcement Bureau’s investigation revealed that only a tiny fraction of the affected consumers (about one-tenth of one percent) actually used the services for which they were charged. Nevertheless, the apparently unlawful billing continued for months and sometimes years.

Because these enforcement actions suggest disturbing patterns of deceptive activity, the Commission today also released an Enforcement Advisory on cramming, emphasizing that all charges placed on phone bills must be authorized by the customer, and warning that the Commission will take aggressive enforcement action in this area. The Advisory is available at [http://transition.fcc.gov/eb/Public\\_Notices/DA-11-1063A1.html](http://transition.fcc.gov/eb/Public_Notices/DA-11-1063A1.html).

In order to help consumers protect themselves, the FCC has published a fact sheet, available at <http://www.fcc.gov/cgb/consumerfacts/cramming.html>, which provides advice on how to avoid cramming, and what consumers should do if they discover unauthorized charges on their phone bills.

For further information, contact Mika Savir (202-418-0384) or Erica McMahon (202-418-0346).

--FCC--

News and other information about the FCC is available at [www.fcc.gov](http://www.fcc.gov)