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For Immediate Release

FCC PLANS \$2.4 MILLION FINE AGAINST MICHIGAN COMPANY FOR MISLEADING CONSUMERS

'Long Distance Consolidated Billing Company' Allegedly Changed and Added Charges To Consumers' Accounts Without Authorization

WASHINGTON, July 30, 2015 – The Federal Communications Commission plans a \$2.4 million fine against Long Distance Consolidated Billing Company. This telephone company, based in Waterford, Michigan, allegedly switched consumers' regional toll service providers without their authorization ("slamming"), misrepresented the company's identity during telemarketing calls, and placed unauthorized charges on consumers' telephone bills ("cramming").

"It is unacceptable for any company to pad unauthorized charges on bills or trick consumers into changing their preferred phone company," said Travis LeBlanc, Chief of the FCC Enforcement Bureau. "The FCC will not tolerate companies that deceive consumers into changing their telephone services or carriers."

The Enforcement Bureau reviewed over 70 complaints against Long Distance Consolidated Billing Company (LDCB) that consumers filed with the Commission, the Better Business Bureau, state regulatory agencies, and directly with LDCB. Consumers repeatedly complained that LDCB switched their regional toll service providers without their authorization. In some cases, consumers stated that LDCB's telemarketer pretended to be employed by the consumer's own telephone carrier. The investigation also showed that LDCB placed charges for its service on consumers' local telephone bills without their authorization.

The Commission has charged LDCB with willfully and repeatedly switching consumers' preferred regional toll carrier without verified authorization, misrepresenting its identity to consumers, and cramming unauthorized charges onto consumers' telephone bills. Commission rules prohibit a carrier from switching a customer's preferred long distance carrier without obtaining authorization from the customer to make such a change. The Communications Act makes it unlawful for a carrier to misrepresent its identity or the nature of its service to obtain that authorization. The Act also makes it unlawful for a carrier to include unauthorized charges or fees on consumers' telephone bills.

With today's action, the Commission has now taken more than 30 enforcement actions for cramming or slamming in the past five years. These actions collectively have announced more than \$110 million in penalties to the U.S. Treasury, and are slated to return more than \$250 million to consumers.

For more information about the FCC's rules protecting consumers from unauthorized charges on telephone bills, see the FCC consumer guide to slamming, http://go.usa.gov/3AqPW, or cramming, http://go.usa.gov/3AqPR.

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 Notice of Apparent Liability is available at: https://apps.fcc.gov/edocs_public/attachmatch/
FCC-15-96A1.pdf

Action by the Commission July 30, 2015 by Order (FCC 15-96). Chairman Wheeler, Commissioners Clyburn, Rosenworcel, Pai, and O'Rielly.

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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).