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For Immediate Release**FCC FINES SMART CITY \$750,000 FOR BLOCKING WI-FI**
Company Used Wi-Fi Monitoring System to Block Mobile Hotspots at Convention Centers

WASHINGTON, August 18, 2015 – The Federal Communications Commission’s Enforcement Bureau today announced a \$750,000 settlement with Smart City Holdings, LLC for blocking consumers’ Wi-Fi at various convention centers around the United States. Smart City, an Internet and telecommunications provider for conventions, meeting centers, and hotels, had been blocking personal mobile “hotspots” that were being used by convention visitors and exhibitors who used their own data plans rather than paying Smart City substantial fees to use the company’s Wi-Fi service.

“It is unacceptable for any company to charge consumers exorbitant fees to access the Internet while at the same time blocking them from using their own personal Wi-Fi hotspots to access the Internet,” said Travis LeBlanc, Chief of the FCC’s Enforcement Bureau. “All companies who seek to use technologies that block FCC-approved Wi-Fi connections are on notice that such practices are patently unlawful.”

In providing service at convention centers, Smart City charged exhibitors and visitors a fee of \$80 to access the company’s Wi-Fi services for a single day. The FCC’s investigation revealed that, if exhibitors or visitors to the convention centers did not pay this \$80 fee, Smart City would automatically block users from accessing the Internet when they instead attempted to use their personal cellular data plans to establish mobile Wi-Fi networks – or “hotspots” – to connect their Wi-Fi-enabled devices to the Internet. As part of the settlement, Smart City will cease its Wi-Fi blocking activities and will pay a \$750,000 civil penalty.

In June 2014, the Commission received an informal complaint that consumers could not connect to the Internet at several venues where Smart City provided Wi-Fi service. The Enforcement Bureau’s investigation revealed that Smart City automatically blocked consumers from using their own “rogue” Wi-Fi networks at several convention centers the company serves, including the convention centers in Cincinnati, Ohio; Columbus, Ohio; Indianapolis, Indiana; Orlando, Florida; and Phoenix, Arizona. No evidence exists that the Wi-Fi blocking occurred in response to a specific security threat to Smart City’s network or the users of its network.

This is the FCC’s second major enforcement action regarding Wi-Fi blocking. In October 2014, the FCC fined Marriott International, Inc. and Marriott Hotel Services, Inc. \$600,000 for similar Wi-Fi blocking activities at the Gaylord Opryland Hotel and Convention Center in Nashville, Tennessee.

The Smart City Consent Decree is available at:

https://apps.fcc.gov/edocs_public/attachmatch/DA-15-917A1.pdf

A 2015 Enforcement Advisory on Wi-Fi blocking is available at:
https://apps.fcc.gov/edocs_public/attachmatch/DA-15-113A1.pdf

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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).