# REPORT ON INFORMAL CONSUMER INQUIRIES AND COMPLAINTS 4<sup>th</sup> Quarter Calendar Year 2008 Executive Summary

This report tracks the top subject areas for consumer inquiries and complaints received during the 4<sup>th</sup> quarter of calendar year 2008 and processed by the Consumer & Governmental Affairs Bureau (CGB).<sup>i</sup> Inquiries are defined as correspondence or communications received at the Commission from individuals seeking information on matters under the FCC's jurisdiction. An informal consumer complaint is defined as a communication received at CGB's consumer centers either via postal mail, fax, email, internet, or telephone from or on behalf of an individual that: (i) identifies a particular entity under the FCC's jurisdiction; (ii) alleges harm or injury; and (iii) seeks relief.

2008 Fourth Quarter Inquiries. During this quarter, the total number of inquiries for all four reported categories increased more than 116%, from 102,079 in the 3<sup>rd</sup> quarter of 2008 to 221,419 in the 4<sup>th</sup> quarter of 2008. Notably, the number of Radio and Television Broadcasting inquiries increased more than 194%, from 61,404 in the 3<sup>rd</sup> quarter to 180,949 in the 4<sup>th</sup> quarter. The bulk of the Radio and Television Broadcasting inquiries, i.e., 85%, pertained to Digital Television Issues. Wireline inquiries decreased over 16% from 24,981 in the 3<sup>rd</sup> quarter to 21,355 in the 4<sup>th</sup> quarter. Telephone Consumer Protection Act (TCPA) inquiries constituted over 72% of the inquiries in this category. The number of Cable and Satellite Services inquiries increased more than 73%, as compared to the 3<sup>rd</sup> quarter from 9,008 to 15,594. Inquiries regarding Digital Television Issues constituted 77% of the inquiries in this category. Wireless inquiries decreased more than 47% from 6,686 in the 3<sup>rd</sup> quarter to 3,521 in the 4<sup>th</sup> quarter.

2008 Fourth Quarter Complaints. During this quarter, complaints in the reported categories decreased over 28%, from 98,816 in the 3<sup>rd</sup> quarter to 70,836 in the 4<sup>th</sup> quarter of 2008. Most of the decrease occurred between the Radio and Television Broadcasting category where complaints decreased over 27% from 40,057 in the third quarter to 29,106 this quarter and in Wireline Telecommunications where complaints decreased from 39,546 in the third quarter to 27,160 this quarter. Cable & Satellite Services-related complaints decreased over 7% from 2,263 in the 3<sup>rd</sup> quarter of 2008 to 2,097 in the 4<sup>th</sup> quarter. Wireless complaints decreased 26% from 16,950 in the 3<sup>rd</sup> quarter of 2008 to 12,464 in the 4<sup>th</sup> quarter. TCPA issues comprised over 66% of the complaints in this category. Wireline complaints decreased in the 4<sup>th</sup> quarter of 2008 to 27,160 from 39,546 in the 3<sup>rd</sup> quarter of 2008. Telephone Consumer Protection Act - Other Issues, Telephone Consumer Protection Act - Do Not Call List and Telephone Consumer Protection Act - Unsolicited Fax ranked as the top categories of wireline complaints and when combined, totaled over 82% of the wireline-related complaints in the reported sub-categories.

#### *Yearly Comparisons and Trends*:

The number of inquiries in the top consumer subjects as reported in the quarterly reports dramatically increased from 111,678 in 2007 to 468,431 in 2008. The sub-categories in which notable increases were experienced in 2008, as compared to 2007, were: (1) DTV (Radio and Television Broadcasting), a 1,787% increase from 14,895 in 2007 to 281,168 in 2008; (2) TCPA (Wireline Telecommunications), a 157% increase from 25,971 in 2007 to 66,767 in 2008.

The number of complaints in the top consumer subjects as reported in the quarterly reports has also increased from 278,812 in 2007 to 430,999 in 2008. The sub-categories in which there was a substantial increase in 2008, as compared to 2007, were: (1) Programming – Indecency/Obscenity (Radio and Television Broadcasting), where there was a 35% increase from 154,626 in 2007 to 210,190 in 2008; (2) TCPA (Wireline Telecommunications), a 65% increase from 73,209 in 2007 to 120,812 in 2008.

The Commission receives many inquiries and complaints that do not involve violations of the Communications Act, or a rule or order of the Commission. The existence of a complaint does not necessarily indicate wrongdoing by the company at issue. The quarterly report on informal consumer inquiries and complaints release can be viewed at: http://www.fcc.gov/cgb/quarter/welcome.html.

The data reported reflects the complaints and inquiries recorded in CGB's automated tracking systems for the period October 1, 2008 to December 31, 2008. The information generated for this specific report is information entered into the tracking systems on or before a specific date. In addition, the data within this report account for statistics at the national level as reported by the Commission and, therefore, are not necessarily indicative of corresponding state or local trends.

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# Top Consumer Issues - Subject Category Reference Guide

## **CABLE & SATELLITE SERVICES**

**Billing & Rates Issues:** Complaints/inquiries concerning billing matters and the rates charged for cable programming service (or expanded basic) tier on a cable system or satellite services

Carrier Marketing & Advertising: Complaints/inquiries regarding advertising and marketing practices of carriers including alleged misrepresentations

**Digital Television Issues:** Complaints/inquiries concerning digital TV service or the transition to digital TV

**Disability & Access Related Issues:** Complaints/inquiries regarding video description, closed captioning, and emergency access to video programming

**Over-The-Air Reception Devices (OTARD) Issues:** Complaints/inquiries regarding the installation, maintenance or use of antennas -- including direct-to-home satellite dishes that are less than one meter (39.37") in diameter (or of any size in Alaska), TV antennas, and wireless cable antennas -- to receive video programming

**Programming Issues:** Complaints/inquiries regarding program content or the choice of channels or programs available to subscribers

**Satellite Home Viewer Improvement Act (SHVIA) Issues:** Complaints/inquiries regarding SHVIA issues

**Service-Related Issues:** Complaints/inquiries about the quality of service provided by cable operators or satellite programming distributors

#### RADIO & TELEVISION BROADCASTING

**Broadcast Programming Issues:** Complaints/inquiries related to general over-the-air programming issues

Carrier Marketing & Advertising: Complaints/inquiries regarding advertising and marketing practices of carriers including alleged misrepresentations

**Digital Television Issues:** Complaints/inquiries concerning digital TV service or the transition to digital TV

**Disability & Access Related Issues:** Complaints/inquiries regarding video description, closed captioning, and emergency access to video programming

**Equipment-Related Issues:** Complaints/inquiries dealing with equipment-related items such as antennas and set-top boxes

**Interference:** Complaints/inquiries regarding unwanted signals from nearby transmitters to home entertainment electronic equipment

**License Information (General):** Inquiries regarding broadcast station license, transfer of control, frequency assignment, sale and transfer and other general broadcast license issues.

#### **Programming Issues**

- <u>Indecency/Obscenity</u>: Complaints/inquiries regarding programs that allegedly contain obscene, indecent or profane material
- General Criticism: Generalized concerns regarding the content of programs
- Other Programming Issues: Miscellaneous programming issues

#### **WIRELESS TELECOMMUNICATIONS**

**Amateur License Information:** Inquiries regarding Amateur license acquisition, requirements, eligibility, and replacement

#### **Billing & Rates – Includes the Following Subcategories:**

**Billing/Rates - Airtime Charges:** Complaints/inquiries regarding charges to subscriber for actual time spent talking on a wireless phone

**Billing/Rates - Credit/Refunds/Adjustments:** Complaints/inquiries regarding credits, refunds, or bill adjustments

**Billing/Rates - Line Items:** Complaints/inquiries regarding surcharges and taxes appearing on a phone bill

- Access Charge: Complaints/inquiries regarding miscellaneous line items charges
- <u>E-911:</u> Complaints/inquiries regarding provision of automatic location information and automatic number identification via a wireless phone used to contact a 911 call center
- Taxes: Complaints/inquiries regarding taxes appearing on wireless bill

• <u>Universal Service</u>: Complaints/inquiries about the availability and affordability of phone service for low income consumers in geographic areas where the costs of providing telephone service is high

**Billing/Rates - Recurring Charges:** Complaints/inquiries over recurring monthly charges that appear on a customer's bill

**Billing/Rates - Roaming Rates:** Complaints/inquiries about charges assessed to the subscriber for wireless calls made while roaming in another carrier's territory

**Billing/Rates - Rounding:** Complaints/inquiries about the practice of rounding calls to a full minute

**Billing/Rates - Service Plan Rate:** Complaints/inquiries about the terms and conditions of service

- Activation Fee: usually a one-time charge to initiate service
- Off-Peak: specified time where per-minute rate is lower
- Optional Services: including caller-id, voice mail, road-rescue, etc.
- Peak: specified time where per-minute rate is higher
- Prepaid Service: subscriber pays for service in advance
- Promo Plan: including minute allowances
- <u>Security Deposit</u>: usually a one-time charge that is held by the carrier for a specified timeframe in order for subscriber to acquire service

Carrier Marketing & Advertising: Complaints/inquiries regarding advertising and marketing practices of carriers including alleged misrepresentations

**Contract – Early Termination:** Complaints/inquiries regarding termination of a subscriber's service prior to end of specified contract term

- <u>Termination of Service by subscriber:</u> subscriber's liability for terminating service prior to specified contract term
- <u>Termination of Service by carrier</u>: carrier's right to disconnect a subscriber's service prior to end of a specified contract term

**Equipment Related Issues:** Complaints/inquiries dealing with equipment-related items

**Interference:** Inquiries regarding unwanted signals from nearby transmitters to wireless communications equipment

**License Information (General):** Inquiries regarding General Mobile Radio Services license acquisition, requirements, eligibility, cancellation, frequency coordination, replacement and other general license related issues

**Service Related Issues:** Complaints/inquiries regarding quality of service or the lack of coverage within a geographic area served by a wireless provider

- <u>Dead Spots</u>: inability to receive service within certain areas
- <u>Dropped Calls</u>: premature termination of calls
- <u>Home Area Service</u>: overall quality of service within the subscriber's local calling
- <u>Network Busy Signal</u>: involving calls that do not go through because of overcrowding of the service frequencies
- Roaming Availability: availability of service outside the subscriber's local calling area
- Roaming Service: overall quality of service while roaming
- <u>Service Interruption</u>: inability to use cellular phone because service was interrupted by service provider

**Telephone Consumer Protection Act (TCPA):** Complaints/inquiries regarding compliance with the TCPA requirements applicable to wireless telecommunications

**Tower Related Issues:** Complaints/inquiries involving light outages, paint, posting, zoning and registration

### **WIRELINE TELECOMMUNICATIONS**

Billing & Rates – Includes the Following Subcategories:

**Billing/Rates Credit/Refunds/Adjustments:** Complaints/inquiries about credits, refunds, or adjustments allegedly owed to the subscriber

**Billing/Rates** – **Line Item:** Complaints/inquiries about the line items appearing on telephone bills

- <u>Access Subscriber Line Charge</u>: questions regarding subscriber local-loop line charges for maintaining residential and business and telephone access to the network
- <u>Access Universal Service</u>: questions regarding the FCC's universal service fundaffordable access to basic telephone service for low-income consumers and consumers in high-cost areas, and communications services for schools and libraries and health care facilities
- <u>Interstate Directory Assistance</u>: questions about charges assessed for access to directory assistance information
- <u>Taxes on Telephone Bill</u>: questions about local, state, or federal taxes appearing on a telephone bill
- <u>Truth in Billing No Service Provider ID</u>: Complaints/inquiries about whether the name of the service provider and/or contact information for the service provider is easily identifiable on the bill
- <u>Truth in Billing Bundled Charges</u>: Complaints/inquiries about whether bills contain plain language description and breakdown of charges for each carrier when multiple carriers appear on the bill

• <u>Truth in Billing - No Payment Solution</u>: Complaints/inquiries about whether a bill clearly distinguishes charges for which nonpayment will result in disconnection from those that will not result in disconnection

**Billing/Rates – Rates:** Miscellaneous complaints/inquiries about the rates and charges billed by telephone companies

- <u>Casual Call Billing</u>: rates billed for calls placed from non-public phones through a carrier who is not the presubscribed carrier for the telephone (or which does not recognize a telephone number as that of a subscriber)
- <u>Double Billing</u>: dispute involving alleged double billing for calls or services
- <u>DSL Rate Problem</u>: DSL promotion plan rates allegedly altered or unspecified to consumer
- <u>International Internet Dial-up</u>: international calls (routed to places like Chad, Madagascar or other countries) that were billed to consumers as a result of using local (domestic) Internet service providers to access websites
- <u>International Calls Rates</u>: international calls, rates and/or service that either originate or terminate in the U.S.
- International 809# Billing: 809 area code collect call and consumer dialing scam
- <u>900 Pay-Per-Call Billing</u>: commercially provided interstate 900 number information or entertainment services
- OSP Rates: rates charged for interstate calls placed from public phones
- <u>Rates for Interstate Telecommunications Services Billing</u>: disputes about interstate rates and charges

**Billing/Rates – Recurring Charges**: Complaints/inquiries about recurring charges that appear on a customer's bill

Carrier Marketing & Advertising: Complaints/inquiries regarding advertising and marketing practices of carriers including alleged misrepresentations

**Cramming:** Complaints/inquiries about allegedly unauthorized, misleading, or deceptive charges appearing on a telephone bill

Number Portability: Complaints/inquiries regarding number portability

**Service Quality:** Complaints/inquiries regarding the quality of service provided by telephone companies

- DSL Service Inadequate: poor quality of service or service outage
- <u>Interstate Telecommunications</u>: poor call reception, service outage, service disconnects, or carrier's failure to release telephone line (and no charges are associated)
- <u>Long Distance Service Treatment</u>: inadequate customer service treatment by long distance carrier including, but not limited to, additional services being added without the consumer's knowledge or approval, etc.

**Slamming:** Complaints/inquiries regarding the practice of changing a subscriber's telecommunications service provider (or a calling plan) without the subscriber's permission

- <u>International slam</u>: changing a subscriber's international long distance service without permission
- <u>Local Service slammed</u>: changing a subscriber's local or regional intrastate long distance service without permission
- <u>Local and Long Distance slammed</u>: changing a subscriber's local and long distance service without permission
- <u>Long Distance slammed</u>: changing a subscriber's interstate telephone company service without permission
- <u>Slamming w/Problem LOA</u>: changing a subscriber's interstate telephone company based on fraudulent signed documents or illegal format, such as sweepstake

**Telephone Consumer Protection Act (TCPA) Issues:** Complaints/inquiries regarding compliance with TCPA

- <u>Do Not Call List</u>: any telephone solicitation to a residential telephone subscriber who has requested not to receive telephone solicitations
- <u>Unsolicited Fax</u>: unsolicited ("junk") faxes or the use of a computer or other device to send any messages via a telephone facsimile
- Other Issues: Complaints/inquiries dealing with all other aspects of TCPA except Do Not Call List and Junk Fax

**Universal Service Issues:** Complaints/inquiries regarding contribution methodology, general information, rural health care and calculation increases