

Cramming: Mystery Phone Charges

You're looking at your phone bill thinking someone must have made a mistake. How can you be charged for web hosting when you don't know what web hosting is? Why does your bill list a couple of international calls when all your friends and business contacts are stateside?

Chances are you've been crammed.

Cramming happens when a company adds a charge to your phone bill for a service you didn't order, agree to, or use. Cramming charges can be small, say \$2 or \$3, and easy to overlook. But even when the phony charges aren't small, they may sound like fees you do owe. That makes them tough to pick out, especially if your phone bill varies month to month.

What can you do?

Read Your Bill

Catching cramming charges means taking time to read your phone bill each month — that is, once you get to know your bill a little better.



Facts for Consumers

- *If your telephone bill changes from month to month...* Make it a habit to check the charges on your bill each month for services you haven't ordered or calls you haven't made.
- *If your telephone bill usually is the same...* If your bill goes up one month, even by just a few dollars, take a closer look.

There's no one type of cramming charge. Some charges appear just once; others are "subscription" charges that show up every month. Keep an eye out for generic-sounding services and fees like *Min. Use Fee, Activation, Member Fee, Voice Mail, or Web Hosting*; they may be services you haven't ordered. Are there calls you didn't make? Charges for Internet services from a company you don't know? Area codes you've never heard of, like 011 or 500? The charges could be for anything, including:

- long distance service
- subscriptions for Internet-related services, like web hosting
- access to restricted websites
- entertainment services with a 900 area code
- collect calls
- club memberships

Check out each section of your bill, but note that crammers tend to target some "hot spots." Pay special attention to sections labeled "Miscellaneous," and the long-

distance, 900-number, and "third-party" charge sections on your bill. Third-party charges are charges from anyone other than your phone company. Some phone companies send their customers shorter bills with little detail, but may offer more detailed bills online or upon request. To check out a sample phone bill with various charges explained, visit the Federal Communications Commission website at www.fcc.gov/cgb/phonebills/samplePhonebill.html.

If You Suspect Cramming

Not sure about a charge on your bill? Ask your phone company about it. If the charge isn't from your phone company, the name of the company charging you should be printed nearby. Your phone company should be able to tell you more about the charge, and your statement should tell you how to dispute errors on your bill. It's a good idea to follow-up with an email or letter sent by certified mail; ask for a return receipt. It's your proof that the company received your letter. Keep a copy of your bill and any other documentation for your files.

Then, take the final step in fighting a cramming charge: file a complaint. Even if you get a refund, if you suspect you've been a victim of cramming, notify the FTC at ftc.gov, or by calling 1-877-FTC-HELP (1-877-382-4357). You also can file a complaint with your state Attorney General's office (visit naag.org or check the government section of your phone book for the number) or the state agency that regulates phone service in your state —

often the state public service commission or public utilities commission, which you can look up on the National Association of Regulatory Utility Commissioners website at naruc.org/commissions.cfm. Try to include the names of all the companies involved, not just your telephone company.

Reduce Your Risk of Cramming

Sometimes, there's nothing you can do to prevent a determined crammer from adding fake charges to your phone bill. However, you can avoid giving would-be scammers the opportunity by being wise to some common ploys:

Enter to win. You think you're entering a contest, but you're actually giving your information to strangers who might be up to no good. Before you fill out a contest entry form, consider whether you know the company, and be sure to read the fine print. Shady promoters sometimes use an entry form as "permission" to enroll you in a service. You find out you're enrolled only if you notice the fee on your phone bill.

Join the club. The ad says it's free, and in fact, the number you call to join may be toll-free. All you have to do is say your name and "I want the service." But you may end up enrolled in a club or service program that comes with a monthly charge on your phone bill.

"Free" calls. You may be calling to claim a "free prize," but 900 numbers aren't free. "Free minutes" offers may not be free,

either: you're put on hold and the hold time counts toward your free minutes, which results in a charge to you. In some cases, you should have some warning — every 900 number that costs more than \$2 has to have a brief introductory message about the service, the service provider, and the cost of the call. After that, you have three seconds to hang up without incurring any charge.

Another option to help stop cramming is to block some services. A 900-number block stops calls to 900 numbers from going through. Blocks also are available for international, long distance, and local toll calls, as well as to third-party services. Check with your phone company about the costs of different blocking options, and make sure you understand the range of calls or services that will be included in a block. With a mobile phone, 900-number calls are automatically blocked, but you may be allowed to block other services like Internet access or text messaging.

If you use a telephone modem for Internet access, you can prevent a specific type of cramming by making sure you're using up-to-date security software. Otherwise, you're leaving the door open to scammers who use malicious software programs to download "dialer programs" to susceptible computers. The program redirects your modem, causing it to dial an international or 900-number. You find out when you see the charge on your phone bill.

The FTC works for the consumer to prevent fraudulent, deceptive, and unfair business

Facts for Consumers

practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a complaint or to get free information on consumer issues, visit ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. The FTC enters Internet, telemarketing, identity theft, and other fraud-related complaints into Consumer Sentinel, a secure online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.

FEDERAL TRADE COMMISSION	ftc.gov
1-877-FTC-HELP	FOR THE CONSUMER

Federal Trade Commission
Bureau of Consumer Protection
Division of Consumer and Business Education

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