



Facts for Consumers

Cramming: Mystery Phone Charges

"Cramming." No, we're not talking about studying for an exam, although you may want to study your monthly phone bill more closely in the future. This type of cramming refers to unexplained charges on your phone bill for services you never ordered, authorized, received, or used. Sometimes a one-time charge for entertainment services will be crammed onto your phone bill. Other times, monthly recurring charges are crammed onto your phone bill. Cramming of monthly recurring charges falls into two general categories: club memberships, such as psychic clubs, personal clubs, or travel clubs; and telecommunications products or service programs, such as voice mail, paging, and calling cards.

Cramming Schemes

Most of these scams occur through the use of an 800 number. Others are initiated by contests or sweepstakes. They are all deceptive, and you should dispute the charges. Here are some common ways crooks get your phone number and cram charges onto your bill.

- **800 Number Calls.** You call an 800 number advertised as a free date line, psychic line or other adult entertainment service. A recording prompts you to give your name and to say "I want the service," or some similar phrase, to get the advertised free service. You may have no opportunity to speak with an operator or ask questions, but you are automatically enrolled in a club or service program. The phone number from which you call is captured and billed. You often never get the "free" service you called for, or the service you're billed for.
- **Contest Entry Forms.** You fill out a contest entry form, thinking you're entering to win a prize. In fact, some unscrupulous promoter is using the contest to get your phone number, enroll you for a calling card or some similar service, and bill you on your phone bill. The disclosure on the entry form, which is very difficult to comprehend and in very fine print, says that by completing the form, you authorized the service. You may never get the service -- just the bills.
- **Direct Mail Sweepstakes.** You receive a sweepstakes promotion in the mail that tells you to dial an 800 number to enter or claim your prize. When you call, a recording follows an automated script to automatically enroll you in a club or service program. The phone number from which you call is captured and billed. Once again, the disclosure on the sweepstakes mailer is very difficult to comprehend and in very fine print, and you do not get the service -- just the bills.
- **"Instant" Calling Cards.** Someone may use your phone to call an 800 number for an adult entertainment service, and be offered an "instant calling card." The "calling card" isn't an actual card, but is rather an access code based on the phone number from which the call was placed. The card is used to access and bill for the entertainment service. If someone uses your phone to sign up for such a card,





your phone number will be billed for all purchases of entertainment made using that card, whether or not they are made from your phone.

- **Dating Service Calls.** You call an 800 number advertised as a way to meet local people for free. You're told your date will call you back, or you're asked to enter a code to be "teleconferenced" with your date. What you're not told is that you'll be charged a hefty fee for your conversation with your date. Charges for these calls show up on your phone bill incorrectly labeled as collect or toll charges from a different city.
- **International Calls.** Some ads for adult entertainment services tell you to call a number starting with 011, 500, or another unfamiliar area code. The ads don't explain that these numbers are for expensive international calls, and that the entertainment provider is making money every minute you stay on the line.
- **"Free Minutes" Deals.** You may see ads promising "free time" for a date line, psychic line, or other adult entertainment service. When you call, you're put on hold but told that you won't be charged for this time. Not always true: Sometimes, the "hold time" is deducted from your free minutes. In fact, you may be billed for some of your "hold time" as well as your "talk time."

Don't Get Crammed

Here are some tips to help you avoid cramming scams.

- Be aware that your local telephone company may bill for services provided by other companies. Your local phone bill may include charges for long distance telephone calls, information or entertainment services accessed through 900 numbers or presubscription agreements, club memberships, and non-basic telecommunications services like voice mail or paging.
- With the right technology, companies can get your phone number when you call them, using a process similar to caller ID. Once they have your number, an unscrupulous company can cram charges onto your phone bill. What's more, since this technology can automatically bill the phone number that is called from, other people using your phone can cause charges to be billed to your phone.
- Carefully read the fine print before you fill out contest forms, especially if they ask for your phone number. Likewise, read the fine print before you place a call in response to a sweepstakes promotion.
- Be cautious about calling unfamiliar 800 numbers. Be especially wary if you're told to enter codes, leave your name, or answer "yes" to prompts. Unscrupulous entertainment providers may use this ruse to send you a bill.
- 900 numbers cost money, even if you're calling to claim a "free" prize. All 900 numbers that cost more than \$2 must give you a brief introductory message about the service, the service provider, and the cost of the call. You have three seconds after the message ends to hang up without being charged.
- Consider a 900 number block; it stops calls from going through to 900 number services. Blocks also are available for international, long distance, and local toll calls. Call your local phone company for details.
- Check your phone bill every month for unfamiliar charges. Sometimes, a call placed to a toll-free number may be fraudulently billed as a 900 number, collect call, or international call. Also, calls to information



and entertainment providers in foreign countries may not be described as such. They may be listed as ordinary international toll calls, or calling card calls.

- Examine your phone bill for recurring monthly charges. These charges typically appear as "Miscellaneous Charges and Credits." They may be so small, or described in such general terms, that they're easy to overlook or to confuse with valid services you may have ordered from another provider. Watch for fees described as "Min. Use Fee," "Activation," "Member Fee," "Voice Mail," or some similar phrase. If you find an error on your bill, follow the instructions on your statement. You will be told who to call or write to dispute the charge. Follow up any phone conversations with a letter, sent by certified mail, return receipt requested. That's your proof that the company received your letter. Keep a copy for your files.

Where to Complain

First try to resolve the problem by contacting the telephone company, information provider, or billing agent whose toll-free number is listed on your phone bill. If you call, follow up with a letter.

You should also consider contacting your state Attorney General's office and the Federal Trade Commission. Most Attorney Generals' offices have divisions that deal primarily with consumer protection issues. Check the government section of your phone book or contact your local or state consumer office for the phone number and address of your state Attorney General's office. You can also link to the websites of the Attorney Generals' offices of many states from the [National Association of Attorneys General website](#).

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

Source: Federal Trade Commission online reproducible brochures
<http://www.ftc.gov/bcp/edu/pubs/consumer/products/pro18.shtm>
<http://www.ftc.gov/bcp/edu/pubs/consumer/products/pro18.pdf> (PDF version)