



Senator Richard Blumenthal Holds Press Conference on Mobile Cramming at the OCC

Senator Richard Blumenthal, D-Conn, held a news conference at the Office of Consumer Counsel on Wednesday, August 13, 2014, with Consumer Counsel Elin Swanson Katz to discuss wireless cramming. Today, consumers have the ability to charge a good or service directly to a cell phone account. For example, many consumers sign up and are billed for such third-party services as ringtones, and recurring text messages containing trivia and daily horoscopes. Consumers also use text messages to donate funds to a charitable organization with the charge placed on their cell phone bill. Although the ability to charge a good or service directly to a cell phone bill is very useful to consumers, the practice of billing fraudulent charges on consumers' cell phone bills has become a significant problem referred to as wireless or mobile "cramming".

During Senator Blumenthal's visit at the OCC on Wednesday August 13, 2014, he blasted wireless cramming, stating, "These unauthorized and unscrupulous third-party charges----hidden in bills through vague and deceptive language----have robbed consumers of billions of dollars. Voluntary guidelines have clearly failed to curb this growing nuisance and phone companies can no longer be trusted to do the right thing without strong federal regulation." Senator Blumenthal also tweeted, "Phone cramming is a billion dollar industry that brings in revenue for major carriers, which keep between 30% to 40% of the profits." Senator Blumenthal recently led a Senate Commerce Committee hearing focused on the subject of wireless cramming.

As Connecticut's Consumer Counsel, Elin Swanson Katz supports the stand Senator Blumenthal is taking against wireless cramming and supports his efforts to combat unauthorized third-party charges on cell phone bills. Consumer Counsel Katz believes that the OCC's statutory relationship with regulators, carriers and other industry participants provides the OCC with a unique opportunity to proactively address consumers' wireless cramming concerns. Consumer Counsel Katz advises consumers to make it a habit to check all of the charges on your cell phone bill each month for products and services they have not ordered. Consumers should check each section of their cell phone bill and pay special attention to sections labeled "Miscellaneous" and "third-party" charge. If you don't recognize or understand items or charges on your cell phone



bill, first ask your cell phone carrier about it. If you suspect that you have unauthorized third-party charges on your bill, ask for a refund. Regardless, if you suspect that you have been a victim of wireless cramming, the Federal Trade Commission (FTC) advises that you file a complaint with the FTC online or by calling 1-877-FTC-Help (1-877-382-4357).