

Telecom Survival Guide News

Voice, Data & Internet Service, Price and Product News for Small and Medium-Sized Business Decision Makers
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Number Two

Unwanted Charges on Your Local Phone Bill? How to Find Them, Eliminate Them & Get Your Money Back!

If your business still gets its phone service through the old "Ma Bell" local phone company (as opposed to one of the newer competitive phone providers) then you need to double check your phone bill each and every month for charges you did not authorize. You may not know it but the local phone company allows other companies to bill you through your local phone bill. And while the local phone company allows other businesses to bill you through your local phone bill, the local phone company does not verify that the charges being billed to you by the other company are valid. When these unauthorized charges fraudulently appear on your phone bill it's called "cramming". Unfortunately you as the business owner or manager are the only one that can spot the unauthorized charges and if you don't comb over your bill every month to spot these unauthorized charges - you'll pay for them.

Why does the local phone company allow other companies to pass charges onto your phone bill? "Third-party billing" is supposedly a great convenience in that you only have to pay one bill instead of separate bills for obvious authorized phone related charges like yellow-page advertising in the "real yellow pages", 411 information calls and long-distance calls from your chosen long distance carrier. Over the years though, some less-than-scrupulous companies have realized that most businesses rarely scrutinize their local phone bills. To take advantage of this, these companies have come up with elaborate schemes to place unauthorized charges on your phone bill that you'll end up paying for without even thinking. Unauthorized charges you can end up paying for include charges for unwanted (and unused) email accounts, web sites, directory information calls, directory advertising in obscure publications, voice mail accounts and other services.

In theory, before these charges can be placed on your phone bill, the company that is originating the third-party billed charges is supposed to have a verification of the order like a voice recording. In reality though, all the company needs to do to initiate the charge is submit your name and phone number to the billing entity. The verifications are only required to be produced if a complaint is filed.

To prevent these charges from appearing on you business phone bill it's helpful to understand the four parties that make unauthorized third party phone charges a costly reality. Party number one is any employee who can answer your business phones. The unauthorized charge is rarely random and it usually happens after one of your company employees gets a telemarketing call. Employees should be instructed to document and report any overly aggressive telemarketing calls they receive. Party number two is the telemarketing company that originates the unauthorized charges by trying to get your employee to accept some service for which you'll be billed through your local phone bill. Party number three is the third-party billing company that has billing agreements with your local phone company. The name of the third-party billing is the one that is prominently displayed on your phone bill. After the third-party billing company's name is the name of the company that is originating the unwanted charges. Party number four is your "Ma Bell" local phone company that collects the unwanted charges (keeps a share for "Ma") and then passes the rest to the third-party billing company (who keeps a big share) and then passes the balance on to the company that initiated the unwanted charge.

Following are some of the top third-party billing names and unauthorized charge originators you'll find on your phone bill. If you see these names on your phone bill you'll want to call the toll free number listed next to the charge to confirm it's a charge that's been properly authorized to be placed on your bill. Following are actual examples that we've recently found while auditing business phone bills.

To access links referenced in this printed newsletter visit www.TelecomSurvivalGuide.com
or contact the telecom professional that provided you this newsletter.

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Important note: Third-party billing companies like the ones listed below simply bill you for the products of others. As such, it's not the third-party billing company that initiated the charge you did not authorize - they simply pass on the charge from the initiating company to your phone bill.

1. VOICE MAIL - Enhance Services Billing Inc. (ESBI), VoiceXpress & CoolSavings.com

We found a \$12.95 per month charge on a client's local AT&T phone bill for non-AT&T "VoiceXpress" voice mail service. When we called the listed phone number for VoiceXpress of 800-367-8006 we spoke to a VoiceXpress customer service rep who said a specific person "ordered" the voicemail service almost 15 months ago. When I asked that he give me detailed information about what kind of voicemail service was ordered he quickly stated that the voicemail service was ordered through the website www.CoolSavings.com. He stated that when people go to that website to download free grocery coupons that some of the fine print states that they will be charged \$12.95 per month for the voicemail. Before I could even begin to take issue with the whole situation he said that I would be refunded all the money - at total of \$194.25 on the phone bill within the next bill or so.

I was actually kind of surprised that they were so anxious to refund all our money without a fight until I started Googling ESBI, VoiceXpress & CoolSavings.com. I quickly found that my client was not the first to end up being billed for a service they did not want. Click the following links for more information. [Complaint Site 1](#) [Complaint Page 2](#) [Complaint Page 3](#) [Complaint Page 4](#) [Complaint Page 5](#) [ESBI Lawsuit](#) [ESBI Lawsuit 2](#)

2. DIRECTORY ASSISTANCE - ILD Teleservices, "10 15 15 800", Calling10.com & TelSeven.com

We found ILD billed our client \$21.42 for three separate "directory information calls to the phone number 10-15-15-800. Unlike with ESBI above, ILD was a little stingier before finally relenting to a credit. They were quite insistent that an employee did indeed dial 10-15-15-800 for directory assistance at a cost of over \$5 per call. I quickly challenged them by asking, "Who in the world even knows to dial 10-15-15-800 for directly information unless they were mislead to do so?". The customer service person I complained to issued a one time \$21.42 "courtesy credit" and said a check will be mailed out right away. Surprisingly, the check arrived just a few days later.

Click one of the following links to read Internet posts from others about unauthorized 10-15-15-800 directory assistance calls. [Complaint Page 1](#) [Complaint Page 2](#) [Complaint Page 3](#) [Complaint Page 4](#) [Call10 WebSite](#) [TelSeven WebSite](#)

Unfortunately, unless you are able to block your phone system from dialing 10-15-15-800 or other 101xxxxx "bypass codes", these unauthorized charges can be very difficult to stamp out. While an employee may indeed be tricked into dialing the number as is alleged on some of the web links above, it's likely that an employee is dialing these numbers out of ignorance or malice. Tell them that if they want free directory assistance to dial 800-GOOG-411 or 800-FREE-411.

3. INTERNET DIRECTORY LISTING - OAN Services, Inc., USdirectory.com, & Xacti

We found \$49.95 per month being charged for a non-AT&T online yellow page listings at www.USdirectory.com. When we contacted the customer service number for US Directory we were assured that someone at the business did indeed place the order. The business disputes that the charge was authorized. US Directory said a credit of \$149.85 for three months of the charges would be issued.

Click the following links to view information about others who feel they did not authorize what was charged or to get additional background information about US Directory. [Complaint Page 1](#) [Complaint Page 2](#) [Complaint Page 3](#) [Complaint Page 4](#) USdirectory.com [Xacti](#) [Robert Osterlund](#)

The only way to stop this sort of unauthorized billing would be to contact your local phone company and

ask them what your options are to block all third-party billing. You may or may not want to pursue this option depending on how many authorized third-party billing vendors you are already paying through your phone bill. Many of these vendors (like the real yellow pages) will only do business with you if you allow them to bill you through your phone bill.

4. **DIAL AROUND - USBI & MCI** We found a total of \$84.31 billed by USBI on behalf of for MCI long distance calls. When we called the listed customer service number the rep assured me that either the line was PICed to MCI or that someone was using an MCI dial-around code to make the calls. I assured the representative that the line in questions was confirmed to be PICd to Sprint and that no employee needed to dial any long distance bypass code on the line because the line had a working long distance carrier. After a couple minutes the representative granted the "one-time courtesy credit".

Like the "10 15 15 800" directory assistance dial around problem noted above, other than blocking your whole system from being able to connect dial around attempted calls there is not a good way to block these sort of calls.

5. **UNAUTHORIZED PHONE LINE - Sprint** We found about \$35 worth of long distance charges for a phone number that no one seemed to think belonged to the company. In going back through many back bills it seemed the number had been added to the companies Sprint long distance phone bill over a year and a half ago. We called Sprint to ask them who added the phone number to the account and why. Sprint responded that their records didn't go back that far. We then stated that we wanted to initiate a fraud investigation. Sprint issues a credit of \$304.80 for all the billing on the phone line since it was added to the account. They also blocked the phone line from the Sprint network. I called the line in question and it was some residential phone customer who had no relation to my client.

The obvious way to stop this sort of unauthorized phone line problem is to check the list of all phone numbers billing to the account every month to make sure every number is authorized to be billing on the account.

HOW TO ELIMINATE & ACTIVELY PREVENT UNAUTHORIZED PHONE CHARGES

1. **Switch to a Competitive Local Phone Company** - Only "Ma Bell", the old local phone company allows other companies to add charges to your phone bill. If you switch your local phone lines to one of the new competitive local phone companies, the only charges that will ever appear on your local phone bill are the charges you have authorized in a signed contract. How refreshing!

2. **Have a "Phone Cop" Review Every Bill Every Month** - Designate an inside employee or an outside consultant with the responsibility of knowing what phone services you're subscribed to and why. Then have that person scrutinize every phone bill every month to ensure that only contracted prices are being charges to authorized services. Have them report and track all discrepancies. Have them keep detailed records of all promised refunds so it can be confirmed when the refunds have been received. Have them Google the customer service contact phone number of any company that unexpectedly places charges on your phone bill. You may quickly find that the company has many Internet complaints published against it.

3. **Have a Phone Service Inventory & Expansion Plan** - Every year the local phone company sends their customers a "customer service record" or CSR for every phone bill they get that explains in layman's terms what they're being billed for. Since the annual CSR is not an invoice, many businesses simply discard them - don't! Use the annual CSRs to bounce against the service inventory that you create in house to make sure the phone company is correctly billing you for what you think you have.

In theory, the phone services you currently have are the result of some well thought out plan. Who's the originator of that phone plan and where is it now? It's important to understand the original "phone plan" and to constantly be updating it so as to properly plan for inevitable expansion. More money is wasted because often anyone in a business is allowed to order phone services. In every business, only one person should be authorized to order phone services - the keeper of the phone service "expansion plan".

4. **Keep a Phone Order Diary** - If a phone service is important enough to order, it's important enough to document. Most every phone order is followed up by the phone company with a written confirmation (which you may or may not ever see). Immediately follow up every "MAC" (move, add or change) order with an email to yourself documenting what was ordered, what was the quoted price and all other relevant details. By emailing yourself a note you create a "breadcrumb trail" that you can follow up on later if something goes wrong by simply running a search on your email.

5. **Just Say "No" and Hang Up** - Many unauthorized phone charges originate with a telemarketer calling into the business. If the telemarketer is able to keep you on the line for any period of time they are going to naturally think you want the service and then contrive some reason to place the order for you. Just say, "No thanks & good luck with your next call." Then hang up.

Summary

If you don't know what a charge is on your local phone bill, you probably don't want or need it. Outside of long distance charges from your chosen long distance carrier, yellow page advertising charges in the "real yellow pages" and 411 directory information charges, most other third-party billed charges are likely unauthorized. Only scrupulous monthly vigilance or switching to a competitive local phone company that disallows third party billing can keep you from paying these charges. And it's not just small businesses that fall victim to these charges. Medium-sized businesses with dozens of local phone bills are the companies that have the greatest trouble with unauthorized third party billing.

"Telecom Survival Guide News" is written for the network service clients and prospective clients of ATEL Communications, Inc. To discuss the specifics of this newsletter and how they impact your business please contact ATEL broker & consultant Dan Baldwin at 858-646-4655 or Dan@ATELbroker.com.

Sincerely,



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