
CONSUMER PROTECTION AGAINST SLAMMING: DISCONNECTING FRAUDULENT AND DECEPTIVE PRACTICES

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Imagine how angry and stunned we were to then find a charge on our regular monthly phone bill for a carrier change which we were never informed of and would never have agreed to. . . . As you can see by our monthly statements, not only are they ignoring our correspondence, they are threatening our good credit rating! Why should we pay for their dishonesty?!¹

SLAMMING — the unauthorized switch of a subscriber's primary long distance carrier — is abusing consumers and stealing payments from legitimate carriers.² The elimination of barriers to entry into the long distance business has opened the door to scam operators who use illegal tactics to exploit unsuspecting customers. Instead of benefitting from more consumer choices, hundreds of thousands of telephone subscribers have experienced an unexpected, unwelcomed and costly consequence of increased competition — they have been slammed.

The scope of the problem is difficult to quantify. Federal and state authorities indicate that slamming complaints have increased dramatically during the past three years.³ The Bell Operating Companies reportedly received more than 100,000 complaints about slamming in the first six months of 1995, for a cost to consumers of \$100 million each year.⁴

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¹ Letter from Jeff Barkus, Marcia Barkus, to State of Wisconsin, Department of Justice (Dec. 1994)(on file with COM-LAW CONSPECTUS).

² *In re Cherry Communications, Inc., Consent Decree*, 9 FCC Rcd. 2086, para. 4 (1994).

³ The Federal Communications Commission "received over

I. SLAMMERS USE DECEPTION AND BLATANT FRAUD TO TAKE ADVANTAGE OF CONSUMERS

Consumer complaints evidence a variety of deceptive and fraudulent practices that slammers use to switch long distance carriers. Misleading written solicitations, deceptive telemarketing pitches and outright fraudulent change orders are common sources of consumer complaints.⁵

Misleading written solicitations are used effectively to trick even the most sophisticated consumers into unwittingly signing letters of authorization ("LOAs") to change their primary interexchange carriers ("PIC"). Unscrupulous interexchange carriers ("IXCs") and marketing agents combine LOAs with contest offers, sweepstakes promotions, charity appeals, check incentive payments or other inducements to change a PIC. Slammers emphasize incentive offers in order to obscure LOAs included in the fine print of offers. As a result, these written solicitations mislead and confuse consumers and do not provide clear information about the long distance service offered. Instead of competing on price or quality of service, IXCs that use these marketing ploys take advantage of consumers' hopes to be "lucky win-

1,700 complaints during Fiscal Year 1993 . . . and nearly 2,500 such complaints during Fiscal Year 1994." *In re Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers, Notice of Proposed Rule Making*, 9 FCC Rcd. 6885 (1994). "AT&T . . . found that 7% of those surveyed who left AT&T between April and September of [1994] were slamming victims." Edward Baig, *Shady Operators in Long Distance?*, *Bus. Wk.*, Apr. 24, 1995, at 138.

⁴ Gautam Naik, *Slamming Scourge, Stealing of Customers Spreads With Resellers of Telephone Service*, *WALL ST. J.*, July 26, 1995, at 1.

⁵ Consumer complaints may also result from unintended or inadvertent change orders. Susan E. Kinsman, *MCI Accused of Grabbing Town's Phone Business*, *HARTFORD COURANT*, Aug. 11, 1993, at 1.

ners" or their good faith responses to a charitable appeal.⁶

These deceptive marketing programs also produce falsified LOAs. For example, contest and sweepstake promotions combined with LOAs invite anyone and everyone to participate, regardless of whether the person is a telephone subscriber. Frequently, these entry forms include fine print "negative option" LOAs which automatically switch a participant's long distance service unless some affirmative action is taken to avoid the change. Teenagers who complete entry forms to win a sports car likely do not realize that they have also switched their families' long distance carriers. Usually these promoters make no attempt to verify that participants, in fact, subscribe to the numbers designated on entry forms or are authorized to change the long distance carriers selected by subscribers.

Deceptive telemarketing tactics also exploit public confusion about the status of resellers or aggregators in the long distance industry. Some operators masquerade as facility-based carriers (*i.e.*, AT&T, MCI and Sprint) and seek to mislead prospective victims about the purpose and effect of their solicitation.⁷ Frequently, complainants report being told that they had been selected to receive a "special discount" from their existing carrier. In fact, their carrier was switched and their rates increased.⁸

Finally, outright falsified change orders and forged conversions are the basis for other slamming complaints.⁹ The activities of Sonic Communications, Inc., provide an egregious example of such practices.

During 1994 the company began mailing thousands of check incentive offers which included an LOA that was barely legible. In 1995, the Attorneys General of California, Illinois, New York and Texas sued Sonic Communications, Inc., for unlawful slamming practices.¹⁰ The Attorneys General charged that Sonic had unlawfully slammed more than 3,000,000 subscribers and collected more than \$13 million within a matter of months. After these actions were filed, Sonic insiders allegedly stripped the company of millions and sought protection in bankruptcy court.¹¹

Slammers take advantage of existing business practices in the telecommunications industry which presuppose compliance with legal requirements. In the past, some local exchange carriers ("LECs") and facility based carriers have extended service to companies with a history of consumer abuse.¹² After contractual arrangements are in place, slammers exploit procedures which allow PIC change orders to be submitted to LECs, unaccompanied by documentation from a subscriber.¹³ LECs do not contact subscribers to confirm PIC change orders and do not have a procedure to detect change orders submitted by unscrupulous IXCs.¹⁴ In most instances, PIC change orders are handled apart from customer service representatives who deal with subscriber complaints. Consequently, LECs have continued to process PIC change orders while receiving exorbitant levels of slamming complaints.¹⁵

Slamming causes considerable disruption in the long distance marketplace, harms consumers and di-

⁶ See *In re Matrix Telecom, Inc.*, State of Arizona, No. C 302354 (Pima County Super. Ct. 1994) (deceptive contest offer combined with a LOA).

⁷ *American Tel. & Tel. v. Winback and Conserve Program, Inc.*, 42 F.3d 1421 (3d Cir. 1994) (holding that an aggregator may be liable for oral misrepresentations of independent sales representatives; likelihood of confusion is test for false designation of origin claim).

⁸ *Illinois v. Equal Net Corp., et. al.*, No. 95-CH-0142 (Sangamon County Cir. Ct.) (complaint filed Aug. 15, 1995); *Ohio v. Key Communications Management, Inc.*, No. 95 CVH10-7505 (Franklin County C.P. Ct., complaint filed Oct. 27, 1995).

⁹ See, *e.g.*, *People of the State of California v. Sonic Communications, Inc.*, No. BC 121 379 (L.A. County 1995).

¹⁰ *In re Sonic Communications, Inc.*, U.S. Bkcy Ct. N.D. Ga. Case No. 95-64899. On November 20, 1995, a settlement was announced that is expected to return \$8 million to over 300,000 customers nationwide. *Ryan Announces \$1.7 Million Recovery for Sonic Phone 'Slamming' Victims*, Office of the Attorney General State of Illinois, NEWS RELEASE, Nov. 20, 1995; *Morales Settles Massive Phone "Slamming" Case*, Office of the Attorney General State of Texas, NEWS RELEASE, Nov. 20, 1995.

¹¹ *Id.*

¹² *Sonic Communications, Inc.* was the subject of an enforcement action before widespread solicitation began in 1994. *Tennessee v. Sonic Communications, Inc.*, No. 93-362-III, Petition (Ch. Ct. for Davidson County, Tennessee). The company's principals were the subject of a federal injunction related to 900-numbers. *FTC v. Transworld Courier Servs.*, 1991 U.S. Dist. LEXIS 5225 (1991).

¹³ When a subscriber is slammed by a reseller of a subscriber's PIC, the change order is implemented by the facility-based carrier. Consequently, the unauthorized switch is more difficult to detect because the LEC is unaware of the conversion.

¹⁴ Some LECs may allow a subscriber to place a "do not change order" without prior written confirmation regarding their PIC. See generally *In re Investigation of Access and Divestiture Related Tariffs, Memorandum Opinion and Order*, 101 F.C.C.2d 911 (1985).

¹⁵ The industry's opposition to the written documentation is understandable in view of the volume of PIC change orders. In comments filed with the FCC, Pacific Bell and Nevada Bell indicated that they "[r]eceive approximately 350,000 PIC changes from interexchange carriers . . . each month. Two to three percent result in complaints." Comments of Pacific Bell and Nevada Bell, at 1-2.

verts resources away from IXC's using lawful marketing practices. Consumers who have been slammed may lose the benefits of optional calling plans and incur excessive long distance toll charges due to rates which are often two or three times the rates of their PICs. Moreover, unsuspecting consumers may not detect an unauthorized carrier change for many months.

For those consumers who discover that their PIC has been switched, considerable effort must be undertaken to reverse the change and minimize any resultant loss. Under the current procedure, LECs investigate complaints and require an IXC to provide a valid LOA to avoid responsibility for the cost of switching a slammed customer back to their carrier of choice.¹⁶ The cost for the LECs' complaint investigative function is also born by the IXC. As an alternative, some LECs offer a "no fault" complaint adjustment procedure at a significantly lower cost.¹⁷ Under the "no fault" approach, any slamming complaint is automatically resolved in favor of a complaining customer, but customers remain responsible for toll charges.¹⁸

Before the telecommunications age opened the information superhighway, the number of doors an unscrupulous salesperson could knock on each day restricted the scope of many fraudulent sales practices. Today, slammers take advantage of mass mail solicitations and sophisticated telemarketing to bilk millions of dollars from thousands of consumers. In the past, consumers who discovered fraudulent practices could arrange to stop payment on checks or dispute credit card charges to protect themselves. Today, slammers often include unauthorized IXC charges as part of a local telephone bill sent to unsuspecting subscribers. Slamming victims who resist payment of toll charges incurred following an unauthorized switch are held hostage by the threat of dis-

connection of local phone service.

II. SLAMMING HAS PLAGUED EQUAL ACCESS TO LONG DISTANCE SERVICE

A. FCC Rulemaking to Stop Slamming

After divestiture, the Federal Communications Commission's ("FCC" or "Commission") allocation plan required IXC's to have a signed document on file before submitting an order to a LEC to change a subscriber's PIC.¹⁹ Reacting to "vigorous objections" from long distance companies that this requirement would impede efforts to market services, primarily by telemarketing, the FCC modified the provision to permit change orders if IXC's had "instituted steps designed to obtain signed" LOAs.²⁰

During the late 1980s, slamming became widespread as competition among the three, facility-based long distance carriers intensified. Thousands of customers complained about unauthorized conversion of service by telemarketers.²¹ MCI and AT&T each filed suits alleging that the other engaged in deceptive practices regarding unauthorized PIC conversions.²² Eventually, AT&T and MCI settled their litigation and petitioned the FCC to adopt further safeguards to protect against unauthorized switches. In response, the FCC adopted rules and procedures for verification of long distance service change orders resulting from telemarketing efforts.²³

Under the rules adopted by the FCC, telemarketing sales efforts must be confirmed by the carrier through one of four methods: (1) obtaining a customer's written LOA; (2) obtaining a customer's electronic authorization through an 800 number; (3) obtaining oral verification through an independent third party; or (4) sending an information package including a prepaid, return addressed cancellation

¹⁶ *In re Illinois Citizens Utility Board Petition for Rule Making, Memorandum Opinion and Order*, 2 FCC Rcd. 1726 (1987) [hereinafter *Utility Memorandum Opinion and Order*].

¹⁷ See, e.g., *In re Bell Atlantic Telephone Companies, Order*, 8 FCC Rcd. 2148, para. 3 (1993).

¹⁸ The FCC stated that it would be inappropriate for a slammed customer to receive long distance service free of charge. *Utility Memorandum Opinion and Order*, *supra* note 16.

¹⁹ *In re American Telephone and Telegraph Company Petition for Rule Making, Notice of Proposed Rule Making*, 6 FCC Rcd. 1689 (1991).

²⁰ *Id.* para. 7 (quoting *In re Investigation of Access and Divestiture Related Tariffs, Memorandum Opinion and Order*, 101 F.C.C.2d 911 (1985)).

²¹ *In re Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers, Notice of Pro-*

posed Rulemaking, 9 FCC Rcd. 6885, paras. 3-5 (1994). In 1987, the Commission denied a petition by the Illinois Citizens Utility Board to reinstate the requirement that PIC changes be documented by a written LOA. *Utility Memorandum Opinion and Order*, *supra* note 16.

²² *American Tel. & Tel. v. MCI Communications Corp.*, 736 F. Supp. 1294 (D.N.J. 1990).

²³ See *In re Policies and Rules Concerning Changing Long Distance Carriers, Report and Order*, 7 FCC Rcd. 1038 (1992) [hereinafter *PIC Verification Order*], *reconsideration denied and Order clarified by In re Policies and Rules Concerning Changing Long Distance Carriers, Petitions for Reconsideration and Clarification, Order*, 8 FCC Rcd. 3215 (1993) [hereinafter *PIC Verification Reconsideration Order*]; 47 C.F.R. § 64.1100 (1994).

notice and waiting fourteen days before submission of the change order without further affirmative response from a consumer.²⁴

To encourage compliance, FCC anti-slamming rules imposed LEC charges for unauthorized PIC change orders on IXCs. Since 1987, the FCC made it clear that IXCs, not subscribers, were responsible for disputed PIC charges unless the IXC "produce[d] sufficient evidence that the consumer requested the change."²⁵ At that time, the Commission also emphasized that subscribers would be responsible for paying for toll charges for long distance calls made following an unauthorized switch.

During the 1990s, fueled by the exponential growth of resellers of long distance service, slamming complaints have continued to increase. In response to these consumer complaints, the FCC again initiated rulemaking proceedings in November 1994. The FCC sought to address a particularly troublesome aspect of slamming: deceptive and misleading LOAs.²⁶ The FCC's fundamental proposal was direct and straightforward — "the LOA [sh]ould be on a separate piece of paper, apart from any inducement materials"²⁷ Under the proposal, a consumer would have to sign a separate document, apart from any incentive such as a check, contest or charity offer.

Consumer advocates supported the proposal, but long distance companies criticized the measure as overly restrictive. Long distance companies argued that it would be an unconstitutional limitation of freedom of speech to ban the combination incentive offers with LOAs as a marketing method. Long distance companies recommended "targeted enforcement actions" as the solution to the slamming problem.²⁸

In June, 1995, the FCC adopted rules designed to provide further protection against slamming. These rules specify that a LOA must be in a "separate or severable document" containing only clear and unambiguous language authorizing a PIC change.²⁹ The rules also prohibit the use of "negative option" solicitations whereby customers must take affirmative action to avoid PIC changes.³⁰ However, the FCC explicitly exempted LOAs combined with check incentive offers from the general requirement that LOAs be separate or separable.

The Commission also considered the question of subscriber liability for unauthorized PIC conversions and charges following such switches. The Commission continued to hold that subscribers were not responsible for conversion charges. The Commission also endorsed the principle that consumers only would be responsible for the amount of long distance charges that would have been incurred if the PIC had never been changed. Under this approach, IXCs that fail to evidence disputed change orders will be required to refund toll charges that exceed the rates that would have been charged.³¹ However, the FCC recognized that this remedy "may not be the best deterrent against slamming . . . [and it] may have to revisit this question at a later date."³²

B. Legislative Reaction to Slamming

State legislatures are also attempting to respond to complaints about slamming. Using FCC rules as a basis, state legislatures prescribed additional penalties for slammers and remedies for victimized subscribers.³³

Congress expressly dealt with slamming in Section 258 of the Telecommunications Act of 1996.³⁴ While

²⁴ 47 C.F.R. § 64.1100.

²⁵ *In re Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers, Notice of Proposed Rule Making*, 9 FCC Rcd. 6885 (1994) (citing *In re Illinois Citizens Utility Board Petition for Rule Making, Memorandum Opinion and Order*, 2 FCC Rcd. 1726 (1987)).

²⁶ *Id.*

²⁷ *Id.* para. 2.

²⁸ See, e.g., Comments of MCI in CC Docket No. 94-129 (Jan. 9, 1995).

²⁹ *In re Policies and Rules on Procedures Concerning Unauthorized Changes of Consumers' Long Distance Carriers, Report and Order*, 10 FCC Rcd. 9560, para. 2 (1995)[hereinafter *Policies and Rules Report and Order*].

³⁰ *Id.* In the *Policies and Rules Report and Order*, the FCC makes several additional important clarifications regarding slamming practices. First, the carrier named on the LOA must be the rate-setting IXC. *Id.* para. 29. Second, the FCC will not treat business subscribers less favorably than residential subscribers.

Id. para. 34. Third, if part of an LOA is in a language other than English, then all of the LOA must be in such language. *Id.* para. 40. Fourth, customer-initiated calls to an IXC that result in a change order must comply with the verification procedures of the Commission's rules. *Id.* (this has been stayed pending decision of reconsideration motions). A final noteworthy aspect of the *Policies and Rules Report and Order* is that the FCC squarely rejected industry recommendations to preempt state laws governing slamming practices. *Policies and Rules Report and Order, supra* note 26, para. 43. Note that petitions for reconsideration are pending.

³¹ *Id.* para. 37.

³² *Id.* para. 30.

³³ See, e.g., 1995 Conn. Publ. Acts No. 95-326; Illinois House Bill 2515 (1996); Wis. Adm. Code Ch. Ag. 123 (relating to telecommunications services and cable television services).

³⁴ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996), § 258 [hereinafter 1996 Act].

the federal telecommunications deregulation will bring equal access to local and intrastate long distance markets,³⁵ the measure expressly prohibits telecommunications carriers from submitting or executing a change order except in compliance with the Commission's rules.³⁶ Congress also made it clear that slammers should not profit from unlawful practices. Section 258 prescribes that a slammer is liable to the prior carrier for any amount collected in violation of verification procedures.³⁷ This assignment of liability is in addition to any other legal remedy. Furthermore, the conference committee comments reveal congressional intent that slamming victims be made whole.³⁸

C. Enforcement Actions to Stop Slamming

During the past several years, state Attorneys General, state regulatory agencies and the FCC have devoted increasing enforcement resources to stop slamming and to recover millions of dollars unlawfully taken from consumers.³⁹ These efforts have often resulted in the entry of consent judgments that provide for injunctions, monetary penalties and restitution programs for slamming victims.⁴⁰ The FCC also recently pursued enforcement actions based on slamming complaints. For example, in early 1996, the Common Carrier Bureau announced actions taken against five carriers which it alleged were apparently liable for forfeitures of \$320,000.⁴¹

³⁵ *Id.*

³⁶ *Id.* § 258(a).

³⁷ *Id.* § 258(b).

³⁸ The Conference Report of Section 258 states that "the Commission's rules should require that carriers guilty of 'slamming' should be held liable for premiums, including travel bonuses, that would otherwise have been earned by telephone subscribers but were not earned due to the violation of the Commission's rules under this section." H.R. CONF. REP. NO. 104-458, 104th Cong., 2d Sess. 136 (1996).

³⁹ State Attorney General enforcement actions currently pending include the following: Vermont v. OnCor Communications, Inc., No. 738-95 CNC (Chittenden Super. Ct.); Illinois v. Equal Net Corp., No. 95-CH-0142 (Sangamon County Cir. Ct.); Illinois v. Sonic Communications, Inc.; Arkansas v. Equalnet Corp., No. 1J96-1153 (Pulaski County); Ohio Key Communications Management Inc., 95 CVH 10-7505 (Franklin County P.Ct.).

⁴⁰ No centralized reporting system exists to track these efforts. An informal survey of the thirty states participating in the Telecommunications Subcommittee of the Consumer Protection Committee of the National Association of Attorneys General identified the following: Missouri v. Home Owners Long Distance, Inc., Twenty-Second Judicial Circuit, No. 954-2122 (St. Louis City); Illinois v. The Furst Group, Inc., No. 95-CH-0141

III. LONG TERM REMEDIES TO DISCONNECT SLAMMERS

It is critical that procedures be implemented to make the new markets created by deregulation hostile to would be slammers. As the FCC observed, "for any competitive market to work efficiently, consumers must have information about their own choices Slamming takes away those choices from consumers."⁴²

Enforcement actions alone are not a long term cure for slamming. Slamming will continue to plague the telecommunications marketplace unless its characteristics are changed to provide adequate protection.

A. Consumer Liability

The most critical aspect which must be changed is the premise that telephone subscribers are liable for charges that they did not order. While such liability for unordered use of long distance telephone service may have had some merit in the pre-divestiture regime, in a competitive marketplace little justification remains. Buyers and sellers of telecommunications service should be governed by the same standards as other competitive services. Under most state consumer protection laws, consumers are not liable to pay for service which was not ordered. A seller should not be able to obtain payment for a service unless a consumer affirmatively ordered the service.⁴³

(Sangamon County Cir. Ct.); Arkansas v. The Furst Group, Inc.; Wisconsin v. The Furst Group, Inc., No. 95CV691 (Outagamie County Cir. Ct.); State of Arkansas v. Cherry Payment Sys., Inc., Case No. 93-1035 (Ch. Ct. of Pulaski County, Arkansas, Fourth Division, 1993); Ohio v. Cherry Communications, Inc., *Consent Judgment Entry and Order* (Court of C.P., Franklin County, Ohio, 1994); *In re: Cherry Payment Sys., No. 93-74046-CP, Assurance of Discontinuance* (Michigan, Department of Attorney General); Tennessee v. Maxima Communications Corp., No. 93-3554-I, *Agreed Final Order*, (Ch. Ct. for Davidson County, Tennessee); Tennessee v. Sonic Communications, Inc., No. 93-3626-III, *Petition* (Ch. Ct. for Davidson County, Tennessee); Tennessee v. Cherry Payment Sys., Inc., No. 93-78-III, *Petition* (Ch. Ct. for Davidson County, Tennessee).

⁴¹ See generally *Common Carrier Bureau Finds Five Companies Apparently Liable for Forfeiture For Slamming* (Rpt. No. CC 96-2), FCC News, Jan. 23, 1996.

⁴² *Policies and Rules Report and Order*, *supra* note 26, para. 9.

⁴³ RESTATEMENT OF RESTITUTION § 2 (1937). "A person is not required to deal with another unless he so desires and, ordinarily, a person should not be required to become an obligor unless he so desires." *Id.*

A policy denying a slammer any financial benefit would promote self-enforcement, remove potential for profit and provide real deterrence.⁴⁴ Allowing the slammer to receive or retain any portion of the long distance charges following a PIC change is contrary to long-established equitable principles.

B. LEC and IXC Responsibility for Slamming Practices

Structural aspects of the telecommunications business provide minimal protections against fraudulent slamming practices. Although IXCs and LECs resist responsibility for policing the conduct of resellers or other entities, additional protective measures should be implemented to discourage slamming.

LECs should develop monitoring systems to identify IXCs that generate an excessively high number of slamming complaints. The current procedure used by some LECs of "no fault" complaint adjustment tends to undermine the deterrent effect of LOAs by eliminating the need to produce a LOA in response to a subscribers complaint. Similarly, facility-based carriers have provided service to resellers which have had past records of consumer abuse. In a like manner, LECs have contracted to provide billing and collection services to the same companies. If particular IXCs have had a past history of consumer abuse, additional protections should be put in place to ensure such unlawful practices are not repeated.

C. Separate Incentives From LOAs

By permitting LOAs to be separable instead of a separate piece of paper, the FCC is testing the inge-

nity of unscrupulous promoters to devise misleading and deceptive LOAs that will continue to confuse the public. By permitting checks to be combined with LOAs, the FCC is inviting the continuance of fraudulent practices. The disclosures mandated can be easily overwhelmed by contest, sweepstakes or charity pitches being used to secure prospects' names, addresses and telephone numbers. Based on the past record of abuse, there is little doubt that unscrupulous carriers or marketing agents will seek to evade these new disclosure requirements.⁴⁵

IV. CONCLUSION

The post-divestiture telecommunications industry is far from a mature and stable marketplace. Although the reality of this marketplace is being dramatically transformed, consumer perception of the telephone business may not have kept pace. Before divestiture, consumers accepted, without question, the charges which appeared on their telephone bills. The infrequent complaint was routinely adjusted. Today, it is a different story. The ease of entry in this market, together with the prospect of profits of millions of dollars, makes the marketplace attractive to scam operators interested in the quick return rather than the long run.

Expensive and protracted law enforcement actions alone are not a solution to fraudulent slamming practices. The monetary penalties imposed usually represent a small cost of doing business for these promoters. Effective regulatory measures must be implemented to eliminate the potential for deception and to provide a stable and suitable basis for competition in the telecommunications industry.

⁴⁴ The FCC procedures in place to determine whether the customer or the IXC must pay the switching fee could be easily expanded to include long distance toll charges following an unauthorized switch.

⁴⁵ The National Association of Attorneys General, Telecommunications Subcommittee, petitioned the FCC for reconsideration of this aspect of the order.