



CONSUMER BULLETIN No. 05-2 Maine Public Utilities Commission

242 State Street, 18 State House Station, Augusta, ME 04333-0018
Contact: Derek Davidson, (207) 287-1596, e-mail: derek.d.davidson@maine.gov

Slammers Targeting Small Businesses *Consider “Freezing” Your Telephone Service to Avoid Problems* **June 10, 2005**

The Maine Public Utilities Commission (PUC) warns small businesses to be wary of callers who request personal information or other information about the business. Several unscrupulous telephone companies are using deceptive methods to obtain customer authorization to make a carrier change, and as a result, the telephone service of many small businesses is being changed without their knowledge or consent.

“Slamming” is the unauthorized switching of your phone service from your carrier to a competitor, and it can happen to your local, in-state toll, out-of-state toll, or international services. In the latest scam, a representative from the slamming company poses as a representative of Verizon and claims to be calling to correct a billing error or to offer an especially favorable calling plan. The caller informs the consumer they only need to provide their date of birth and a mailing address to take the necessary action. Once given this information, and armed with the consumer’s phone number, slammers are able to switch the consumer’s phone service without their authorization.

While there are consumer protections in place to help prevent slamming, when company representatives completely misrepresent themselves and the purpose of their call the more conventional protections do not work. Consumers need to be vigilant about providing personal information over the telephone, to ask questions to ensure they understand what is being offered, and to confirm the identity of who is calling them. In addition, consumers should carefully read their telephone bills and consider placing a “freeze” on their telephone service.

Carrier “freezes.” To avoid falling victim to these aggressive and illegal practices you can “freeze”—or lock in—your selection of phone service carrier(s). A carrier freeze places an important barrier between you and slammers, providing protection from unscrupulous carriers and unintentional switching.

Your local phone company is required by state and federal rules to automatically change any of your carriers when notified by a carrier that you have switched to it. “Freezing” your service(s) helps prevent slamming because—before your service can be switched—you are required to give

Small Businesses Warned of Slamming

Page 2

your express authorization to your local phone company to perform any carrier changes on your behalf.

Placing a freeze. To freeze your service, simply notify your local phone company that you want a carrier freeze and specify which services you want to freeze—local, in-state toll, out-of-state toll, or international. Freezing and unfreezing your preferred carrier selections is easy, and is usually done without charge.

Lifting a freeze. Carriers handle changes for customers with freezes in different ways. Some ask *you* to remove the freeze from your line by calling your local phone company. Others ask you to teleconference with them and your local phone company to lift the freeze. Others give you their identifying code (known as a PIC code) and ask you to notify your local phone company to lift your freeze and switch you to the new code. Check with your prospective new carrier regarding its procedure for changing carriers if you have put a freeze on your services.

The only downside of carrier freezes is that there is an extra step in the process when you *actually* want to change carriers. You must first give your new carrier permission to change your service, and then give your local phone company permission to lift the freeze.

Read your bill. Another important step to catch a slammer quickly is to read your bill thoroughly each month. If you see you are receiving services from a company you have not selected, call that company and tell them to refund any charges incurred so far as well as any carrier change fees (and keep notes for your records). You should then contact your preferred carrier to ask to be switched back to them and be placed back on your original (or a better) calling plan. Finally, call the PUC to file a complaint against the company.

For more information on carrier freezes, or if you believe you have been slammed, call the PUC at 1-800-452-4699.