



For Immediate Release

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MADIGAN FILES SUIT AGAINST ALLEGED PHONE BILL CRAMMERS

Chicago – Attorney General Lisa Madigan today announced a lawsuit filed against two California companies and their owners alleging that, working together, they have bilked small businesses in Illinois and across the country for thousands of dollars through a practice known as “cramming”. Cramming involves adding charges to a consumer’s telephone bill that the consumer never wanted nor ordered.

Madigan’s complaint alleges that MSMB2B Inc., Zip Wide Web Inc., Mark Cave, Chief Executive Officer of MSMB2B Inc., and David Harris, Chief Operating Officer of Zip Wide Web, Inc., place telemarketing solicitations to small businesses during which they claim the businesses are receiving a free trial of their services, without any obligation. However, in reality, if a small business does not call and cancel within 30 days, the defendants cause the small business to incur monthly charges of \$49.95 which appear on the business’ local phone bill under the “Miscellaneous Charges and Credits” section of the bill. The charges are commonly listed as “Monthly Internet Service Fee”, “Internet Service Provider Monthly Fee”, or “Liberty Unlimited ISP Service Monthly Fee”.

Small business consumers have reported charges on their local phone bill despite flatly refusing to receive any service or information from defendants. In some instances consumers have denied knowledge of any solicitations by defendants’ telemarketers. All consumers who have complained to the Illinois Attorney General’s Office deny having authorized defendants’ services or agreeing to pay for these services.

“While a private resident would certainly notice a \$49.95 charge on their phone bill, small businesses often have phone bills that consist of many pages and total in the hundreds or thousands of dollars,” Madigan said. “Companies like the defendants take advantage of the fact that small business owners are not likely to notice a small increase in their already large phone bill and may go several months before calling attention to a charge for a service they did not request.”

A review of records by Madigan’s office has revealed that over the past two years MSMB2B Inc. or Zip Wide Web Inc have caused at least 7,500 charges to appear on the phone bill of Illinois small businesses, totaling over \$264,114. So far, Madigan’s office has received 17 consumer complaints from small

businesses in Clinton, Union, DuPage, Champaign, Sangamon, Carroll and McLean Counties.

However, Madigan said the 17 complaints are likely “only the tip of this telemarketing iceberg.” She urged small businesses who believe they have fallen victim to this scam to call her office at the number listed below to file a complaint with her Consumer Fraud Bureau.

Madigan’s suit, filed August 10, 2006 in Sangamon County Circuit Court, charges MSMB2B Inc., Zip Wide Web Inc., Mark Cave, and David Harris with violating Illinois’ Consumer Fraud Act. Madigan’s suit seeks a permanent injunction barring the companies from doing business in Illinois, restitution for consumers, civil penalties of \$50,000 for violating the Consumer Fraud Act, an additional \$50,000 for each violation committed with the intent to defraud.

Assistant Attorney General Philip Heimlich is handling the case for Madigan’s Consumer Fraud Bureau in Springfield. To file a complaint with Madigan’s office, consumers can call the Attorney General’s Consumer Fraud Hotline at the following number:

1-800-243-0618
TTY 1-877-844-5461

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