

Press Releases

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ATTORNEY GENERAL MADIGAN SUES TELEMARKETER FOR CRAMMING

Lawsuit Alleges Small Business Owners Unfairly Billed for Advertising

Chicago — Attorney General Lisa Madigan today filed a lawsuit against a Las Vegas-based corporation, alleging that, in offering Internet yellow pages listings, this company bilked small businesses in Illinois and across the country through a practice known as "cramming." Cramming involves adding charges to a consumer's telephone bill that the consumer never wanted or ordered.

"This company defrauds small business owners by adding unauthorized charges to their bills," Madigan said. "I urge consumers to review their monthly phone bills to ensure they've authorized all the charges. If they find charges they did not approve, they should dispute them with their phone company and ask that the charges be removed from the bill, and they should file a complaint with my office."

Madigan's complaint alleges that YP.com, which incorporated under the name Live Deal, Inc., called small business owners under the guise of "confirming" their information for free Yellow Pages listings. In fact, the listings were free for only 30 days. After 30 days, if the consumer did not take action to cancel the service, the allegedly crammed a \$35.95 monthly fee onto the unsuspecting consumer's bills. Further, according to the complaint, consumers who tried to cancel this service had difficulty because the customer service line was busy.

Madigan's Consumer Fraud Division has received more than 21 phone bill cramming complaints against YP.com. Madigan's suit asks the court to order the defendant to pay civil penalties of \$50,000 for violating the Consumer Fraud and Deceptive Business Practices Act and to cover the cost of the prosecution. Additionally the suit seeks refunds for consumers who received unauthorized charges on their phone bill and a court order prohibiting the defendant from engaging in phone bill cramming in the future.

Assistant Attorney General Philip Heimlich is handling the case for Madigan's Consumer Fraud Bureau in Springfield.

-30-

Return to November 2008 Press Releases



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