

Verizon Wireless plans \$30M-\$90M customer refunds

October 4 2010

(AP) -- Verizon Wireless could pay out up to \$90 million in refunds to cell phone customers who were improperly charged for inadvertent Web access or data usage over the past several years.

The <u>Federal Communications Commission</u> had asked <u>Verizon Wireless</u> last year about \$1.99-a-megabyte data access fees that appeared on the bills of customers who didn't have data plans but who accidentally initiated data or Web access by pressing a button on their phones.

In a statement on its website Sunday, Verizon Wireless said most of the 15 million customers affected will receive credits of \$2 to \$6 on their October or November bills. Some will receive larger sums. Customers no longer with the New York-based carrier will get refund checks.

"Verizon Wireless values our customer relationships and we always want to do the right thing for our customers," said Mary Coyne, deputy general counsel for Verizon Wireless. "The majority of the data sessions involved minor data exchanges caused by software built into their phones; others involved accessing the Web, which should not have incurred charges. We have addressed these issues to avoid unintended data charges in the future."

Verizon has said that it stopped charging such fees when a customer started using a data service but then quickly shut it off.

The FCC confirmed Sunday that it has been investigating the charges



after complaints from consumers. It said Verizon itself has reportedly put the amount of overcharges at more than \$50 million, dating back two years.

"We're gratified to see Verizon agree to finally repay its customers," FCC Enforcement Bureau Chief Michele Ellison said in a statement.

"But questions remain as to why it took Verizon two years to reimburse its customers and why greater disclosure and other corrective actions did not come much, much sooner."

The FCC will continue to look into those issues, including the possibility of additional penalties, Ellison said.

Verizon Wireless, the largest cell <u>phone carrier</u> in the U.S., is a joint venture between Verizon Communications Inc. and Britain's Vodafone Group PLC.

©2010 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Verizon Wireless plans \$30M-\$90M customer refunds (2010, October 4) retrieved 10 April 2024 from

https://phys.org/news/2010-10-verizon-wireless-30m-90m-customer-refunds.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.