

Washington state files \$100 million suit against Comcast

August 2 2016, by Rachel La Corte

Washington State Attorney General Bob Ferguson on Monday filed a \$100 million lawsuit against Comcast, saying the cable and internet giant deceived customers into paying tens of millions of dollars in fees for a "near-worthless" service protection plan.

Ferguson, who filed the lawsuit in King County Superior Court, said at a news conference that in addition to its misleading service protection plan, Philadelphia-based Comcast committed more than 1.8 million violations of the state's Consumer Protection Act by charging improper service call fees and using improper credit screening practices.

"This case is a classic example of a big corporation systematically deceiving Washington state consumers and putting profits above those consumers," said Ferguson said.

According to the lawsuit, Comcast misled 500,000 customers in Washington state by having them pay a \$4.99 monthly fee to avoid being charged if a technician visited their home to fix an issue covered by the plan. But Ferguson said the company didn't reveal that the plan didn't cover repairs to wiring inside a wall. As part of the investigation, customers contacted Comcast numerous times. Ferguson said that 75 percent of the time, Comcast representatives falsely told the customers that the plan covered all inside wiring.

More than \$73 million of the amount that Ferguson is seeking is for restitution to customers who paid for the protection plan over the past

five years.

"Comcast needs to pay that money back," he said.

The remainder of the amount he is seeking is for restitution for charging improper service call fees and for penalties related to violation of the state's consumer protection act. The lawsuit says that Comcast violated that act to all of its nearly 1.2 million customers in the state because of its deception. He noted that the Washington lawsuit was the first on this issue in the country, though the company's service protection plan is a nationwide program. Ferguson said he's not yet aware of any other states planning to sue the company.

"Over and over and over again, Comcast most certainly did not play by the rules," Ferguson said.

Ferguson said that the investigation began after an employee of his office brought the credit screening issue to his attention. Comcast requires a deposit for equipment, but customers can have that deposit waived if they undergo a credit check and have a high credit score. However, Ferguson said that on more than 6,000 occasions, deposits were paid by people who still had their credit checked, meaning that either Comcast wrongfully ran a credit check in spite of the customers paying the deposit or else the company still made the customers pay the deposit despite their high [credit](#) score.

Comcast officials said Monday they were "surprised and disappointed" about the lawsuit.

In a statement, Comcast said the protection plan covered 99 percent of consumers' repair calls. The company said it made several improvements based on the input of Ferguson's office. The company said "we stand behind our products and services and will vigorously defend ourselves."

Ferguson said Comcast should not have been surprised, because they knew as of last week that litigation was imminent.

"It took the filing of our complaint before correcting some of the steps," Ferguson said. "That doesn't change the fact that for the better part of a year they did nothing."

Ferguson's office says that trial has been set for July 2017.

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