

BREAKING NEWS: Parker Waichman LLP, Wins \$41 Million Jury Award

Search



NEW YORK • LONG ISLAND • NEW JERSEY • WASHINGTON D.C. • FLORIDA
Testimonials • Verdicts • Our Team • PW Main Office • PW in the News • PW Blog

Home | Defective Drugs | Medical Devices | Environment | Accidents | Product Liability | Malpractice | Diseases | Food Poisoning | Nursing Home | Social Security Disability | Other | Contact Us

Home » Articles

Verizon Announces Data Charge Refunds in Wake of FCC Probe, Class Action Lawsuit

Oct 6, 2010 | Parker Waichman LLP



Verizon Wireless announced earlier this week that it will be issuing refunds to millions of cell phone customers who were wrongly billed for data services. The Verizon Wireless data charges were already the subject of a Federal Communications Commission (FCC) probe and a class action lawsuit.

The Verizon Wireless data charge refunds announced on Sunday will involve 15 million customers, with refunds totaling around \$50 million. Most of the refunds will range from \$2.00 to \$6.00.

The news of the Verizon refunds comes two years after consumers began complaining that they discovered data charges on their monthly bills, even without having subscribed to a data plan. Verizon is blaming the problem on built-in software on mobile phones that accidentally launched Web applications, resulting in the charges.

In April, the national law firm of Parker Waichman LLP filed a class action lawsuit against Verizon over the data charges. The lawsuit, filed in federal court in Newark, New Jersey, alleged that Verizon was charging \$1.99 Internet usage fees even when customers' phones were turned off or when they accidentally launched the browser and didn't download a kilobyte of data. The complaint further alleged that Verizon rigged phones to make it easy to accidentally launch the browser.

The FCC began investigating the issue about a year ago. And while the commission hailed Verizon's refund plan, it isn't closing its probe. The FCC said it will continue to investigate Verizon's practices and may penalize the company.

"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," FCC Bureau Chief Michele Ellison said in an e-mail statement to PC World.

FCC Member Mignon Clyburn also indicated earlier this week that the refunds would not be enough to get Verizon off the hook.

"Given the magnitude of the problem that Verizon Wireless revealed yesterday, we must quickly get to the heart of what happened, when, and why," Clyburn said on Monday. She also noted that the company had been notified more than two years ago about the problems.

"The company's initial response to public reports of the phantom fees was that it does not charge consumers for accidental launching of the web browser. Yesterday's announcement clearly requires further explanation," Clyburn said

Some lawmakers are also pushing for better monitoring of such fees in the wake of the Verizon debacle. In a letter to FCC Chairman Julius Genachowski, Democratic Senators Amy Klobuchar (Minn.), John Kerry (Mass.) and Mark Begich (Alaska) said the agency needs to maintain "robust" oversight of billing practices in the wireless industry.

"As Verizon Wireless' recent decision makes clear, wireless consumers are often faced with confusion over wireless charges and uncertainty about their bills," they wrote.

Tags:

Other articles

Para Español marque
HAVE A ?
CLICK HERE FOR A FREE CASE REVIEW

Verizon Data Plan Overch...

Denotes required field.

First Name

Last Name

Email

Phone

Cell Phone

Street Address

Zip Code

City

State

Please describe your case:

Phone

Manufacturer

Phone Model

No Yes, I agree to the Parker Waichman LLP disclaimers. Click here to review.

Yes, I would like to receive the Parker Waichman LLP monthly newsletter, InjuryAlert.

SUBMIT FOR A FREE CASE REVIEW