

Business fined \$5.4 million for sending out faxes!

This is no joke. In January 2004 the Federal Communications Commission (FCC) announced that it had imposed a record \$5.4 million fine against a company that allegedly sent out unsolicited faxes in violation of federal law.

We're writing to remind you that the Telephone Consumer Protection Act of 1991 (TCPA) prohibits unsolicited ads by fax to both businesses and residences. Also, whether you transmit a fax using a computer, a fax machine or another device, the fax ban still applies.

The Direct Marketing Association (DMA) has identified some things you should know before sending a fax, including the following:

1. You may not send an unsolicited ad by fax to prospects or consumers (even businesses) that you've never contacted before, nor may you send faxes to a person once they request that you stop. The TCPA fax ban applies to faxes sent from computers to fax machines, and to faxes sent to computers or e-fax services.
2. After January 1, 2005, you must receive EACH customer's written permission before sending them an unsolicited ad by fax. You may not send a prospect a fax asking their permission to fax, however. The same rules also apply to business-to-business faxes.
3. Consumers can sue for the actual monetary loss that resulted from the violation or up to \$500, whichever is greater. In addition, if the court finds that the company willingly or knowingly committed the violation, the fines can be tripled for each such offense.

The FCC can impose civil monetary penalties of up to \$11,000 for each violation and state attorneys general may bring suits in federal court for actual damages or \$500 per violation, with triple damages for knowing and willful violations. In the case cited above, the FCC found that the company violated the TCPA and FCC rules on 489 occasions and imposed the maximum fine of \$11,000 for each one.

For more information check these sources:

[Direct Marketing Association](#)

[Federal Communications Commission](#)

Information provided by OneBeacon Insurance Company