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Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

FOR IMMEDIATE RELEASE:
September 30, 2003

NEWS MEDIA CONTACT:
Suzanne Tetreault at (202) 418-7450

FCC PROPOSES TO FINE LONG-DISTANCE RESELLER \$806,861 FOR FAILURE TO MAKE UNIVERSAL SERVICE CONTRIBUTIONS

Washington, D.C. – Today the Commission proposed an \$806,861 forfeiture against Globcom, Inc., a Northbrook, Illinois long-distance service reseller, for apparently violating the Commission’s universal service and telecommunications relay service (“TRS”) rules. This is the largest forfeiture the Commission has ever proposed for such violations, and today’s order puts carriers on notice that disregarding their universal service and TRS obligations will result in significant penalties.

The Universal Service Fund, which provides financial support to help ensure that all consumers have access to affordable, quality telecommunications services, is funded by payments from telecommunications carriers. The FCC found that Globcom apparently has not made the required payments to the Universal Service Fund, owing nearly \$700,000 in overdue contributions as of August 2003.

The FCC also found that Globcom apparently has not satisfied its obligation to contribute to the TRS Fund. Telecommunications Relay Service enables individuals with hearing or speech disabilities to use the telephone system to communicate with persons without such disabilities, and the TRS Fund reimburses carriers for providing this service. Moreover, the FCC found that Globcom apparently has underreported its revenues to the Commission, and at times failed to report revenue information at all. This information is used by the Commission to calculate carriers’ universal service and TRS obligations.

In addition to the proposed forfeiture, the Commission ordered Globcom to submit a report within 30 days outlining its plans for coming into compliance with the Communications Act and the Commission’s rules.

Action by the Commission on September 26, 2003, by Notice of Apparent Liability for Forfeiture and Order (FCC 03-231). Chairman Powell, Commissioners Abernathy, Copps, Martin, and Adelstein.

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Enforcement Bureau Contacts: Suzanne Tetreault at (202) 418-7450 or Mika Savir at (202) 418-0384.

TTY: 1 (888) 835-5322