

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	
)	
AT&T Corporation)	
)	File No. EB-03-TC-020
)	
Apparent Liability for Forfeiture)	NAL/Acct. No. 200332170008
)	FRN: 0006380976
)	
)	

NOTICE OF APPARENT LIABILITY FOR FORFEITURE

Adopted: October 30, 2003

Released: November 3, 2003

By the Commission:

I. INTRODUCTION

1. In this Notice of Apparent Liability for Forfeiture (“NAL”),¹ we find that AT&T Corporation (“AT&T”) apparently willfully or repeatedly violated section 64.1200(e)(vi) of the Commission’s rules² by making 78 telephone solicitations to 29 residential telephone customers who had previously asked not to receive such calls. Upon our review of the facts and circumstances surrounding these apparent violations, we find that AT&T is apparently liable for a forfeiture in the amount of \$10,000 for each of 78 violations, for a total of \$780,000.

II. BACKGROUND

A. Summary

2. In 1991, Congress enacted the Telephone Consumer Protection Act (“TCPA”) to

¹ See 47 U.S.C. § 503(b)(4)(A). The Commission has authority under Section 503 of the Act to assess a forfeiture penalty against a common carrier if the Commission determines that the carrier has “willfully or repeatedly” failed to comply with the provisions of the Act or with any rule, regulation, or order issued by the Commission under the Act. *Id.* §503(b)(1)(B) Section 503 provides that the Commission must assess such penalties through the use of a written notice of apparent liability or notice of opportunity for hearing. *Id.* § 503(b)(3), (4).

² 47 C.F.R. § 64.1200(e) (1995). Except where otherwise noted, all references to the Commission’s rules shall be to the rules as they existed at the time of the acts or omissions in question.

protect consumers from unwanted and unsolicited telemarketing, among other things.³ Congress found that

[u]nsolicited telemarketing ... all too frequently ... represents more of a nuisance than an aid to commerce. Whether an individual or a machine is on the other end of the line, consumers find unsolicited telemarketing calls an intrusive, often frustrating, invasion of their privacy.... The expert testimony, data, and legal analyses comprising the Committee's record, and broad support of consumers, state regulators, and privacy advocates clearly evidence that unsolicited commercial telemarketing calls are a widespread problem and a federal regulatory solution is needed to protect residential telephone subscriber privacy rights.⁴

As a linchpin of the TCPA's protective measures, Congress required the Commission to adopt rules "concerning the need to protect residential telephone subscribers' privacy rights to avoid receiving telephone solicitations to which they object."⁵ Responding to the statutory mandate to balance the legitimate commercial interests inherent in telemarketing with the privacy interests of residential telephone subscribers, the Commission, in 1992, adopted section 64.1200(e) of the rules to require that any entity engaged in telephone solicitation maintain a Do-Not-Call list to record residential telephone subscribers' requests not to receive future solicitations from that entity.⁶ During the time relevant to this case, section 64.1200(e) required that entities record each Do-Not-Call request "at the time the request is made" and honor such requests for a period of ten years.⁷ The Commission further elucidated consumers' Do-Not-Call rights in 1999, finding that companies must honor each Do-Not-Call request on a household-wide basis so that one household member's instruction to place a residential telephone number on a company's Do-Not-Call list requires the company to refrain from making solicitation calls to anyone at that number.⁸ Moreover, in July 2003, the Commission adopted new rules that supplement the company-specific Do-Not-Call system with a National Do-Not-Call Registry that is maintained by the Federal Trade Commission.⁹

³ The TCPA is codified at 47 U.S.C. § 227.

⁴ H.R. Rep. No. 102-317, 102nd Cong. at 18 (1991); *see also* comments of Senator Pressler:

Many consumers are simply tired of the nuisance of telephone solicitations. Information age technologies, combined with the telephone, now give modern door-to-door salesmen an unrestricted ability to invade the privacy of our homes. Unlike other mediums of communications media, the telephone commands our instant attention. Junk mail can be thrown away. Television commercials can be turned off. The telephone demands to be answered.

S. Rep. No. 102-177, 102nd Cong. at 19 (1991).

⁵ 47 U.S.C. § 227(c)(1).

⁶ *Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991*, CC Docket No. 92-90, Report and Order, 7 FCC Rcd 8752 (1992).

⁷ 47 C.F.R. §§ 64.1200(e)(2)(iii), (vi).

⁸ *Consumer.Net v. AT&T*, 15 FCC Rcd 281, 298-99 (1999).

⁹ *Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991*, CG Docket No. 02-278, Report and Order, 18 FCC Rcd 14,014 (2003) (*TCPA Revisions Report and Order*), *petition for review pending sub nom. Mainstream Marketing Services, Inc. v. FCC*, No. 03-9511 (10th Cir.). These rules were not in effect at the time of the acts or omissions in question.

3. The Enforcement Bureau initiated this proceeding based on its regular review of consumer complaint data involving telephone solicitations. The Bureau found a high volume of complaints involving AT&T, a nationwide provider of long distance service that markets some of its services through telephone solicitations. During the period from December 2002 through August 2003, for example, the Consumer and Governmental Affairs Bureau received 360 complaints concerning AT&T's Do-Not-Call practices, more than for any other company. As part of its investigation of these complaints, the Enforcement Bureau staff sent five separate letters of inquiry to AT&T inquiring into 142 of the complaints of customers who allegedly requested to be placed on AT&T's Do-Not-Call list, and seeking information concerning AT&T's telemarketing procedures, its monitoring of Do-Not-Call requests, and its customer records.¹⁰ AT&T filed responses to each letter of inquiry.¹¹

4. Sixty-two of the violations that form the basis of this NAL are supported by complaints and sworn declarations from 19 consumers stating that they were called by an AT&T telemarketer who was marketing local or long distance service, that they requested that they not be called again, and that they were nevertheless called again by AT&T. AT&T responded to each of these complaints separately. These complaints are further described below. A compilation of the violations reported by these consumers is included in the attached Appendix A. Sixteen additional violations involving 10 other consumers that form the basis of this NAL are based on AT&T's records and responses to the letters of inquiry described above. A compilation of these complaints is also provided in Appendix A. Because AT&T has asked for confidential treatment of its responses to the letters of inquiry, and that request remains pending, we are keeping Appendix A confidential at this time.

B. Description of Consumer Complaints

5. All of the consumers whose complaints form the basis of this NAL filed complaints alleging that AT&T had failed to comply with their requests that they not be called again. In support of these complaints, they also filed declarations. For example, Susan Richardson stated that on July 12, 1999, she received a telephone call from an AT&T telemarketer, and asked that her telephone number be placed on AT&T's Do-Not-Call list. AT&T subsequently called her, marketing its long distance and local services, on November 2, 2002, and March 26, 2003. After the filing of her complaint, Ms. Richardson received a third call from AT&T on May 8, 2003. Regarding the May 8 call, Ms. Richardson provided the

¹⁰ Letter from Colleen K. Heitkamp, Chief, Telecommunications Consumers Division, Enforcement Bureau. FCC, to Michael F. Del Casino, AT&T (Apr. 1, 2003); Letter from Colleen K. Heitkamp, Chief, Telecommunications Consumers Division, Enforcement Bureau. FCC, to Michael F. Del Casino, AT&T (Apr. 10, 2003); Letter from Colleen K. Heitkamp, Chief, Telecommunications Consumers Division, Enforcement Bureau. FCC, to Michael F. Del Casino, AT&T (Apr. 29, 2003); Letter from Colleen K. Heitkamp, Chief, Telecommunications Consumers Division, Enforcement Bureau. FCC, to Michael F. Del Casino, AT&T (June 2, 2003).

¹¹ Letter from Peter H. Jacoby, AT&T, to Peter G. Wolfe, FCC (Apr. 25, 2003); Letter from Peter H. Jacoby, AT&T, to Peter G. Wolfe, FCC (May 19, 2003); Letter from Seth S. Gross, AT&T, to Peter G. Wolfe, FCC (July 21, 2003); Letter from Seth S. Gross, AT&T, to Peter G. Wolfe, FCC (Aug. 29, 2003); Letter from Seth S. Gross, AT&T, to Peter G. Wolfe, FCC (Sept. 5, 2003). All AT&T responses contain requests that the material provided be withheld from public disclosure. AT&T later withdrew its request insofar as it applied to its Do-Not-Call policy and confirmatory letter that are sent to all customers that request to be placed on its Do-Not-Call list. Letter from Peter Jacoby, AT&T, to Peter G. Wolfe, FCC, dated May 19, 2003.

following detail:

The caller identified herself as Cathy Reagan. I requested the telephone number that she was calling from and she provided 800/288-2747. At the time I was on my downstairs telephone which does not have Caller ID, however, when I went upstairs, the telephone that does have Caller ID revealed that this call had originated from 770/857-6850. I also noticed that on the same day, at 7:01 p.m., I had received another call from the same number.

...The Caller ID equipment revealed “770/857-6850 AT&T Consumer” for the call received on May 8, 2003.¹² On June 20, I provided to the FCC, photographs of my Caller ID equipment, reflecting the identity of the May 8 calls.¹³

6. Similarly, Amy Dickinson stated that she was called in August 2002 by an AT&T telemarketer about AT&T’s long distance service and at that time asked that her telephone number be placed on AT&T’s Do-Not-Call list. She nevertheless received calls from AT&T on January 2 and 3, 2003, advertising their long distance service.”¹⁴

7. Another consumer, Jeffrey Chen, stated that in February 2002, he and his father, David Chen, received a call from an AT&T telemarketer marketing its long distance services and at that time he asked that their telephone number be placed on AT&T’s Do-Not-Call list. Mr. Chen stated that the number was called by an AT&T telemarketer on October 22, 2002. Mr. Chen then described another call received from AT&T after he filed his initial complaint:

In February 2003, I again submitted to the Federal Communications Commission information that we received another telephone solicitation call from AT&T on February 24, 2003, at 6:20 p.m. This call was received despite a (1) previous do-not-call request and (2) a November 15, 2002 letter from Margaret R. Berry, District Manager, AT&T, stating that the telephone number was going to be added to the do not call list within 30 days.¹⁵

III. DISCUSSION

A. Apparent Violations Evidenced in the Record

8. During the time period in question, Section 64.1200(e) of the Commission’s rules required that

if a person or entity making a telephone solicitation (or on whose behalf a solicitation is made) receives a request from a residential telephone subscriber not to receive calls

¹² Our staff has ascertained that the number is the number of an AT&T telemarketing location.

¹³ Declaration of Susan Richardson, dated August 26, 2003.

¹⁴ Declaration of Amy Dickinson, dated May 14, 2003.

¹⁵ Declaration of Jeffery Chen, dated August 7, 2003.

from that person or entity, the person or entity must record the request and place the subscriber's name and telephone number on the do-not-call list at the time the request is made. If such requests are recorded or maintained by a party other than the person or entity on whose behalf the solicitation is made, the person or entity on whose behalf the solicitation is made will be liable for any failures to honor the do-not-call request.¹⁶

The rules also required that a Do-Not-Call request had to be honored for a ten-year period. The Commission has stated that a company's current customer can make an enforceable Do-Not-Call request.¹⁷

9. AT&T apparently did not comply with the requirement that it place consumers' names on the Do-Not-Call list and honor their requests within a reasonable time. We need not determine in this instance precisely how soon after receiving a Do-Not-Call request a carrier must record and honor the consumer's preference. AT&T's own policy, which is supposedly mailed to all consumers who requested that they be placed on AT&T's Do-Not-Call list, specified that they would be placed on the list within 30 days of their request.¹⁸ We find that AT&T's own 30-day requirement appears to represent the outer limit of reasonableness, and it appears that AT&T did not meet even this standard.¹⁹

10. We find that the complaints and declarations of the complainants whose declarations are described above, as well as the remainder of the complainants listed in Appendix A, are sufficiently persuasive to support a finding that AT&T apparently made telephone calls to these customers 30 days or more after they had requested to be placed on AT&T's Do-Not-Call list. First, the declarations submitted by the consumers, as shown in the examples cited above, were very specific, citing the date, time, purpose, and sometimes the name of the telemarketer making the call. Second, as shown in confidential Appendix A, AT&T's responses to the Letters of Inquiry indicate that the claims of at least some of these consumers are supported by AT&T records. Further, the monitoring conducted by AT&T, described in Appendix A, confirms that not all requests were honored. Third, the photograph submitted by Susan Richardson apparently confirms that the absence of an entry on AT&T records does not support an inference that the calls were not made. We find that the concrete and specific allegations of violations of the Do-Not-Call rule, together with the evidence showing that AT&T either failed to comply with Do-Not-Call requests or that AT&T's records are demonstrably incomplete, warrant a finding of apparent liability.

11. In addition, as detailed in Appendix A, AT&T's admissions and records show that since December 2002 on 16 occasions AT&T called 10 other customers who had previously asked to be placed on AT&T's Do-Not-Call list at least 30 days after they had made the request.

¹⁶ 47 C.F.R. § 64.1200(e).

¹⁷ See *Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991*, Report and Order, 7 FCC Rcd 8752, 8770 n. 63, 8766 n. 47 (1992); see also H.R. Rep. 102-317, 1st Sess., 102nd Cong. (1991) at 15; see also *Charvat v. Dispatch Consumer Services, Inc.*, 95 Ohio St.3d 505, 769 N.E.2d 829 (2002).

¹⁸ Letter from Peter Jacoby, AT&T, to Peter G. Wolfe, FCC, dated April 25, 2003.

¹⁹ The Commission's revised telemarketing rules, which were not in effect at the time in question, now require that telephone numbers be placed on company-specific Do-Not-Call lists within 30 days of the do-not-call request. *TCPA Revisions Report and Order*, 18 FCC Rcd at 14069; 47 C.F.R. § 64.1200(d)(3)(2003).

B. Forfeiture Amount

12. We conclude that AT&T apparently willfully or repeatedly violated the Commission's rules by making 78 solicitation calls to 29 consumers who had made Do-Not-Call requests. Accordingly, a proposed forfeiture is warranted against AT&T for its apparent willful or repeated violations of section 64.1200(e)(vi) of the Commission's rules.

13. As adjusted by statute, Section 503(b) of the Act authorizes the Commission to assess a forfeiture of up to \$120,000 for each violation of the Act or of any rule, regulation, or order issued by the Commission under the Act by a common carrier.²⁰ In exercising such authority, we are to take into account "the nature, circumstances, extent, and gravity of the violation and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require."²¹

14. The Commission's *Forfeiture Policy Statement* does not establish a base forfeiture amount for violating the prohibition on making telephone solicitations to customers who had previously asked to be placed on a Do-Not-Call list.²² We have, however, imposed a \$10,000 forfeiture for each unsolicited facsimile advertisement where the consumer previously requested that the sender cease its unlawful conduct and refrain from faxing additional unsolicited advertisements.²³ We conclude that making telephone solicitations where the consumer has previously asked the telemarketer to stop is similar to such an unsolicited facsimile advertising violation. Accordingly, we believe that a proposed base forfeiture amount of \$10,000 per violation in this context is consistent with our previous actions where a consumer has made a request not to receive an unsolicited facsimile advertisement. In proposing this forfeiture, we apply the \$10,000 amount to each of the apparent violations associated with the 78 calls that AT&T apparently made to a consumer's number after the 29 consumers listed in Appendix A requested that their telephone numbers be placed on AT&T's Do-Not-Call list.

IV. CONCLUSION AND ORDERING CLAUSES

15. We have determined that AT&T apparently committed 78 separate violations of Section 64.1200(e)(vi) of the Commission's rules by failing to adhere to our Do-Not-Call requirements, as described above. We have further determined that AT&T is apparently liable in the amount of \$10,000 for each of the violations of Section 64.1200(e)(vi) of the Commission's rules, for a total of \$780,000.

²⁰ 47 U.S.C. § 503(b). Pursuant to the Debt Collection Improvement Act of 1996, P.L. 104-134, 110 Stat. 1321-358, the statutory maximum amount for a forfeiture penalty shall be adjusted for inflation at least once every four years. The current maximum, as adjusted, is \$120,000. 47 C.F.R. § 1.80(b)(5).

²¹ 47 C.F.R. § 1.80.

²² *The Commission's Forfeiture Policy Statement and Amendment of Section 1.80 of the Rules to Incorporate the Forfeiture Guidelines, Report and Order*, 12 FCC Rcd 17087 (1997), *recon. denied*, 15 FCC Rcd 303 (1999) (*Forfeiture Policy Statement*).

²³ *Carolina Liquidators, Inc.*, 15 FCC Rcd 16837, 16842 (2000); 15 FCC Rcd 21775 (2000). We note, however, that unsolicited facsimile advertising is unlawful under section 64.1200(a)(3) of our rules even when a consumer has not requested that such transmissions be halted.

16. Accordingly, IT IS ORDERED, pursuant to Section 503(b) of the Communications Act of 1934, as amended, 47 U.S.C. § 503(b), and Section 1.80 of the Commission's rules, 47 C.F.R. § 1.80, that AT&T Corporation IS HEREBY NOTIFIED of an Apparent Liability for Forfeiture in the amount of \$780,000 for willful or repeated violations of Section 64.1200(e)(vi) as described in the paragraphs above and detailed in Appendix A.²⁴

17. IT IS FURTHER ORDERED, pursuant to Section 1.80 of the Commission's rules, 47 C.F.R. § 1.80, that within thirty (30) days of the release of this Notice of Apparent Liability, AT&T SHALL PAY the full amount of the proposed forfeiture²⁵ OR SHALL FILE a response showing why the proposed forfeiture should not be imposed or should be reduced.

18. The Commission will not consider reducing or canceling a forfeiture in response to a claim of inability to pay unless the petitioner submits: (1) federal tax returns for the most recent three-year period; (2) financial statements prepared according to generally accepted accounting practices ("GAAP"); or (3) some other reliable and objective documentation that accurately reflects the petitioner's current financial status. Any claim of inability to pay must specifically identify the basis for the claim by reference to the financial documentation submitted.

19. Requests for payment of the full amount of this Notice of Apparent Liability under an installment plan should be sent to: Chief, Revenue and Receivables Operations Group, 445 12th Street, S.W., Washington, D.C., 20554.²⁶

20. Under the Small Business Paperwork Relief Act of 2002, Pub L. No. 107-198, 116 Stat. 729 (June 28, 2002), the FCC is engaged in a two-year tracking process regarding the size of entities involved in forfeitures. If you qualify as a small entity and if you wish to be treated as a small entity for tracking purposes, please so certify to us within thirty (30) days of this NAL, either in your response to the NAL or in a separate filing to be sent to the Telecommunications Consumers Division. Your certification should indicate whether you, including your parent entity and its subsidiaries, meet one of the definitions set forth in the list provided by the FCC's Office of Communications Business Opportunities (OCBO) set forth in Attachment A of this Notice of Apparent Liability. This information will be used for tracking purposes only. Your response or failure to respond to this question will have no effect on your rights and responsibilities pursuant to Section 503(b) of the Communications Act. If you have questions regarding any of the information contained in Appendix B, please contact OCBO at (202) 418-0990.

²⁴ 47 C.F.R. § 64.1200(e).

²⁵ The forfeiture amount should be paid by check or money order drawn to the order of the Federal Communications Commission. Reference should be made on AT&T's check or money order to "NAL/Acct. No. 200332170008" Such remittances must be mailed to Forfeiture Collection section, Finance Branch, Federal Communications Commission, P.O. Box 73482, Chicago, Illinois 60673-7482.

²⁶ 47 C.F.R. § 1.1914.

21. IT IS FURTHER ORDERED that copies of this Notice of Apparent Liability for Forfeiture SHALL BE SENT by certified mail to AT&T Communications, Inc., 295 North Maple Avenue, Basking Ridge, New Jersey 07920.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

APPENDIX B

FCC List of Small Entities

As described below, a “small entity” may be a small organization, a small governmental jurisdiction, or a small business.

(1) Small Organization	
Any not-for-profit enterprise that is independently owned and operated and is not dominant in its field.	
(2) Small Governmental Jurisdiction	
Governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.	
(3) Small Business	
Any business concern that is independently owned and operated and is not dominant in its field, and meets the pertinent size criterion described below.	
Industry Type	Description of Small Business Size Standards
Cable Services or Systems	
Cable Systems	Special Size Standard – Small Cable Company has 400,000 Subscribers Nationwide or Fewer
Cable and Other Program Distribution	\$12.5 Million in Annual Receipts or Less
Open Video Systems	
Common Carrier Services and Related Entities	
Wireline Carriers and Service providers	1,500 Employees or Fewer
Local Exchange Carriers, Competitive Access Providers, Interexchange Carriers, Operator Service Providers, Payphone Providers, and Resellers	

Note: With the exception of Cable Systems, all size standards are expressed in either millions of dollars or number of employees and are generally the average annual receipts or the average employment of a firm. Directions for calculating average annual receipts and average employment of a firm can be found in 13 CFR 121.104 and 13 CFR 121.106, respectively.

International Services	
International Broadcast Stations	\$12.5 Million in Annual Receipts or Less
International Public Fixed Radio (Public and Control Stations)	
Fixed Satellite Transmit/Receive Earth Stations	
Fixed Satellite Very Small Aperture Terminal Systems	
Mobile Satellite Earth Stations	
Radio Determination Satellite Earth Stations	
Geostationary Space Stations	
Non-Geostationary Space Stations	
Direct Broadcast Satellites	
Home Satellite Dish Service	
Mass Media Services	
Television Services	\$12 Million in Annual Receipts or Less
Low Power Television Services and Television Translator Stations	
TV Auxiliary, Special Broadcast and Other Program Distribution Services	
Radio Services	\$6 Million in Annual Receipts or Less
Radio Auxiliary, Special Broadcast and Other Program Distribution Services	

Multipoint Distribution Service	Auction Special Size Standard – Small Business is less than \$40M in annual gross revenues for three preceding years
Wireless and Commercial Mobile Services	
Cellular Licensees	1,500 Employees or Fewer
220 MHz Radio Service – Phase I Licensees	
220 MHz Radio Service – Phase II Licensees	Auction special size standard - Small Business is average gross revenues of \$15M or less for the preceding three years (includes affiliates and controlling principals) Very Small Business is average gross revenues of \$3M or less for the preceding three years (includes affiliates and controlling principals)
700 MHz Guard Band Licensees	
Private and Common Carrier Paging	
Broadband Personal Communications Services (Blocks A, B, D, and E)	1,500 Employees or Fewer
Broadband Personal Communications Services (Block C)	Auction special size standard - Small Business is \$40M or less in annual gross revenues for three previous calendar years Very Small Business is average gross revenues of \$15M or less for the preceding three calendar years (includes affiliates and persons or entities that hold interest in such entity and their affiliates)
Broadband Personal Communications Services (Block F)	
Narrowband Personal Communications Services	
Rural Radiotelephone Service	1,500 Employees or Fewer
Air-Ground Radiotelephone Service	
800 MHz Specialized Mobile Radio	Auction special size standard - Small Business is \$15M or less average annual gross revenues for three preceding calendar years
900 MHz Specialized Mobile Radio	
Private Land Mobile Radio	1,500 Employees or Fewer
Amateur Radio Service	N/A
Aviation and Marine Radio Service	1,500 Employees or Fewer
Fixed Microwave Services	

Public Safety Radio Services	Small Business is 1,500 employees or less Small Government Entities has population of less than 50,000 persons
Wireless Telephony and Paging and Messaging	1,500 Employees or Fewer
Personal Radio Services	N/A
Offshore Radiotelephone Service	1,500 Employees or Fewer
Wireless Communications Services	Small Business is \$40M or less average annual gross revenues for three preceding years Very Small Business is average gross revenues of \$15M or less for the preceding three years
39 GHz Service	
Multipoint Distribution Service	Auction special size standard (1996) – Small Business is \$40M or less average annual gross revenues for three preceding calendar years Prior to Auction – Small Business has annual revenue of \$12.5M or less
Multichannel Multipoint Distribution Service	\$12.5 Million in Annual Receipts or Less
Instructional Television Fixed Service	
Local Multipoint Distribution Service	Auction special size standard (1998) – Small Business is \$40M or less average annual gross revenues for three preceding years Very Small Business is average gross revenues of \$15M or less for the preceding three years
218-219 MHZ Service	First Auction special size standard (1994) – Small Business is an entity that, together with its affiliates, has no more than a \$6M net worth and, after federal income taxes (excluding carryover losses) has no more than \$2M in annual profits each year for the previous two years New Standard – Small Business is average gross revenues of \$15M or less for the preceding three years (includes affiliates and persons or entities that hold interest in such entity and their affiliates) Very Small Business is average gross revenues of \$3M or less for the preceding three years (includes affiliates and persons or entities that hold interest in such entity and their affiliates)
Satellite Master Antenna Television Systems	\$12.5 Million in Annual Receipts or Less
24 GHz – Incumbent Licensees	1,500 Employees or Fewer

24 GHz – Future Licensees	Small Business is average gross revenues of \$15M or less for the preceding three years (includes affiliates and persons or entities that hold interest in such entity and their affiliates) Very Small Business is average gross revenues of \$3M or less for the preceding three years (includes affiliates and persons or entities that hold interest in such entity and their affiliates)
Miscellaneous	
On-Line Information Services	\$18 Million in Annual Receipts or Less
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturers	750 Employees or Fewer
Audio and Video Equipment Manufacturers	
Telephone Apparatus Manufacturers (Except Cellular)	1,000 Employees or Fewer
Medical Implant Device Manufacturers	500 Employees or Fewer
Hospitals	\$29 Million in Annual Receipts or Less
Nursing Homes	\$11.5 Million in Annual Receipts or Less
Hotels and Motels	\$6 Million in Annual Receipts or Less
Tower Owners	(See Lessee's Type of Business)