

Regulations for the Call Center Industry

Hundreds of millions outbound call center calls are made daily, world-wide. The number of inbound calls is even higher. Together, on an annual basis this is a multi-billion dollar industry. These huge call volumes and tremendous market size led to more regulations and new uses of technology by businesses and consumers.

Telemarketing Sales Rules (for a complete description see this document)

Outbound calling programs have generated the most negative interest due to the nature of outbound calls and therefore technical and regulatory solutions are primarily aimed at outbound calling. The additions to the TSR (Telemarketing Sales Rule) add additional restrictions to outbound calling campaigns in an effort to enhance consumer rights to privacy while allowing contact. The FTC (Federal Trade Commission) guidelines are governing regulations designed to ensure outbound call centers dialing methods meet the new criteria.

- The 2 second rule - an agent must be available within two seconds of a live answer, or a recorded message stating the name and phone number of the seller must be played
- Abandonment - With the widespread adoption of predictive dialing technology more consumers are experiencing, delays, silences and hang-ups after they pick-up the call. The FTC has created a set of minimum requirements that outbound call programs must meet. For compliance the 2 second rule must be met and sufficient time must be given for the consumer to pick up the phone - 15 seconds or four rings.
- Caller ID - This TSR addition requires that all telemarketers provide their telephone number to consumers. This enables those with caller ID to effectively screen their calls. Outbound calling programs are no longer be able to block their Caller ID information. In addition, companies must also provide their name to callers when making outbound calls to consumers.
- Do Not Call List - Perhaps the most notable and controversial element of the FTC revision is the launch of a National 'Do Not Call List. Once on the list, consumers will automatically remain there for five years, unless they request that they be removed or their phone number changes.
- Business required to keep records of calls & transactions for up to two years
- Restriction of Unauthorized Billing – many abuses thru third party billing has happened in the past. This addition addresses unconventional billing methods such as invoicing through utility or mortgage accounts.

Useful Industry Associations

American Teleservices Association

<http://www.ataconnect.org>

The American Teleservices Association (ATA) represents the call centers, trainers, consultants, and equipment suppliers that

initiate, facilitate, and generate telephone, Internet, and email sales, service, and support. Call centers offer traditional and interactive services that support the e-commerce revolution, provide specialized customer service for Fortune 500 companies, and generate annual sales of more than \$500 billion.

Direct Marketing Association

<http://www.the-dma.org>

Founded in 1917, the Direct Marketing Association (DMA) is today the largest trade association for businesses interested in direct, database, and interactive global marketing, with about 4,700 member companies from the United States and 53 foreign nations on six continents.

Federal Trade Commission

<http://www.ftc.gov>

The FTC enforces federal consumer protection laws that prevent fraud, deception and unfair business practices. The Commission also enforces federal antitrust laws that prohibit anticompetitive mergers and other business practices that restrict competition and harm consumers. Whether combating telemarketing fraud, Internet scams or price-fixing schemes, the FTC's primary mission is to protect consumers.

Federal Communications Commissions

<http://www.fcc.gov>

The Federal Communications Commission (FCC) is an independent United States government agency, directly responsible to Congress. The FCC was established by the Communications Act of 1934 and is charged with regulating interstate and international communications by radio, television, wire, satellite and cable. The FCC's jurisdiction covers the 50 states, the District of Columbia, and U.S. possessions.