

Two Million Reasons to Break the Silence

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Following a recent Ofcom announcement, UK entities using automated dialling software face a change in the risk profile of marketing calls.

Any UK entity using automated dialling software to facilitate marketing calls should be aware of a significant change in risk following the announcement by the UK communications regulator, Ofcom, of its intention to take enforcement action in relation to silent and abandoned calls. For businesses in the United Kingdom, such enforcement may now lead to a fine of £2 million.

Silent calls usually arise when the technology used by call centres to generate and attempt to connect calls mistake a “live” consumer for an answering machine or when there are not enough call centre agents available to answer the calls, resulting in the calls being terminated without the consumer hearing anything. In 2010, Ofcom received more than 9,000 complaints about silent calls.

To date, Ofcom has issued monetary penalties to nine companies for making silent and abandoned phone calls, including the previous maximum fine of £50,000. Going forward, Ofcom appears keen to use the full extent of the powers given to it by Parliament in late 2010.

Although the power to levy fines may have been greatly increased, Ofcom’s remit is limited to calls originating from within the United Kingdom, and so the new regime will not affect calls originating outside the United Kingdom.

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