



# ***Exploding The Phone***

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Bibliographic Cover Sheet

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BYLINE: LYNN LANGWAY with JEFF B. COPELAND in Washington

BODY:

For years Ma Bell has been trying to run down customers who make their long-distance calls without paying. But not until last week did the public learn how far the American Telephone and Telegraph Co. went to pursue the varied assortment of whiz kids, gamblers and daring business executives who were dodging its toll charges. Responding to revelations in The St. Louis Post-Dispatch, AT&T admitted that it had secretly and randomly monitored as many as 33 million toll calls made in six U.S. cities between 1964 and 1970. What's more, the company had taped the opening seconds-and sometimes the entire contents-of 1.5 million calls in its effort to trap the users of electronic gadgets whose signals can outwit billing equipment. The confession sparked some predictable protests from consumer groups in the target cities, plus some questions from civil libertarians and Congress.

What the company was listening for-in what it says was a perfectly legal way-were the sounds of the so-called "blue" or "black" boxes. These bits of electronic wizardry can be made by expert phone freaks for a few dollars or bought underground for \$1,500 and more. The blue box-which can actually be any color, but was christened after the first one found-beeps electronic imitations of Bell signals so that users can "seize" lines to make free calls all over the world. The simpler black box effectively blocks billing signals of incoming calls. AT&T discovered the gadgets in the early '60s when a few boastful engineering students applied for jobs.

And so, according to Joseph F. Doherty, the man who helped design AT&T's surveillance project, "we decided to find out how many people were using the boxes. We had no idea." Doherty, now AT&T's director of corporate security, said that simple monitoring units were dispatched to St. Louis, Detroit, New York, Miami, Los Angeles and Newark, N.J., suspected centers of toll-charges evasion. The company's electronic scanners would tap into a trunk line at random and fish out a call, automatically recording about one minute. If the scanners found that the tape was clean of telltale signals, the recording was immediately erased, Doherty said. But if the tap sounded guilty to the scanners, it would run on, occasionally for the full length of a conversation.

The tapes of suspect calls were shipped to New York by registered mail, and Doherty says that only he and seven other senior AT&T employees had direct access to their contents. Their fishing netted 500 cases the company thought it could take to court, some involving "thousands" of calls by major users such as bookies. More than 200 convictions resulted from the project, which ended in May 1970. All records were burned or erased, except for an in-house study that listed no details about any customers, said Doherty.

Snoopers: Nobody seemed to be arguing much at AT&T's claim that it had both a legal right and a duty to protect itself and its customers when it snooped on frauds. Both the Justice Department, which knew of the surveillance, and the Federal Communications Commission, which did not, seemed to agree that Ma Bell

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was within the confines of states and court rulings. Even Ralph Nader, no company fan, did not accuse AT&T of crossing any legal line.

Still, the company can expect some static from other sources. The American Civil Liberties Union, while refusing to label the taps "squarely illegal," suggested that consumers might sue for invasion of privacy. At least one Congressional subcommittee promised a hearing; an investigator for a House judiciary subcommittee on courts said the panel would seek the reasons why "law-enforcement authorities are accountable to the courts when they wiretap, but the phone company is accountable to no one."

Retribution of sorts has already been inflicted on security expert Doherty. A few days after he was publicly linked to the project, Doherty got a crank call in his office at AT&T's New York headquarters. It's anonymous message: "The phone freaks are after you."