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- Abstract**       AT&T lawyer testifies before House panel, defends AT&T practice of monitoring and recording calls. Article contains statistics about number of customer to customer calls vs. customer to AT&T; percentages of calls found to be fraudulent; number of calls using black box vs. blue.
- Keywords**     Washington, DC; American Telephone and Telegraph Company (AT&T); H. W. William Caming (AT&T attorney); blue box; black box; Earl Conners (security chief, CPTCo); Chesapeake and Potomac Telephone Company (CPTCo); Los Angeles, CA; New York, NY; Newark, NJ; Detroit, MI; St. Louis, MO; toll fraud
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By NICHOLAS M. HORROCK Special to The New York Times

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## A. T. & T. Aide Tells House Panel of Wide Eavesdropping by the Bell System

By NICHOLAS M. HORROCK

Special to The New York Times

WASHINGTON, Feb. 18 — The American Telephone and Telegraph Company eavesdropped on some 1.5 million to 1.8 million telephone conversations, which included an estimated 300,000 to 400,000 private conversations between customers, in its effort to stop toll fraud, a senior Bell System attorney testified today.

In a hearing before the House Subcommittee on Courts, Civil Liberties and the Administration of Justice, H. W. William Caming, an A.T.&T. attorney, said that the 1.5 million to 1.8 million calls were culled from 30 million calls intruded upon by a mechanical device in a random survey by the Bell System between 1965 and 1970.

Mr. Caming said that some 600,000 of the calls had been tape-recorded for their entirety or for periods of five minutes.

The remaining 900,000 or so were tape-recorded for periods of 60 to 90 seconds, he said.

Mr. Caming drew a distinction between customer-to-customer calls, that is a call between two private parties, and calls from a customer to the telephone company, to the information operator or to telephone numbers that had been disconnected.

It was the first time that a Bell System official had testified under oath about a highly secret project aimed at halting attempts to defraud telephone companies by persons using so-called "blue" and "black" box electronic devices, which permit a telephone user to avoid paying for long-distance calls.

The project was first brought to light in news reports last month. Law enforcement agencies attempting to tape portions of calls without permission of the parties involved would have



The New York Times

Earl Conners, security chief of the Chesapeake and Potomac Telephone Company, and H. W. William Caming, lawyer for American Telephone and Telegraph Company, testifying at House hearing on eavesdropping.

to obtain a court order or authorization from the Attorney General saying that such intrusions were vital to a criminal prosecution or national security.

Under questioning by committee chairman, Robert W. Kastenmeier, Democrat of Wisconsin, and Representative Robert F. Drinan, Democrat of

Massachusetts, Mr. Caming maintained that the telephone company eavesdropping had been entirely legal. He said that the company had conducted its own investigations in these matters in accordance with Federal Communications Commission regulations empowering mission regulations empowering

When held at the mouthpiece of a standard telephone, it can emit electronic signals that give the user free access to long-distance telephone lines for unlimited calls.

Another device, called the "black box," when used by the receiver of a long-distance call, could bypass the billing system in a similar fashion. Mr. Caming said that Bell still did selective eavesdropping in these cases.

### Fraud Cost \$1-Million

In the mid-nineteen-sixties, Mr. Caming said, the only way for the company to detect these devices was to listen in to calls for the telltale sounds. He said that the fraud had cost the Bell System about \$1-million since it was first uncovered.

He said that to gauge the magnitude of what the company was facing it set up equipment in Los Angeles, Miami, New York, Newark, Detroit and St. Louis that made random intrusions on calls.

This equipment monitored 30 million calls and found 1.5 million to 1.8 million in which there was an indication of irregularity. Tape recordings of these calls were made and taken to New York where they were analyzed by a senior group of Bell employees.

About 60 per cent of the calls, 900,000 or so, seemed to be "black box"-type irregularities. When A.T.&T. employees listened to these they found a

substantial number had indications of illegality.

Others were calls where the billing had not been made for legitimate reasons, such as calls to information numbers. Fewer than ".005," or 4,500, of this group were legitimate customer-to-customer conversations, he said.

### 'Blue-Box' Calls Analyzed

But the proportion of innocent calls among the other 600,000, analyzed for "blue box"-style fraud, was far larger. Mr. Caming said that more than half, possibly two-thirds of these calls, once listened to by A.T.&T. employees, turned out to have been completely legal customer-to-customer conversation. The tapes were all "destroyed," he said.

The 1.5 million to 1.8 million calls listened to, out of the 30 million surveyed, disclosed 25,000 cases where A.T.&T. officials felt there was "provable illegality," Mr. Caming said. He said, however, that before 1970 A.T.&T. prosecuted these cases only on a selective basis.

He said that the main reason the company had not gone to court on the cases was because it did not want to drive the users of the toll fraud devices from the phones and thus "distort" the sampling for its survey. But under questioning by reporters after the hearing, Mr. Caming said that A.T.&T. had also given "minimal" consideration to concern that if the widespread eavesdropping had been made public it would hurt the Bell System's image.

Representative Drinan asked Mr. Caming why A.T.&T. had not sought court-ordered wiretaps in these investigations as law enforcement agencies did.

"To have court orders would

virtually eliminate prosecutions," Mr. Caming said, "because we would not be able to show probable cause [to get a warrant] at the stage we are in."

He said that when, in current cases, the telephone company conducted an electronic surveillance to discover fraudulent activity it did not have sufficient evidence for a court order before intruding on the line. But it gets its evidence immediately since the mere use of the electronic devices constitutes the crime. He said that A.T.&T. was not violating constitutional guarantees of privacy and against self-incrimination because it was not interested in the content of the conversation but in the electronic sounds and the identity of the user of the device.

In another aspect of testimony, Mr. Caming said that the company was routinely intruding on thousands of conversations as it checked the quality of the telephone service. He said that it also monitored the conversations of its one million employees on a regular basis.