



Exploding The Phone

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Bibliographic Cover Sheet

- Title** **How to Save Money and Spend Time... Behind Bars**
- Publication** *Long Lines*
- Date** 1973-07-00
- V/I/P** p. 6
- Abstract** Overview of toll fraud from the phone company's point of view. Includes statistics showing the increase in arrests and convictions after they started a "get tough" policy. Includes a description of how a blue box is used, a basic explanation of the methods used to detect fraud and catch the perpetrators, and a list of the varied sorts of people who commit fraud.
- Keywords** John Draper; Captain Crunch; blue box; whistle; phone phreaks; Long Lines (toll fraud investigation force, LLIF); Jack Dille (sec. supervisor, LLIF); credit card fraud; Central Ticket Investigation Unit; Traffic Service Bureau; Houston; Chicago; Minneapolis; Memphis; Dallas; toll fraud
- Notes** July/August, 1973 issue. We appear to have only the first page.

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LOS GATOS, CALIF., to Sydney, Australia
. . . Station-to-Station; Dialed Direct . . .
Cost: \$1,000 . . .

One thousand dollars is slightly higher than the customary \$9.00 usually charged for a Los Gatos to Sydney three-minute call but that's what it cost John Draper—alias Captain Crunch—notorious phone phreak, when he was found guilty of toll fraud in a California courtroom late last year.

The 29-year-old electronics whiz had employed a "blue box" for an international calling spree that included a call Draper placed to himself. He stood in a Los Gatos phone booth and with the help of his trusty "blue box" sent the call around the world. In a matter of seconds, according to Draper, the phone rang in the adjoining booth. "I did it just to see if I could," was Draper's humble admission. Draper gained worldwide notoriety as "Captain Crunch" after discovering that the toy whistles included as premiums in Captain Crunch cereal boxes could produce a tone that allowed him to gain access to the telephone network.

For his misplaced creativity, the self-styled king of the phone phreaks was fined \$1,000 and placed on a five-year probation, eye-opening evidence of the Bell System's recent crackdown on persons who commit toll fraud.

Playing no small part in the crackdown is Long Lines toll fraud investigation force headed by Jack Dille, security supervisor.

"For a long time the System was quite lenient with people who cheated the company. It was the policy to first try and stop the calls and then collect on them all the while staying out of court," Dille explains. "Then when toll fraud losses reached \$20 million, a 'get tough' policy went into effect."

"A prominent example of our getting tough was the Captain Crunch case," Dille continues. "Leads we were able to furnish, along with those of other fraud control groups in the System, led to Draper's arrest and stiff fine. His case is only one example of what's been happening lately to put the damper on fraud."

Exactly what's been happening goes like this: In 1970 there were 215 toll fraud arrests and 207 convictions (most coming toward the end of the year). In 1971, with the new "get tough" policy in effect, there were 330 arrests and 255 convictions. In

1972, there were 1,050 arrests and 844 convictions. These are total figures including both domestic and international toll fraud cases.

"Long distance toll fraud is handled by the operating companies where these calls originate. Our area of chief concern at Long Lines is international fraud," says Dille. "A boon to our tracking down credit card and third number cheaters who enjoy calling overseas at no charge has been the Centralized Ticket Investigation Unit and the Traffic Service Bureaus," he points out. "The process begins with the units receiving customer claims, accounting inquiries, and other unbillable calls. If fraud is suspected, the cases are turned over to us. We continue working on each case until the guilty party has been identified, then turn the evidence over to the operating company that billed the call for prosecution or other punitive action.

"We had a case late last year involving a person who made a number of phony credit card calls to Israel. Our operators were advised of the bogus number he was using. Thanks to their alertness, his next try led to his undoing. The operator handling his call kept him on the line, got hold of us, and we in turn, alerted local authorities. They nabbed him in a Brooklyn phone booth." Subsequent investigation proved the man was not a U.S. citizen and part of his penalty was deportation to his native land.

As for fraud involving sophisticated gadgetry, there's no telling how much long distance revenue has been lost due to the electronic efforts of U.S. and international phone phreaks. The antics of these telephonic Robin Hoods sometimes go undetected for long periods of time. But, as in the Captain Crunch case, sooner or later they're found out and brought to justice. In one major raid last year, FBI agents seized 22 "blue boxes" and arrested nine persons in Houston, Chicago, Minneapolis, Memphis, and Dallas.

The "blue box" is the favorite toy of the phreaks. Dille explains how it works. "The box is a small electronic gadget, which when attached to a telephone line or placed against a receiver prevents the telephone company's billing mechanism from working. All the person has to do is dial a free out-of-state number such as information, then depress a button on the

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