

Exploding The Phone

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university switchboard to allegedly make more than \$1 million in

fraudulent calls.

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Blue box'

\$1 million phone fraud

NEW YORK (UPI) - A switchboard operator for New York University was charged with using a "blue box" to handle \$1 million worth of telephone calls around the world in a cut-rate service for businessmen.

The New York Telephone Co. said the four-year scheme

may be the biggest phone fraud in history.

Under the scheme businessmen were able to make calls to Brazil, Singapore, Thailand, Ecuador, Israel, West Germany, Turkey, France, Belgium, Hong Kong and China, England, Iran, South Africa, the United Arab Emirates and Indonesia.

Authorities said the operator, Robert Dunlap, 36, of New York City, was arrested Monday night by district attorney's investigators as he sat alone at the NYU switchboard. He has since been fired.

The scheme was not disclosed until yesterday.

A spokeswoman for New York Telephone said Dunlap used a force of salesmen called "leaders" to make contact and arrange deals with New York businessmen. Then, during his work shift, 2:30 to 10 p.m., Dunlap made the connections for his clients.

Dunlap allegedly ran the service "heavily" every night, often staying at NYU after his shift ended to finish the calls.

"This guy just sat at NYU and made the connections," the spokeswoman said. "It was very well organized. He kept good records and was a very good market strategist.

"If, indeed, he made \$1 million as he claimed," the spokeswoman said, "then it is not only the biggest fraud New York Telephone ever had, but (for any telephone division) in the whole country."

A university spokesman said NYU had "some suspicions" that fraudulent calls were being made.

New York Telephone discovered the allegedly fraudulent calls during an audit of its records in October.

Dunlap, who worked for NYU since 1969, told authorities

he used a "blue box" to make the calls during the four years he worked the scheme.

The "blue box," an electronic device about the size of a hand-held calculator, enables the caller to transmit signals to the telephone company's long-distance switching equipment.

Before calls were completed, Dunlap allegedly transmitted signals from the blue box indicating the calls had been terminated but keeping the line open for another call.

A spokesman for the district attorney's office said Dunlap was freed without bail after he was issued a desk appearance ticket by the police central booking office.

Dunlap will be arraigned in Manhattan Criminal Court Nov. 26 on charges of theft of services and possession of burglar's tools. If convicted he could serve up to one year in jail on each charge.