

Digisoft Computers, Inc. Compliance with New FTC Predictive Dialing Regulations

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Overview of Federal Trade Commission Predictive Dialing Regulations:

In December 2002, the FTC (Federal Trade Commission) mandated, for the first time, a national Do Not Call list. Additionally, they set strict guidelines regulating predictive dialing. The FTC set a maximum abandonment rate of 3% of all connected calls, defining an abandoned call as one which does not transfer a call to an agent within two seconds of the called party completing the greeting, usually “hello”. Furthermore, they mandated accurate record keeping, playing messages so “dead air” is limited to two seconds and requiring that phones ring four times before allowing dialers to hang-up.

These new guidelines, for the first time, implicitly recognize the use of predictive dialing as an integral tool for outbound call centers. The new regulations force companies to utilize software specifically designed to help them comply with the new regulations. This will place a premium on software solutions that can support the regulations. Many customers with older, legacy systems will be forced to switch to newer systems or face government penalties. While several vendors are recoding their products to accommodate these demands, Digisoft’s Telescript product is fully capable of being programmed to reduce dropped call rates and of reporting on all such activities. In addition, Telescript’s Super-Dialing product, which is designed to have zero call abandonment, is ideally positioned to meet customer needs should certain states pass more stringent laws.

As a leading call center solutions provider, Digisoft has and will continue to monitor federal contact center related regulations to help serve our customers in an appropriate and legal manner. In addition to reviewing this document, Digisoft advises examining the FTC regulations concerning predictive dialing to help understand how our solutions can continue to meet and exceed expectations.

The Regulations: Synopsis of the Sections Related to Predictive Dialing:

For complete information regarding the FTC regulations, please access the following URL: <http://www.ftc.gov/os/2002/12/tsfrn.pdf>.

- A. An abandoned call is defined as any call that does not transfer to a live agent within 2 seconds after the completion of the called party's greeting.
- B. A maximum abandonment rate is mandated as 3% of all connected calls.
- C. Companies that use predictive dialing will be required to keep records to validate that they have complied with the 3% requirement.
- D. Every call that is answered by live person must either be transferred to an agent within 2 seconds or a pre-recorded message must be played. Calls may not be dropped without a message stating the purpose of the call, the company name and a phone number.
- E. It appears that it will no longer be practical to play a message when agents are not available, i.e. "Please hold on, someone will be with you shortly", because this will be classified as an abandoned call.
- F. Systems must allow the phone to ring for at least 4 rings (15 seconds) before disconnecting an unanswered call.

The optimal method of compliance is self-monitoring all activities. Telescript is a tool at your disposal. Furthermore, the laws, regulations and how they are interpreted at constantly changing. Please rely on independent technical and legal advice to assure compliance with current regulations.

This documentation is not intended to provide legal advice or create warranties of any kind, expressed or implied, including any warranties of merchantability or fitness for a particular purpose. The information herein is based on the FTC regulations as set forth in the URL provided.

The statements in this document may or may not be applicable to your specific implementation. For additional information, please contact Digisoft at 212-687-1810.

Telescript as a Solution:

Utilizing a Predictive Dialer

Telescript predictive dialing enables customers to comply with the new regulations. Users can set a maximum abandonment rate for any project and the system will attempt to enforce this limit for the duration of the project. The new release of Digisoft's dialer software will track the dead air time on all predictive calls, enabling you can comply with the record keeping requirement and provide actual abandonment rates. Additionally, the dialer can be programmed to play a custom message if the system has kept the recipient on hold for more than the two-second maximum and can be configured to ring four times before classifying the call as "no answer".

Management can configure the dialer so it will never abandon any calls. Agents will still wait for a live connection, but their wait time will be longer than with predictive dialing.

Predictive Dialing Reports are built into Telescript to carefully track data related to predictive dialer calls.

Other Dialing Methods

Super-Dialing may be an attractive alternative. It provides many unique benefits that fully comply with the new dialing regulations. As a software-based dialing application that dials with the agent on the line, Super-Dialing has a zero abandonment rate. Therefore, any additional regulations related to predictive dialers are not applicable and there is no requirement to purchase additional recording equipment if it is not necessary to your campaign.

Super-Dialing offers significant productivity gains over other dialing options. Compared to manual dialing, Super-Dialing has been shown to regularly double productivity and provides a quick ROI (return on investment) at a fraction of the price of predictive dialing. Operationally, Super-Dialing utilizes a modem on the PC with an analog line or a digital line on the phone switch using CTI. The system dials for the agent and once the agent detects the answered call, they enter a script and begin. For related information, please contact our sales department.