

## Powerline and National Do-Not-Call List Compliance

Updated: October 1, 2003

The National Do-Not-Call list was scheduled to go into effect October 1, 2003. Currently, implementation has been delayed as a result of court cases. At this point, it is uncertain when the rules will become effective. Still, Arch believes the issue will be resolved at some point, and that businesses benefit by planning now to comply with that eventuality.

The difficulty in absorbing complex new regulations, along with the prominence in the news, understandably creates some confusion and concern in the business community. Arch has received many calls inquiring how the National Do-Not-Call regulations affect Powerline. We have put forth significant effort into researching the regulations and consulted with attorneys with expertise in telemarketing law to review the issue. The following summarizes the issue and the determination made by Arch and our attorney. Customers with legal questions about specific situations should contact their attorney; or Arch can put you in touch with an attorney with expertise in this area.

The most straight-forward answer is that **the National Do-Not-Call regulations DO NOT restrict Powerline customers from returning calls to prospects who have called their Powerline number.**

The Do-Not-Call regulations clearly state that an inquiry into a company's products or services by a consumer creates an "established business relationship" in which it is reasonable for the company to make a return phone call to the consumer. **Powerline, by enabling consumers to make inquiries, and by documenting that inquiry, creates a "business relationship" which the company can safely respond to.**

There are additional factors Powerline users should be aware of. The return call must be in response to the product the consumer inquired about. For example, if a consumer calls in response to an ad for a home, a realtor may return the call to talk about real estate services. However, a seller can't make a return call about unrelated products. For example, a seller would violate the rules if they placed an ad offering free beach balls, and then returned the call trying to sell beach-front property.

In addition, the legalese of the regulations state that sales calls can be made to business relationships within 3 months of the inquiry, or up to 18 months from of any transaction with the customer.

Another consideration is whether the business markets to out-of-state consumers. If the business only makes sales calls to consumers in their own state ("intra-state"), the federal regulations are not applicable. Businesses should be aware though that many states have their own set of do-not-call lists and telemarketing rules.

In summary, with the new regulations restricting cold-calling, Powerline can become even more valuable by allowing businesses to create consumer interest and inquiries which can be responded to in compliance with the law and consumers wishes. Customers may also want to consider using the Name & Address match feature of Powerline to create direct mail databases that can be marketed to beyond the 3 month calling limit.

Arch understands our customers desire to be effective *and* responsible marketers of services, and appreciates the opportunity to serve you in that effort.