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Phone (417)-862-3333
www.oreillyauto.com

June 28, 2011

The Honorable John D. Rockefeller IV
Chairman
United States Senate Committee on Commerce,
Science and Transportation
516 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Rockefeller and Committee:

We write this letter on behalf of O'Reilly Automotive Stores, Inc. The Company itself and through various subsidiary entities operates 3,613 auto parts stores in 39 states with a network of 23 supporting distribution centers and 47,495 team members. The parent of O'Reilly Automotive Stores, Inc., O'Reilly Automotive, Inc. is publically traded on the NASDAQ as "ORLY."

Over the years, as our company has grown, we have encountered certain business practices by local exchange carriers commonly referred to as "cramming." The extent of the problem is widespread. We estimate that at least 80% of our stores have been billed for some type of "cramming." We believe these practices to be unethical, especially considering the business environment we have encountered when combating this practice.

Of course, our discovery of this practice grew from a careful review of our billing records, not from any need for the services of any third party biller. As we began to understand the nature and scope of this problem in 2000 we determined because of the sheer number of lines the company leased and locations the company had, the only way to stay on top of the issues was to add employees. To assist our telecom manager with this task, in 2000 we hired a second dedicated team member, in 2008 we added a 3rd, and as of October, 2008 the company has employed three (3) full-time and dedicated employees who do nothing but review and analyze local and long distance phone bills for this practice, as well as other erroneous charges, and seek refunds and/or credits.

The analyst group and senior management of the company have long attempted meaningful communication with the carriers about this practice. As you might appreciate, the seemingly endless web of call centers and carrier customer service representatives made it nearly impossible to make progress. After dozens of conversations and endless frustration from our analyst group, we began to look for other ways of handling our requests for cancellation and credit related to this billing. One way was to document the charges in writing and fax our requests to call centers when we were able to get a fax number from a carrier representative.

During our communications with the various carriers, we sought ways to block third party billing to our accounts. Some regional bell operating centers (RBOCs) were willing to find workarounds for this issue; others insisted there was nothing they could do about it. We were however astounded and amazed when one of our billing analysts discovered a flyer in an envelope with one of the individual bills we received from one of the carriers who had insisted it was out of their hands. The flyer explained customers could now "block" third party billing. When we approached our assigned account team at the carrier with the flyer, they requested a copy and advised they would have to investigate. We have however followed consistently and persistently with them over a period of two years and are now able to block third party billing from existing accounts. Of course, we believe our ability to do this is a direct result of our tenacity.

The ability to block on existing account however has not allowed us to eradicate the practice of cramming. As a growing company, we frequently open new stores. Typically, we will open in excess of 150 new locations each year. Despite the fact we request a block on third party billing with each new order, we typically see third party charges on the first and or second month's bill from this carrier.

To give the committee some idea of the pervasiveness of the problem, in 2004 our team tracked and received refunds totaling nearly \$750,000 in erroneous charges billed through local exchange carriers. We estimate approximately 25% of the number of erroneous charges was the direct result of cramming. At the height of this problem, some 2 to 2 and one half years ago, a single team member requested over \$3,000 in refunds for erroneous third party charges from AT&T alone, in only one geographic region of our company. When you consider the charges related to cramming are usually between \$5 to \$50 per bill, this example reflects somewhere between 60 and 600 erroneous charges for a single month in a single region. Based on the records we have kept, over the past ten years, we have averaged about \$1,250 worth of these charges per month for O'Reilly. About ¼ of our dedicated teams time is spent finding, disputing, and recording the credit request and receipt progress. When we acquired CSK Auto in 2008 and began to audit their statements, we estimate they averaged \$2,500 a month over this same period.

Often, the carriers simply refer you to the third party biller or their third party clearinghouse. Often, they will attempt to persuade that someone within the company signed up for and authorized the services by phone or through the internet. O'Reilly has consistently trained local store managers and communicated to carriers that local store managers lack the authorization to bind the corporation for these services. While we expect a team member to make a mistake from time to time, we believe our training is effective and view the continuation of cramming a purposeful decision on the part of carriers to circumvent communication to them regarding our corporate authority structure. In addition, our team members do not have store access to the internet. It seems unlikely they would go home and sign up their store for any of these services. There have been times when recordings have been made to evidence the alleged purchase of services. While some calls sound legitimate, others, in our opinion do not. The carriers or clearinghouses cannot and/or do not ever produce any documentation purporting to actually be signed by an employee with any authority. One might only surmise that doing so results in a pecuniary benefit, not only to the crammers, but to the LEC's.

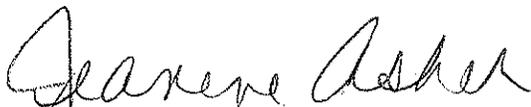
In summary, the company has and continues to spend its resources managing the issue of cramming with its providers and has done so for over ten years now. During that time, the company estimates it has obtained refunds and credits for an approximate conservative estimate of \$200,000 at O'Reilly for cramming alone. CSK Auto, Inc. was acquired in 2008 and did not have staff auditing or tracking of these erroneous charges. Based on the condition of their billing when that company was acquired and the audits our O'Reilly teams have done, I estimate they lost approximately \$300,000 over the last ten (10) year period. Overall, 3rd party charges billed to both companies is estimated at \$550,000. Additionally, we estimate three full time employees have spent roughly 26,000 hours solely on this issue at an additional overhead exposure of approximately \$400,000.

Whether the consumer is an individual or corporation, we view the practice of cramming as unethical and fraudulent. We ask the committee to recommend proposed legislative action to preclude this practice including an express statutory private right of action and include equitable and damage remedies as well as an attorney fee provision and punitive damages based up on a finding that conduct is pervasive, egregious or outrageous.

In addition to the forgoing, we attach exemplars of bills supporting the types of 3rd party billing we receive.

Sincerely,

O'REILLY AUTOMOTIVE STORES, INC.



Jeanene Asher
Director of Telecommunications
233 S Patterson Avenue
Springfield, MO 65802
Phone 417-874-7288
Fax 417-874-7225

JLG/snh

Enclosures

BASIC ACCESS

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BUMPER TO BUMPER
O'REILLY
Bill Date: Dec 10, 2010
Account No:

For questions, call 1 800 410-9920
www.BasicAccessCommunications.com

Enhanced Telecommunications Services

The charges on this portion of your bill are for non-telecommunications services and products. You have the right to dispute these charges, if you feel they are not legitimate. Neither local nor long distance services can be disconnected for nonpayment of these charges. The service providers that bill these types of charges may employ other agencies to collect these charges, even if Qwest has previously adjusted them from your bill.

Miscellaneous Charges and Credits

No.	Date	Item	Amount
1.	Nov 01	CONFERENCECALLING SVC	7.99

Total BASIC ACCESS Misc Charges and Credits	\$7.99
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This portion of your bill is provided as a service to BASIC ACCESS.



CHECKER AUTO PARTS
Date of Bill
Account Number

Detail of FRONTIER

Toll charged to

Ref #	Date	Time	Min	*Type	Place and Number Called	Charge
1	OCT 01	5:58P	1	OE	N11 CODE AZ (520)411-0000	.50
						Subtotal
						.50



Teleservices Inc.

Bill

Detail of ILD Teleservices Long Distance Calls

Toll charged to

Ref #	Date	Time	Min	*Type	Place and Number Called	Charge
2	SEP 30				SLWEBHOSMTH	49.95
						Subtotal
						49.95

TOLL CHARGE INQUIRIES CALL (800)433-4518

Legend Call Types:

OE - Operator Completed Evening

Important Information

This portion of your bill is provided as a service to the company identified above. Please review all charges appearing in this section. If you have any questions or concerns, call the telephone number shown above.

Current Charges

Billed on Behalf of SILV COMMUNICATION, INC. #

Long Distance

Item	No.	Date	Time	Place Called	Number	Code	Min	
Charges for !								
Itemized Calls								
	1	1-18	429P	GEORGETOWN TX	512 863-9915	D	8.8 #	.00
Charges for								
Itemized Calls								
	2	1-14	848A	ARLINGTON TX	682 551-2716	D	.8 #	.00
	3	1-15	1022A	ARLINGTON TX	682 551-2716	D	.9 #	.00
Total Itemized Calls .00								
Total Charges for 512 528-1513 .00								
Total Long Distance .00								

Itemized Charges and Credits

Item	No.	Date	Description	
Charges for !				
	4	1-20	CARRIER ASSESSED - USF RECOVERY FEE	3.50
	5	1-20	FEDERAL UNIVERSAL SERVICE FUND FEE	4.74
	6	1-20	SILV COMM.-BUSINESS MULTILINE FEE	6.50
	7	1-20	SILV-UNLTD NATIONWIDE LD MTHLY FEE	29.95
Total Charges for ! 44.69				
Charges fo				
	8	1-20	FEDERAL UNIVERSAL SERVICE FUND FEE	4.09
	9	1-20	SILV COMM.-BUSINESS MULTILINE FEE	6.50
	10	1-20	SILV-UNLTD NATIONWIDE LD ADD'L LINE	24.95
Total Charges for 35.54				
Charges for 5				
	11	1-20	FEDERAL UNIVERSAL SERVICE FUND FEE	4.09
	12	1-20	SILV COMM.-BUSINESS MULTILINE FEE	6.50
	13	1-20	SILV-UNLTD NATIONWIDE LD ADD'L LINE	24.95
Total Charges for ! 35.54				
Charges for				
	14	1-20	FEDERAL UNIVERSAL SERVICE FUND FEE	4.09
	15	1-20	SILV COMM.-BUSINESS MULTILINE FEE	6.50
	16	1-20	SILV-UNLTD NATIONWIDE LD ADD'L LINE	24.95
Total Charges for ! 35.54				
Charges for :				
	17	1-20	FEDERAL UNIVERSAL SERVICE FUND FEE	4.09
	18	1-20	SILV COMM.-BUSINESS MULTILINE FEE	6.50

Billed on Behalf of SILV COMMUNICATION, INC. # - Continued

Item	No.	Date	Description	
	19	1-20	SILV-UNLTD NATIONWIDE LD ADD'L LINE	24.95
Total Charges for ! 35.54				
Total Itemized Charges and Credits 186.85				
Total for SILV COMMUNICATION, INC. 186.85				

Taxes

20.	Federal	.00
21.	State and Local	.00
Total Taxes		.00

State taxable

Key to Calling Codes
 D Day

New services provided and billed

Total USBI

186.85

Bills



Important Information

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Current Charges

Itemized Charges and Credits

Item

No. Date Description

Billed on Behalf of **US MUSIC FIND, INC.**

Questions? Call: 1 800 433-4518

Charges for:

1.	9-18	US MUSIC FIND,INC-MONTHLY SERVICE FEE	14.99
		Provider not affiliated with AT&T	
		For questions call 1-800-433-4518	
		or visit www.ildteleservices.com	

Total Charges for: 14.99

Total for **US MUSIC FIND, INC.** 14.99

Total Itemized Charges and Credits 14.99

Total ILD Teleservices 14.99

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Current Charges

Billed on Behalf of ESAFE ID, INC. #

Questions? Call: 1 877 768-3660

Itemized Charges and Credits

Item

No. Date Description

Charges for

1. 8-27	ESAFE ID, INC-ID THEFT PROTECT SVC MTH	14.95
	For billing inquiry call 877-768-3660	

Taxes

2. Federal	.00
3. State and Local	.00
Total Taxes	.00

New services provided and billed

Total HBS Billing Services 14.95

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O'REILLY AUTO PARTS



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Current Charges

Billed on Behalf of SMALL BUSINESS TECH SLTNS, LLC #

Questions? Call: 1 800 433-4518

Itemized Charges and Credits

Item

No. Date Description

Charges for

1. 4-07 SMALL BUS. TECH-PC TECH 49.95

Taxes

2. Federal .00

3. State and Local .00

Total Taxes .00

New services provided and billed

Total ILD Telecommunications, Inc. 49.95



Questions? 1 800 433-4518

Important Information

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Current Charges

Billed on Behalf of SMALL BUSINESS TECH SLTNS, LLC #

Questions? Call: 1 800 433-4518

Itemized Charges and Credits

Item

No. Date Description

Charges for

1. 3-17 SMALL BUS. TECH-PC TECH 49.95

Taxes

2. Federal .00

3. State and Local .00

Total Taxes .00

New services provided and billed

Total ILD Telecommunications, Inc. 49.95

P.O. Box 4300
Carol Stream, IL 60197-4300

Page: 13 of 13
Bill Date: Jul. 26, 2010

**Operator Service
Provider**



Detailed activity on this page is informational only. This activity is billed and totaled from the charge detail page.

Long Distance Call Detail

Item	Date	Time	Called From	Called To	Number	Call Plan	Call Type	Min	Charge	
1	JUN22	12:00 am		YourOnlineSv				0	29.95	
Total for									0	29.95
Total For PaymentOne, Inc.										29.95

The above calls are presented for carrier PaymentOne, Inc.
If you have questions regarding these calls please contact
PaymentOne, Inc. at 888-238-5118.

PaymentOne, Inc. billing on behalf of Your Online Services

Total Of Itemized Calls

Taxes, Fees and Surcharges

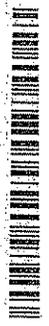
ARKANSAS Sales Tax	1.80
CLAY Sales Tax	0.15
CORNING Sales Tax	0.52
Total Taxes, Fees and Surcharges	

*Bills 10
called - cancelled
service
requested
2.47
on 8/17*

Total Exchange Carriers Long Distance

32.42

This portion of your bill is provided as a service to the company identified above. There is no connection between CenturyLink and this company. If you have any questions concerning this section of your bill, please call the number(s) listed above.



RE: Confirmation of Account Cancellation for [REDACTED]

Dear Business Owner:

Your Online Services, LLC. Customer Care department has received your request to cancel services provided for Corning Auto Parts. This notification confirms that service has been cancelled, on 8/17/2010.

We have also issued a credit in the amount of \$29.95. Although Your Online Services, LLC. has submitted the above credited amount for immediate processing, it can take up to two (2) billing cycles for a credit to appear on your statement. Timing on credit posting is dependent on your Local Exchange Carrier's billing periods, so please allow a maximum of 60 (sixty) days for your local telephone company to place this credit to your account.

Your confirmation reference number is CC324075. Please retain this important information for your records.

Effective immediately, as an added courtesy, we have also placed your business telephone number of our Internal DO NOT CONTACT list. With this internal block in place, Your Online Services, LLC. will not contact you again with any future offers.

We appreciate the opportunity of having provided services for Corning Auto Parts. If you have any questions or needs regarding this account, please don't hesitate in contacting our Customer Care department, toll-free at 1-866-200-8577 between the hours of 9:00 AM and 9:00 PM (EST), Monday through Friday; by US Mail to 2780 S Jones Blvd #3326, Las Vegas, NV, 89102; or via email to support@youronlineservices.net.

Sincerely,

YOUR ONLINE SERVICES, LLC.
Customer Care & Retention Team

Your Online Services, LLC.

2780 S Jones Blvd #3326 • Las Vegas, NV 89102 • 1-866-200-8577 • support@youronlineservices.net