Fed up with dropped calls and a string of defective cellphones, Corey Taylor said he became irate when he learned he'd have to pay $175 to get out of his long-term contract with Verizon Wireless. So he resorted to a rather extreme measure. He faked his own death.

After reading on a blog that wireless companies would cancel the contracts of deceased customers, "I thought, 'What have I got to lose, besides a cellphone I despise?' " Taylor said. The Chicago consultant fashioned a fake death certificate and had a friend fax it to Verizon Wireless, his carrier. He thought he was in the clear -- until the company caught on.

"In the end, I forked over the money," Taylor said. "But I bet I sent a definite message about how much people hate being strapped to a cellphone that doesn't work."

Most cellphone owners find themselves committed to two-year service contracts with wireless companies, facing hefty fees for an early escape. But as customer satisfaction with these firms continues to slide, consumers are taking more drastic actions to shed their contracts.

Such desperate attempts are "compelling evidence that the wireless carriers have failed to address the desires of the market," said Phil Doriot, a partner with consulting firm CFI Group of Ann Arbor, Mich., which has studied customer satisfaction for major cellular service providers. "No other industry could get away with being so inflexible."

Cellular companies charge up to $250 to release customers from a contract, a stipulation protested by an increasing number of cellphone users. Consumers filed more complaints about cellphones than any other industry for the past three years, according to the Council of Better Business Bureaus; contract issues consistently rank among the top three gripes, along with billing and service problems.

The number of contract-related complaints received by the Federal Communications Commission more than doubled from 2003 to 2005. And thousands of customers were expected to pay to cancel their cellphone contracts with other service providers this summer after the iPhone was released exclusively with AT&T service, according to mobile communications research firm M:Metrics of Seattle.

Sandy Loehman, 27, of Winchester, Va., said she managed to talk her way out of her Verizon Wireless contract, avoiding the $150 fee by reading the fine print on her bill. In April, she noticed the price for receiving a text message from an international carrier had increased 5 cents. Most wireless companies will
cancel a contract for free if a billing change negatively affects a customer.

"I argued with five customer-service reps and used a lot of big words," Loehman said. After she got hold of a supervisor, she threatened to complain to the FCC, the Better Business Bureau and the state's attorney's office.

"Eventually, I think they just didn't want to deal with me anymore," she said.

Most carriers offer deep discounts on expensive cellphones to attract customers. Cancellation fees, they say, help offset those costs.

Some carriers have softened their policies. Verizon Wireless now prorates its cancellation fees so customers pay less if they are near the end of their contract. Sprint Nextel lets customers change their service plans up to six months after they sign their contract. All the major carriers say they waive cancellation fees for military personnel going abroad and for customers moving to poor coverage areas, but they ask for proof of the move.

AT&T will take extenuating circumstances, such as losing a job, into account when dealing with customers, said spokeswoman Alexa Kaufman.

"We try to figure out what it is they're not happy with," she said. "Maybe the bill's too high and we can offer options to lower it."

Such efforts have not done much to boost customer satisfaction, however. A recent report by the American Consumer Satisfaction Index showed that, despite modest improvements, the wireless industry still ranks far below fast-food restaurants and airlines. Poor customer service is the No. 1 reason customers switch to another carrier, according to a CFI Group report released this month. Doriot, an author of the CFI report, said frustration over contract terms is especially harmful for carriers now that competition for new customers is so fierce.

"When cellphone companies charge consumers fat penalties to leave, they're throwing sand in the gears of competition, which means consumers pay higher prices for shoddy service," said Chris Murray of Consumers Union, which has been lobbying against cancellation fees.

Consumer lawsuits in several states, including California and Florida, have challenged the fees as unfair and illegal because they punish customers for moving to another service provider. Wireless carriers have asked the FCC to treat the fees not as penalties but as rates companies can charge for service. Several members of Congress have expressed concern over the fees, and some have said they plan to introduce legislation this fall that would give states more authority to regulate the fees.

"It's amazing how many people really resent being locked into a contract," said Craig Wurtenberg, co-founder of CellTradeUSA.com, a Web site that matches people wanting to get rid of the remaining time on their contract with people looking for shorter cellphone commitments. Wireless companies release customers from their contracts if they transfer the remaining time to someone else.

Traffic on the site, which typically lists requests from about 2,000 people wanting to unload their contracts, increased more than 30 percent when the iPhone hit store shelves in June.
Another site, CellSwapper.com, often sees a surge of people trying to escape contracts when a cool new phone comes out, said chief executive Adam Korbl.

The iPhone requires a two-year contract with AT&T, although the $500 phone does not come with a discount. But Al Chang, a consultant from Berkeley, Calif., found a way to reduce the pain of a cancellation fee.

Before the iPhone was released, Chang, 37, signed up for a two-year contract with AT&T with the purchase of a Blackberry for a discounted price of $150. He turned around and sold the device online for $350, and then bought an iPhone.

"That way, I have $200 in my pocket -- so if I ever do want to cancel, I haven't lost any money on the deal," he said. "I think I actually made a profit."