



at&t

Telecom in Ten Years

A Broadband World
Connected & Mobile

“When you improve connectivity, you increase the speed of commerce.”

Commerce accelerated with each new method for improving our ability to connect with each other, both here in the states and throughout the world.

- Shipping
- Railroads
- Cars & Trucks
- Telephone
- Television
- PCs and the Internet
- Smart phones and the Internet

Make it fast and make it mobile and you make it indispensable

Despite home phones declining year after year, the number of voice minutes on our networks is still growing 10% every year – the impact of mobile telephones

Data usage continues to **grow grow grow** due in no small part to laptop computers and smart phones

Just try to take a smart phone or a laptop computer away from a teenager!

(or anyone in this room)

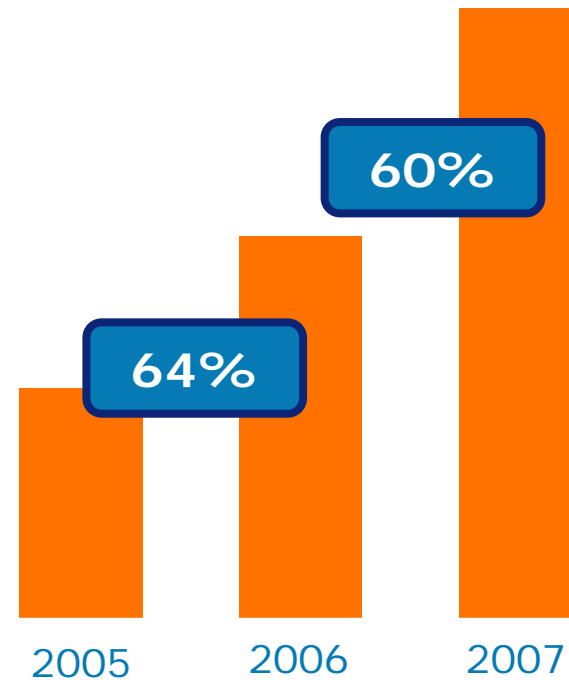
Where are we today...

Broadband and Business Data Traffic

Consumer Broadband Traffic



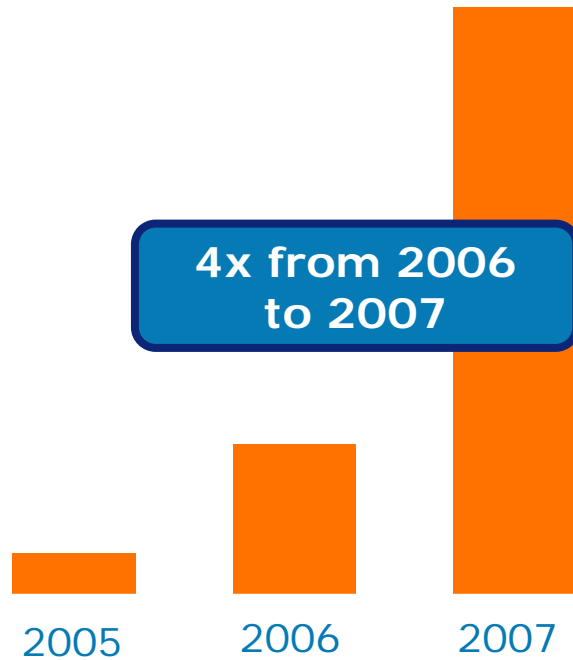
Business Data Traffic



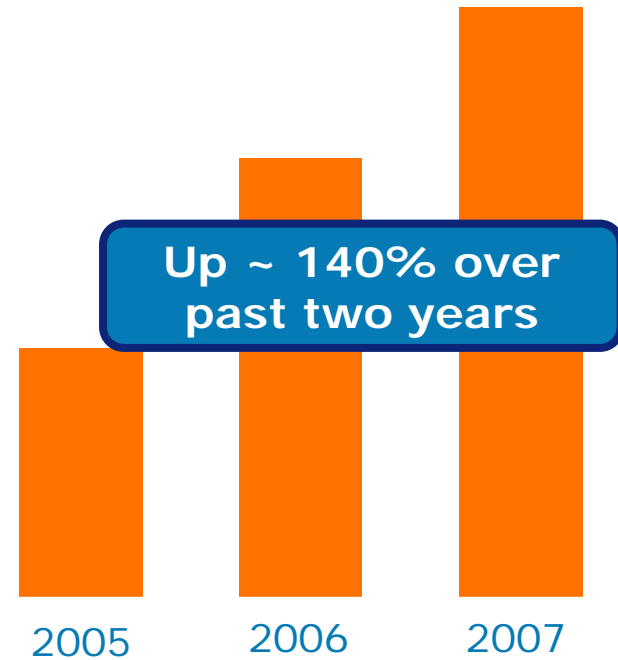
Where are we today...

Wireless and International Traffic

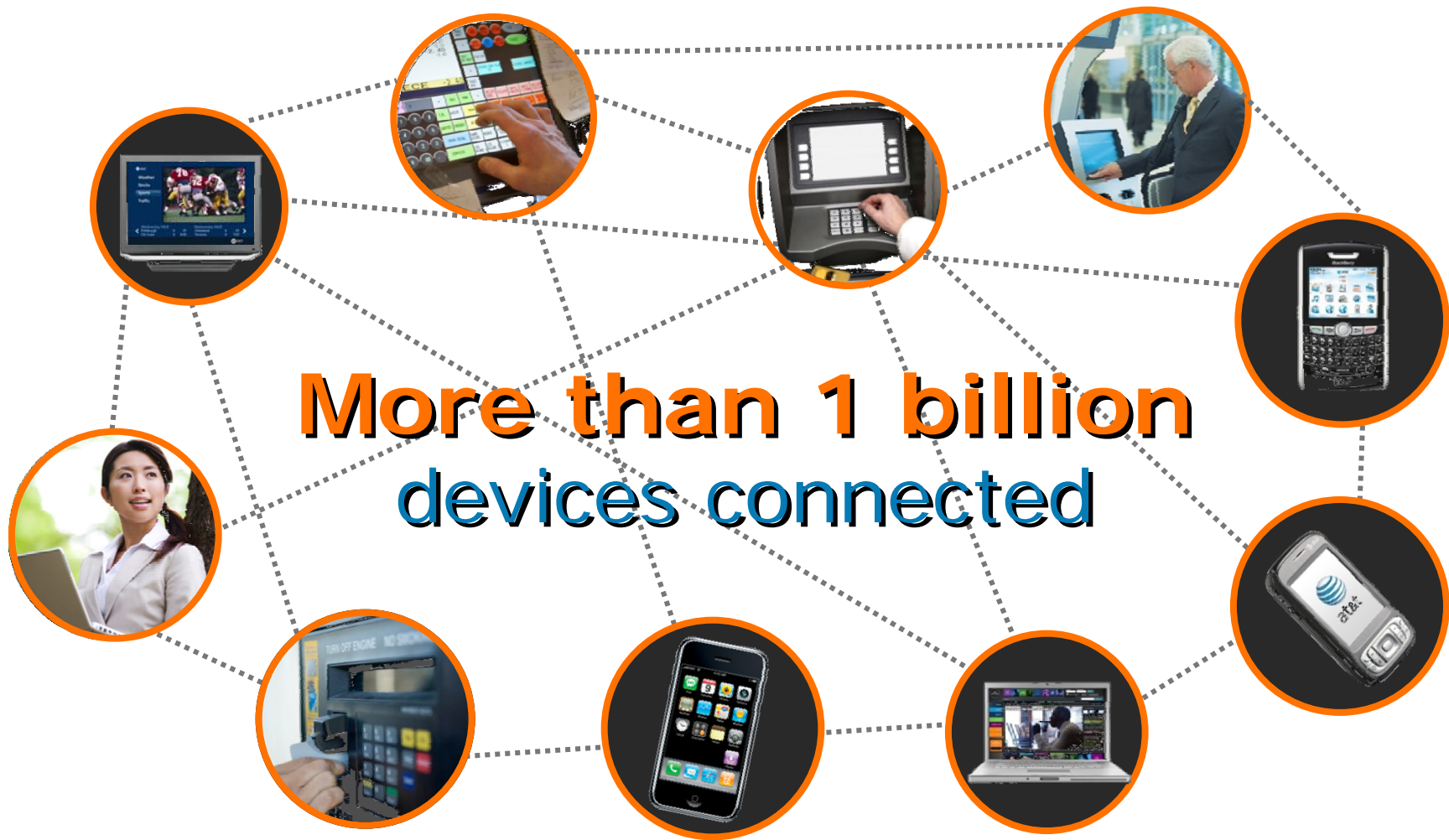
Wireless Data Traffic



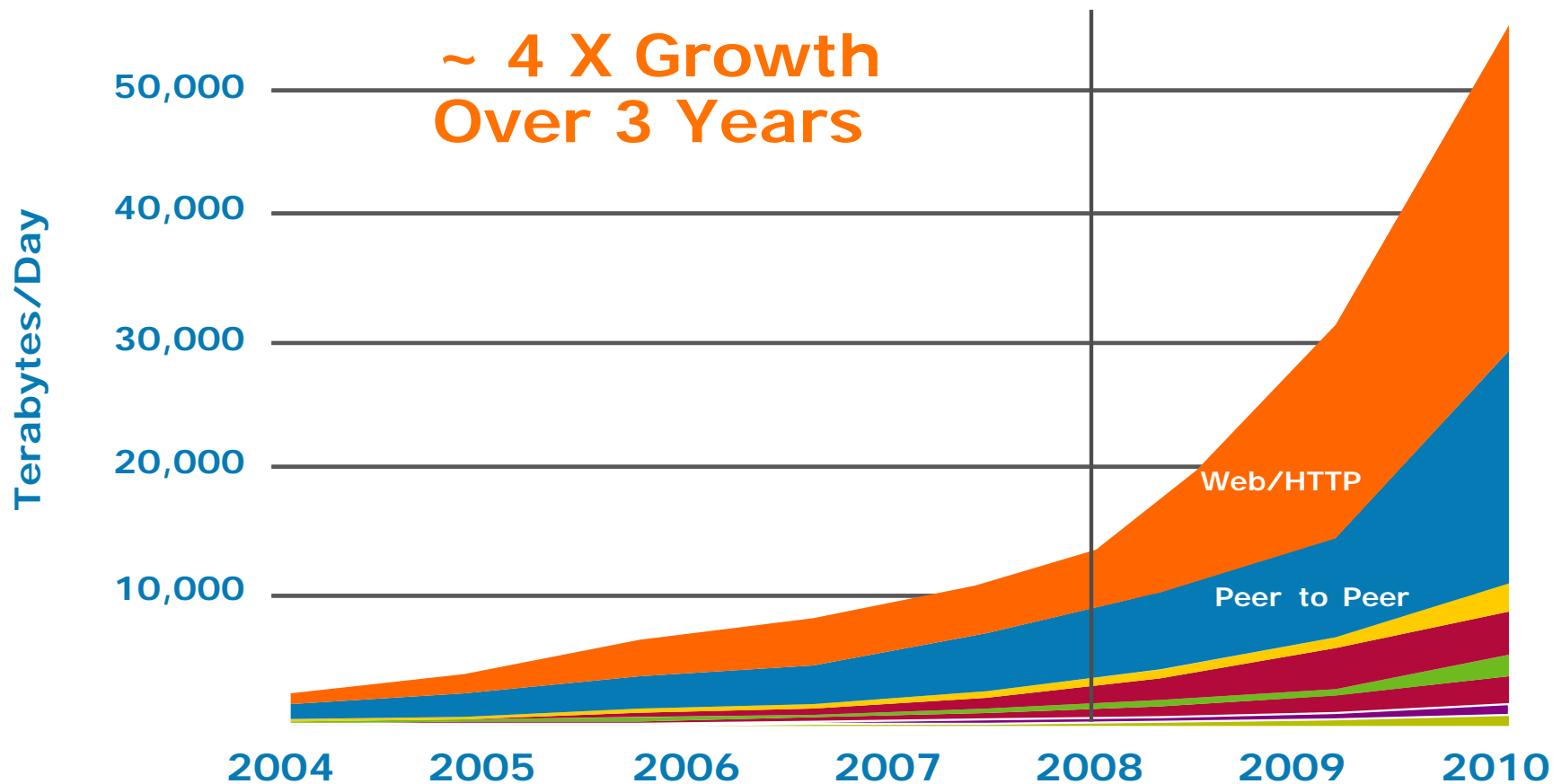
International Traffic



AT&T Platform Connections



AT&T IP Backbone Projected Traffic Growth



10 terabytes equals the entire printed collection of the Library of Congress

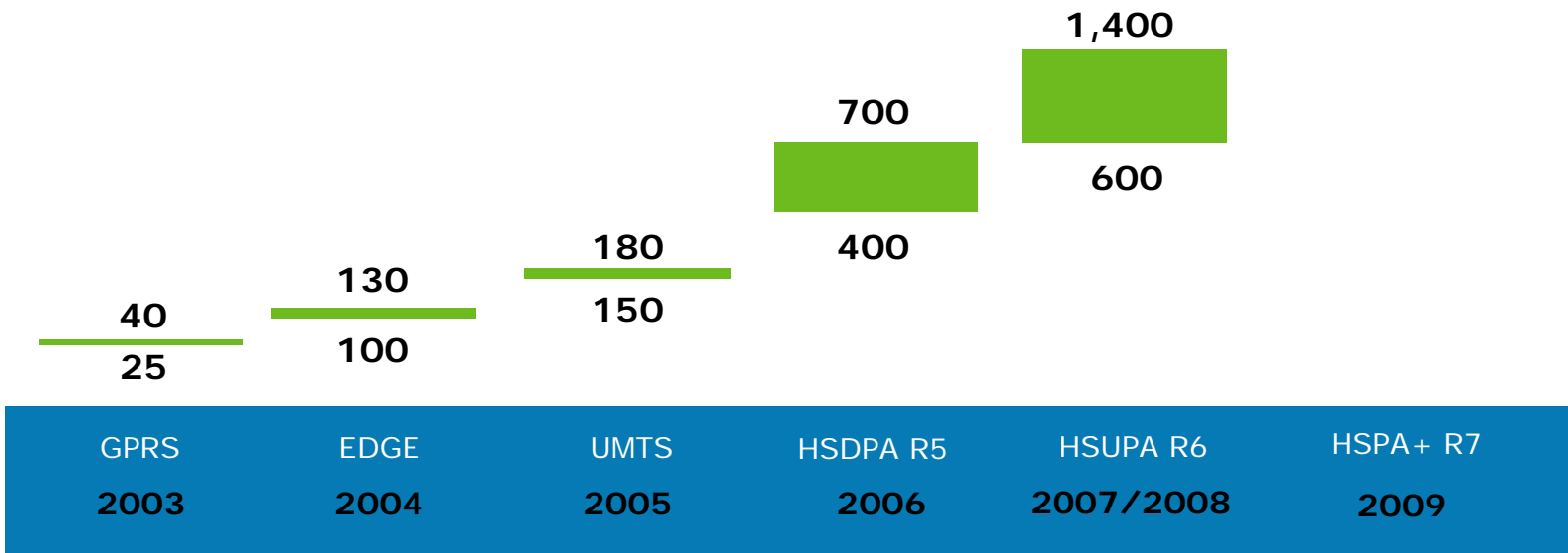
Mobility Assets

Technology Road Map: Faster Wireless Data Speeds

Average Downlink Speeds by Technology - (Kbps)

- HSPA R7 and LTE, expected to reach peak speeds >28 Mbps

>28,000 (Peak)



Worldwide

In the year 2000, there were approximately 720 million mobile phone users

By the end of 2007 it had quadrupled to 3 billion users

A few years ago there were approximately 1 billion users online

By the end of 2007 it doubled to 2 billion users online and is expected to climb to 3 billion users by 2011

We're headed for a broadband world...

...and that world is being fueled by an intensely competitive market driven by a broadband arms race waged over multiple technology platforms

Telco

Satellite

Cable

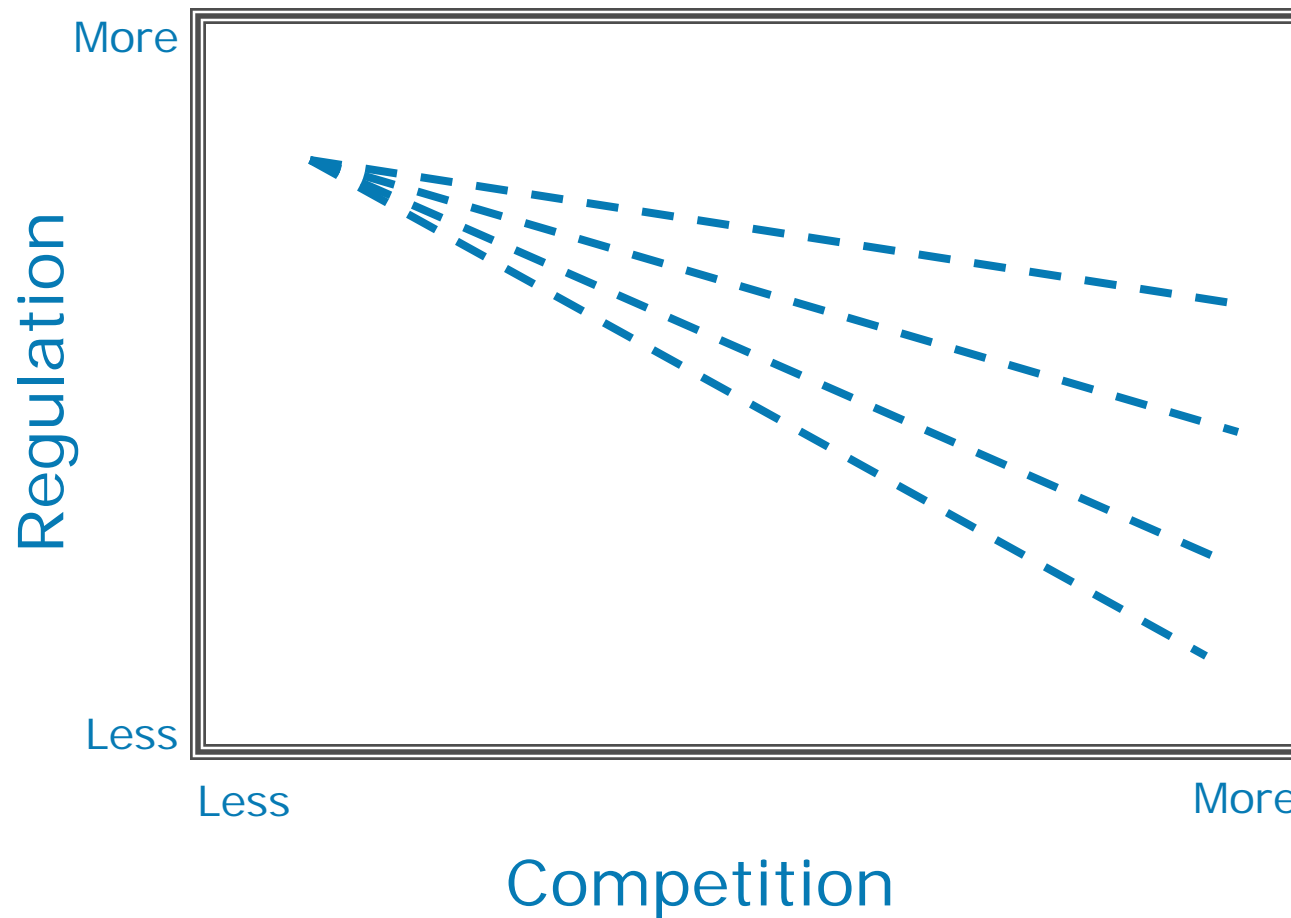
Powerline

Wireless

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CLEC

Driven by technological change and an increase in consumer choice, regulation in 2018 will be focused on different issues



A Focus That Looks Beyond the Current Regulatory Issues

Rate Regulation
Market Entry / Exit
Access arbitrage
Intercarrier Comp



Public Safety
Spectrum Management
Universal Service
Broadband
Beyond broadband
Numbering
????????????????????

Legacy carriers of the
20th Century monopoly era

21st Century Competitive
Market

In the Year 2018

Today's 12 – 13 year olds will be entering the workforce

They are in constant communication with their circle of friends

- They use any and all forms of communication
 - Voice
 - Text messaging
 - Instant messaging
 - Video
 - My Space / Facebook

They will bring this predisposition to the workplace

Workplace collaboration will be transformed

Frank Simone
Executive Director – Federal Regulatory