

How the FCC and States Can Better Coordinate Enforcement NARUC Panel



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CTIA-The Wireless Association®
NARUC Consumer Affairs & Telecommunications Committees
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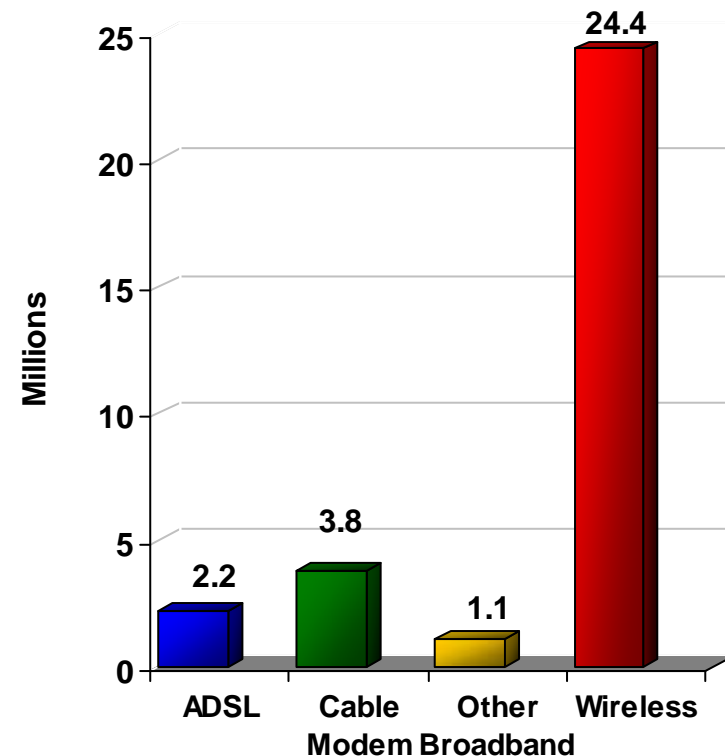
America's Growing Appetite for More Smartphones and Data Applications

- Smartphones comprised 23% of all handsets sold in the U.S. during the fourth quarter of 2008, rising to 28% of all handsets sold in the second and third quarters of 2009
- In just over *one year*, the wireless industry launched:
 - **Seven** applications stores
 - Offering more than **130,000** applications
- To date, more than 3 billion applications have been downloaded by consumers
- Wireless data use is expected to double every year through 2013

And Wireless is a Growing Means of High-Speed Access

- **From June 2007 to June 2008**, total high-speed lines grew more than 31%, from 101 million to 132.8 million lines, and **76% of all adds were mobile wireless subscriptions**.
- Mobile wireless' high-speed subscribership rose from 35.3 million to 59.7 million subscribers.
- Mobile wireless' share of total broadband lines rose from 35% to 45% of total broadband lines.
 - Other forms of broadband access also grew, but not by as much as wireless access, and their total share of broadband lines fell.
 - Since then, high-speed wireless access has kept growing.

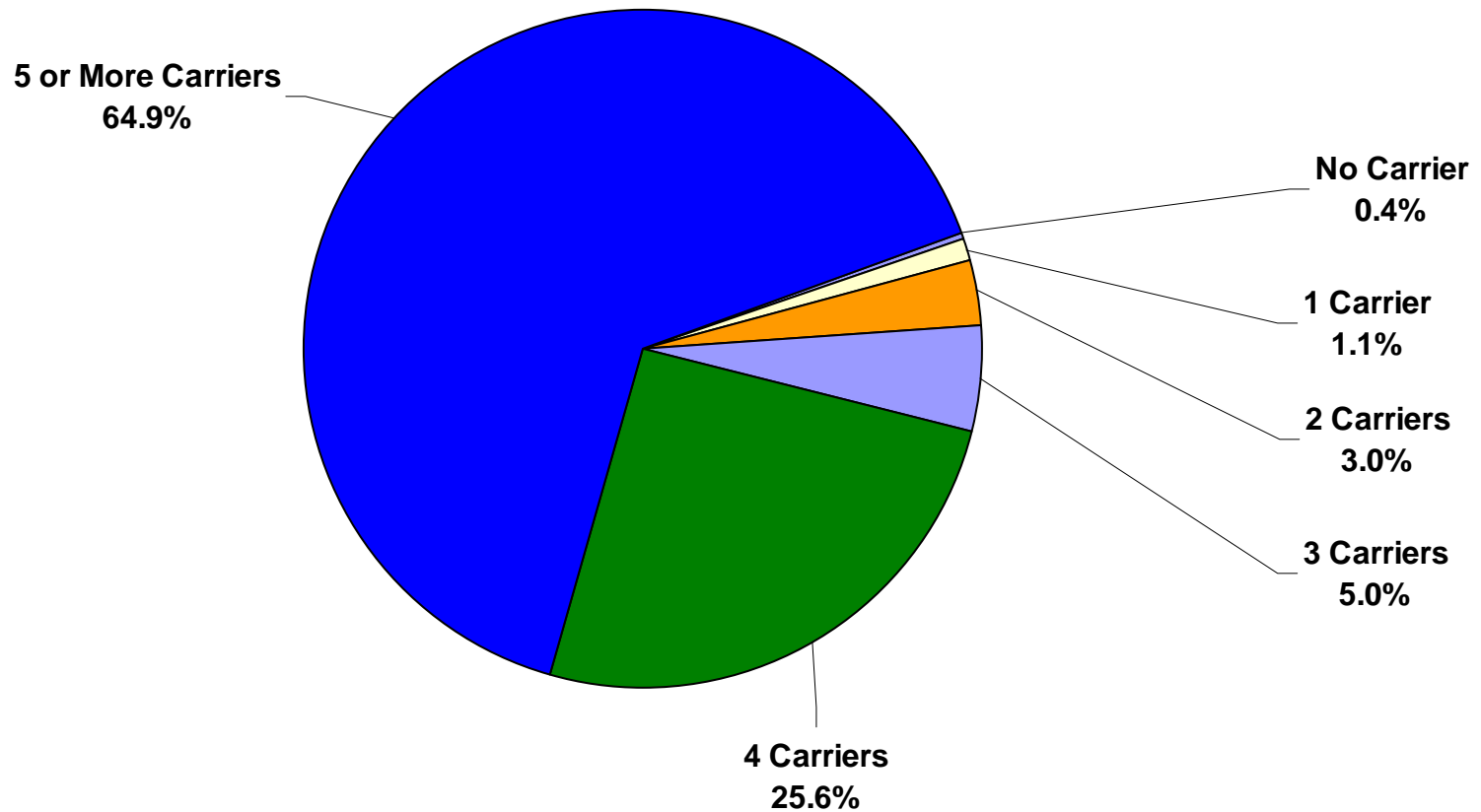
High Speed Net Adds by Type, June 2007 – June 2008



Source: FCC Report, "High-Speed Services for Internet Access: Status as of June 30, 2008," July 2009.

Wireless Has Delivered More Choices for More People

Nearly Two-Thirds of US Consumers Have Five or More Facilities-Based Wireless Providers to Choose From

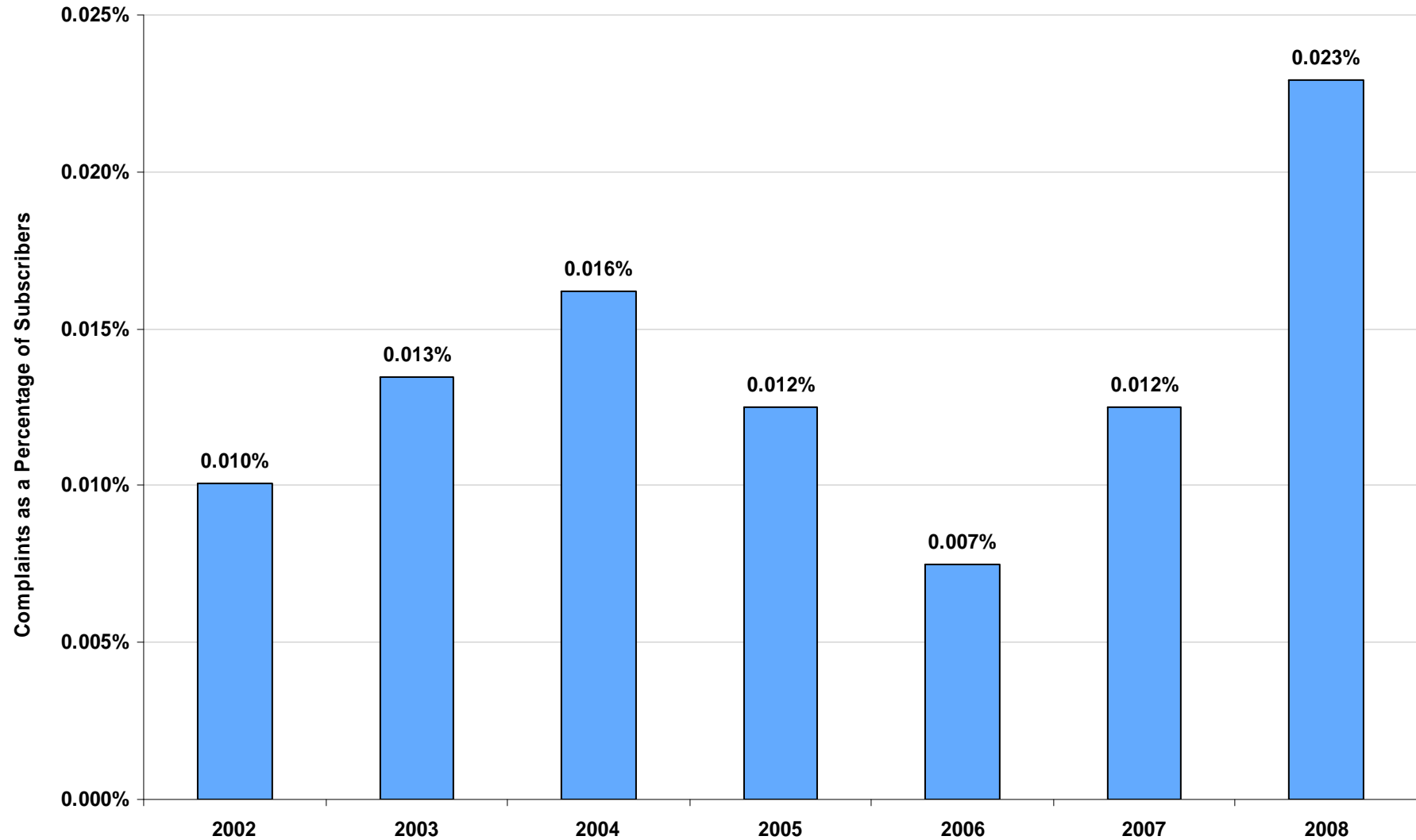


Customer Satisfaction – 3rd Party Results

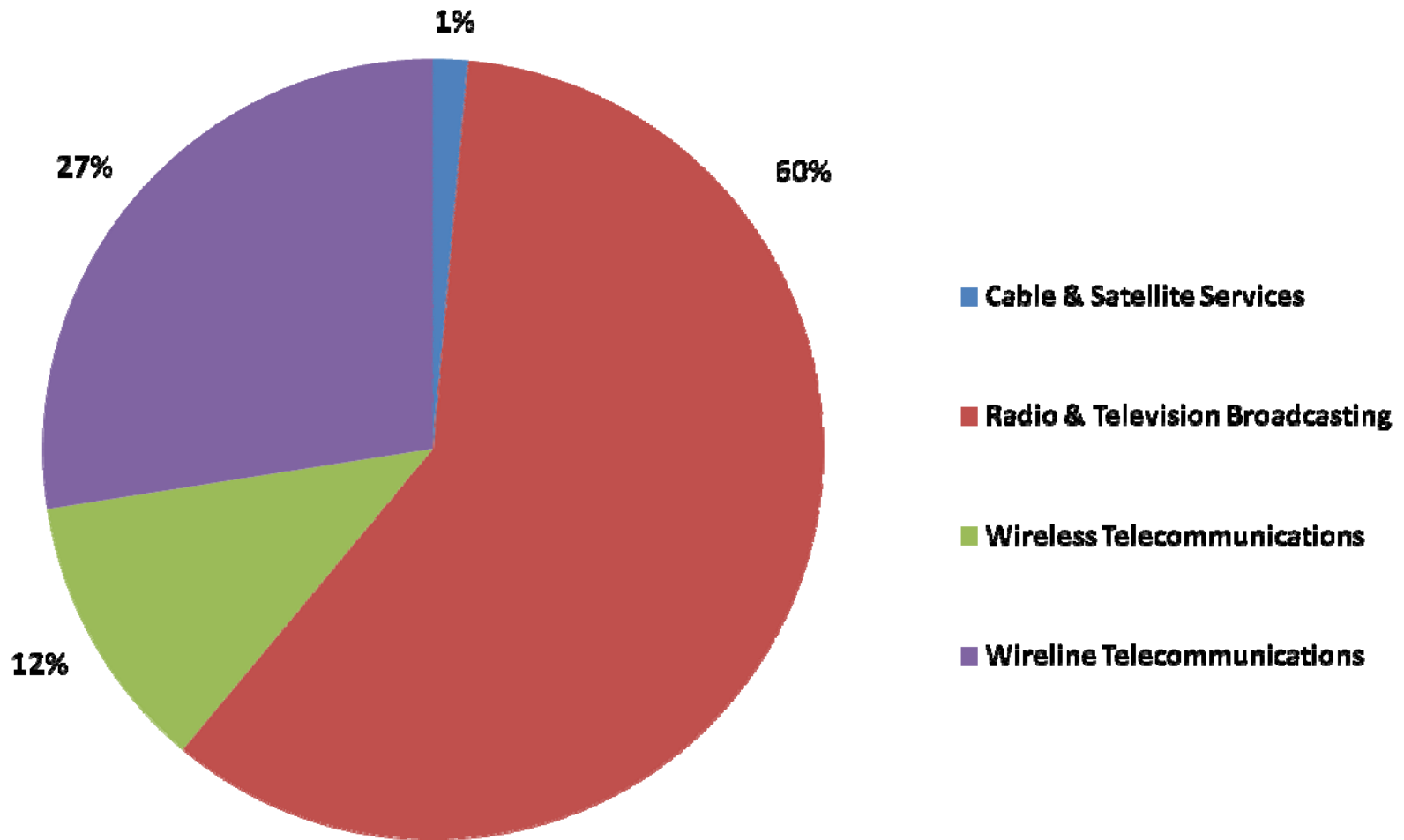
- What do wireless consumers think?
 - Last year, a **bipartisan national survey** by McLaughlin & Associates and Penn Schoen Berland & Associates found **93.5%** of wireless customers were satisfied with their cell phone service – **63%** were “very satisfied” with their service.
 - **Consumer Reports** magazine reported that “fifty-four percent of respondents were completely or very satisfied with their cell-phone service.”
 - **J.D. Power & Associates** found that overall satisfaction among smartphone users “increased considerably.”
 - **GAO** found that 84% of wireless consumers are somewhat or very satisfied with their service

In Spite of Recent Growth, the Complaint Rate Remains Low

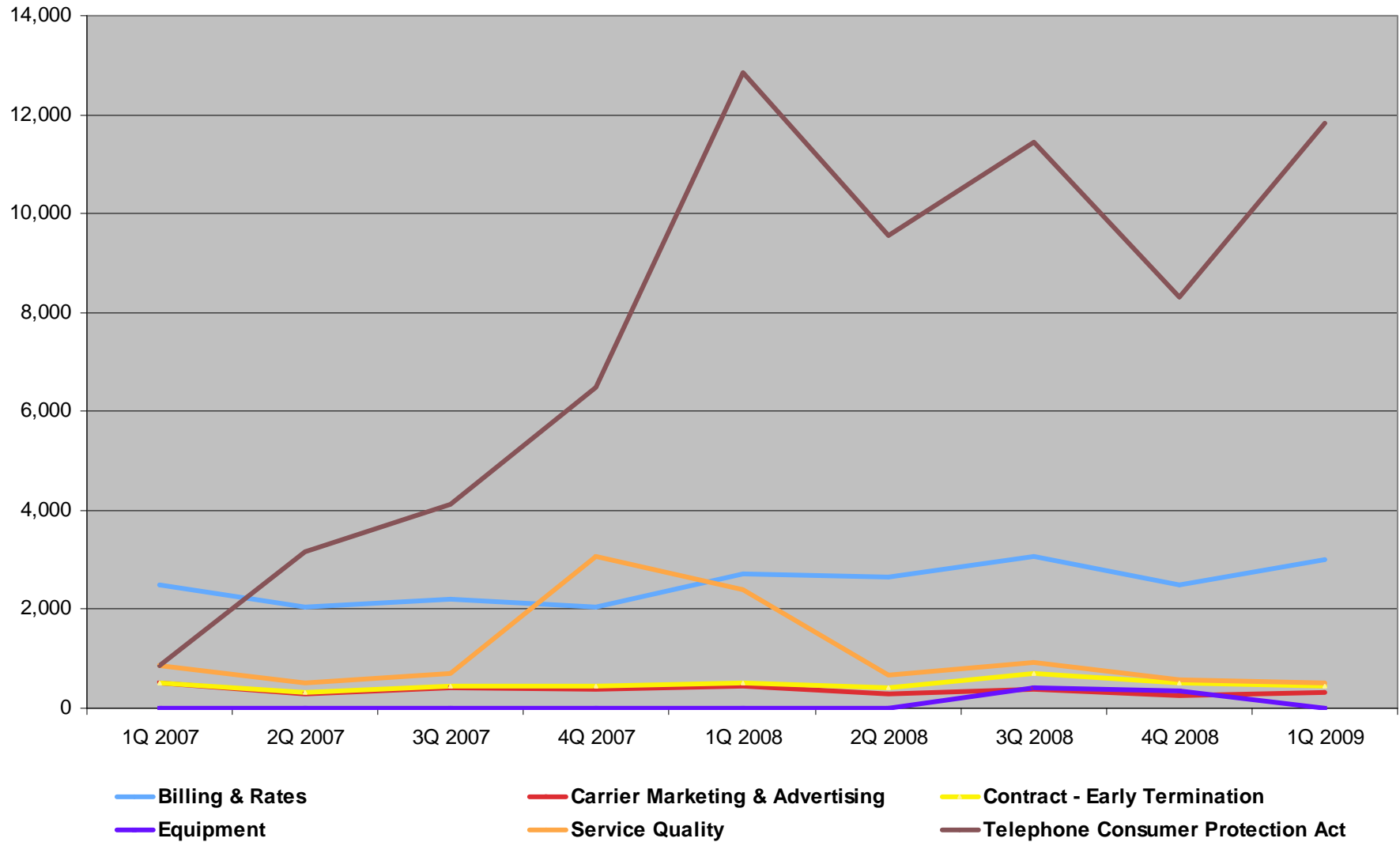
Complaints in 2008 Amounted to Just Over Two-Hundredths of One Percent



Quarterly FCC Complaints by Category: 1Q07- 1Q09

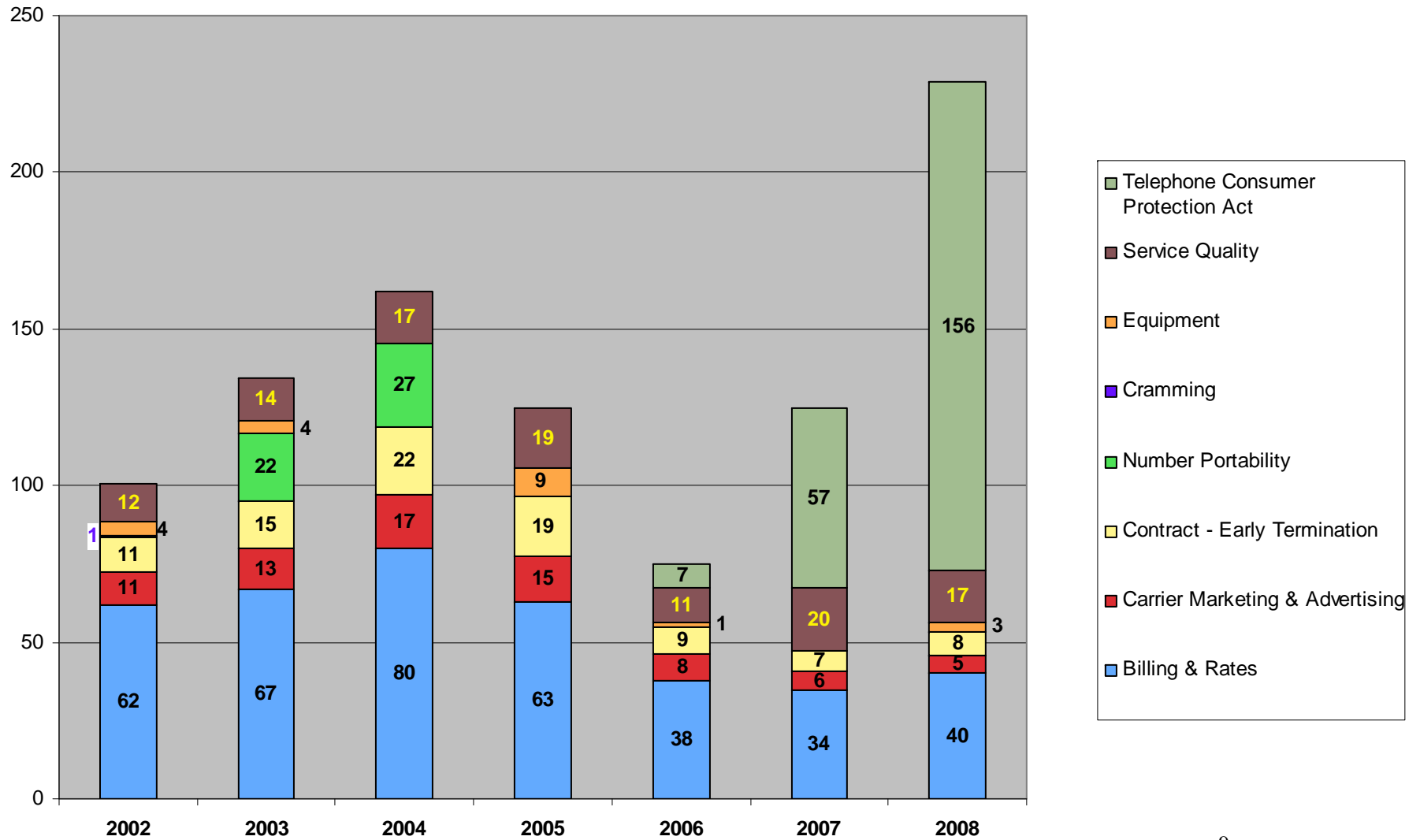


Quarterly Wireless-Related Complaints, 2007-2009 (Including TCPA)



Complaint Rates – Complaints per Million Subscribers

Annual Complaints Per Million Wireless Subscribers, by Category



Source: FCC CGB

U.S. Wireless Carrier Consumer Practices

	ETF policies	Trial period	Point of sale information/documentation	Online, street-level coverage maps	Ability to change plan w/o contract extension	Ability to purchase service w/o a contract (prepaid)	Ability to bring your own phone	Ability to pay full price for a handset and take service w/o a contract	Military Personnel Benefits	
									Suspension	Termination
AT&T	Prorates new and renewed 1 & 2 year consumer contracts. Fees decline by \$5 each completed month of the contract ¹	30-day ²	Follows CTIA Consumer Code ³	Yes ⁴	Yes ⁵	Yes ⁶	Yes ⁷	Yes ⁸	Yes ⁹	No ETF ¹⁰
Sprint Nextel	Prorates new and renewed 1 & 2 year consumer contracts. Fees decline by \$10 per month, beginning with the 5th month of the contract until reaching \$50 for the remaining 5 months of the contract. ¹¹	30-day ¹²	Follows CTIA Consumer Code ¹³	Yes ¹⁴	Yes ¹⁵	Yes ¹⁶	Yes ¹⁷	Yes ¹⁸	Yes ¹⁹	No ETF ²⁰
T-Mobile USA	Prorates new and renewed 1 and 2 year consumer contracts. \$100 with < 180 days left, \$50 with < 90 days left, and the lesser of \$50 or the customers' standard monthly charge with < 30 days left ²¹	14-day (30 days in CA) ²²	Follows CTIA Consumer Code ²³	Yes ²⁴	Yes ²⁵	Yes ²⁶	Yes ²⁷	Yes ²⁸	Yes ²⁹	No ETF ³⁰
U.S. Cellular	Starting in the 5 th month, the ETF will be reduced by \$7.50/month (24 month contract) or \$18.50/month (12 month contract) ³¹	30-day ³²	Follows CTIA Consumer Code ³³	No, State-level only ³⁴	Yes ³⁵	Yes ³⁶	Yes ³⁷	Yes ³⁸	Yes ³⁹	No ETF
Verizon Wireless	Prorates new and renewed contracts Fees decline by \$5 per month ⁴⁰	30-day ⁴¹	Follows CTIA Consumer Code ⁴²	Yes ⁴³	Yes ⁴⁴	Yes ⁴⁵	Yes ⁴⁶	Yes ⁴⁷	Yes ⁴⁸	No ETF ⁴⁹

Annual CTIA's Wireless Industry Customer Care Contact Information

- **2010 will be the 6th consecutive year of providing “care information” to NARUC**
- **Contact Information provided by Carrier**
- **Provided to Commissioners and Commission staff**
- **Provided to Commissions no matter the regulatory authority over CMRS provided by the state legislature**
- **Purpose is to assist in addressing any consumer issues that require additional attention by the PUC and industry**