

The Evolving Communications Landscape

Global Forum 2008
Shaping the Future

Session Three: Regulation and Governance Initiatives

Brent Olson, AVP – Public Policy
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AT&T Highlights

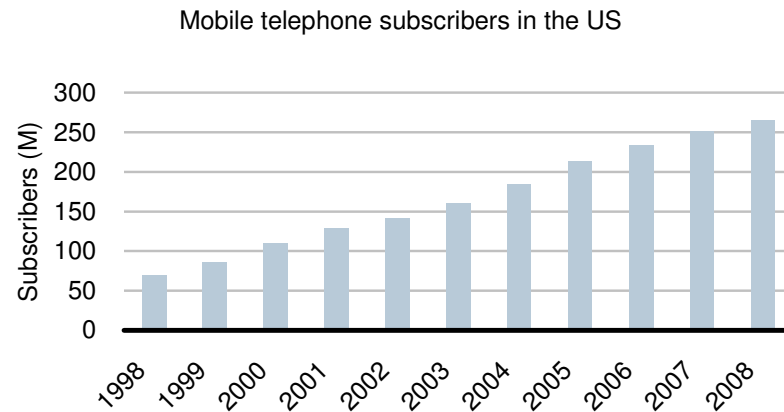
- **Largest number of mobile subscribers and the largest international coverage of any U.S. wireless carrier.**
 - AT&T's domestic digital voice and data network covers more than **298 million people with 72.9 million customers as of 2Q08.**
 - Customers can make calls on six continents and in more than 200 countries – with wireless data-roaming in more than 150 countries for laptops, PDAs and other data services and third-generation (3G) service in 60 countries.
- **One of the world's most high-profile rollouts of IPTV technology with deployment expected to reach approximately 30 million living units across 22 states by the end of 2010.**
 - AT&T is the only U.S. national service provider to offer a **100-percent IP-based television service**
 - Innovative features include: a robust High Definition channel lineup; Web and Mobile Remote Access to the DVR; the ability to record up to four programs on a single DVR simultaneously; an integrated online photos channel, AT&T Online Photos from Flickr; customizable on-screen weather, sports, stock and traffic information from AT&T U-bar; YELLOWPAGES.COM TV; AT&T Yahoo! Games and more.
- **One of the world's most advanced and powerful global backbone networks,**
 - Carries **15.6 petabytes of data traffic** on an average business day and includes nearly **879,000 fiber route miles** worldwide.
- **AT&T is the premier provider of broadband service and the largest Wi-Fi provider in the U.S.**
 - More than **14.7 million high speed Internet subscribers as of 2Q08.**
 - AT&T offers high speed Internet access to businesses in more than 55 countries.
 - AT&T Broadband via Satellite (provided by WildBlue) in AT&T's local service areas where AT&T High Speed Internet service is not available.
 - Wi-Fi connectivity from more than 17,000 hot spots in the United States alone; and from more than 71,000 locations around the world (including both company-owned and third-party hot spots).

Technological Trends in the Past 10 Years

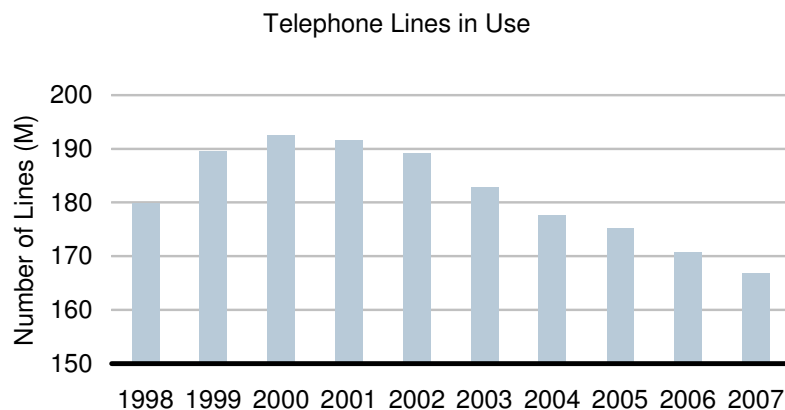


The Rise of Mobility

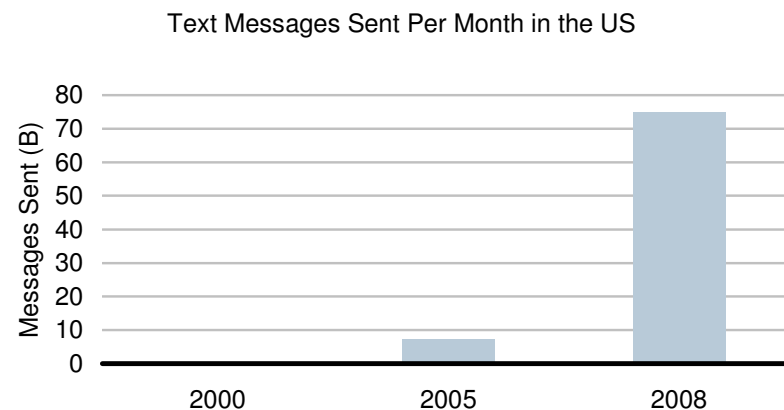
- Mobile telephone subscriber numbers have increased from **69 million in 1998 to over 266 million in 2008**
- The number of fixed telephone lines in use has decreased from a high of **192 million in 2000 to under 167 million in 2007**
- As a percentage of telecoms revenue, mobile telecoms revenue has increased from **14.9% in 1998 to 46.2% in 2007**
 - Text messaging has skyrocketed – from **12.2 million texts sent per month in 2000 to over 72 billion in 2008**



Source: Euromonitor



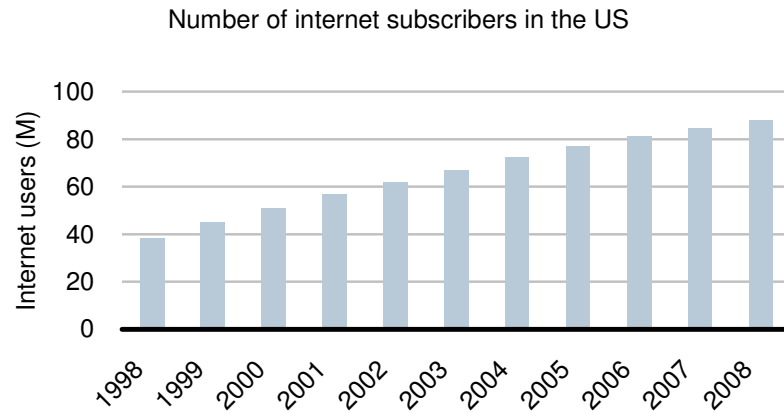
Source: Euromonitor



Source: CTIA

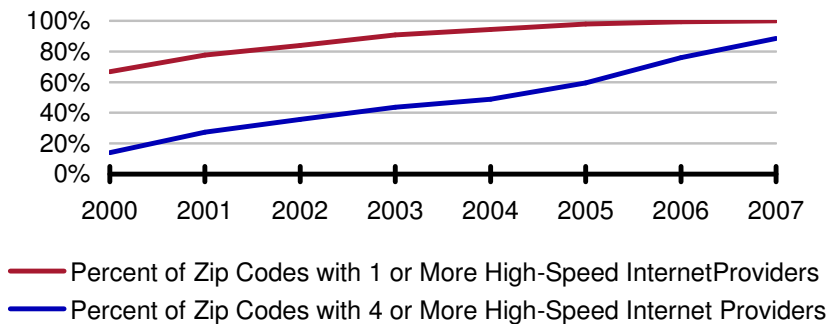
The Rise of Broadband

- The number of internet subscriptions in the US has increased from **38 million in 1998 to over 87 million in 2008**
- Broadband internet subscriptions has also increased as the number of dial-up subscriptions has decreased
 - Broadband internet subscription numbers increased from **less than 1 million in 1998 to over 74 million in 2008** while dial-up subscriptions have steadily decreased since a high of 42 million in 2001 to 13 million
- The percentage of high-speed internet coverage across the US has also greatly improved



Source: Euromonitor

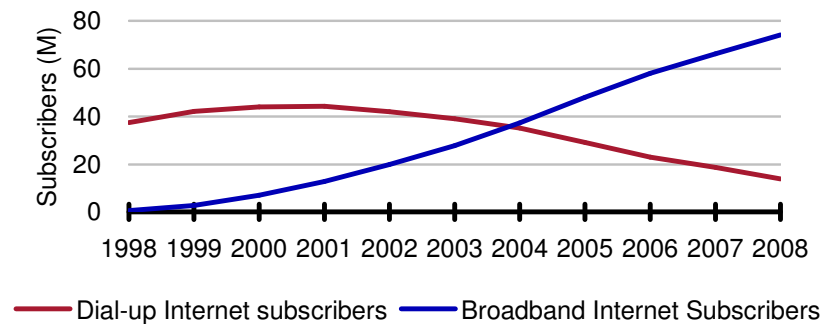
Percent of high-speed internet coverage by zip codes in the US



— Percent of Zip Codes with 1 or More High-Speed Internet Providers
 — Percent of Zip Codes with 4 or More High-Speed Internet Providers

Source: FCC

Number of dial-up and broadband internet subscribers in the US

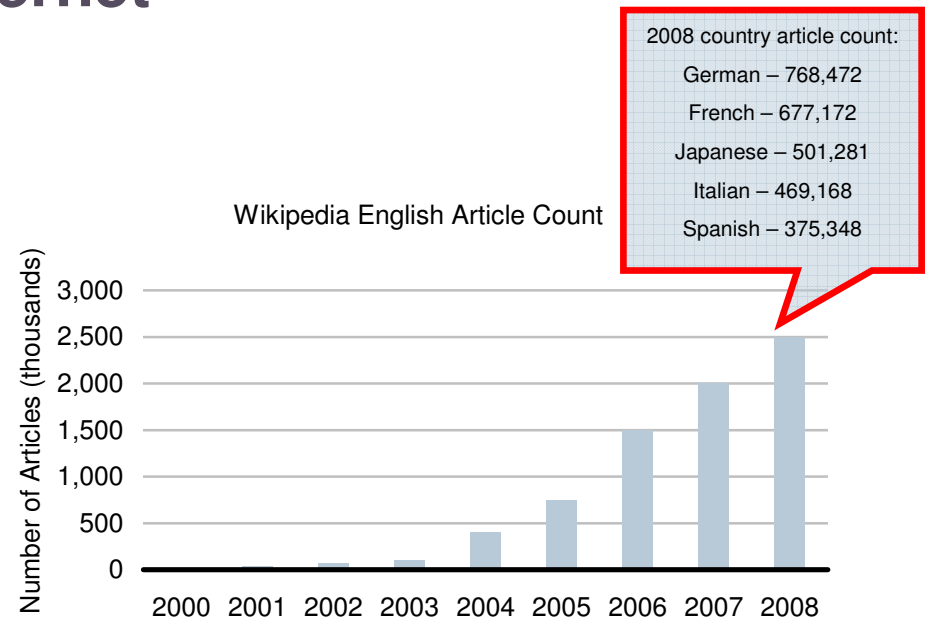


— Dial-up Internet subscribers — Broadband Internet Subscribers

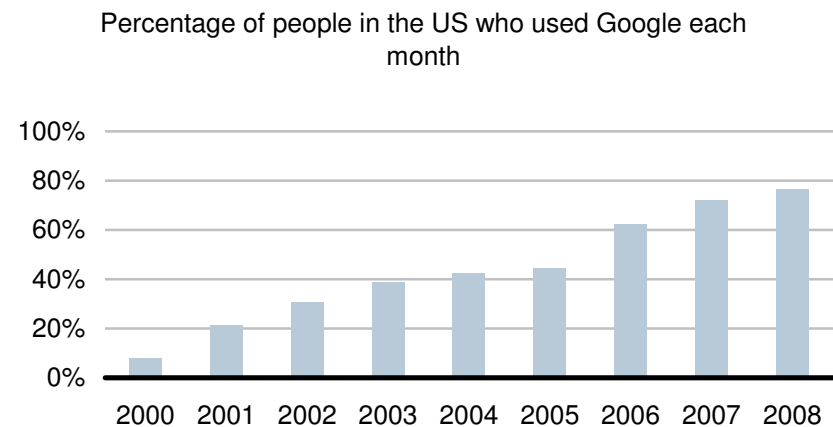
Source: Euromonitor

The Rise of the Pervasive Internet

- As internet availability has increased, so has usage and the different way consumers are utilizing the internet
 - There are currently **2.25 billion emails sent per day and 12 billion searches** performed in July 2008
 - Facebook and MySpace each have over **100 million users**, and Facebook overtook MySpace as the #1 online networking site in April 2008
 - Wikipedia has seen tremendous growth, as there are currently more than **2.5 million English articles on Wikipedia**
- Growth is expected to continue as consumers increasingly watch online videos
 - User generated content such as YouTube will generate **more than 73 billion streams or downloads in 2008** – delivering more traffic than the entire US backbone in 2000



Source: wikipedia.org



Source: comscore.com

In 1998 many common devices were in their infancy...

Analog cell phones were still widely used



Casio's new digital camera featured 1024 x 768 resolution

The most prevalent internet connection was a 56kbps dial-up modem



The Powerbook G3 had a 300Mhz processor, zip drive and a 5.0 GB hard drive.

Wi-Fi was still in its infancy



Stacked hard drives afforded computer users ample space to store files.

The Walkman combined the ability to listen to tapes and the radio on-the-go.



The first commercial bluetooth products began coming out only in 1998.

Sony released their concept flat-screen model TV in 1998.



DVDs were beginning to overtake VHS tapes but many families began purchasing dual-mode players.



GPS products were still in their infancy.

...all of which are now incorporated into one device



Policy Lessons

