Exhibit No: 12 Issues: Residential Voice Witness: Elizabeth Stoia Type of Exhibit: Surrebuttal Testimony Sponsoring Party: Southwestern Bell Telephone, L.P. d/b/a SBC Missouri Case No: TO-2005-0035 Date Prepared: January 21, 2005

11.0 (†



Missouri Public Service Commission

SOUTHWESTERN BELL TELEPHONE, L.P. D/B/A SBC MISSOURI

CASE NO. TO-2005-0035

SURREBUTTAL TESTIMONY

OF

ELIZABETH STOIA

San Antonio, Texas January 21, 2005

Exhibit No. 12 Jata Prenarked Case No. TO-2005-0035
Reporter

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Second Investigation into the State of Competition in the Exchanges of Southwestern Bell Telephone, L.P., d/b/a/SBC Missouri.

) Case No. TO-2005-0035

AFFIDA VIT OF PLIZABETH STOIA

STATE OF TEXAS

S**S**

CITY OF SAN ANTONIO

I, Elizabeth Stoia, of lawful age, being duly swom, depose and state:

My name is Elizabeth Stoia. I am presently Director - SBC Consumer Marketing for SBC Operations Inc.

2. Attached hereto and made a part hereof for all purposes is my surrebutial sestimony.

I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.

3

Subscribed and sworn to before this

day of January, 2005 otary Public

My Commission Expires



TABLE OF CONTENTS

7

ł

INTRODUCT	ION	
PURPOSE		
1.	Access	To Wholesale Information2
2.	Respo	nse To OPC Economist Ms. Meisenheimer
SCHEDULES	5	
Schedu	ule 1 –	Examples Of VoIP Service Advertising
Schedu	ule 2 –	November 8, 2004 AT&T Press Release On Premiere Partner Agreement With Buy.Com And Buy.Com Advertising Supplement With Ad For AT&T Callvantage Service
Schedu	ule 3 -	December 9, 2004 Forbes Article Re: Vonage VoIP Service
Schedu	ule 4 —	Slides From January 11, 2005 Time Warner Investor Briefing Re: Its Voip Service
Schedu	ule 5 –	November 15, 2004 St. Louis Business Journal On Charter VoIP Service
Schedu	ule 6 –	December 16, 2004 AT&T Press Release Re: Enhancements To Its Callvantage Voip Service

i

7

I

1 INTRODUCTION

2	Q.	WHAT IS YOUR NAME AND BUSINESS ADDRESS?		
3	Α.	My name is Elizabeth Stoia and my business address is 530 McCullough, San		
4		Antonio, Texas 78215.		
5				
6	Q.	ARE YOU THE SAME ELIZABETH STOIA THAT PREVIOUSLY FILED		
7		DIRECT TESTIMONY IN THIS CASE?		
8	Α.	Yes.		
9				
10	<u>PUR</u>	PURPOSE		
11	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?		
12	Α.	The purpose of my testimony is to:		
13		1) Assure the parties that I have not seen any of the highly confidential or		
14		proprietary wholesale information presented in this case, and that in my position		
15		with SBC Missouri, I do not have access to information about SBC's wholesale		
16		customers; and to		
17				
18		2) Respond to the comments made by Office of the Public Counsel Economist		
19		Barbara Meisenheimer about VoIP and the cost comparisons I made in my direct		
20		testimony.		



5

ų

ł

1

١		1. Access To Wholesale Information.
2	Q.	SOCKET TELECOM WITNESS MATT KOHLY STATES IN HIS
3		REBUTTAL TESTIMONY ON PAGE 8 THAT SBC RETAIL
4		MARKETING DIRECTORS "CAN NOW FREELY REVIEW ALL OF
5		THE HIGHLY CONFIDENTIAL INFORMATION CONTAINED IN
6		SBC'S TESTIMONY" AND THAT THEY MAY "FIND THIS
7		INFORMATION USEFUL IN FULFILLING THEIR RETAIL
8		RESPONSIBILITIES. " IS THIS STATEMENT CORRECT?
9	Α.	No.
10		
11	Q.	HAVE YOU BEEN GIVEN ACCESS TO THE HIGHLY CONFIDENTIAL
12		OR PROPRIETARY WHOLESALE INFORMATION FILED IN THIS
13		CASE BY SBC MISSOURI WITNESS CRAIG UNRUH?
14	Α.	No.
15		
16	Q. '	IN YOUR PRESENT POSITION AS AN SBC RETAIL MARKETING
17		DIRECTOR, DO YOU HAVE ACCESS TO INFORMATION ABOUT
18		SBC'S WHOLESALE CUSTOMERS?
19	Α.	No.

2

ç

۱		2. <u>Responses To Opc Economist Ms. Meisenheimer</u> .
2	Q.	OFFICE OF PUBLIC COUNSEL MS. BARBARA A. MEISENHEIMER AT
3		PAGE 18 OF HER REBUTTAL TESTIMONY SUGGESTS VOIP IS NOT
4		PREVALENT IN THE MARKET PLACE AND IS OF POOR QUALITY
5		THUS MAKING IT "NOT A FUNCTIONAL EQUIVALENT" FOR
6		TRADITIONAL LANDLINE SERVICE. DO YOU AGREE WITH MS.
7		MEISENHEIMER THAT VOIP IS NOT PREVALENT IN THE
8		MARKETPLACE?
9	Α.	No. VoIP is very prevalent in the marketplace. All one must do is turn on the
10		TV, read the newspaper, listen to the radio, get on the Internet or open the mail to
11		understand that VoIP is in the marketplace and available to residents of the state
12		of Missouri. (Examples of VoIP direct mail and pop up advertising from
13		competitors such as AT&T, Charter, Comcast, Time Warner and Vonage
14		targeting residential customers in Missouri are attached as Schedule 1.)
15		
16		As I stated in my direct testimony, AT&T has extensively advertised their new
17		VoIP service, CallVantage, in many forms of advertising media, including during
18		some of the biggest TV events in our nation (e.g., the 2004 Summer Olympics).
19		In addition, AT&T has a national retail presence for CallVantage with Best Buy,
20		Circuit City, Amazon and now the Buy.com, which describes itself as the
21		"Internet Superstore." (Copies of AT&T's November 8, 2004 press release
22		announcing that it has become a Buy.com "Premiere Partner" and an AT&T

æ.

İ

1		CallVantage ad from a Buy.com advertising supplement is attached as Schedule
2		2.)
3		
4	Q.	DO YOU AGREE WITH MS. MEISENHEIMER THAT VOIP SERVICE IS
5		OF POOR QUALITY?
6	Α.	No. And end user customers are apparently finding the service acceptable.
7		Vonage has reported that it is currently adding about 30,000 subscribers per
8		month in the U.S. and Canada to its VoIP service. (A copy of a December 19,
9		2004 Forbes article reporting on a Vonage announcement is attached as Schedule
10		3). At an investor briefing, Time Warner reported that it had more than 200,000
11		VoIP subscribers at the end of 2004 and was signing up about 11,000 VoIP
12		customers each week. (Copies of slides from Time Warner's presentation at the
13		January 2005 Citigroup Media Conference are attached as Schedule 4.) Locally,
14		Charter Communications in November 2004 reported that it had signed up nearly
15		7,000 residential customers to its VoIP telephone service in St. Louis County and
16		St. Louis City. (A copy of an article about Charter Communications from the
17		November 15, 2004 St. Louis Business Journal is attached as Schedule 5). 1
18		would also note that Ms. Meisenheimer did not supply any research, articles or
19		documentation to support her assertions concerning the quality of VoIP service.
20		
21	Q.	HAVE YOU SEEN VoIP PROVIDERS ENHANCING THEIR
22		OFFERINGS?

Yes. In December 2004, AT&T announced that it had introduced several feature 1 Α. 2 enhancements to its residential CallVantage VoIP service, which it calls "AT&T 3 CallVantage Plus." One new feature is a sub-account capability that provides up 4 to nine distinctive telephone numbers (e.g., one for each family member) with the ability to manage the calling experience for each number separately, while sharing 5 6 the same line. For example, with the separate sub-account feature, each member of a family would be able to configure features like "Do Not Disturb" or "Locate 7 8 Me" in order to receive calls when they want and where they want. It also provides separate "Call Logs" for each user and personal voicemail. Another 9 feature is a screening capability that allows customers to direct calls based on who 10 is calling (e.g., subscribers might direct calls from friends to voicemail, while 11 allowing calls from their children always to ring through). (A copy of AT&T's 12 December 16, 2004 Press Release is attached as Schedule 6.) 13 14 IN HER REBUTTAL TESTIMONY AT PAGE 25, MS. MEISENHEIMER 15 Q. STATES THAT SBC DOES NOT PROVIDE "RESIDENTIAL ACCESS 16 LINE SERVICE." DO YOU AGREE WITH MS. MEISENHEIMER'S 17 **RESPONSE?** 18 19 Α. No. SBC does provide Residential Access Line service. Ms. Mesienheimer 20 apparently misunderstood my terminology. I was simply referring to the basic voice service we provide to residential customers and would reference the 21 Missouri General Exchange Tariff, Section 8, Sheet 7, which provides the 22

5

definition of an access line:

4

i

ł

İ

1		EXCHANGE ACCESS LINE: Telephone Company-provided and
2		maintained central office equipment and Telephone Company
3		facilities, including the Network Interface which provide access to
4		and from the telecommunications network for message long
5		distance and local calling.
6		
7	Q.	MS. MESEINHEIMER AT PAGE 26 OF HER REBUTTAL TESTIMONY
8		INDICATED THAT YOU DID NOT PROVIDE A COMPARISON OF
9		LOW COST OPTIONS FOR CUSTOMERS IN YOUR TESTIMONY AND
10		THAT YOU FOCUSED ONLY ON BUNDLED OPTIONS. IS THIS
11		CORRECT?
12	Α.	No. I did provide direct comparisons of the lowest cost options for local calling
13		in my testimony. Schedule 6 in my direct testimony shows a rate comparison,
14		which includes the lowest cost option, between SBC, Vartec, Sage and AT&T. I
15		also provided a chart on page 16 of my testimony comparing the rates of SBC and
16		Charter. This also includes the lowest cost options.
17		
18	Q.	DOES THIS CONCLUDE YOUR TESTIMONY?
19	Α.	Yes.





MARRIE HANSON, ATCH (BACHCOR) Isomplifies voip (Feghnologic)

1. YOUR VOICE GOES THROUGH THE INTERNET

2. YOUR SAVINGS GO THROUGH THE ROOF

化品质 化乙基基 Introducing AT&T CallVantage Service N. 3188 8 As Here ALL FOR ONE FLAT HATS Untimited local & long distingui da Including calls to Canada \$34.99 a month All the features you already unjug plus new features like withing email and conference o Creat cavines on Distant \$19.99 Visit att.com/67642 of call 1-868-221-1405, ext. 67642 Den'i have breakband yet? Ask at shout a great broatbant affor. 1 . . . Ber • • • • AT&T CallVanuge" **a**n The party newspire supply

Stoia-Sch. 1-1



l

÷

N

Stoia-Sch. 1-2

Switch to Charter Telephone Service & Get This Great Offer!

Now available in your area: straightforward

calling plans - one low price.

Sign up today for simple, straightforward calling plans or competitive rates. You'll get service you can count on, with the features you need. What's more, unless you move out of the area, you can even keep your current number.

Pick the plan that's right for you:

- local packages with the features you want starting as low as \$24.95
- unlimited local and long distance calling for \$39.95/month

At last, the simple calling plan you've been waiting for --- now available where you live.

Sign up now and get FREE first month local service, FREE install of service & one jack! Plus FREE voice mail with purchase of unlimited LD package.

call 1-866-207-3663 or go to www.charter.com



© 2004 Charter Communications. Offer expires 12/31/04. All services not evaluate in ell areas. Free installation includes single fine and one jusci only, Long distance service evaluate to Charter local service custometry only. Finst month the includes local service nets includes local fine, MCA, cafer ID, cafe wetting, call wetting, cal



PRSRT STD U.S. POSTAGE PAID ST. LOUIS, MO PERMIT NO. 4376

941 Charter Commons Town and Country, MO 63017 www.charter.com

CURRENT RESIDENT

SAINT LOUIS MO 63117-1439 Idlaudhadhadhadhadhadhadhadhadhadhadh

Asceived 2 23/04



HOW MUCH WILL YOU SAVE?

Start saving now with AT&T CallVantage Service.

New AT&T CallVantage⁽²⁾ Service is the smart replacement for traditional phone service, because it uses your broadband connection to make calls. You can save more than \$250 a year⁴ on unlimited calling in the U.S. and to Canada — and an average of 50% on your international calls.¹ You get more for your money and more from your high-speed Internet connection (cable or DSL from any provider).

Now you'll save even more by getting your first month of service free. After that, one low rate of only \$29,99% a month gives you all this:

- Unlimited local and long distance calling in the U.S and to Canada
- Great AT&T voice quality

ac and s. A constant in the second

- · Keep your current phone number or pick an area code you prefer
- Traditional and amazing new features, including Caller ID.** Voicemail, Do Not Disturb, Locate Me, and more

To see how much YOU could save, check the Savings Calculator at our Web site. And sign up now to take advantage of this exceptional offer!



AT&T CallVantage*

Phone service for broadband



P.O. Box 9385

Farmingdale, NY 11735

Stoia-Sch. 1-4

PRESORTED STANDARD

U.S. POSTAGE

PAID AT&T

Don't have broadband yet? Ask us about a great broadband offer.

*Savings do not include charges for broadband services. As compared to the lead end-to-end offers of MO, Sprint, Verizon, SBC, Qweez, and Bell South as of 9804. Savings nestit because AT&T CatVultage Service customert pay lower monthly service less and lowes Federal Eucle Tax, and do not pay Federal USF and FCC. Line Charges Savings may be ligher dependent upon state and carrier. 1 Savings based on weighout average of calling to all countries, compared to the lead plan of AT&T as of 10/104, International calls billed at pervisions. Calls terminating on mobile phones or other writeless devices.

To sign up, visit www.att.com/76638 or call 1 866 415-8418, ext 76638

Intransministration charges from increased. Unar express 1/21/06, rhommy rate increased and endowed calls and additional leaders increased and a statistical persynaute rates and may have different feature capabilities. A \$2,939 survival increase automatical apply, Clastoners who deconnect service inservice mate associated with service in order to avoid \$29.99 deconnect feature. Note that above for important information about 911 Emergency Daling and international rates.

*Calor ID equipment required.

C 2004 AT&T. All Rights Reserved.

C22



internet phone service

٠	FREE	Long Distance
	FREE	Call Walting

• FREE Voicemail

- FREE Volcemail to Email
 FREE Caller ID
- FREE Call Forwarding
- FREE 3-Way Calling
- FREE Calls to Canada
- Use Your Regular Phones
- Great Internetional Rates

Keep Your Existing Number

Phone Adaptor Induded

- Pick Your Own Area Code
- Call Any Phone in the World

ć,

- 3

1.4**6** ****

- · Quick and Easy Setup
- . Money Back Guarantes

SunriseVoice.com

SunriseVoice is an all-indusive internet phone company, offering unlimited local and long distance, induding lots of calling features, for only \$29.99 per month.

Using a high-speed internet connection (such as Cable, DSL, or T-1) and your regular phones, SunriseVoice allows anyone to make and receive phone cells - worldwide. Offering quality digital phone service bundled with lots of innovative features, SunriseVoice provides a feature-rich and cost effective alternative to traditional phone service.



Plus lots of free features such as voicemail, caller ID, & call waiting

You knew it was coming. Now it's here. Start saving BIG with Internet Phone Service from SunriseVoice.

CLICK HERE TO LEARN MORE!

If you wish to not receive this Send all correspondence to: 1730 South Federal Highway Suite 277, Deiray Beach, FL 33483

----Orloinal Message----Frog Sent: Monday. October 25, 2004 4:31 PM TI Subject: FW: lower your phone bills with the internet

The Zip Code this was received at was 62234

----Original Messane-From Sent: Friday, October 22, 2004 7:56 PM To Subject: lower your phone bills with the internet

START SAVING NOVE with RITERNET PHONE SERVICE. Unlimited Calling to Anywhere in the USA & Canada for \$22.99



This holiday, let your **wallet** get fat for a change.

'Tis the season for saving with Digital Phone from Time Warner Cable.

and the second second second second second second second second second second second second second second second

「前代かくたらがく

Stoia Sch. 1-8

CABLE

Digital Phone

Digital Phone

82738

It seems like it's not just pants that are tighter this time of year. Money is too. So it's the perfect time to switch your home phone service to Time Warner Cable

Digital Phone lets you call anyone you want, across town or across the U.S. and Canada, and talk as long as you want for \$39.95 a month. That's probably quite a bit less than you're paying now for your local and long distance services. So switch to Digital Phone and start thinking about how you're going to spend all the money you save. Maybe you can put it toward a gym membership. Or perhaps a treadmill.

Unlimited Calling Local In-State Long Distance



Start saving right away. Call 816-743-2417

or visit: www.twcdigitalphone.com/kansascity



TIME WARNER PRST STD CABLE **U.S. POSTAGE** 6550 Winchester Ave. Kansas City, MO 64133 Time Warner dig phone local -telephony H = 39.95/mo LEES SUMMIT MO 64081-3826 hills a full design in the design of the des





Choose a better local phone service and get long distance for free.*

*Why are you looking for a disclaimer? There isn't one. You get unlimited calling for one low monthly price.

Introducing home phone service from OTIME WARNER



Stoia-Sch. 1-10

TIME WARNER CABLE

Make your choice and SAVE!

Get Digital Phone service from Time Warner Cable and save big.

Unlimited Calling

month

As low as

Time Warner Cable 6550 Winchester Ave. Kansas City, MO 64133



22697

DEC 2 0 2004







month

Call across the street or across the country and talk as long as you want **on your Home Phone.**

digitalphone

Switch to Home Phone service from Time Warner Cable and you could save a bundle. How much will you save? See for yourself!

Plenie Buiter

Savings

Stoia-Sch. 1-13

01/02-08/05 Kansas City Star Full Page Ad

Comcast Local Newspaper - General Market - Bundles



01/02-08/05 Kansas City Star Full Page Ad

Time Warner Local Newspaper - General Market -- Bundles



YAHOO! FINANCE	Search - Finance Home - Yahoo! - Help	W RNewswire
Welcome <u>(Sign In</u>) Financial News	To track stocks & mor	e, <u>Register</u>
Enter symbol(s)	Basic - Get Symbol Lookup	
Press Release	S	ource: AT&T

AT&T CallVantage Service Now Offered Online at Buy.com

Monday November 8, 9:57 am ET

3

BEDMINSTER, N.J., and ALISO VIEJO, Catif., Nov. 8 /PRNewswire/ -- AT&T and Buy.com today announced that AT&T CallVantage(SM) Service, AT&T's residential Voice over Internet Protocol (VoIP) broadband phone service, is now available online at Buy.com®, the Internet Superstore.(TM)

AT&T CallVantage Service is prominently featured on the popular Buy.com website. Under the terms of the agreement, AT&T has become a Buy.com "Premiere Partner," and will receive notable placement on the Buy.com website for its VoIP service over the next four months. Buy.com customers will be able to find AT&T CallVantage Service on the home page as well as in the Computers, Electronics and Networking stores.

In addition, Buy.com will feature and promote AT&T's CallVantage Service in its online publication, BuyMagazine, and in targeted e-mails to its customer base.

"Offering broadband phone service to our customers is a natural fit for Buy.com. Our customers are extremely tech savvy – they are interested in VoIP technology, and appreciate its unique features and great savings," said Keith Allen, Buy.com senior vice president of sales."

"Buy.com is a great Internet destination where online shoppers can quickly and easily purchase a wide variety of consumer products and services," said Cathy Martine, AT&T senior vice president of Internet Telephony. "This agreement is another step in making our service more widely and conveniently available to as many consumers as possible. We expect VoIP will be on many shopping lists especially with the holiday season approaching."

AT&T CallVantage Service is now available to consumers in more than 170 U.S. markets coast-to-coast and is currently being trialed overseas for use by remote workers of U.S. multinational corporations. All that's required to use AT&T CallVantage Service is a telephone adapter provided by AT&T and a broadband connection, which lets consumers talk over high-speed Internet connections instead of traditional circuit-switched phone networks.

AT&T CallVantage Service is different than traditional phone services because, through the use of IP-based networks, it can offer customers typical features such as call waiting, three-way calling, and call forwarding, as well as far more advanced features. Indeed, consumers will get unprecedented convenience, cost savings, and control with innovative features including:

- * "Call Logs," to track incoming and outgoing calls;
- * "Do Not Disturb," to receive calls only when wanted;
- * "Locate Me," which rings up to five phones, all at once, or
- sequentially; * "Voicemail with eFeatures," to listen to messages from any phone or PC and forward them to anyone on the Web;
- * "Simple Reach(SM) Number, " which enables AT&T CallVantage Service customers to add up to nine additional telephone numbers anywhere in the country where AT&T offers residential VoIP service for \$4.99 each; and
- "Personal Conferencing," to set up meetings with up to nine additional callers.

To tearn more about AT&T CallVantage Service, consumers can visit: http://www.CallVantage.com, call 1-866-816-

3815, extension 70339, or visit http://www.buy.com.

About AT&T

For more than 125 years, AT&T (NYSE: \underline{T} - <u>News</u>) has been known for unparalleled quality and reliability in communications. Backed by the research and development capabilities of AT&T Labs, the company is a global leader in local, long distance, Internet and transaction-based voice and data services.

About Buy.com

Buy.com®, The Internet Superstore(TM), offers its over 7 million customers more than 2 million products in a range of categories including computer hardware and software, electronics, cellular products and services, music and music downloads at 256k, DVDs, books, toys and more. Individuals and businesses can shop quickly and easily at Buy.com 24 hours a day, 7 days a week. Buy.com was named one of the Top 50 web sites in 2002 and 2003 by Internet Retailer, the top performing site on Gomez Inc.'s E-Holiday Shopping 2002 Index in the music, electronics and books category (December 2002), "Best Overall Place To Buy Mobile Devices" (January 2002), "Best E-Commerce Site" by PC World magazine (June 2001), "Best Overall Place To Buy" by Computer Shopper Magazine (January 2001), a "Best of the Web" in the computer and electronics category by Forbes Magazine (spring 2000 and fall 2000), and the No. 1 electronics e-tailer in the PowerRankings by Forrester Research, Inc. (November 2000). Buy.com, founded in June 1997, is located in Aliso Viejo, California. For more information, visit http://www.buy.com. Buy.com@ and The Internet Superstore(TM) are trademarks of Buy.com, Inc.

Logo: http://www.newscom.com/cgi-bin/pmh/19991018/ATT

AT&T 'Safe Harbor'



The foregoing contain 'forward-looking statements' which are based on management's beliefs as well as on a number of assumptions concerning future events made by and information currently available to management. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside AT&T's control, that could cause actual results to differ materially from such statements. For a more detailed description of the factors that could cause such a difference, please see AT&T's filings with the Securities and Exchange Commission. AT&T disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Source: AT&T

Copyright © 2004 Yahoo! Inc. All rights reserved. Privacy Policy - Terms of Service - Copyright Policy - Ad Feedback Copyright © 2004 PR Newswire. All rights reserved. Republication or redistribution of PRNewswire content is expressly prohibited without the prior written consent of PRNewswire. PRNewswire shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

http://biz.yahoo.com/prnews/041108/nym124_1.html?printer=

11/8/2004







Telecommunications Vonage Makes Video Calling Plans

Arik Hesseldahl, 12.09.04, 9:50 AM ET

Vonage, one of the many companies behind the ever-more popular voice-over-Internet Protocol technology for making phone calls over the Web, disclosed today a partnership with a maker of video phones.

Under the deal with Viseon (otc: <u>VSNI</u> - news - people), an Irving, Tex.-based manufacturer of video phones for VoIP, the two are developing a device that will be central to a new Vonage video calling service aimed at consumers and small businesses. The device will be unique, says Viseon Chief Executive John Harris, in that it won't require customers to use a personal computer to configure the calling preferences of their Vonage account.

Harris says he expects next year to mark the opening salvo in a brutal marketing battle to attract new customers to VoIP services. "So far it's been marketed as an all-you-can-eat unlimited service. Now you'll see companies start marketing based on actual features," he says. Other companies in the VoIP business are AT&T, (nyse: <u>T</u> - news - people), Time Warner (nyse: <u>TWX</u> - news - people) and 8x8 (nasdaq: <u>EGHT</u> - news - people).

The deal comes only weeks after Vonage scored an important victory before the Federal Communications Commission concerning the regulation of VoIP calling. The commission last month voted 5 to 0 in favor of a Vonage-sponsored petition to declare the company's service an interstate product and therefore under federal regulatory control. The move shoved aside state regulatory intentions.

Privately held Vonage offers unlimited calling for \$25 to its 300,000 subscribers in the U.S. and Canada, which amounts to about half of all VoIP customers in the U.S. It says it is adding some 30,000 customers per month.

Stoia-Sch. 3

http://www.forbes.com/2004/12/09/cx_ah_1209vonage_print.html

12/16/2004



slide 15 of 61



slide 16 of 61





slide 17 of 61

ST. LOUIS BUSINESS JOURNAL

Follow up – Over the past seven months, almost 7,000 Charter Communications cable customers in the St. Louis area have signed up for the company's new Voice over Internet Protocol (VoIP) telephone services, which allow customers to bypass traditional analog voice connections and communicate via the Internet. In a technology section last March, the Business Journal reported on the growing demand for VoIP services and local companies' plans to pursue the market.

"We started in West County offering services and have gradually moved across the county to the city," said Mark Barber, vice president of telephony for Charter. "We will have a significant portion of the St. Louis area done this year. Next year, we should complete out the entire St. Louis metropolitan area, including the Illinois areas of Belleville, Maryville and Alton."

Charter's VoIP services are available only for residential customers at the present time, but the company plans to enter the commercial market in 2005.

The number of VoIP subscribers Charter has attracted thus far is in line with the company's projections, Barber said.

The price of Charter's VoIP service depends on where the customer lives. But in general, Barber said, a six-feature package, including call waiting, call forwarding, speed dial and unlimited long distance, combined with basic telephone services, costs about \$39.95 per month. Currently, Charter is running a promotion that offers free voice mail with the VoIP service.

Barber declined to disclose the impact VoIP has had on Charter's revenue.

Cebridge Connections, a St. Louis-based cable system managed by Cequei III, had planned to introduce VoIP service this year to subscribers in the Bootheel and Springfield areas of Missouri and select markets in Texas. But those plans have been put on hold until early 2005, said Andy Stewart, Cequel's director of corporate development. "It's still one of our key new products. But we took a step back because we had to focus on our core cable business and integrate a few acquisitions."

sskerth@bizjournals.com

YAHOO! FINANCE	arch - Finance Home - Yahoo! - Help	PR Newswire
Welcome (<u>Sign in</u>)	To track stoc	ks & more, <u>Register</u>
Financial News		
Enter symbol(s)	Basic Get Symbol Looku	Ð
Press Release		Source: AT&1

AT&T Makes AT&T CallVantage Service 'Family Friendly'

Thursday December 16, 8:19 am ET

Innovative Service Delivers an Industry First and Many New Capabilities

BEDMINSTER, N.J., Dec. 16 /PRNewswire/ – AT&T said today it is introducing a number of exciting new feature enhancements to AT&T CallVantage(SM) Service, including immediate availability of the industry's first sub-account capability that provides up to nine distinctive telephone numbers along with the ability to manage each as a separate calling experience while sharing the same line.

In addition, the company is debuting additional new features and services, including a second-line offer, support of facsimile machines and some modems, call filtering capabilities, a record and send feature and more.

"With the introduction of these innovative new capabilities, AT&T CallVantage Service is now poised to provide subscribers a truly differentiated calling experience," said Cathy Martine, AT&T senior vice president for Internet Telephony. "With AT&T CallVantage Plus, everyone can receive calls when and where they want providing each user a completely customizable experience on the calls they receive. No other provider currently offers this level of control."

The new features are the latest in a series of innovations AT&T promised to deliver to this popular Voice over Internet ~ Protocol (VoIP) service. These new premium capabilities include:

'AT&T CallVantage Plus,' that provides each user a distinctive telephone number and the ability to manage their individual experience on the calls they receive. This enables as many as nine individuals the ability to configure the features like 'Do Not Disturb' and 'Locate Me' to receive calls when they want and where they want. It also provides a discrete 'Call Log' for each user and personal voicemail. The monthly cost is \$7.49 per additional user.

'2nd Line,' service is now available and must compliment the primary line's local and long-distance bundle for \$29.99 a month, or the local only plan for \$19.99 a month.

'Call Filtering,' an exciting new capability that when combined with other AT&T CallVantage Service features provides the ability to direct calls based on who is calling. For example, using 'Do Not Disturb' users might elect to send calls from friends directly to voicemail, while allowing calls from children always to ring through. The monthly charge for this feature is \$1.99.

'Record & Send,' makes repetitive calls easy and convenient so that classroom 'moms,' soccer coaches and the like can record a message and quickly deliver it to as many as 20 separate phone numbers. Record & Send is free during this introductory period depending on the calling plan and whether it's used for long distance or international calls. This feature will cost \$0.49 per use beginning in February 2005.

"While some of these new capabilities are priced a-la-carte, we are also introducing a number of new features to enhance the already feature-rich calling experience at no additional cost," said Martine. "This will help ensure our customers that they're receiving the very best broadband calling experience at incomparable value."

The service enhancements being added to the existing AT&T CallVantage Service platform at no additional charge include:

'Fax and Modern Support," now makes it possible for most commonly used facsimile machines and some moderns to



interoperate with AT&T CallVantage Service. It may also work with some Personal Video Recorders and satellite TV systems.

'Safe Forward Number,' automatically activates a prescribed location to deliver calls whenever there is an interruption in service due to conditions such as a commercial power outage that may affect the ability to receive calls. The 'Locate Me' feature does not need to be active for this automatic redirection to take place. (This feature is currently available only to customers with a D-Link 1120 TA connected directly to the modem.)

In addition to these new features, the company also introduced today additional service enhancements that include:

* 'International Calling Support,' that now makes it possible to mix international locations with existing features including 'Call Forwarding,' 'Click to Dial,' 'Locate Me,' 'Phone Book' and 'Speed Dial;'

'Locate Me VIP List,' that provides the option of forwarding all calls or only a select group of numbers;

'Phone Book Import/Export,' provides synchronization of up to 250 names to Microsoft(R) Outlook, Outlook Express and Palm Powered (TM) handhelds

"Set your Time Zone," makes it possible to select and customize the time zone associated with features such as 'Call Logs' and 'Conference Calling.'

Just as important, responding to consumer feedback, the company unveiled a completely redesigned internet Home Page to support the service. The new page provides instant access to the features used most and to search on the Help and FAQ sections of the site.

Additionally, the company announced the end of its introductory calling promotion that offered 'Personal Conference' at no additional charge, and renamed the feature 'Conference Calling.' Effective immediately, all 'Conference Calling' calls will be billed at \$0.35 per minute.

All of these new features and capabilities are available immediately.

Introduced in late March, AT&T CallVantage Service is now serving consumers in more than 170 markets in 39 states and Washington, D.C. The service, which works with a customer's broadband connection, provides a complete calling solution that provides unlimited local and long-distance domestic calling, including calls to Puerto Rico and the U.S. Virgin Islands, unlimited calling to Canada, discount rates for international calling, and a suite of advanced features for \$29,99 a month with the first month free to new subscribers who sign up before January 31, 2005.

Under its AT&T CallVantage Local Plan, customers receive unlimited local calling and access to the entire AT&T CallVantage Service advanced feature set for \$19.99 per month. All local toll and long distance calling and feature use in the U.S. and to Canada will be billed at \$0.04 a minute.

To learn more about AT&T CallVantage Service, consumers can visit <u>http://www.CallVantage.com</u>, call 1-866-816-3815 extension 70339, or visit one of its valued retailers.

About AT&T

For more than 125 years, AT&T (NYSE "T") has been known for unparalleled quality and reliability in communications. Backed by the research and development capabilities of AT&T Labs, the company is a global leader in local, long distance, Internet and transaction-based voice and data services.

The foregoing contains "forward-looking statements" which are based on management's beliefs as well as on a number of assumptions concerning future events made by and information currently available to management. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside AT&T's control, that could cause actual results to differ materially from such statements. For a more detailed description of the factors that could cause such a difference, please see AT&T's filings with the Securities and Exchange Commission. AT&T

Stoia-Sch. 6



http://biz.yahoo.com/prnews/041216/nyth064_1.html?printer=1

12/16/2004

AT&T Makes AT&T CallVantage Service 'Family Friendly'



(Logo: <u>http://www.newscom.com/cgi-bin/pmh/19991018/ATT</u>)

Source: AT&T

Ì,

Copyright © 2004 Yahoo! Inc. All rights reserved. <u>Privacy Policy - Terms of Service - Convright Policy - Ad Feedback</u> Copyright © 2004 <u>PR Newswire</u>. All rights reserved. Republication or redistribution of PRNewswire content is expressly prohibited without the prior written consent of PRNewswire. PRNewswire shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.



.