

February 23, 2004

(Background: Today, the Voice on the Net Coalition announced a major new initiative to advance a regulatory environment to help consumers realize the full promise of VoIP. The VON Coalition also will announce several new members from the nation's leading VoIP companies, including AT&T. The following AT&T statement can be attributed to Marilyn Cade, Director, Law and Government Affairs, AT&T.

AT&T Joins Voice on the Net (VON) Coalition

Communications as we know it is being transformed from the spoken word to the electronic bit. This transformation is poised to offer tremendous promise to America's consumers and small businesses. But it can be stopped dead in its tracks if policymakers put up regulatory barriers that prevent industry leaders from making the investments necessary to leapfrog Americans into a new era of communications. That's the promise of VoIP, and that's why AT&T has joined with other leading VoIP companies in the Voice on the Net or VON Coalition's new initiative.

As a member of the VON Coalition, AT&T will lend its voice to the chorus of innovators who are excited by this new technology, but worry about its prospects if VoIP service providers are forced to pay outdated access subsidies. The VON coalition members, including AT&T also believe that VoIP can meet its social obligations, such as USF, 911, law enforcement access, and accessibility without imposition of onerous and outdated regulations.

VoIP is the killer application that will drive investment and broadband adoption. Now regulators must let the promise and innovation of VoIP flourish --- and their first step must be to take a stand against burdening VoIP with legacy telecom access charge regime.

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