

BUSINESS COMMUNICATOR

PRACTICAL TIPS ON TECHNOLOGY ISSUES FOR YOUR BUSINESS

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IMPROVE YOUR BOTTOM LINE—CUT PHONE EXPENSES

In the current economic climate, many businesses have found themselves slashing expenses in order to balance their budgets. One area of potential cost savings that many businesses may not have tapped is the telecommunications bill. When you combine the billing for local lines, long distance service, cellular phones and Internet access, you may find some valuable opportunities for expense reduction.

We all know how complicated these bills can be. Between three and thirty pages of nearly indecipherable detail that can take hours to understand, leaving most accountants to perform a quick comparison with last month's bill as the only validation process. Did you know that studies done over the last 8 years have indicated that anywhere from 65- 80% of all phone bills contain errors and that less than 2% of those errors are ever identified? A 2009 study projects that over the next year U.S. telephone and data providers will overcharge their customers by approximately **\$13 billion!**

Many large businesses are aware of these statistics and

dedicate staff to performing routine audits of their telecom billing in order to identify errors and keep services aligned with their business needs. Small and medium businesses typically do not have the resources to maintain this level of vigilance and usually end up as victims of these complex and error prone billing systems.

Beyond the potential billing errors, businesses may also be missing out on the most cost-effective services or plans from their telecom providers. The telecommunications industry is constantly changing and new products and pricing plans appear frequently. Amid this constant turmoil, it's difficult for any company to be aware of a new offering that may reduce their costs, and many are locked into service provider contracts that may (or may not) limit their ability to switch to a lower cost offering. However, expert help is available at a reasonable cost from an industry known as telecom expense management consultants.

As an example, a local private school recently engaged a telecom expense management consultant who was able to reduce their total telecom

costs by nearly 60%. The independent consultant, who does not represent any particular carrier or product, conducted a thorough audit of the school's bills and services. He then provided a knowledgeable and objective review of the best products available in the market. By identifying a more cost effective service and correcting some billing errors, he was able to generate real savings of over \$10,000 per year. The consultant's cost added nothing to the expense budget of the school since his fee is a percentage of the savings. This organization not only experienced a significant reduction in costs, but also gained a resource who monitors their monthly bills and provides ongoing technical guidance.

Businesses with knowledgeable resources and sufficient staff to audit and monitor their billing can most likely find ways to reduce their telecom spending. However, if your business is lacking these resources, you might want to consider a conversation with a telecom expense management consultant.

FAST FACT

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THE PHANTOM WIRELESS FEE



Verizon users are being haunted by a \$1.99 mystery data charge. Are you one of them?

Did you know that a national research study discovered that 66% of wireless phone bills have errors? The level of detail on a wireless phone bill is enough to make anyone's head spin and now that most cellular billing detail is only available through on-line billing, most users don't even see the details. Well, if you are a Verizon customer, you might want to dig into that detail just a bit.

Verizon customers have been complaining about a \$1.99 data usage charge that mysteriously appears on their bills—even if they do not have a

data usage plan! The trigger for the charge has been attributed to the accidental use of the "Get it Now" and "Mobile Web" keys on many phones.

The carrier offers a data block that will prevent all data usage charges, but activating the block will also prohibit the sending of picture and video messages - a situation that aggravates many customers who have purchased the unlimited picture and text option, but not a data plan.

In a December 2009 letter to the Federal Communications Commission,

Verizon denies that this minimum \$1.99 data fee can be triggered by the inadvertent use of keys on the phone, claiming that the default web page that a user would initiate by activating these keys is actually free.

As the complaints continue to mount, at least one FCC commissioner has expressed displeasure with Verizon's response. Making matters worse for the nation's largest wireless carrier, just last month a class-action lawsuit was filed in New Jersey seeking reimbursement of these charges. Stay tuned....

FCC RELEASES NATIONAL BROADBAND PLAN

On March 17, 2010, the Federal Communications Commission (FCC) released its National Broadband Plan that is intended to ensure that all people of the United States have access to broadband capability and establishes specific benchmarks towards meeting that goal. The FCC was tasked with this effort as part of the 2009 American Recovery and Investment Act under the assumption that the accelerated deployment of broadband services in unserved, under-served and rural areas, as well as to "strategic institutions ... are

likely to create jobs or provide significant public benefits."

The FCC's plan is based on the premise that "broadband is *the* great infrastructure challenge of the early 21st century." Washington sees this as a transformative initiative that will unleash new opportunities and drive new innovation and economic growth. In order to achieve this lofty vision, the plan establishes six very specific goals for the next ten years.

(1) At least 100 million U.S. homes should have

affordable access to actual download speeds of 100 megabits per second and actual upload speeds of at least 50 megabits per second.

The key words here are *affordable* and *actual*. Although the plan does not establish any benchmark definition of "affordable" it is clear that the intention is to create competition and additional subsidies to drive down prices. When talking about speeds, the plan notes that the actual speeds that users see today are only 40-50% of the advertised "up

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NATIONAL
BROADBAND PLAN
CONNECTING AMERICA

"Every American should have affordable access to robust broadband service, and the means and skills to subscribe if they so choose."

NATIONAL BROADBAND PLAN (CONTINUED)

to” speeds that they are paying for. Delivering an *actual* download speed of 100 megabits per second would enable applications such as streaming high-definition video in real-time without interruption. The plan banks on the idea that huge increases in bandwidth will stimulate new and creative applications.

(2) The U.S. should lead the world in mobile innovation, with the fastest and most extensive wireless networks of any nation.

The plan calls for the reallocation and auctioning of nearly 500 Mhz of spectrum from both federal and commercial bands. This could raise tens of billions of dollars that the FCC would use to fund other portions of the plan.

(3) Every American should have affordable access to robust broadband service, and the means and skills to subscribe if they so choose.

A reduction in the price barrier is critical in this plan, but so is the reduction in the knowledge barrier. The plan calls for the development of an education program in digital literacy to equip everyone with the skills necessary to access and utilize broadband networks.

(4) Every American community should have affordable access to at least

1 gigabit per second broadband service to institutions such as schools, hospitals and government buildings.

This goal is based on an expansion of the existing E-Rate program which subsidizes broadband access for schools and libraries. The new plan would expand the funding and encourage a minimum speed of 1 gigabit per second, assuming that the construction of such a high-speed infrastructure would have the effect of reducing the core costs of the targeted 100 megabit per second residential and business service.

(5) Every first responder should have access to a nationwide wireless, interoperable broadband public safety network.

This goal is driven by the 9/11 Commission recommendations to address the lack of interoperable communications systems between emergency response organizations. Estimated costs run to \$16 billion over 10 years.

(6) To ensure that America leads in the clean energy economy, every American should be able to use broadband to track and manage their real-time energy consumption.

The big idea here is that when people have timely feedback on their energy consumption,

they will adjust their usage and save energy. Conservation rather than construction of new power generation plants and more consumption of natural resources.

In directing the FCC to create this plan, Congress seems to have envisioned the creation of a broadband Swiss Army knife by requiring a “plan for use of broadband infrastructure and services in advancing consumer welfare, civic participation, public safety and homeland security, community development, health care delivery, energy independence and efficiency, education, worker training, private sector investment, entrepreneurial activity, job creation and economic growth and other national purposes.”

Should the plan achieve even a fraction of its goals, it will spur an increase in capital spending across the country and potentially bolster the economy. Businesses could benefit from lower cost communications services, improved capabilities for teleworkers and access to a new wave of powerful remote software applications.

However, with 210 specific recommended actions in this plan, there is sure to be significant and loud debate over exactly how this plan is to be implemented and who will pay for it. Ten years may be an aggressive timetable.



“IN DIRECTING THE FCC TO CREATE THIS PLAN, CONGRESS SEEMS TO HAVE ENVISIONED THE CREATION OF A BROADBAND SWISS ARMY KNIFE”

Read more about the National Broadband Plan at: www.broadband.gov

**WE KNOW
TELECOM.**

**INDEPENDENT
CONSULTING
FOR YOUR
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INDEPENDENT AND OBJECTIVE
TELECOM EXPERTISE

ABOUT ABILITA

Abilita is a full service technology consulting firm servicing the needs of businesses. We operate from over 40 locations across North America delivering:

Risk Free Audits: We'll audit your phone, Internet and cellular bills and recommend savings strategies. If we can't save you money, the audit is free!

Cost Optimization: making sure that our clients spend the right amount, and no more, to obtain the services and support they need.

Telecom Expense Management: Improved cost control, expense reporting, allocation, and audit verification—reducing management costs.

Performance Optimization: We help our clients leverage available technology to improve their business productivity.

Project Management: We manage new technology acquisitions, voice/data network integration, office moves and changes and more for our clients.

Objectivity: Abilita consultants represent their business clients and not the carriers or vendors. We do not have preferred vendors and our recommendations are customized to suit your specific business goals and requirements.

ABOUT AL WEIGAND

Al Weigand is the Managing Consultant of the Abilita Tacoma office and is a technology executive with more than 30 years experience engineering, deploying and operating complex telecommunications networks for competitive service providers.

As a recognized expert on telecommunications technologies, Al has been the driving force behind the deployment of advanced communications technologies that support business cus-

tomers ranging in size from single person offices to Fortune 500 firms, and even Major League Baseball's 2006 All Star Game.

Al has also been a long-term participant in national telecommunications policy and standards setting bodies as an active member of the U.S. Telecom Association (USTA) and the Alliance for Telecommunications Industry Solutions (ATIS).

If your business is in need of a telecom expert

to conduct a bill audit, optimize your network, or help with a technology project, call Al at (253) 466-0105 to schedule a risk-free appointment.



IF YOUR TELECOM BILLS HAVE YOU IN KNOTS, GIVE US A CALL WE CAN HELP TO SORT IT OUT AND FIND THE BEST TECHNOLOGY AT THE BEST PRICE FOR YOUR BUSINESS.

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