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October 17, 2011

Alderman Robert Bauman  
Chairman, Milwaukee Common Council Public  
Works Committee  
200 E. Wells Street  
Milwaukee, WI 53202

**Re: AT&T Wisconsin U-verse TV Service**

Dear Chairman Bauman:

On behalf of AT&T Wisconsin, I am pleased to be able to provide your Committee with a summary of the significant progress AT&T has made deploying its award-winning U-verse® TV service to Milwaukee consumers.<sup>1</sup>

First, let me describe the services. AT&T U-verse uses fiber optic technology and computer networking to bring interactive digital home entertainment. The AT&T U-verse portfolio of IP-based services integrates 100% digital TV and Total Home DVR®, fast Internet download speeds, integrated digital home phone, and remote mobile access. Our advanced apps and services continue to receive positive feedback from customers and the industry. In 2010, AT&T U-verse TV was one of the most recognized TV products for service innovation and customer satisfaction in the industry. This year, the IP&TV World Forum again honored AT&T with an IP&TV Industry Award for AT&T U-verse TV. The IP&TV Industry Awards honor service providers for their innovation, excellence and achievement in the IPTV industry.<sup>2</sup>

AT&T first offered U-verse TV in the Milwaukee area in 2007. Since then we have greatly expanded the reach and capabilities of U-verse services, which now provides thousands of Wisconsin consumers new and better ways to watch TV, access the Internet, or take advantage of IP-based voice service.<sup>3</sup>

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<sup>1</sup> Geographic and service restrictions apply to AT&T U-verse services. Customers can call or go to [www.att.com/u-verse](http://www.att.com/u-verse) to see if you qualify and see terms and condition on services. For U-verse Mobile, access to select content requires compatible device, qualifying U-verse TV plan or monthly subscription fee, and Wifi connection and/or cellular data connection. Data charges may apply. Total Home DVR: Total Home DVR functionality is available on up to 8 TVs, and requires a receiver for each additional TV at \$7/mo.

<sup>2</sup> Attached is a press release announcing another prestigious national award AT&T U-verse TV recently received.

<sup>3</sup> Attached is a document describing the enhancements made to U-verse services since its release.



For example, AT&T continues to expand TV watching to the devices that matter most to our customers, with hit TV shows available on U-verse TV, U-verse Online and U-verse Mobile. U-verse Online is AT&T's entertainment website, with more than 175,000 titles of TV shows, video clips and movies available to watch on your PC. U-verse Mobile allows customers to take their U-verse experience with them, with the ability to manage their DVR and watch hit TV shows on their smartphone.

AT&T U-verse offers more HD channels than anyone,<sup>4</sup> with more than 170 HD channels and growing. AT&T's IP-based network allows us to provide customers unique features not available from many other providers. With Total Home DVR, AT&T customers have the ability to record four programs at once; control live TV from any U-verse receiver in the home; and pause a recorded show in one room and pick it up where they left off in another room.

In 2008, AT&T added IP-based U-verse Voice service to the features available to consumers. This feature rich service allows customers to browse their call history on their TV and initiate a phone call using their remote control with the click-to-call feature. Customers can also search the Yellow Pages from their TV screen and use their TV remote and click to call on the number they desire with the YP.COM app.

U-verse Internet provides high-speed access. Inside the house, the Internet connection is controlled via the AT&T U-verse Residential Gateway which is a single unit that brings together all U-verse services, TV, Internet and Voice – with built-in wireless home networking capability.

AT&T's award-winning service has more than 3.4 million U-verse TV subscribers nationwide and has added more TV subscribers in 2011 than any of the major TV providers reported. In short, competition in the TV market is vibrant, and Wisconsin consumers are the winners.<sup>5</sup>

Next, let me describe our build-out and compliance with state law. AT&T Wisconsin is proud to report that it has already met the build-out requirements in the Wisconsin Video Competition Act 2007 Wisconsin Act 42 (Act 42). That statute requires AT&T Wisconsin to provide access to its video service to 35 percent of households within our service territory within three years from when it entered the market, in 2007.<sup>6</sup> AT&T Wisconsin met this requirement in just 18 months. The statute also requires that AT&T Wisconsin provide access to its video service to 50 percent of the households within its service territory in the later of either: (i) five years from when it entered the market, or (ii) two years from the date 30 percent of the households within its service area subscribed to U-verse TV service for six

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<sup>4</sup> More HD claim based on number of 24/7 non pay-per-view HD channels.

<sup>5</sup> Attached to this letter are also several documents detailing the advanced features and applications now available over AT&T U-verse TV. Also attached is a U-verse TV update which provides data on the national deployment of AT&T U-verse TV.

<sup>6</sup> See Wis. Stat. § 66.420(8)(b)1.a.

consecutive months.<sup>7</sup> I am glad to report to you – as we have to DATCP (the agency authorized to enforce this requirement) – that AT&T Wisconsin met this 50 percent build-out requirement *not* in five years, but *in just three*. I can also share with you today that AT&T is exceeding the 50 percent build-out requirement in its Milwaukee market. AT&T is continually looking for opportunities to expand the availability of U-verse TV through technological advances. For example, an advancement called pair bonding allows us to extend the reach of our U-verse service by assigning two copper pairs (instead of one) to each customer. This allows us to increase the network capacity to the home and to deliver U-verse services to more Wisconsin residents.

AT&T is also in compliance with the provisions of Act 42 that prohibit video service providers from denying service to a group of potential residential customers because of race or income.<sup>8</sup> AT&T values all of its U-verse customers and is in full compliance with this law. The statute provides that it is a defense to a claim of such discrimination if a video service provider can demonstrate that 30 percent of the households with access to its video service are low-income households. On behalf of AT&T, I am again proud to be able to report that AT&T is meeting this target on a statewide basis and in its Milwaukee market.

This is a good news story, and the new and innovative services brought to Milwaukee consumers over the AT&T U-verse platform is a direct result of the work done by the City of Milwaukee in 2007. Milwaukee was one of the first cities AT&T Wisconsin entered with U-verse TV. As you might remember, AT&T Wisconsin's network build to provide U-verse TV was extensive. AT&T designed U-verse TV to take advantage of a state-of-the-art broadband, IP-network architecture and invested over \$300 million in its Wisconsin network, upgrading it to provide innovative IP-based TV and voice services, integrated with high-speed Internet access. This build-out required us to request hundreds of permits to place facilities throughout the City. The City worked collaboratively with AT&T and expeditiously processed those permit requests, allowing AT&T to provide competitive service to consumers as quickly as possible. In addition, since AT&T began providing service prior to passage of Act 42, which allowed for statewide video franchising, we also came to an important understanding with the City concerning the terms under which AT&T would provide video service in the City until passage of the new state law occurred. In short, the City's leadership in 2007 allowed AT&T to enter the market and allowed time for the Legislature to address outstanding legal issues.

AT&T's offering of U-verse TV has had a positive effect on the Milwaukee economy. For example, through our early work with the City's Board of Zoning Appeals Committee, AT&T was able to renovate and complete the necessary work on its Video Hub Office on the City's west side. AT&T also set up a U-verse call center in downtown Milwaukee as a result of our partnership with the City. With this call center, AT&T assisted the local economy by hiring service representatives and U-verse technicians.

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<sup>7</sup> See Wis. Stat. § 66.420(8)(b)1.b.

<sup>8</sup> See Wis. Stat. § 66.420(8)(am).



Alderman Robert Bauman

October 17, 2011

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In conclusion, AT&T Wisconsin looks forward to continuing to expand and enhance our U-verse TV service in Milwaukee, providing consumers and the greater economy the benefits of IP-based TV.

Sincerely,

A handwritten signature in black ink, appearing to read "Dextra Hadnot".

Dextra A. Hadnot

Enclosures

Cc (with enclosures):

Alderman Joe Dudzik, Committee Vice Chair

Alderman Willie C. Wade

Alderman Robert G. Donovan

Alderman Robert W. Puente

**For more information, contact:**

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## **TV VIEWERS GIVE HIGHEST MARKS ONCE AGAIN TO AT&T U-VERSE TV IN J.D. POWER AND ASSOCIATES STUDY**

### *AT&T U-verse TV Ranks Highest in Three Regions Nationwide*

**DALLAS, OCTOBER 13, 2011** — Consumers say [AT&T U-verse® TV](#) outperforms all competitors in customer satisfaction in the North Central, South and West regions, according to the J.D. Power and Associates 2011 Residential Television Service Provider Satisfaction Study<sup>SM</sup> released today. Since its premiere on the J.D. Power and Associates rankings in 2008, this is the third time that U-verse TV has received the highest results in all three regions where it was ranked and the fourth year in a row that AT&T U-verse topped the South and West regions.

Customers ranked [AT&T\\*](#) highest in overall satisfaction in a study that evaluates performance and reliability, customer service, cost of service, billing, programming and offerings and promotions. The annual study measured customer satisfaction with residential TV providers, including Internet Protocol (IP) TV, cable and satellite services. In all, 23,880 video customers in the U.S. participated in the study.

AT&T U-verse outscored all competitors in the [South](#) (11 providers), [West](#) (9), and [North Central](#) (9) regions, and scored significantly higher than the industry average in each of the three regions. AT&T U-verse was not included in the East region study.

"From ordering to installation to continuous upgrades, we work hard to provide the best experience for U-verse customers at every single moment," said [Ralph de la Vega](#), President and CEO, [AT&T Mobility and Consumer Markets](#). "AT&T U-verse provides a great entertainment experience and has features you can't get anywhere else, which is why it's the most sought after TV service in the country. And the best part is, we're never done. We have more enhancements in store for customers this year and beyond."

Customers gave AT&T U-verse particularly high marks in the programming and offerings and promotions categories, which looks at variety of programming choices, services, member incentives and communications.

AT&T U-verse [regularly rolls out service enhancements](#) to customers, including new features, apps and services that deliver a better TV experience, including:

- Multi-screen TV, with TV shows available across screens and devices with [U-verse Mobile](#), [U-verse Online](#) and [U-verse TV on Xbox 360](#).
- Interactive TV apps that enhance the way you watch and give you more personalization and control over your shows.
- More HD channels than anyone.\*\*
- Advanced U-verse Total Home DVR features which give U-verse customers the ability to pause and rewind live TV on any U-verse receiver in the home.

The unique features and compelling capabilities of U-verse are helping drive U-verse TV customer satisfaction — and subscriber growth.

- AT&T is the [fastest growing TV provider](#)\*\*\*, adding more TV subscribers in 2011 than any of the major TV providers reported.
- AT&T's advanced fiber network passes 29 million living units.
- AT&T U-verse services are now approximately an annualized \$6.5 billion revenue stream as of the second quarter of 2011.

AT&T U-verse TV is the only 100 percent [Internet Protocol-based television \(IPTV\)](#) service offered by a national service provider. For additional information on AT&T U-verse — or to find out if it's available in your area — visit [www.att.com/u-verse](http://www.att.com/u-verse).

**Find More Information Online:**

Website Links

[AT&T Website](#)  
[AT&T U-verse Website](#)  
[AT&T U-verse Online Website](#)  
[AT&T U-verse on Facebook](#)

Related Media Kits:

[AT&T U-verse](#)  
[AT&T Applications](#)

Related Releases:

[U-verse TV Customers Can Now Watch STARZ, Encore Content On U-verse Online](#)  
[AT&T U-verse Customers Get More HD and International](#)

Related Information:

[U-verse Timeline](#)  
[U-verse Mobile Demo Video](#)  
[U-verse Update](#)  
[Current Features](#)

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## Channels

[AT&T U-verse TV Ranks Highest in J.D. Power and Associates Study in Three Regions Nationwide](#)

## What's IPTV?

[The Evolution of AT&T U-verse](#)

*\*AT&T products and services are provided or offered by subsidiaries and affiliates of AT&T Inc. under the AT&T brand and not by AT&T Inc.  
\*\*More HD claim based on number of 24/7 non-pay-per-view HD channels. \*\*\* Claim based on comparison of major TV providers' percentage growth in subscriber counts and national market share data.*

## **About AT&T**

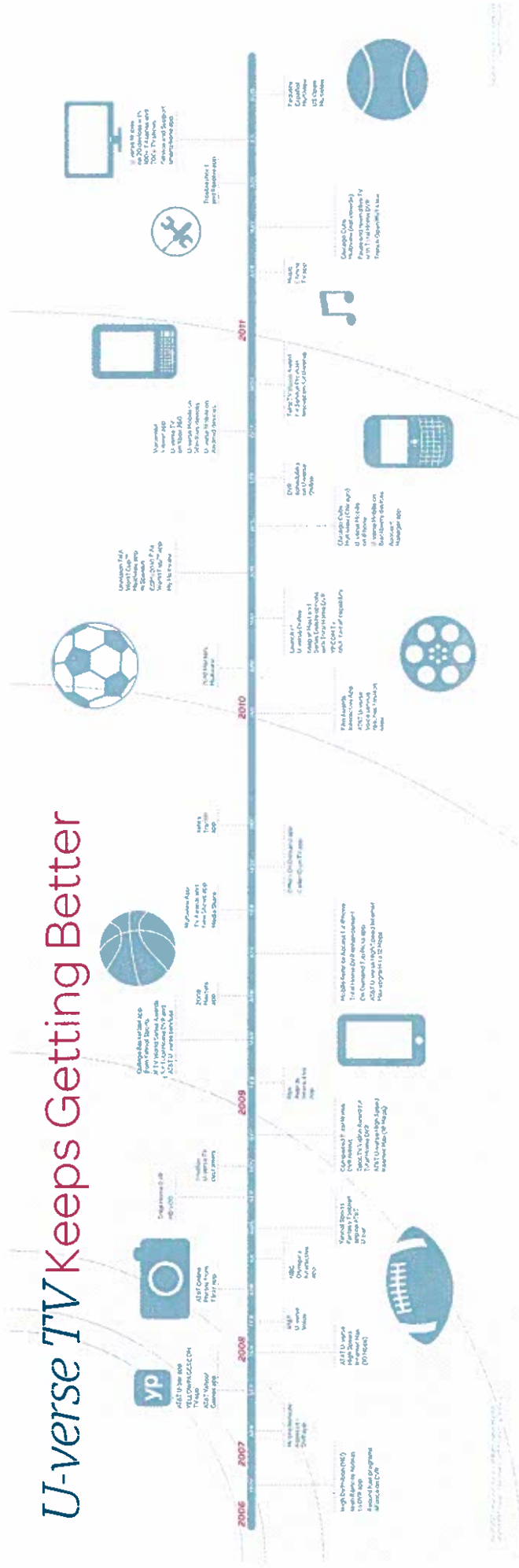
AT&T Inc. (NYSE:T) is a premier communications holding company and [one of the most honored companies in the world](#). Its subsidiaries and affiliates – AT&T operating companies – are the providers of AT&T services in the United States and around the world. With a powerful array of network resources that includes the nation's fastest mobile broadband network, AT&T is a leading provider of wireless, Wi-Fi, high speed Internet, voice and cloud-based services. A leader in mobile broadband and emerging 4G capabilities, AT&T also offers the best wireless coverage worldwide of any U.S. carrier, offering the most wireless phones that work in the most countries. It also offers advanced TV services under the AT&T U-verse® and AT&T | DIRECTV brands. The company's suite of IP-based business communications services is one of the most advanced in the world. In domestic markets, AT&T Advertising Solutions and AT&T Interactive are known for their leadership in local search and advertising.

Additional information about AT&T Inc. and the products and services provided by AT&T subsidiaries and affiliates is available at <http://www.att.com>. This AT&T news release and other announcements are available at <http://www.att.com/newsroom> and as part of an RSS feed at [www.att.com/rss](http://www.att.com/rss). Or follow our news on Twitter at [@ATT](https://twitter.com/ATT).

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*Geographic and service restrictions apply to AT&T U-verse services. Call or go to [www.att.com/u-verse](http://www.att.com/u-verse) to see if you qualify and see terms and condition on services. U-verse Mobile: Access to select content requires compatible device, qualifying U-verse TV plan or monthly subscription fee, and WiFi connection and/or cellular data connection. Data charges may apply. Total Home DVR: Total Home DVR functionality is available on up to 8 TVs, and requires a receiver for each additional TV at \$7/mo.*

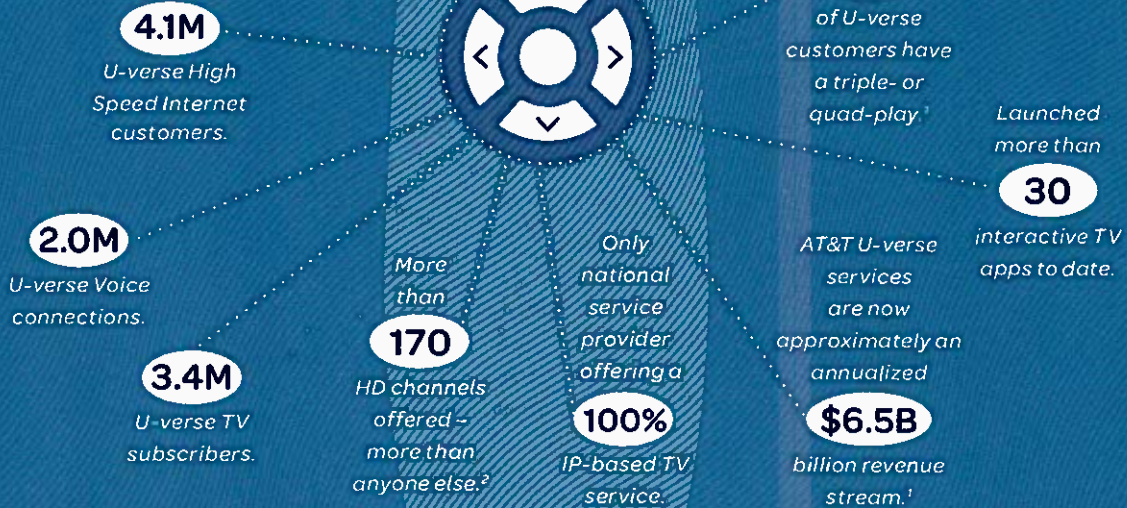
# U-verse TV Keeps Getting Better





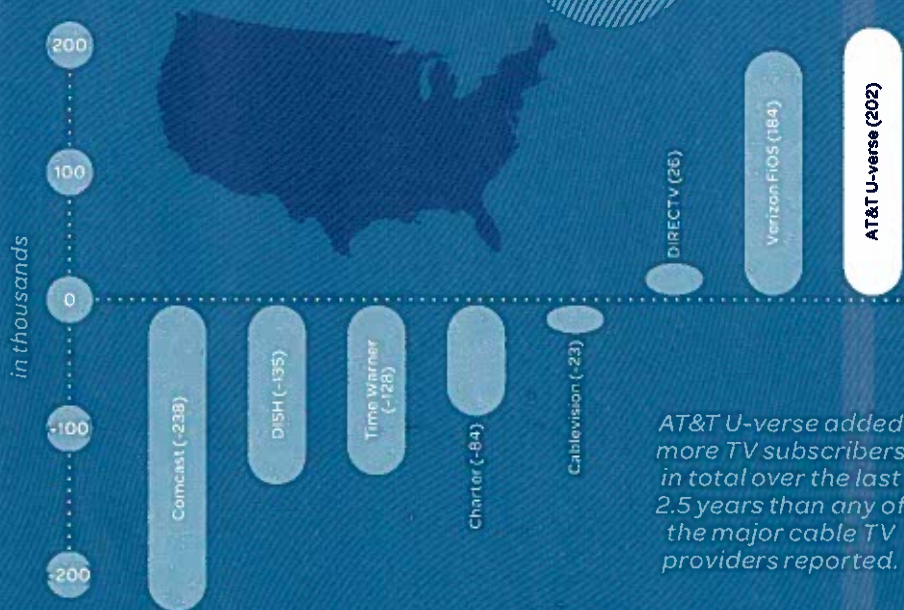
# AT&T U-verse®

## AT A GLANCE



## Fastest growing TV provider in the U.S.

2Q11 INDUSTRY VIDEO ADDS



### Strong U-verse TV customer growth



LIVING UNITS PASSED BY ADVANCED NETWORK



As of 2Q2011. <sup>1</sup>Claims based on number of 24/7 non-pay-per-view HD channels. Geographic and service restrictions apply to U-verse services. Based on historical number of interactive TV apps; all apps may not currently be available.



# U-verse Update: 2Q11

## Improving Customers' Experiences With More Ways to Interact with Service, Content

AT&T U-verse® continues to bring new and better ways for customers to interact and watch their TV content. During the second quarter of 2011, we introduced new Total Home DVR features that allow U-verse customers to pause and rewind live TV on any TV receiver in the home – even when the DVR is connected to another TV. We launched a new TV app that gives customers convenient access to self-support information and tools for their U-verse TV service directly from their TV screen. And we launched Multiviews for popular sporting events. How are customers responding? AT&T U-verse is the fastest growing TV provider in the country, with more TV subscribers added than any of the major TV providers reported from the first quarter of 2009 through the first quarter of 2011. Below is a second-quarter recap on our AT&T U-verse growth and highlights.

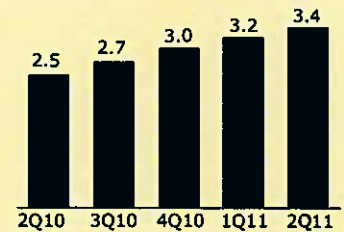
### SERVICE GROWTH: Advanced TV Driving Customer Adoption

- **3.4 million U-verse TV customers.**
- **2.0 million U-verse Voice connections.**
- **4.1 million U-verse High Speed Internet customers.**
- More than **90 percent** of U-verse TV customers bundle High Speed Internet.
- More than **75 percent** of U-verse TV customers have a triple- or quad-play.
- AT&T U-verse bundles available in **136 markets (MSAs)** across 22 states.
- More than **29 million living units** passed by our advanced fiber network.
- AT&T U-verse is now approximately an **annual \$6.5 billion** run-rate business.
- ARPU for U-verse triple-play customers is **more than \$170** a month.

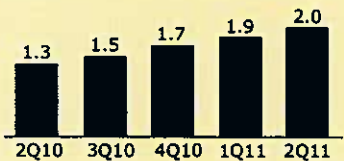
### SERVICE EVOLUTION: More Flexibility, More Interactive Apps

- Launched exclusive **Chicago Cubs Multiview**, which lets U100 and above customers view up to four different camera angles of Chicago Cubs home games at one time – marking the first time AT&T has made multi-camera angle functionality available to U-verse TV customers nationwide.
- Offers **more HD channels than the competition** in every market.
- Added new **AT&T U-verse TV Total Home DVR** features that allow users to pause and rewind live TV on any U-verse receiver in the home.
- Launched **AT&T Troubleshoot and Resolve app** that gives you access to self-support information and tools on your U-verse TV screen.
- Offered exclusive free preview of Conan O'Brien's documentary, **Conan O'Brien Can't Stop**, and additional content on U-verse Movies and across screens.
- Launched the **French Open Multiview**, which lets you watch multiple matches on up to four courts at once.
- Launched an exclusive AT&T U-verse offer that **provides significant savings** for existing AT&T wireless customers that sign up for U-verse services, providing more customers with the benefits of quad-play bundle subscriptions.

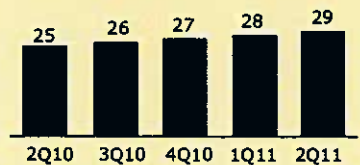
U-verse TV Subscribers in Service (in millions)



U-verse Voice Connections (in millions)



Living Units Passed by Fiber Network (in millions)

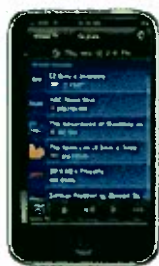


All figures as of the end of the second quarter of 2011. Geographic and service restrictions apply to U-verse. Call or go to [www.att.com/u-verse](http://www.att.com/u-verse) to see if you qualify. HD claim based on number of 24/7 non pay-per-view HD channels.



# AT&T U-verse TV: Advanced Features and Apps

AT&T U-verse® is a better TV experience, with unique apps and features that give you more control and personalization — and we're regularly adding even more. Just a few examples are listed below.



### U-verse Mobile

U-verse Mobile lets you take your U-verse experience on the go. With the U-verse Mobile app you can view the program guide, schedule and manage your DVR recordings and watch TV shows on your qualifying smartphone.

### Total Home DVR

Watch HD and SD recordings from a single DVR on other connected TVs in the home with Total Home DVR. You can also schedule and manage recordings from any U-verse receiver, pause a recorded show and pick it up where you left off in another room, play back up to four recorded shows at once, play back the same recorded show on different TVs at different points, and pause and rewind live TV on any TV in the home.



### More HD Channels Than Anyone\*

You can enjoy access to more linear HD channels than the competition in every U-verse TV market.



### My Multiview

Watch up to four channels at one time and select which channel is the main picture with audio with the My Multiview app. Select 55 channel favorites and watch up to four of them at the same time. Select the record button to schedule recordings without exiting My Multiview. You can also tune to Sports, Kids and News Multiviews.

### AT&T U-bar\*

View customizable stock, weather, sports and traffic information on your TV screen, based on the preferences you set on the att.net portal using your AT&T High Speed Internet account.



### AT&T Weather On Demand

Find the local and national weather information you want, for the U.S. city you want, at the time you want — all by tuning to channel 227.

### YP.COM TV

Search for local business right on your TV screen with YP.COM TV. With the Click to Call feature, you can send calls from listings on your TV screen to your mobile phone.



### Seasonal Sports Apps\*\*

Follow and interact with exciting sports events on your TV screen. Track your fantasy football league and stats; play along with your personalized

tournament bracket during college basketball season; and view multiple course feeds, the leaderboard and more with the Masters golf tournament app.

### U-verse TV on Xbox 360

Enjoy virtually the same U-verse TV experience and receive chat and game invitations from friends and chat with friends on the Xbox 360 headset through Xbox Live while watching live TV. U-verse TV on Xbox 360 replaces the need for an extra receiver in your home.

Geographic and service restrictions apply to AT&T U-verse services. Call or go to [www.att.com/u-verse](http://www.att.com/u-verse) to see if you qualify. \*Claims based on number of 24/7 non pay-per-view HD channels. \*\*AT&T U-verse High Speed Internet Account required. U-verse Mobile: Download and watch available for select shows and requires qualifying smartphone, U300 or higher TV plan, and WI-FI connection. Total Home DVR: Total Home DVR functionality is available on up to 8 TVs, and requires a receiver for each additional TV at \$7/mo. HD: Access to HD service requires \$10/mo and HD Premium Tier available for an additional \$5/mo. My Multiview: Channels/content available for viewing in Multiview are based on TV package and additional programming purchased. A limited number of HD channels is not supported for display within My Multiview. © 2011 AT&T Intellectual Property. All rights reserved. AT&T and the AT&T logo are trademarks of AT&T Intellectual Property.