

(As we will see, majorities of respondents scoring either High and Medium in their concern about uses of consumer information accept an opt out procedure for the local telephone company communicating to them about additional services.)

The questions that made up our index were as follows:

- 83% of the public agrees that *“consumers have lost all control over how personal information about them is circulated and used by companies.”*

This is up from 80% agreeing to that statement in 1995.²

- 72% of the public agree that *“If privacy is to be preserved, the use of computers must be sharply restricted in the future.”* This is up from 67% stating such agreement when the question was last asked, in 1994.³
- 52% of the public disagree that *“Your rights to privacy as a consumer are adequately protected today by law or business practice.”* [No exactly worded previous question is available for trend-line use.]

These concerned responses of the American public about business uses of consumer information, the uses of advanced information technologies to process consumer and citizen data, and weaknesses in existing law and business practices all justify the FCC's current attention to assuring that telephone service providers meet the public's legitimate expectations of privacy in the use of their customer information for marketing purposes.

The balance of the CPNI Survey was devoted to exploring just what those public expectations are, and what policies the public would like to see used in the handling of customer information.

3. At the Same Time, Very Large Public Majorities Favor Businesses Being Able to Inform Their Customers About New Services

As many previous consumer privacy surveys have documented, the public's concern about how consumer personal information is used by businesses does NOT mean that the American public wants to stop receiving communications about products and services from the businesses they are already patronizing.

To test this outlook in late 1996, the CPNI survey asked respondents the following:

When you are a customer of a business -- such as a bank, a department store, an insurance company, or a local telephone service -- do you consider it acceptable for this business to communicate with you from time

² Ibid.

³ *The Equifax-Harris consumer Privacy Survey, 1994.*

to time about new products or services, or special discounts they are offering to their customers they think may be of interest or benefit to you?

Almost nine out of ten members of the public -- 88% -- said receiving such informational communications from businesses they patronize would be acceptable to them.

Such communications were approved even more strongly than the public at large by the following groups:

18-24 year olds.....	93%
25-34 year olds.....	92
African-Americans.....	93
Hispanics.....	91
Persons who order many additional telephone services.....	94
People who are aware of and have used an opt out from any business.....	92

4. Offering an Opt Out Procedure Raises Public Acceptance of Such Business Communications to Customers to 93%

Twelve per cent of respondents (117) had said such business communications were either not very acceptable to them or not acceptable at all. These respondents were then asked a further question:

Would it become acceptable to you if this company offered you the opportunity to “opt out” or decline to receive information about new products or services or special discounts, and contacted only those customers who did NOT “opt out”?

Forty-two percent of these 117 respondents said yes. When these 49 persons are added to the 88% that found business communications to existing customers acceptable, a total of 93% of the American public finds such marketing acceptable.

5. Local Telephone Companies Are Among the Business Organizations Most Trusted by the Public to Use Customer Information Responsibly and Protect Its Confidentiality

Past consumer privacy surveys have documented that public confidence in the voluntary privacy and fair information practices policies of business organizations is highly correlated with the overall level of trust that the public has in how a particular industry handles the personal consumer information it collect and uses. When trust in an industry is very low, based on public perceptions (and dominant media treatment) of an industry's

failure to treat consumer information in ways the public considers responsible, the public will favor legal duties and regulatory enforcement, rather than the public's usual preference for voluntary policies and market-based dynamics.

With this well-documented trend in mind, the CPNI Survey asked respondents to indicate their level of trust in twelve types of industries, with the following question:

I will read you a short list of organizations which collect and use information about consumers. On a scale of 1 to 10, HOW MUCH DO YOU TRUST THEM to collect and use information about people like you in a responsible way and protecting its confidentiality. Answering "1" means you do not trust them at all and "10" means you have complete trust in them.

Our analysis combined answers of 10, 9, and 8 into a "High Trust" rating; 7, 6, 5, and 4 into a "Medium Trust" rating; and 3, 2, and 1 into a "Low Trust" rating. Following the procedure used in past consumer privacy surveys, we ranked the 12 industries in terms of a combined High and Medium Trust rating, producing the following pattern:

Public trust that organizations collecting information about consumers use such information in a "responsible way" and "protecting its confidentiality"	
Type of Organization	High and Medium Trust
Hospitals.....	79%
Banks.....	78
Employers.....	78
Local telephone companies.....	76
Long distance telephone companies.....	72

Health insurance companies.....	66
Cable television companies.....	66
Credit card companies.....	64
Life insurance companies.....	64

Credit bureaus.....	48
Private investigators.....	43
Companies that sell to consumers at their homes, by direct mail.....	40

The twelve industries fall into three clearly-differentiated segments, in public estimation. The five types of organizations receiving more than seven out of ten Americans' medium to high trust -- hospitals, banks, employers, local telephone companies, and long distance telephone companies -- represent industries whose promises of proper handling of consumer information enjoy very broad public confidence.

The four industries in the middle segment -- health insurance companies, cable television firms, credit card companies, and life insurance companies -- enjoy a two-out-of-three Americans' trust rating, a quite creditable standing in an era marked by general distrust of government and many sectors of business and non-profit organizational life.

Finally, direct marketers, credit bureaus, and private marketers were given a medium to high trust rating by less than a majority of the public.

For the purposes of the FCC's CPNI Inquiry, the finding that 77% of the American public have medium to high trust in local telephone companies gives strong support to the idea that a voluntary program of notice and opt outs in local telephone company use of customer information for offering additional telephone services would be regarded with confidence and approval by more than three out of four Americans.

6. Less than 10% of the Public Say Their Local Telephone company Has Ever Released Their Personal Telephone Information Improperly

Another indication of the level of confidence that the public presently has in local telephone companies was explored by the CPNI survey with the following question:

Have you ever had the company you use for local telephone service release the personal information they had about you in a way you thought was not proper?

Only 9% of the public said that this had ever happened to them. Eighty-two per cent said it had never happened, and 9% didn't know or didn't answer. By contrast, 25% of the American public said in 1993 that they believed an organization that had their medical information -- such as a doctor, hospital, clinic, or health insurance company -- had released their medical information in a way the respondent thought was improper.⁴

7. Large Majorities Say They Would be Interested in Learning From Their Local Telephone Company About New Telephone Services

Turning specifically to telephone services, the CPNI Survey posed this question:

Many new consumer services are being developed by local telephone companies today. These include voice mail, long distance calling plans, cellular telephone service, expanded cable television or home interactive

⁴ *The Harris-Equifax Health Information Privacy Survey, 1993.*

video services. How interested would you be in having your local telephone company inform you about such new services from time to time?

Almost two-thirds of the public -- 64% -- said they would be interested in being so informed of new services by their local telephone company.

8. Large Majorities Also Say it is Acceptable for Their Local Telephone Company to Look Up Their Records and Offer Them Additional Services, and Offering an Opt Out Increases This Majority to 82%

Turning to how the local telephone company selects customers to receive offers of additional services and benefits, the CPNI Survey asked this question:

Your local telephone company may also look at its customer records to see which of its current customers it thinks would be most interested in or benefit from hearing about new services. Do you consider it acceptable for your local telephone company to look over customer records for this purpose?

Again, almost two out of three members of the public -- 64% -- say this procedure would be acceptable to them. When the 36% who said it was NOT acceptable were asked whether providing an opt out procedure would make this record-based communication process acceptable, 45% said it would.

Combining those initially favorable with those becoming favorable if an opt out is provided produces a majority of 80% for this customer-record-based local telephone company communication process.

9. Similar Majorities Accept Checking Customer Records and Offering New Services During Service Calls

Looking at another common use of customer account records by local telephone companies, the CPNI Survey asked:

When you call your local telephone company to discuss your services, the customer service representative that you speak with normally looks up your billing and account service record. As a result of talking with you and seeing the services you already have, the representative may also want to offer you new services. On that call, do you consider it acceptable for the representative to offer you new services?

More than two-thirds of the public -- 69% -- say that such customer-account-based communication to them from a customer service representative would be acceptable.

(Since local telephone companies say their customer service representatives ask the person they are talking with whether it is all right to tell them about new services, an oral "opt out" is built into this process.)

10. Positive Views Toward Local Telephone Company Use of Customer Information Are Held by Majorities of All Demographic Groups

The questions we have reported were not close calls of the 51-49% variety; rather, as noted, they drew approving majorities in the 64-88% ranges. It is not surprising therefore, but important to note, that majorities in favor of local telephone company use of customer information for the marketing procedures presented were registered for all the demographic sub-groups that make up the general public -- young, middle-aged, and older persons; lowest to highest incomes; black, white, and Hispanic; male and female; lowest to highest education; conservative, moderate, and liberal political philosophy; urban, suburban, and rural community dwellers; and by Northeast, North Central, South, and West regions.

In terms of the FCC's mission to protect and promote "the public interest," this overall pattern of general-public and demographic-group majorities represents an important input to the FCC's CPNI Proceeding.

At the same time, it is important to note that many groups that the FCC is often especially concerned to protect, and to see well served in telephone services, were even more positive toward customer-information-based service offering than the public as a whole. For example, we saw in Section 5 that 64% of the overall public say they would be interested in having the local telephone company inform them about new telephone services.

However, among the groups that scored well above the public's 64% in their interest in receiving such information were:

Hispanics.....	79%
African-Americans.....	72
Women.....	69
18-24 year olds.....	76
Persons who have used an opt out.....	72
Persons who order many additional telephone services.....	83

It seems particularly useful to note that higher interest in receiving local telephone company communications on new services was registered by almost three out of four persons (72%) who have exercised an opt out from third-party marketing use of their name and address.

Analysis of the people who have used opt outs indicates that they are at the highest levels of privacy concern (as reflected in the privacy questions on the CPNI Survey, #14 and 15 A, B, and C) The CPNI survey found the respondents who have used opt outs in

other business setting are willing to change their position from initial disapproval to positive views of customer-records-based communications by local telephone companies when our follow-up questions asked whether providing an opt out would make such practices acceptable.

11. The Public Divides About Equally Between Offering an Opt Out in the Monthly Bill and Sending a Separate Mailing

To explore how the public would like local telephone companies to notify them about opt out choices and procedures, the CPNI Survey asked:

If your local telephone company provides you with an opportunity to “opt out” or decline to have your customer information used in this way, would you prefer receiving such a notice and “opt out” opportunity in your monthly telephone bill or in a separate mailing to you?

The public was almost evenly divided on this matter -- 51% preferred a separate mailing; 46% chose the monthly bill; and 4% gave no opinion.

Summing Up

In terms of the FCC's CPNI Rule Making, the November, 1996 ORC survey data show that:

- Large majorities of the American public believe it is all right for their local telephone company to communicate with them to offer additional services, whether by looking up their records to identify those likely to be interested in or benefit from such services or during calls from customers being handled by customer service representatives.
- When respondents who do not initially find such customer-record-based communications acceptable are told that an opt out procedure would be available, almost half of these say that this would make the communication to them acceptable.
- Adding those for whom the opt out makes the communication acceptable to those who originally approved of the communication provides favorable majorities at the 80% level.
- This very high approval for CPNI use by local telephone companies parallels the survey's findings as to initial approval and then opt out procedures for businesses in general communicating with their customers to offer additional services.

APPENDICES

Privacy Activities of Professor Alan F. Westin, Columbia University

General

Alan F. Westin is Professor of Public Law and Government at Columbia University, where he has taught for the past 37 years. Born in 1929, he earned his BA. from the University of Florida; his LL.B. from Harvard Law School; and his Ph.D. in political science from Harvard University. He is a member of the District of Columbia Bar, the author or editor of 26 books, and has been listed for the past three decades in Who's Who in the United States.

Privacy Activities

For four decades, Professor Westin has specialized in studying, writing, and consulting about the impacts of information technology on individuals, organizations, and society.

1. Writing and Speaking

Dr. Westin's award-winning 1967 book, Privacy and Freedom, is considered the leading work in this field. Other books he has written about privacy include: Databanks in a Free Society (1972), with Michael Baker, for the National Academy of Sciences, and two monographs for the U.S. National Bureau of Standards on Computers, Health Records, and Citizen Rights (1976) and Computers, Personnel Administration, and Citizen Rights (1979). He is currently completing a new book for the Columbia University Press on "The American Public and Privacy: New Roles and Rules for the Computer Age."

In addition to publishing in law reviews and scholarly journals, his articles on privacy issues have appeared in the New York Times, Wall Street Journal, Fortune, Business Week, the Los Angeles Times, Newsday, and many industry, trade, and technical publications.

He has discussed privacy issues often on such television programs as the Today Show, CBS Morning Show, the McNeil-Lehrer Show, and many others. In the past three decades, he has spoken about privacy issues at the national conventions of more than two hundred business, professional, and governmental associations.

2. Governmental Work

In the governmental arena, he was consultant to Senator Sam Ervin Jr. in drafting the Federal Privacy Act of 1974; a Presidential appointee (by Richard M. Nixon) to the National Wiretapping Commission (1973-76); Senior Consultant to the U.S. Privacy Protection Commission (1975-77); Privacy Consultant to the New York State Identification and Intelligence System, and Project SEARCH; and a member of Privacy Task Forces for the U.S. Department of Commerce, General Services Administration, Social Security Administration, and other federal agencies.

He has been chair or a member of more than 20 panels of the U.S. Office of Technology Assessment on privacy issues over the past two decades. Dr. Westin has testified frequently since the late 1960's before dozens of Congressional and state legislative committees on privacy issues involving credit, employment, medical and health records, banking, insurance, law enforcement, telecommunications, credit cards, and other issues.

During the 1970's, he was Vice Chairman of the New Jersey State Commission on Individual Liberty and Privacy, which held extensive hearings on privacy issues in banking, insurance, public records, health records, and other sectors, and sponsored several privacy bills that were enacted by the New Jersey legislature.

3. Public Opinion and Survey Work

Over the past 18 years, he has been the academic advisor to Louis Harris & Associates for fifteen national public and leadership opinion surveys of privacy conducted in the United States and Canada.

These have included national surveys on "The Dimensions of Privacy" (for Sentry Insurance, 1979); "Consumers in the Information Age" (for Equifax, 1990, and consumer privacy surveys in 1991, 1992, 1994, 1995, and 1996); "Consumers and Privacy in the Information Age" (for Equifax Canada, 1993); "Health Information Privacy Survey, 1993" (for Equifax Inc.); "Workplace Privacy Issues," for the Educational Film Center, 1993; "Credit and the Consumer, 1994" (for VISA and MasterCard); and "Interactive Services, Consumers, and Privacy" (sponsored by Bell Atlantic, U.S. West, and Citicorp Technology Resources), 1994

He has also designed and supervised seven proprietary or public surveys on privacy issues for business firms and industry associations in collaboration with Opinion Research Corporation of Princeton, N.J. A recently-released public survey done with ORC was on "Public Attitudes Toward Finger Imaging as an Identification Technique" (for National Registry, Inc.), 1996.

4. Private-Sector Consulting, Training, and Advocacy Work

In the private sector, Dr. Westin has been a consultant on privacy over the past 25 years to several dozen corporations. In the early 1970's, he developed IBM's employee privacy guidelines, which served as a model for hundreds of other companies in the late 1970's and 1980's. He has been the principal consultant for new privacy codes by such companies as American Express, Equifax, and Security Pacific National Bank. Among the other firms for which he has been a privacy consultant for consumer and customer privacy issues are Citicorp, Prudential, Aetna Life & Casualty, Nabisco, A.T. & T., and many more.

Dr. Westin has personally conducted privacy-issues briefings for CEO's, senior management, and Boards of Directors in over 100 corporations.

5. Privacy & Legislative Associates

In 1993, Dr. Westin joined with Robert R. Belair, a leading Washington attorney specializing in privacy and freedom of information law, to found **Privacy & Legislative Associates (P&LA)**, a consulting firm in Washington that specializes in privacy work. P&LA clients include Glaxo Wellcome, Smith Kline Beecham, HealthPoint, Bell Atlantic, Pacific Telesis, Chrysler Corporation, Health Data Exchange (a Shared Medical Systems company), EMX, National Registry, Inc., Image Data, VISA U.S.A., Harris Corporation, and Science Applications International Corporation (SAIC).

P&LA works with clients to develop innovative privacy policies and procedures; make presentations to senior executives; conduct privacy training programs for staff and operating managers; support preparation of public relations and marketing materials presenting privacy policies and practices; conduct proprietary surveys on the public's perceptions of client products and services, and client privacy policies under consideration; provide representation of clients on

pending legislation in Congress and the states, and before federal and state regulatory agencies. and present proposed client privacy policies for advance (and confidential) reactions by key consumer, employee, and privacy groups and experts; and provide crisis-management support for clients experiencing major public challenges.

P&LA also offers a monthly, customized monitoring report service for clients on an industry-by-industry basis, covering emerging legislative and regulatory trends, advocacy-group positions, litigation trends and judicial-decision analysis; analysis of published surveys and opinion trends; and media-trend round-ups. These reports cover trends for firms in the credit card, telecommunications, health care, pharmaceutical, information services, and biometric identification industries.

6. *Privacy & American Business*

Also in 1993, Dr. Westin founded (with Robert Belair) a new bi-monthly report and information service called *Privacy and American Business*. (P&AB) P & A B covers consumer, health, communications, and employment privacy, as well as multi-national and international arenas, and is the first "privacy-sensitive but business-friendly" publication in this field. It is supported by continuing grants from 25 leading companies and industry associations, including American Express, Citicorp, Equifax, Bell Atlantic, Pacific Bell, U.S. West, VISA, MasterCard, Microsoft, the National Commission on Confidentiality of Health Records, Direct Marketing Association, State Farm Insurance, MCI, A.T. & T., Metromail, TransUnion, First USA, First Data Corporation, Prudential Insurance, Experian (formerly TRW), and other firms.

P&AB organizes and conducts an annual Fall national conference on "Managing The Privacy Revolution," in Washington, D.C. The Third Annual conference, held in October, 1996, explored the 1995-96 developments on business-privacy issues, privacy issues in cyberspace, and the increasing globalization of privacy issues for business (including U.S. multi-national companies' relationship to the European Union's recently enacted Data Protection Directive).

P&AB also manages the Corporate Privacy Leadership Program, a cooperative, peer-group forum sharing policies and techniques among pro-active companies and industry associations in financial services, telecommunications, insurance, health-information processing, human resources, information services, online systems, and other sectors.

7. *Privacy and Health Information*

Since the mid-1960's, Professor Westin has maintained a continuing special interest in medical confidentiality and health-information-systems privacy issues.

A comprehensive field study of computerization trends and health information was led by Dr. Westin for the U.S. National Bureau of Standards between 1974-76, and produced Westin's report on Computers, Health Records, and Citizen Rights (1976). The Privacy Code this report recommended was sent by NBS to every hospital in the U.S., and served as a model for hundreds of hospital and health institutions. The NBS Report remains to this day the leading empirical study of how computer use is affecting the three main zones of health information use -- direct care, payment and quality-assurance, and social uses of medical data.

Between 1978 and the early 1980's, he served as Research Director of the National Commission on Confidentiality of Health Records, a national association composed of the major health-care provider, payer, and quality-care associations in the United States. During this period, he spoke frequently on privacy and health information issues at national conventions or special meetings of the American Medical Association, Health Insurance Association, American

Medical Records Association, American Orthopsychiatric Association, American Psychiatric Association, and many other health-professional groups.

In the past 2-3 years, he has been a featured speaker at the U.S. Department of Health and Human Services Privacy Task Force Conference on Medical Records and Privacy (February, 1993); a reviewer of reports on privacy for the National Institute of Medicine (on emerging regional health data systems), the Journal of the American Medical Association, and for the U.S. Office of Technology Assessment (on privacy and the computerized medical record).

Dr. Westin was the privacy advisor to a 1994 Public Television Special Documentary on "Privacy and Health in the American Workplace." Dr. Westin drafted a national corporate-employee and human resources executives survey conducted by Louis Harris and Associates for use on this program, covering employee health and privacy issues in depth.

In 1993, he served as the academic advisor for a national public and leaders Harris survey on "Health Information Privacy." Results from this survey were released at a national conference in Washington, D.C. in November, 1993, at which Dr. Westin spoke, co-sponsored by the U.S. Office of Consumer Affairs, the American Health Information Management Association, and Equifax Inc.

Also in 1993-95, Dr. Westin served as Principal Investigator on a 15-month project on privacy issues in the uses of genetic testing and genetic-test applications, funded by the U.S. Department of Energy for the Human Genome Project and its ELSI Program (Ethical, Legal and Social Issues).

In his consulting work, Dr. Westin has recently drafted privacy codes for the Health Data Exchange of Shared Medical Systems; EMX, a new health information service; Equifax's Health Information Sector; and HealthPoint.

8. Overseas and Multinational Activities

For three decades, Professor Westin has been a keynote speaker at leading business, government, and technology conferences on privacy and data protection in the United Kingdom, Western Europe, Scandinavia, Japan, and Hong Kong. In 1985, for example, NTT of Japan brought Dr. Westin to Tokyo as the Privacy Keynote Speaker at the NTT International Conference on Technology and Society in the Information Age, and Dr. Westin lectured on U.S., European, and Japanese approaches to privacy protection at several Japanese universities and technology institutes.

In 1996, he has spoken at business and government sponsored privacy conferences in Victoria and Ottawa, Canada; London; and Berlin.

Fall, 1996

Opinion Research Corporation, headquartered in Princeton, New Jersey, was founded in 1938 to apply public opinion polling techniques to business issues. ORC has been a public company since October 1993 (NASDAQ-ORCI).

ORC specializes in the global business-to-business market and addresses for its clients such strategic issues as market definition, corporate equity assessment and customer retention tracking research. ORC's concentration is in the automotive, financial services, health care, information technology/telecommunications, media & leisure and retail trade industries.

In addition, the firm offers a number of proprietary and shared-cost research products. These include BrandPerceptionsSM and CORPerceptionsSM, global equity studies conducted among consumers and executives, LeaseBASESM, the first needs and behavior-based study of the automobile leasing market, and NetTrackSM, a nationally projectable panel of Internet and online services users available to companies for ad hoc research and product testing.

ORC opened ORC-Asia in 1995 to ensure the standardization of its research across the Pacific Rim. The Company also established ORC-International, a network comprising Affiliate Companies in 23 countries across Latin America, Asia, Europe and the Middle East. Through ORC-International, multinational clients benefit from national expertise regarding the domestic business environment and the appropriate means of national/cultural data collection in each geography. ORC's development of a Global Standard for data collection and analysis ensures that market intelligence is delivered within a consistent architecture that provides cleaner comparisons between diverse markets.

ORC has two central telephone interviewing centers, in Tucson and London, each having 100+ CATI-equipped interviewing stations. All European telephone interviewing is conducted through the London center, which is staffed with native language interviewers. Interviewing is regularly conducted in the Pacific Rim, Europe and the Americas by ORC-International Affiliates. A full complement of data processing, analytic and modeling capabilities are also provided.

Key clients include AT&T, Bell Atlantic, Dean Witter, EDS, General Electric, General Motors, ITT Sheraton, Moody's and PNC Bank.

Offices are located in Princeton, NJ, Chicago, IL, Detroit, MI, Toledo, OH, Tucson, AZ, Washington, DC, Hong Kong and London, England.

Michael R. Cooper is Chairman and CEO. John F. Short is Vice Chairman and CFO.

Selected Clients

Advanced Care Products	CBS Broadcast Group	Friends Provident
AETNA Life & Casualty	The Chase Manhattan Bank	Frigidaire
AGF	Chemical Bank	GE
AIG	Chevrolet Motor	Gellman Public Relations
Airco Distributor Gases	Chiat/Day Advertising	Gem Star Development
Alexander Consulting Group	Chrysler	General Accident Insurance
AlliedSignal	Chrysler Financial	General Motors
ALC Communications	Church & Dwight	Glaxo
American Medical Association	Citibank	GM Credit Card Division
American Airlines	Clydesdale Bank	Grey Advertising
Arthur Andersen & Co.	CNBC	GTE
Angotti, Thomas, Hedge	Coca-Cola	Guardian Royal Exchange
AT&T	Comcast	
	Commercial Union	Hagar Sharp
Bank America	Connaught Laboratories	Hal Riney Partners
Barclays Life	Coopers & Lybrand	Harley-Davidson
Bell Atlantic	Cramer Krasselt	Harvard University Graduate
BellSouth	CSX	School of Education
Bellcore		Hershey Foods
Beltone Electronics	Data General	Heublein
Beneficial Management	Dataplan	Hewlett-Packard
Bissell	DDB Needham Worldwide	Hexcel
Blue Cross of California	Dean Witter, Discover & Co.	Hoechst-Roussel
BMW of North America	Dorf & Stanton Communications	Pharmaceuticals
Boatmen's Bancshares	Dow Chemical	Hoffman-LaRoche
Boeing Commercial Airplane	DuPont	Hoover
Group		Horan & Associates
Bordon	Eagle Star	Hughes Aircraft
Bozell	Earle Palmer Brown & Spiro	
Braun	Eastman Kodak	IBM
British Gas	Edelman Public Relations	ICI
Brodeur & Partners	Worldwide	IGD
Brown and Powers	EDS	<i>Industry Week</i>
Buick Motors	ElectroCom Automation, L.P.	<i>InfoWorld</i>
<i>Business Week</i>	Exxon	Inside Edition
Burson-Marsteller		Intracorp
	Fingerhut Companies	ITT Sheraton
Cable & Wireless	First Union Bank	
Cadillac Motor Car	First National Bank of Chicago	J. Walter Thompson
Campbell Soup	Food Marketing Institute	Johnson & Johnson
Campbell Mithun Esty	Ford of Europe	Johnson & Johnson
Carter Wallace	<i>Fortune</i>	Vistakon Canada

Selected Clients

Johnson & Johnson
Vistakon Products
Joy Technologies

Kellogg
Ketchum Public Relations
Key Corporation
Kidder, Peabody & Company
Kiwi Brands
KPMG Peat Marwick

Land-O-Lakes
Lederle Laboratories Division
Thomas J. Lipton
Arthur D. Little
Lockheed
LTV
Lukens

Makovsky & Company
Marketing Corporation of
America
Marks & Spencer
Marriott Hotels Resorts
and Suites
Mars Confectionery
Maryland Public Television
Mastercard International
Mazda Motor
McCann Erickson
MCI Communications
Medtronic
Meldrum and Fewsmith
Merrill Lynch & Co.
Minnesota Star Tribune
Mona, Meyer, McGrath
and Gavin
Money Access Service
Moody's Investors Service
Motion Picture Association of
America
MTV Networks
Mullen Advertising

NationsBank
New Jersey Cable Television
Association
New York Stock Exchange
Nickelodeon
Norwich Union
NYNEX

Ogilvy, Adams & Rinehart
Oldsmobile
Owens-Corning Fiberglas

Padilla Speer, Beardsley
Partners & Shevack
Phillips Consumer Electronics
Phillips Petroleum
Pirelli Cable
PNC Bank
Pontiac Motor
Porter Novelli
Portland Holidays
Prudential Securities
Public Communications

The Reader's Digest Association
Revlon Consumer Products
Rhone-Poulenc Rorer
Roche Vitamins & Fine
Chemicals
RochesterTelephone
Rockwell International
Rolm
Ruder-Finn
Ryder Truck Rental

Saab Cars
Saatchi & Saatchi
Saturn
Schaeffer & Associates
Schenkein/Sherman Public
Relations
SCM Chemicals
Scott Aviation

Scottish Provident
The Signature Group
SmithKline Beecham
Solar Turbines
Southern New England
Telecommunications
Steelcase
Summit Marketing
Communications

TBWA
Tedel
Temerlin McClain
Timex
Turner Broadcasting Systems

United States Postal Service
Universal Card Services
U.S. Bank
U S WEST
USA Network

Valley National Bank
VISA U.S.A.
Vision Interfaith Satellite
Network

The Wall Street Journal
Walt Disney
Warner Home Video
Warner Lambert
Weber Group
Wells Fargo Bank
The Wharton School of the
University of Pennsylvania
Whitehall Laboratories
Woolworth
Wrangler

Xerox

Yorkshire Bank

OPINION RESEARCH CORPORATION

CARAVAN® INTRODUCTION

CARAVAN is a telephone survey conducted among a national probability sample of 1000 adults 18 years of age and older, living in private households in the continental United States.

Interviewing for CARAVAN® is completed 50 weeks per year, Thursday through Sunday. All data collection efforts take place under the direction of ORC Information Services. ORC's Central Telephone Facility is located in South Plainfield, New Jersey. The core of our telephone center is the interviewers. All ORC interviewers complete an intensive training and test period. Additionally, they attend follow-up training classes that cover advanced screening techniques, in-depth probing and the art of refusal avoidance. Interviewers are continuously supervised, monitored and reviewed in order to maintain the highest quality interviewing standards.

All CARAVAN interviews are conducted using Opinion Research Corporation's computer assisted telephone interviewing (CATI) system. The system is state-of-the-art and offers several distinct advantages such as: full-screen control which allows multi-question screens, fully-programmable help and objection screens to aid interviewing, an extremely flexible telephone number management system and powerful data checking facilities. CATI ensures that interviews are conducted in the most efficient manner and allows interviewers easy response recording. This interviewing method also allows for the most accurate form of data entry by guiding the interviewer through the programmed question flow and by providing on-screen interviewer instructions.

The most advanced probability sampling techniques are employed in the selection of households for telephone interviewing. Opinion Research Corporation utilizes an unrestricted random sampling procedure that controls the amount of serial bias found in systematic sampling to generate its random-digit-dial sample. The sample is fully replicated and stratified by region. Only one interview is conducted per household. All sample numbers selected are subject to up to four attempts to complete an interview.

Completed interviews are weighted by four variables: age, sex, geographic region, and race, to ensure reliable and accurate representation of the total population, 18 years of age and older. The raw data are weighted by a custom designed program which automatically develops a weighting factor for each respondent. Each respondent is assigned a single weight derived from the relationship between the actual proportion of the population with its specific combination of age, sex, geographic characteristics and race and the proportion in our CARAVAN sample that week. Tabular results show both weighted and unweighted bases.

OPINION RESEARCH CORPORATION

The use of replicable sampling, standardized interviewing procedures and representative weighting provides that all CARAVAN studies are parallel to one another. Thus, CARAVAN usage is appropriate both for point-in-time analysis as well as tracking and trend comparisons.

CARAVAN Telephone Sampling Methodology

Opinion Research Corporation's national probability telephone sample is an efficient form of random-digit-dialing. The sample is designed to be a simple random sample of telephone households. Unlike published directories, ORC's national probability telephone sample includes both unlisted numbers and numbers issued after publication of the directories. The following procedure is used to create the sample:

- o Opinion Research Corporation has an annual license for GENESYS, a custom RDD sample generation system developed by Marketing Systems Groups.
- o The methodology for generating random digit dialing (RDD) telephone samples in the GENESYS system provides for a single stage, EPSEM (Equal Probability of Selection Method) sample of residential telephone numbers. It is updated twice a year.
- o When a national probability sample is needed, a random selection is made from approximately 40,000 exchanges in two million working banks.
- o Each telephone number is transferred to a separate call record. The record shows the computer-generated telephone number to be called, as well as the county, state, MSA (if applicable), band and time zone into which the telephone number falls. Our computerized interviewing system (CATI) uses this information to keep track of regional quotas. The CATI interviewing program also keeps track of the disposition categories for each call attempt.

INTRODUCTION

This report presents the findings of a telephone survey conducted among a national probability sample of 1011 adults comprising 504 men and 507 women 18 years of age and older, living in private households in the continental United States.

Interviewing for this CARAVAN® Survey was completed during the period November 14-17, 1996. All data collection efforts took place at Opinion Research Corporation's Central Telephone Facility in Tucson, Arizona. The core of our telephone center is the interviewers. All Opinion Research Corporation's interviewers complete an intensive training and test period. Additionally, they attend follow-up training classes that cover advanced screening techniques, in-depth probing and the art of refusal avoidance. Interviewers are continuously supervised, monitored and reviewed in order to maintain the highest quality interviewing standards.

All CARAVAN interviews are conducted using Opinion Research Corporation's computer assisted telephone interviewing (CATI) system. The system is state-of-the-art and offers several distinct advantages such as: full-screen control which allows multi-question screens, fully-programmable help and objection screens to aid interviewing, an extremely flexible telephone number management system and powerful data checking facilities. CATI ensures that interviews are conducted in the most efficient manner and allows interviewers easy response recording. This interviewing method also allows for the most accurate form of data entry by guiding the interviewer through the programmed question flow and by providing on-screen interviewer instructions.

The most advanced probability sampling techniques are employed in the selection of households for telephone interviewing. Opinion Research Corporation utilizes an unrestricted random sampling procedure that controls the amount of serial bias found in systematic sampling to generate its random-digit-dial sample. The sample is fully replicated and stratified by region. Only one interview is conducted per household. All sample numbers selected are subject to up to four attempts to complete an interview.

Completed interviews are weighted by four variables: age, sex, geographic region, and race, to ensure reliable and accurate representation of the total population, 18 years of age and older. The raw data are weighted by a custom designed program which automatically develops a weighting factor for each respondent. Each respondent is assigned a single weight derived from the relationship between the actual proportion of the population with its specific combination of age, sex, geographic characteristics and race and the proportion in our CARAVAN sample that week. Tabular results show both weighted and unweighted bases.

The use of replicable sampling, standardized interviewing procedures and representative weighting provides that all CARAVAN studies are parallel to one another. Thus, CARAVAN usage is appropriate both for point-in-time analysis as well as tracking and trend comparisons.

Included in the Technical Information which follows are tables of sampling tolerances of survey results, and a copy of the question series as it appeared in the survey questionnaire.

As required by the Code of Standards of the Council of American Survey Research Organizations, we will maintain the anonymity of our respondents. No information will be released that in any way will reveal the identity of a respondent. Our authorization is required for any publication of the research findings or their implications.

Opinion Research Corporation's CARAVAN is a syndicated, shared-cost data collection vehicle. Opinion Research Corporation has exercised its best efforts in the preparation of this information. In any event, Opinion Research Corporation assumes no responsibility for any use which is made of this information or any decisions based upon it.

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Reliability Of Survey Percentages

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results.

The table below shows the possible sample variation that applies to percentage results reported from Opinion Research Corporation's CARAVAN sample. The chances are 95 in 100 that a CARAVAN survey result does not vary, plus or minus, by more than the indicated number of percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

Size of Sample on Which Survey Results Is Based	Approximate Sampling Tolerances Applicable to Percentages At or Near These Levels				
	<u>10% or 90%</u>	<u>20% or 80%</u>	<u>30% or 70%</u>	<u>40% or 60%</u>	<u>50%</u>
1,000 interviews	2%	2%	3%	3%	3%
500 interviews	3%	4%	4%	4%	4%
250 interviews	4%	5%	6%	6%	6%
100 interviews	6%	8%	9%	10%	10%

Additional Sampling Tolerances for Samples of 1,000 Interviews

<u>9% or 91%</u> 2%	<u>8% or 92%</u> 2%	<u>7% or 93%</u> 2%	<u>6% or 94%</u> 1%	<u>5% or 95%</u> 1%
<u>4% or 96%</u> 1%	<u>3% or 97%</u> 1%	<u>2% or 98%</u> 1%	<u>1% or 99%</u> .2%	

Sampling Tolerances When Comparing Two Samples

Tolerances are also involved in the comparison of results from independent parts of any one Opinion Research Corporation's CARAVAN sample and in the comparison of results between two independent CARAVAN samples. A difference, in other words, must be of at least a certain number of percentage points to be considered statistically significant. The table below is a guide to the sampling tolerances in percentage points applicable to such comparisons, based on a 95% confidence level.

<u>Size of Samples Compared</u>	<u>Differences Required for Significance At or Near These Percentage Levels</u>				
	<u>10% or 90%</u>	<u>20% or 80%</u>	<u>30% or 70%</u>	<u>40% or 60%</u>	<u>50%</u>
1,000 and 1,000	3%	4%	4%	4%	4%
1,000 and 500	3%	4%	5%	5%	5%
1,000 and 250	4%	6%	6%	7%	7%
1,000 and 100	6%	8%	9%	10%	10%
500 and 500	4%	5%	6%	6%	6%
500 and 250	5%	6%	7%	7%	8%
500 and 100	6%	9%	10%	11%	11%
250 and 250	5%	7%	8%	9%	9%
250 and 100	7%	9%	11%	11%	12%
100 and 100	8%	11%	13%	14%	14%

Telephone Customer Information Uses And Privacy

A National Public Opinion Survey Conducted by OPINION RESEARCH CORPORATION and Dr. Alan F. Westin, November, 1996*

1. Does your household currently have any of the following telephone services? (RECORD AS MANY AS APPLY).

Any listed service asked about _____	68%
Voice mail _____	12%
Caller ID _____	19%
Call waiting _____	48%
Call forwarding _____	12%
Cellular phone service _____	25%
Internet access _____	17%
Personal 800 number service _____	6%
DON'T KNOW; NONE OF THESE _____	32%

2. I will read you a short list of organizations which collect and use information about consumers. On a scale of 1 to 10, HOW MUCH DO YOU TRUST THEM to collect and use information about people like you in a responsible way and protecting its confidentiality. Answering "1" means you do not trust them at all and "10" means you have complete trust in them.

2 A

Health insurance companies

Do not trust them at all _____	18%
_____	6%
_____	7%
_____	6%
_____	23%
_____	9%
_____	9%
_____	9%
_____	3%
Have complete trust in them _____	7%
DON'T KNOW _____	3%

* Sponsored by Pacific Telesis

2 B

Life insurance companies

Do not trust them at all	19%
	7%
	7%
	6%
	21%
	8%
	10%
	8%
	3%
Have complete trust in them	8%
DON'T KNOW	3%

2 C

Local telephone companies, like Pacific Bell, Southwestern Bell, Bell Atlantic and Bell South

Do not trust them at all	10%
	4%
	5%
	5%
	26%
	8%
	10%
	13%
	5%
Have complete trust in them	10%
DON'T KNOW	4%

2 D

Long distance telephone companies, like AT&T, MCI, and Sprint

Do not trust them at all	15%
	6%