

ReedSmith

Judith L. Harris
Direct Phone: +1 202 414 9276
Email: jlharris@reedsmith.com

Amy S. Mushahwar
Direct Phone: +1 202 414 9295
Email: amushahwar@reedsmith.com

Reed Smith LLP
1301 K Street, N.W.
Suite 1100 - East Tower
Washington, D.C. 20005-3373
+1 202 414 9200
Fax +1 202 414 9299
reedsmith.com

December 17, 2010

FILED/ACCEPTED

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**Federal Communications Commission
Office of the Secretary**

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW, Room TW-A325
Washington, DC 20554

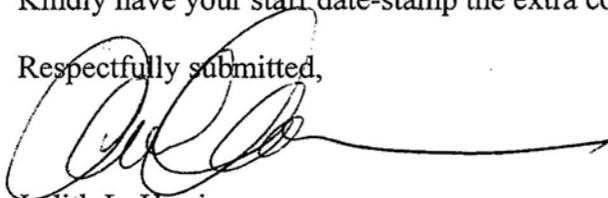
**Re: "Bill Shock" Comments
CG Docket No. 10-207; CG Docket No. 09-158**

Dear Ms. Dortch:

On behalf of The Nielsen Company ("Nielsen") please find an original and four (4) copies of the above-referenced public filing.

Kindly have your staff date-stamp the extra copy of the filing and return it to the awaiting courier.

Respectfully submitted,



Judith L. Harris
Amy S. Mushahwar

JLH/ASM:lsj

Enclosures

Nielsen Customer Value Metrics: A closer look at overages

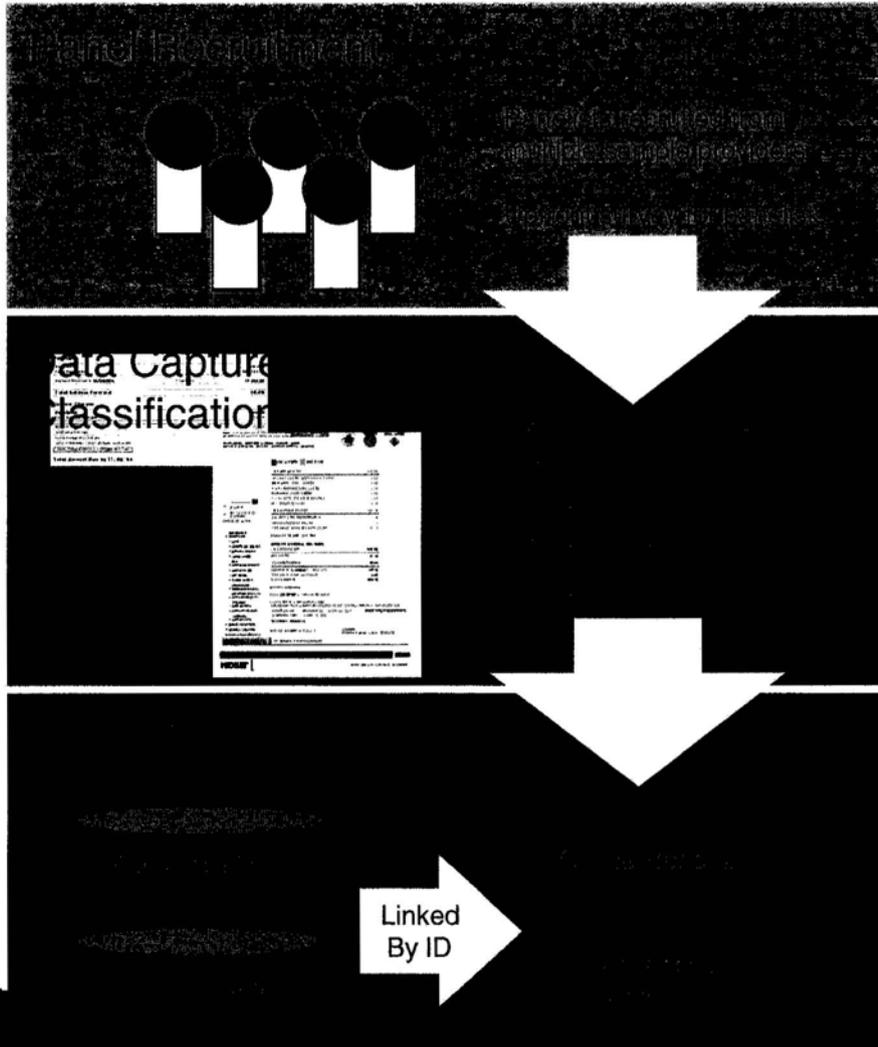
The Nielsen logo is a white circle containing the word "nielsen" in a lowercase, serif font. The word is centered within the circle and is flanked by two vertical ellipses (three dots) on each side, one above and one below the word.

nielsen

Nielsen is the world's foremost provider of data and insights into the mobile market

- Customer Value Metrics (CVM) service collects and analyzes 65,000+ wireless lines in the U.S. each month to determine what wireless customers do and pay for (not what they think they do/pay for)
- CVM measures three key factors when assessing overages:
 - How many people go into overages?
 - How often do they go into overages?
 - By how much do they go into overages?

CVM Methodology Overview



- Approach

- Consumers recruited from 6 large sample providers, plus Nielsen’s own panels
- 65,000+ line-level bills each month using advanced “e-bill scraping” technology
- Panelists surveyed for demographic and (supplemental) device info

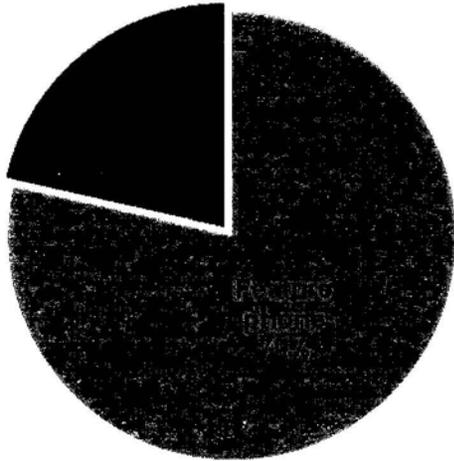
- Biases mitigated by weighting sample against universe benchmarks
 - US Census Bureau demographics
 - Carrier market share
 - Penetration of Family Plans
 - Penetration of iPhones

- Consistent categorization of data reported on bills

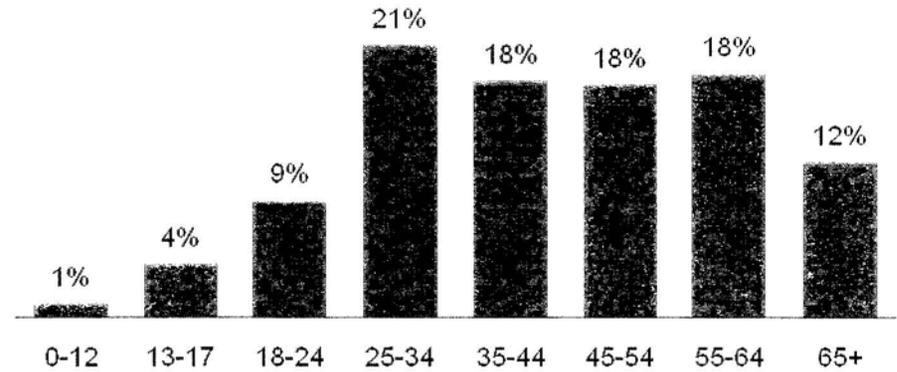
- Billing data collected monthly and reported quarterly and monthly

Panel Composition

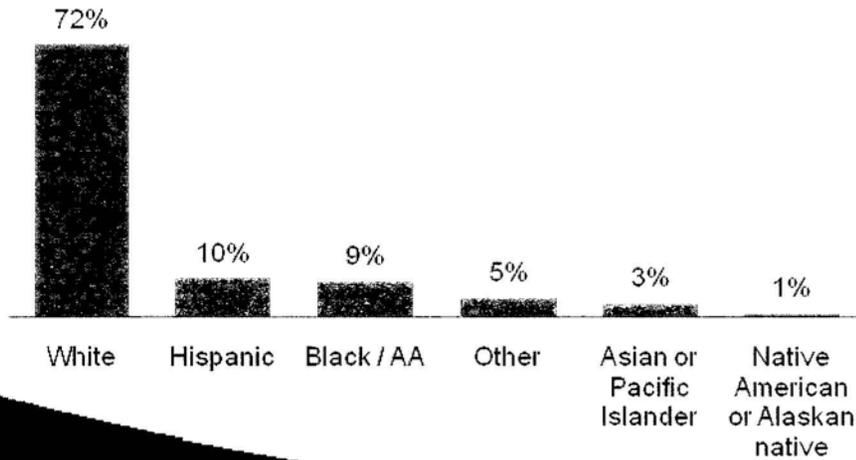
Phone Type



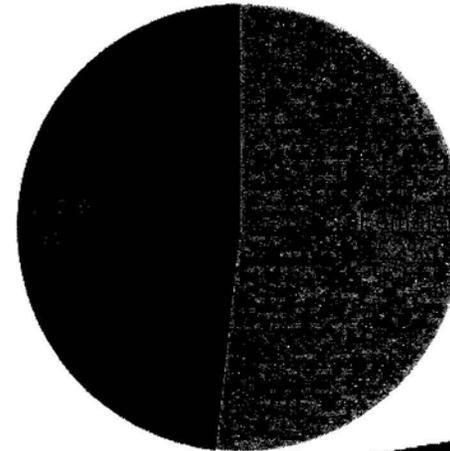
Age



Race / Ethnicity



Gender



Defining the potentially affected universe

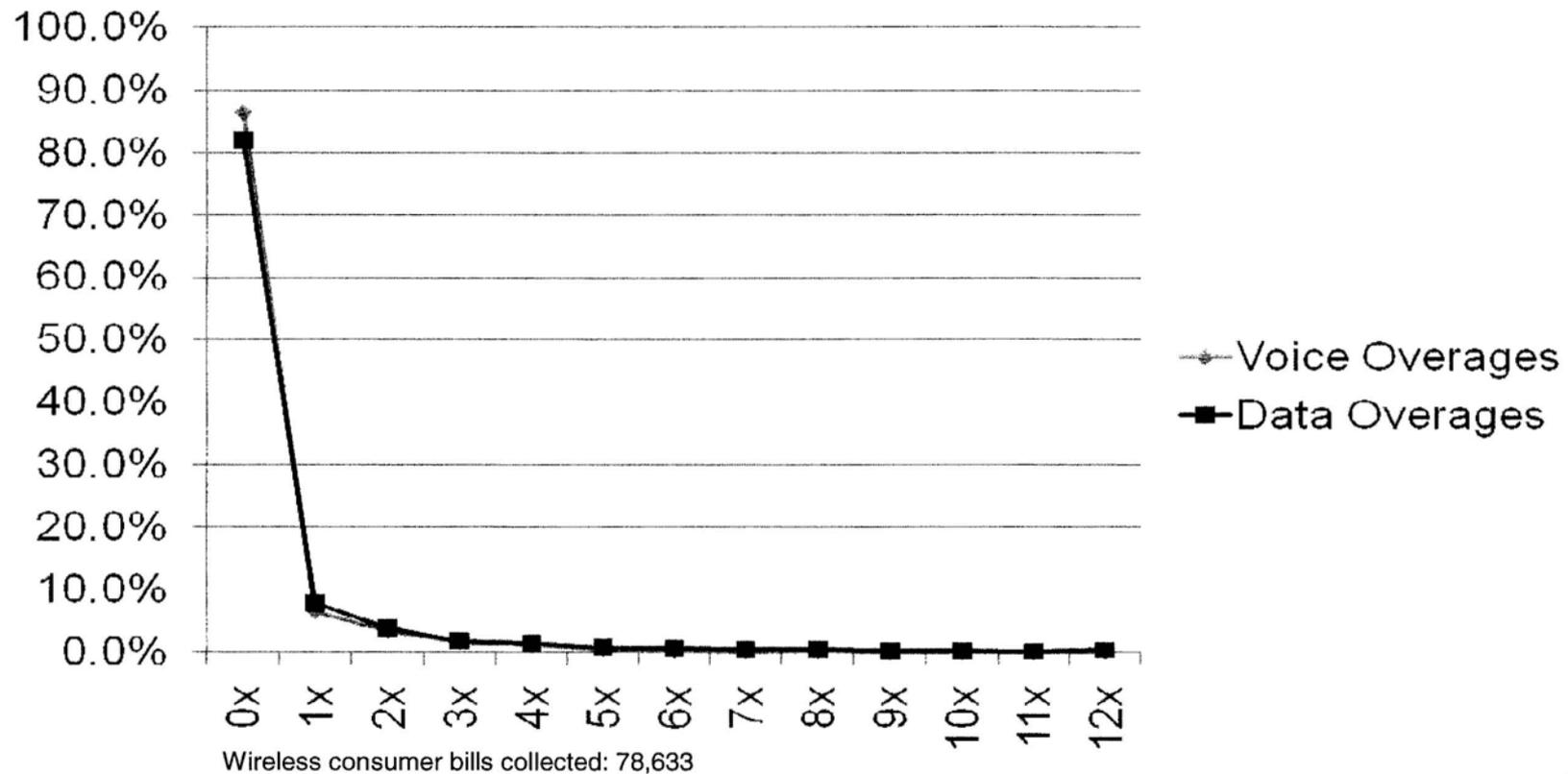
How many people are potentially affected by overages?

Only 115 million once you exclude pre-paid subscribers, corporate lines, individual lines on family/group plans, etc.

Active wireless connections in the United States (Q3 2010)	292 million
Prepaid lines	(61 million)
Laptops on unlimited plans	(16 million)
Connected devices	(15 million)
Active connections associated with people	200 million
Corporate lines (30% of lines)	(60 million)
Consumer connections	140 million
Family plans (40% of lines)	(56 million)
Family accounts (2.3 lines per account)	24 million
Potentially affected population	115 million

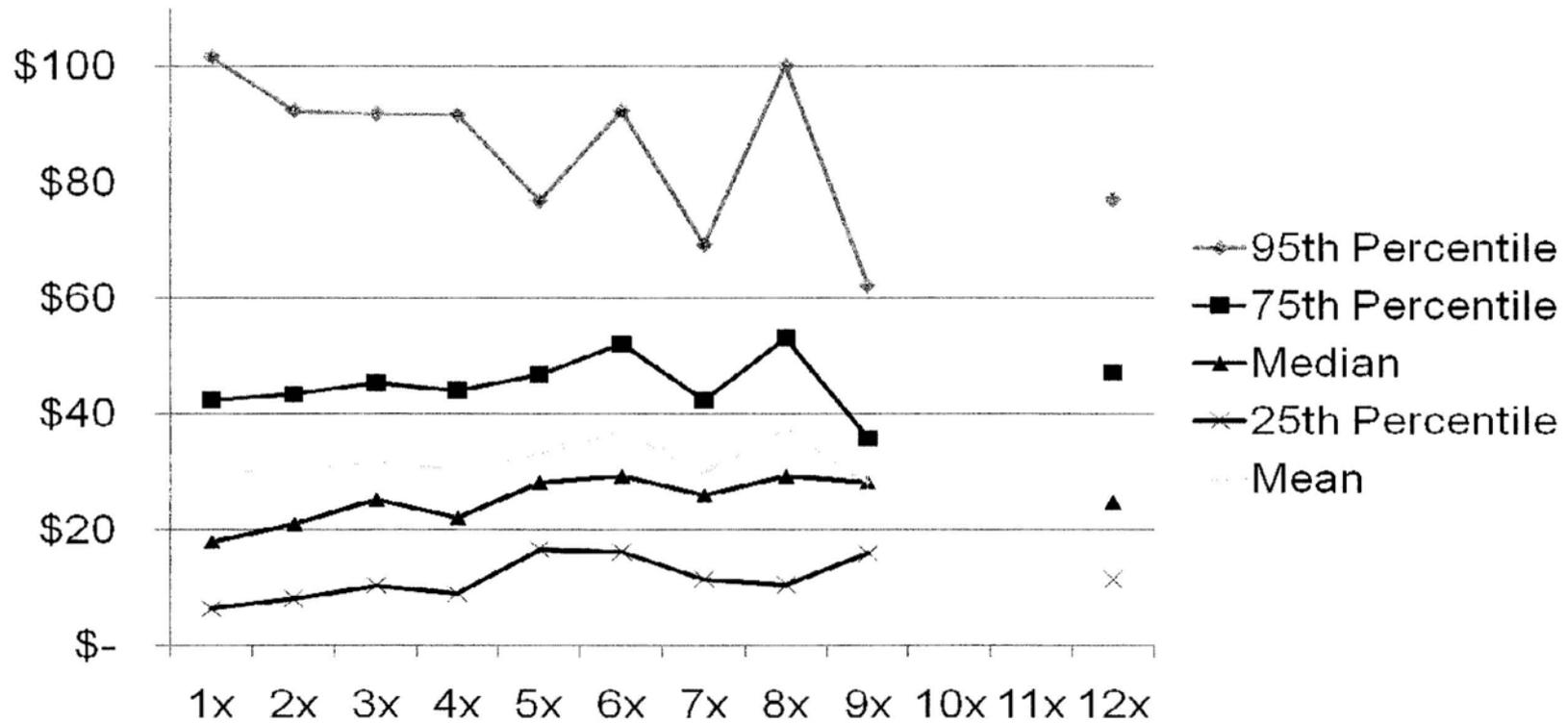
How often are consumers affected by overages in a year?

Distribution of Overage Incidents
Q3 '09 – Q2 '10, Customer Value Metrics, National



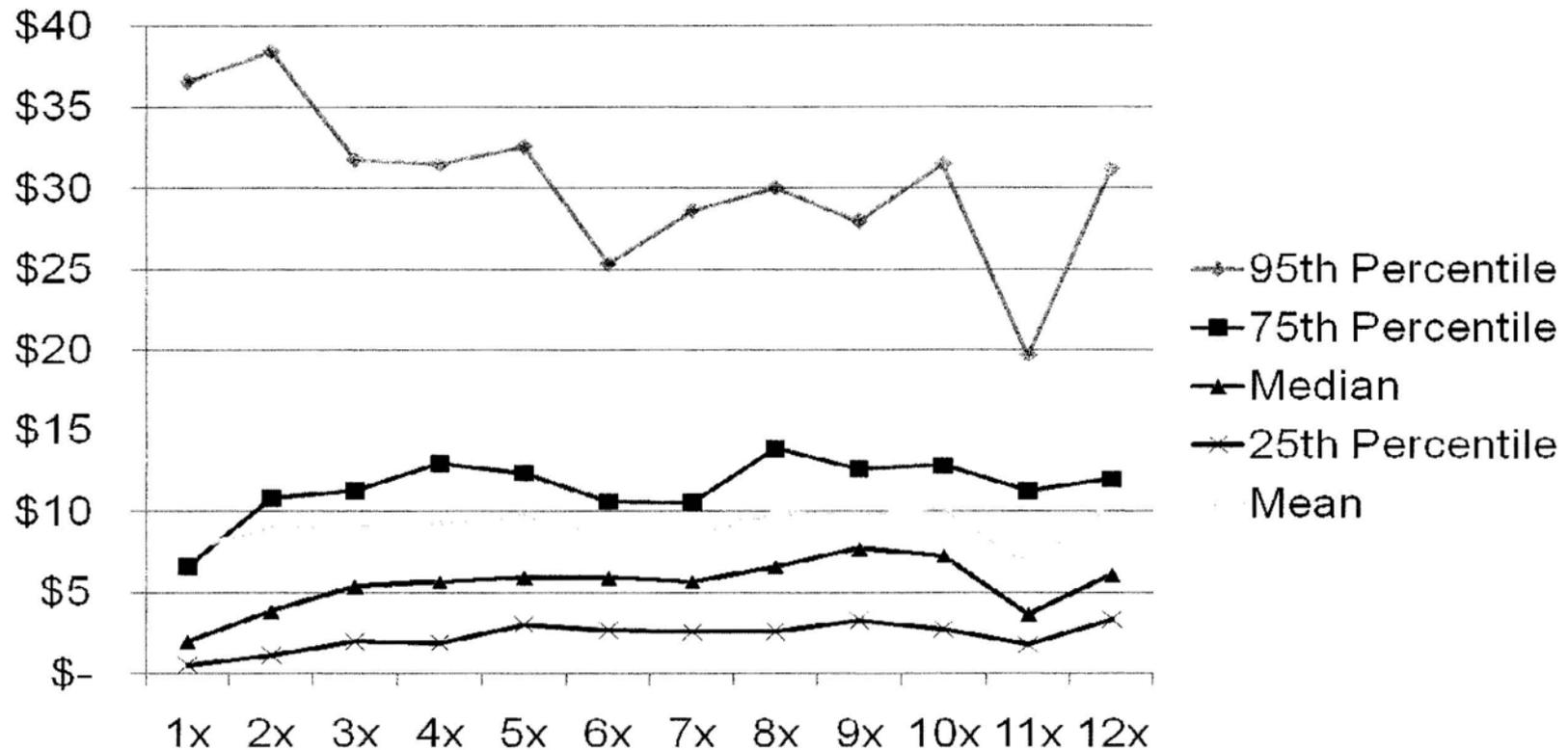
The more often a consumer goes into voice overage the higher the overage

Voice Overage by Percentile
Q3 '09 – Q2 '10, Customer Value Metrics, National



The more often a consumer goes into data overage the higher the overage

Data Overage by Percentile
Q3 '09 – Q2 '10, Customer Value Metrics, National



Shock: A disturbance of equilibrium or permanence of something*

Frequency	Percentage	Count	Sample 1	Sample 2	Sample 3	Sample 4	Sample 5
0	86.5%	68056					
1	6.5%	5085	\$ 101.62	\$ 42.40	\$ 17.89	\$ 6.30	\$ 30.16
2	3.3%	2627	\$ 92.48	\$ 43.43	\$ 20.93	\$ 8.10	\$ 30.55
3	1.6%	1238	\$ 91.89	\$ 45.30	\$ 25.20	\$ 10.35	\$ 32.00
4	1.0%	811	\$ 91.80	\$ 44.10	\$ 22.05	\$ 8.89	\$ 30.59
5	0.4%	327	\$ 76.83	\$ 46.80	\$ 28.18	\$ 16.63	\$ 33.32
6	0.2%	162	\$ 92.43	\$ 52.20	\$ 29.25	\$ 16.20	\$ 37.43
7	0.1%	92	\$ 69.27	\$ 42.43	\$ 25.97	\$ 11.46	\$ 29.92
8	0.1%	115	\$ 100.13	\$ 53.10	\$ 29.25	\$ 10.40	\$ 37.64
9	0.0%	38	\$ 62.24	\$ 35.85	\$ 28.20	\$ 15.90	\$ 28.14
10	0.0%	20	\$ 63.14	\$ 49.76	\$ 27.62	\$ 17.01	\$ 31.63
11	0.0%	1	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42
12	0.1%	61	\$ 77.07	\$ 47.23	\$ 24.80	\$ 11.33	\$ 31.51

Total sample: 78,633

- Consumers who regularly or periodically go into overage are unlikely to be surprised by their overages regardless of the amount. The distribution of overages is stable to increasing for both voice and data overages, indicating that these consumers make a conscious choice.
- 9.9% or 11.3 million wireless consumers go into voice overage once or twice a year, signifying a rare event rather than a regular or recurring event.
- Only 75th percentile (2.8 million) have billed voice overages of the same magnitude or greater than their regular bill.

Data overages are a lot lower

Frequency	Percentage	Count	Overage	Overage	Overage	Overage	Overage	Overage
0	82.0%	64503						
1	7.8%	6123	\$ 36.62	\$ 6.62	\$ 2.00	\$ 0.50	\$ 7.71	
2	3.8%	3008	\$ 38.45	\$ 10.86	\$ 3.85	\$ 1.13	\$ 9.11	
3	1.8%	1439	\$ 31.81	\$ 11.32	\$ 5.40	\$ 1.97	\$ 9.24	
4	1.5%	1161	\$ 31.53	\$ 13.01	\$ 5.68	\$ 1.88	\$ 9.31	
5	0.8%	652	\$ 32.59	\$ 12.41	\$ 5.96	\$ 3.02	\$ 9.82	
6	0.5%	412	\$ 25.35	\$ 10.62	\$ 5.93	\$ 2.67	\$ 8.54	
7	0.4%	314	\$ 28.66	\$ 10.59	\$ 5.70	\$ 2.57	\$ 8.65	
8	0.4%	332	\$ 30.08	\$ 13.95	\$ 6.62	\$ 2.58	\$ 9.95	
9	0.2%	178	\$ 27.99	\$ 12.67	\$ 7.73	\$ 3.28	\$ 9.70	
10	0.2%	173	\$ 31.54	\$ 12.90	\$ 7.31	\$ 2.75	\$ 10.26	
11	0.1%	91	\$ 19.67	\$ 11.34	\$ 3.69	\$ 1.76	\$ 6.79	
12	0.3%	247	\$ 31.25	\$ 12.03	\$ 6.14	\$ 3.35	\$ 10.53	

Total sample: 78,633

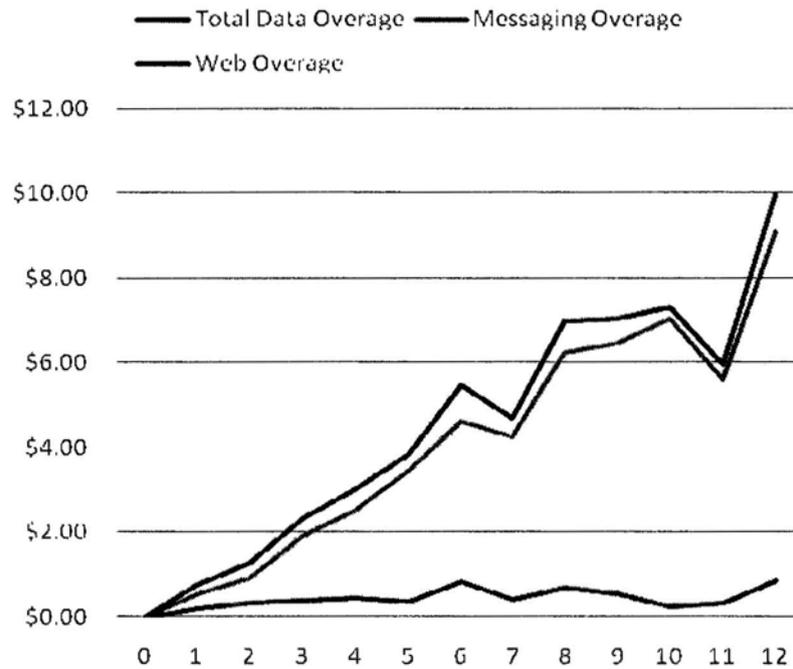
- 11.6% or 13.3 million wireless consumers go into data overage once or twice a year
- The typical data overage (median) of consumers that go only once or twice into overage is \$2 and \$3.85 respectively
- Only the 95% percentile (less than 700,000 customers) are incurring overages that might come close to or exceed twice their average total monthly bill

About 1% of Americans experience significant overages in any given year, similar to their regular bill

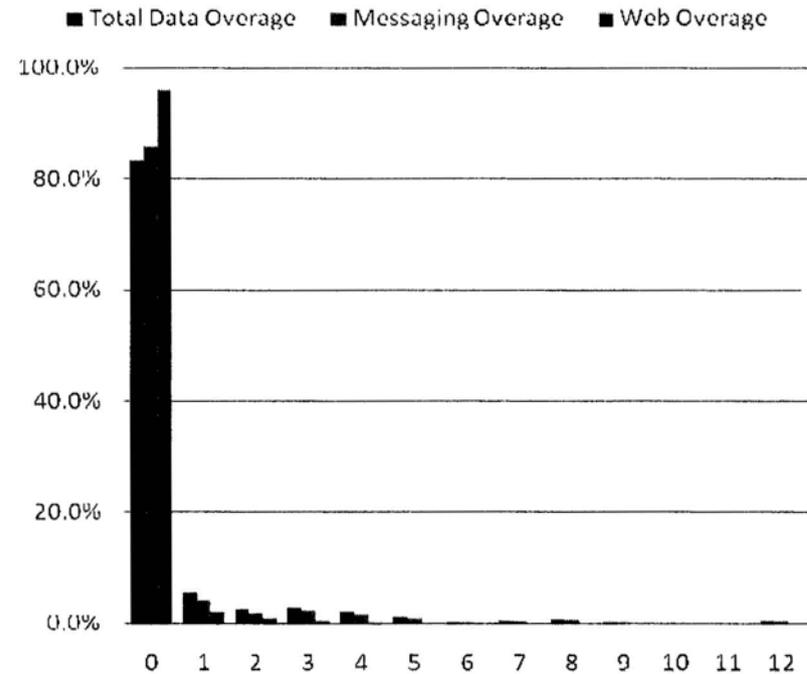
- “Shock,” defined as a disturbance of equilibrium or permanence, occurs when a rare event hits the customer and significantly alters their bill. Bill “shock” does not occur when a customer periodically or even regularly goes into overage and it de facto becomes part of their recurring payment.
- Less than 3.5 million Americans experience their bill roughly doubling once or twice per year due to overages.
- The more often a consumer goes into overage the higher the overage amount.
- The typical consumer who accidentally goes into overage pays \$18 to \$21 for voice overages and \$2 to \$4 for data overages, while generally enjoying the lowest rates for voice and data in the industrialized world.

Connectivity overages stay constant the more often a consumer goes into overage whereas messaging overage steadily increase

Components of Recurring Data Overage Charges



Penetration of Recurring Data Overage

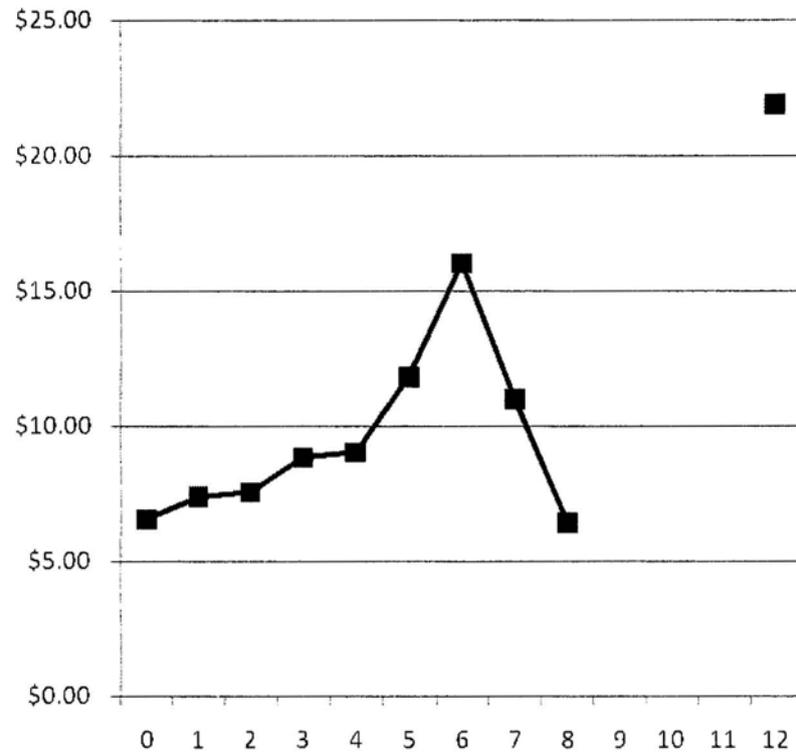


Regardless of overage occurrences, web overages remain below \$, while texting overages increase

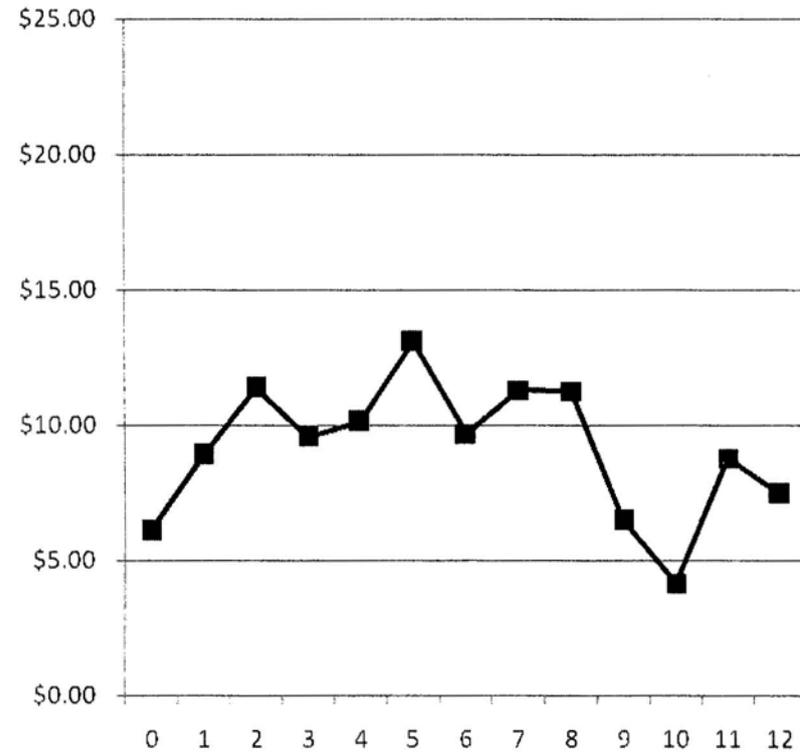
Occurrences	Total Data Overage	Messaging Overage	Web Overage	Pen. Total Data Overage	Pen. Messaging Overage	Pen. Web Overage	N
0	\$0.00	\$0.00	\$0.00	83.3%	86.0%	96.0%	65706
1	\$0.78	\$0.56	\$0.22	5.5%	4.4%	2.1%	4163
2	\$1.29	\$0.94	\$0.36	2.6%	2.0%	0.9%	1869
3	\$2.34	\$1.92	\$0.42	2.8%	2.4%	0.5%	2007
4	\$3.02	\$2.55	\$0.47	2.2%	1.8%	0.3%	1514
5	\$3.86	\$3.48	\$0.38	1.0%	0.9%	0.0%	715
6	\$5.48	\$4.65	\$0.83	0.4%	0.3%	0.0%	243
7	\$4.72	\$4.28	\$0.44	0.5%	0.5%	0.0%	355
8	\$6.99	\$6.28	\$0.70	0.7%	0.7%	0.0%	460
9	\$7.07	\$6.49	\$0.58	0.3%	0.3%	0.0%	196
10	\$7.34	\$7.07	\$0.27	0.1%	0.1%	0.0%	78
11	\$5.97	\$5.63	\$0.34	0.1%	0.1%	0.0%	80
12	\$9.98	\$9.11	\$0.87	0.4%	0.4%	0.0%	303

People who incur overages receive larger credits than those who never go into overage

Average Total Credits Given by Voice Overage Incidents



Average Total Credits Given by Data Overage Incidents



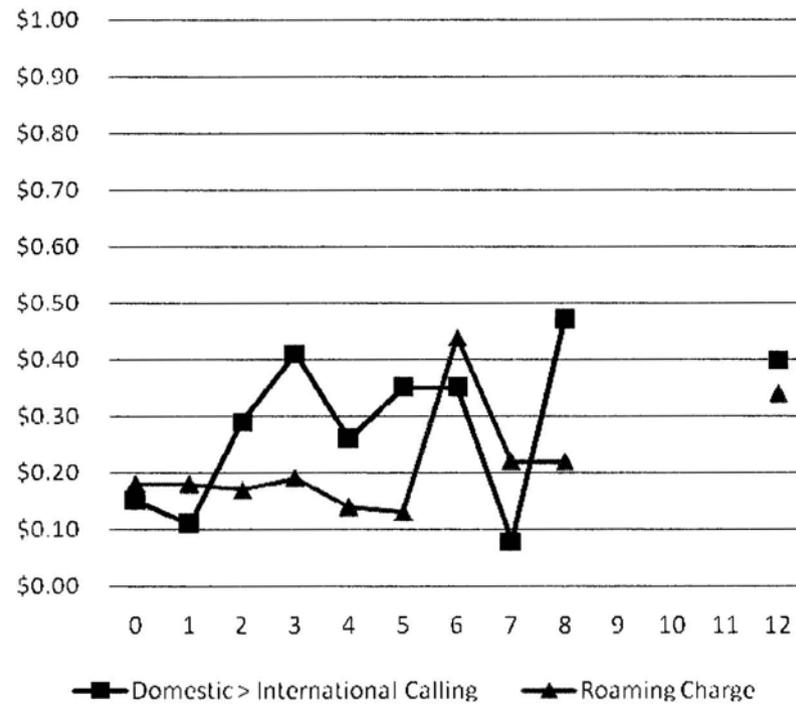
Consumers who go into data or voice overage receive approximately the same amount as credit

Voice Overages	Credit	N
0	\$6.54	68697
1	\$7.38	3540
2	\$7.54	1664
3	\$8.84	1734
4	\$9.02	1111
5	\$11.82	371
6	\$16.03	160
7	\$11.00	109
8	\$6.42	178
9	\$2.76	100
10	\$13.97	100
11	\$0.69	100
12	\$21.94	65

Data Overages	Credit	N
0	\$6.13	65706
1	\$8.92	4163
2	\$11.41	1869
3	\$9.58	2007
4	\$10.16	1514
5	\$13.11	715
6	\$9.71	243
7	\$11.34	355
8	\$11.29	460
9	\$6.49	196
10	\$4.20	78
11	\$8.81	80
12	\$7.49	303

Domestic and international roaming combined with internationally calling are an insignificant factor on wireless phone bills for vast majority of Americans

International & Roaming Charges by Voice Overage*



Voice Overage Occurences	Domestic > International Calling	Roaming Charge	N
0	\$0.15	\$0.18	68697
1	\$0.11	\$0.18	3540
2	\$0.29	\$0.17	1664
3	\$0.41	\$0.19	1734
4	\$0.26	\$0.14	1111
5	\$0.35	\$0.13	371
6	\$0.35	\$0.44	160
7	\$0.08	\$0.22	109
8	\$0.47	\$0.22	178
9^A	\$0.04	\$0.00	18
10^A	\$0.14	\$0.09	18
11^A	\$0.06	\$0.00	11
12	\$0.40	\$0.34	65

*Nielsen does not classify non-package transactional calls as overage