

## Who Benefits?

AT&T is defending this plainly stupid and completely unnecessary restriction as offering customers an "added benefit."

But let's take a look at just how this works in practice: Say an AT&T iPhone customer today pays AT&T \$70 each month for three gigabytes (3 GB) of data and 450 voice minutes. When Apple's iOS6 operating system is publicly released later this month, this same customer won't be able to use a portion of that 3GB of data they're already paying for to have one of those tear-jerking FaceTime conversations you've seen in the commercials.

No, to make FaceTime work, this user instead would need to pay AT&T at least \$95 a month for a plan that includes just 1 GB of data, along with unlimited text and voice minutes that they didn't want or need in the first place.

Got it? To use your phone to make video telephone calls, which could reduce the amount of voice minutes you need to buy from AT&T, you'll first need to pay AT&T more money for less data and unlimited voice minutes.

What if you actually need more data? Get out your wallet, sucker.

## **Where's the Competition?**

If we had actual competition for mobile phone services in America, AT&T's latest arbitrary excuse for you to pay more for less would never fly. You'd simply take your business elsewhere.

But we don't have any competition. We have a market dominated by AT&T and its [partner in crime](#) Verizon, which force consumers into ridiculous service plans that will now make you pay for the same data twice.

Indeed, Verizon just [dispensed with the niceties](#) and is simply making all new and upgrading users sign up for its own pricey "family share" plans. And it's only going to get worse, unless policymakers in Washington recognize these companies are ripping off Americans without restraint.

Think there oughta be a law against these kinds of shenanigans? Well, we do have decades of communications case law, statutes and regulations that have prevented this kind of anti-consumer behavior on

traditional phone networks. That's why the old Ma Bell couldn't push their voicemail service by preventing customers from using answering machines.

## **What about Net Neutrality?**

And though the big phone and cable companies have done their best to ensure our government looks the other way when they abuse their market power, the FCC did manage to enact a Net Neutrality rule in December 2010 that, [while weak](#), still should prohibit AT&T from screwing over iPhone customers this way.

The FCC's rule explicitly says mobile Internet service providers are not allowed to "block applications that compete with the provider's voice or video telephony services." And here we have AT&T prohibiting their customers from using a video telephony service unless they first pay AT&T *more money* -- not for more data, but for AT&T's voice and text services.

It's pretty much an open-and-shut case that this latest move is a Net Neutrality violation.

So why would AT&T even go this route? Though AT&T's reputation as a regulatory puppet master has taken a hit in recent months (contrast its failed union with T-Mobile with Verizon's [current dalliance](#) with the cable cartel), its political influence is still strong in Washington.

And AT&T -- which [tepidly endorsed](#) the FCC's Net Neutrality rules when they were approved -- understands that if it can get the FCC to condone this kind of Net Neutrality violation, then they can get away with just about anything.

(Verizon again has taken a more direct route to the same goal -- [suing the FCC](#) and claiming the agency lacks the authority to make any rules at all.)

## **History Lessons**

History makes it quite clear that carriers and ISPs will consider all sorts of ridiculous things in the name of propping up declining revenue streams like voice and text.

Today AT&T blocks FaceTime unless you pay their toll, but tomorrow it will be Skype, Google Voice or iMessage.

And that's why users everywhere need to speak out against AT&T's harrowing vision for our wireless Internet future.

You know the story about boiling a frog. If you put it in the pot and slowly turn up the heat, the frog won't know it's being cooked. That's exactly what AT&T's doing here. Only the amphibians in question are its customers.

If you're one of them, look out. The water is starting to bubble.