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The Honorable Herbert Kohl
Chairman, Subcommittee on
Antitrust, Competition Policy, and Consumer Rights
U.S. Senate Committee on the Judiciary
Washington, DC 20510-6275

Dear Chairman Kohl:

I write in response to your letter dated September 9, 2008, regarding rates for certain consumers of text messaging services. This letter follows up on a September 22 meeting with members of your staff to respond to the questions posed in the letter. We appreciate the opportunity to describe Verizon Wireless' rate structure for text messaging services and to explain why that rate structure is consistent with—indeed, driven by—competitive market conditions.¹

Verizon Wireless is proud to offer customers a wide range of choices for text messaging services. We are continually evaluating and honing our messaging options to respond to changing customer needs and growing demand, and we encourage customers to pick the option that is best for them.

The vast majority (approximately 70%) of Verizon Wireless customers who use text messaging choose a plan with a fixed monthly fee—either unlimited text messaging or one of multiple bundles, which can include, for example, unlimited text messaging with other Verizon Wireless customers and a monthly allotment for messaging with non-Verizon Wireless customers. Bundles are available for as little as \$5 per month.² For customers who are more than occasional text messaging users, bundles or unlimited messaging are generally the best fit because they provide both better value (through a lower effective per message rate) and cost predictability. For customers who only use text messaging sporadically, Verizon Wireless also offers an option to pay on a per text message basis with no monthly fee. The 20 cents per text message rate referenced in your letter applies *only* to customers who choose to “pay-as-you-go” instead of taking advantage of bundles or unlimited messaging, both of which result in a much lower per-message effective rate.

¹ This letter contains highly sensitive, business confidential information. We respectfully request that this letter and its contents be maintained as confidential and not disclosed.

² Attached is a summary of text messaging plans currently offered by Verizon Wireless.

