

Special Issue '10



# Moving Forward. Giving Back.

Celebrating 131 years serving the Badger State.





Since July 1882, when the Wisconsin Telephone Company was incorporated, the company has been providing telecommunications services to Wisconsin residents. Since phase one of the building was completed in 1916, the company's N. Broadway building has contributed to the architectural integrity of the city's skyline. The 19-story structure was designed by Alexander Eschweiler, a renowned Milwaukee architect, in the French revival style.

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### Letter from Scott T. VanderSanden



Dear Friends:

I'm pleased to share with you this special edition of "Moving Forward, Giving Back," a glimpse into AT&T Wisconsin – our progress, priorities and employees. Here at AT&T Wisconsin, we're advancing innovative communications solutions that are creating opportunities for Wisconsin businesses and residents. As AT&T Wisconsin's president, I'm proud that we continue to place a priority on investment in technologies and initiatives that fuel economic growth and job creation.

AT&T is one of the state's largest private-sector employers, and our employees work every day to help improve the communities in which we live and work. Not only do our employees deliver cutting-edge products and service, such as broadband, wireless, and advanced TV, they also exemplify "giving back" by serving communities throughout our state. These thousands of Wisconsin residents give their time, expertise and resources to countless causes and community organizations.

Although these are challenging economic times, the telecom sector is one area that continues to invest and spur innovation. We continue to build the foundation for a bright future and contribute to the state and local communities by supporting local initiatives, creating jobs and contributing much-needed tax dollars, helping support vital programs from law enforcement to education. And I'm confident that we'll see even greater benefits for Wisconsin consumers if policymakers continue down the path of pursuing modern policies that reflect today's marketplace and encourage further innovation, competition, investment and economic development.

At AT&T, it's rewarding to celebrate 131 years of serving communities across Wisconsin. We're proud to be part of the fabric of this great state. We take our responsibilities seriously and look forward to working together to build on what we've achieved and move forward to future successes.

A handwritten signature in black ink that reads "Scott T. VanderSanden". The signature is written in a cursive, flowing style.

President - AT&T Wisconsin

Investing in Wisconsin

We're bullish on Wisconsin. That's why each year we make significant investments in our Wisconsin communications networks, our people and local communities – all of which contribute to the state's economy and quality of life.

Between 2007-2009, we invested nearly **\$900 million in our Wisconsin networks** to meet the growing demand of our wireline and wireless customers.

As part of AT&T Wisconsin's wireless network expansion plan, **we added 31 new cell sites** and added 3G service to 85 cell sites throughout Wisconsin in 2009 including in parts of Northern Wisconsin like Brown, Chippewa, La Crosse, Marinette, Oconto and Winnebago counties – building on the **16 new cell sites added in Wisconsin in 2008**. And, as part of AT&T's ongoing effort to build broadband networks that will **create jobs and fuel the economy, AT&T expanded its 3G footprint in new cities**, including Green Bay, Appleton and Oshkosh, as well as in most of Pepin, St. Croix and Pierce counties.



AT&T is a leader in Internet Protocol Television (IPTV) deployment and expects to reach approximately 30 million living units across 22 states by the end of 2011.

AT&T continues to enhance its wireline network and provide **AT&T U-verse<sup>SM</sup> TV** and **U-verse High Speed Internet** to more customers following passage of a new state law that encourages broadband investment and video competition in Wisconsin. In 2009, we expanded the availability of AT&T U-verse to reach more than **500,000 living units** in more than **140 communities**, including Madison, Kenosha, Racine, Fond du Lac, Oshkosh, Appleton, Beloit and Milwaukee. AT&T has **added hundreds of jobs** in Wisconsin related to U-verse.

AT&T's Annual Impact in Wisconsin

2008 Payroll	\$376.3 Million
2008 Taxes	\$168.8 Million
2008 Goods & Services	\$49.2 Million
2008 Contributions	\$1.6 Million
2008 Volunteer Hours	\$2.6 Million
<b>Total Wisconsin Impact</b>	<b>\$598.5 Million</b>

***"Our significant investment in Wisconsin helps deliver dependable communications services for consumers and business customers as it also works to drive economic growth and job creation. We need to keep working together to continue bringing innovation, choice and valuable infrastructure investment to our state."***

- **Scott VanderSanden**, President - AT&T Wisconsin

We're a company of engaged employees, reliable networks and cutting-edge services. We take pride in supporting Wisconsin community programs that create learning opportunities, improve quality of life and help meet the needs of our diverse state.



**Did you know?** 1879

Milwaukee's first switchboard opened.

Employment

**AT&T employs more than 4,600** people living in the state of Wisconsin and **our payroll represents more than \$376.2 million.**

Being a diverse workforce that mirrors the diversity of our customers has always been important to AT&T.

- AT&T's 50-state workforce is **44 percent female** and **39 percent people of color.**
- **Women make up 41 percent of AT&T's managers**, above the average of most Fortune 500 companies.
- **Thirty percent of AT&T's managers are people of color**, compared with 12 percent people of color in management nationwide.

**Diversity Inc. magazine ranked AT&T in 2009:**

**#2** among the **Top 50 Companies for our commitment to diversity** in the workplace and marketplace.

**#1** among the **Top 10 Companies for African Americans.**



**Nationally, AT&T has a larger union workforce than the U.S. steel, auto or airline industries.**

We employ the nation's **largest full-time union workforce** and invest billions of dollars to continue building the advanced, high-speed networks – both wired and wireless – necessary to make broadband widely available.

**There are approximately 4,600 employees in Wisconsin, about 60 percent of them union-represented.**

**AT&T has 24 retail stores in Wisconsin where our retail sales consultants help customers connect everywhere they live and work.**

Did you know?

1882

The Wisconsin Telephone Company was incorporated to serve the state. By the late 1800s, 60 Wisconsin communities had telephone service.

Charitable Giving

Through philanthropic initiatives and partnerships, AT&T supports projects that promote academic and economic achievement and address community needs.

In 2008, AT&T and its employees contributed more than **\$1.6 million** through corporate, employee and AT&T Foundation giving programs to key initiatives in Wisconsin.

We believe **there is no better way to have a lasting impact on a community** than by supporting the education of its children.



In 2008, AT&T launched the four-year, **\$100 million AT&T Aspire** national initiative to address high school success, college preparation and workforce readiness – **the largest education initiative in company history.**

*The AT&T Foundation is widely recognized as one of the most generous corporate foundations and in 2008, Forbes magazine ranked AT&T as one of America's Top 10 Most Generous Corporations.*

**AT&T Aspire provides grants to help students stay in school**, a company-wide job shadowing program in conjunction with Junior Achievement, and funding for 100 community dropout prevention summits through America's Promise.

As part of this commitment, **AT&T awarded three grants in Wisconsin valued at \$787,092** to Wisconsin educational organizations working to support high school retention programs. To date, we have provided the opportunity for **376 students to job shadow** Wisconsin employees in locations across the state.



Wisconsin high school students spend the day with AT&T employees to gain firsthand valuable knowledge about the workplace and skills needed for the future.

**Working together, we can help students make the connection between education and future life success.**



Dextra Hadnot, AT&T external affairs manager, helps kick off the annual "Dictionaries for Third Graders" program at Milwaukee's Albert Story School. The program includes a classroom presentation with volunteers providing lessons to help students learn to use this important educational tool. Over four years, more than 7,000 dictionaries have been distributed to students at schools across Wisconsin.



Did you know?

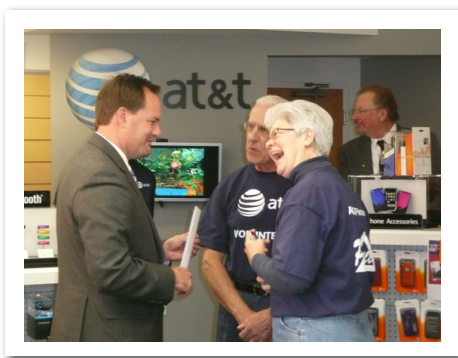
1928

Kenosha was the first Wisconsin city to convert from manual to automatic call switching.

People Power

At AT&T, employees and retirees strive to enhance communities where we live and work to provide immediate help when it's needed and to support education and local programs. In 2008, the **AT&T Pioneers in Wisconsin donated more than 130,000 hours** of personal time to community outreach activities – **worth more than \$2.6 million**. AT&T Pioneers is one of the largest industry-sponsored volunteer organizations in the country, with nearly 325,000 employee and retiree members nationally.

**AT&T Turns Up The Volume on Cell Phone Recycling to Assist Military Members Away from Home**



Scott VanderSanden, AT&T Wisconsin state president, was joined by AT&T volunteers and military families at the AT&T store in Eau Claire to encourage customers to recycle cell phones to assist military personnel serving overseas.

AT&T Wisconsin honors veterans by recycling cell phones at all AT&T retail stores in the state to support **Cell Phones for Soldiers**, a charity that uses recycling proceeds to buy and send free phone cards to members of the U.S. military overseas, helping them stay connected to families and friends back home.

AT&T Wisconsin state president Scott VanderSanden was joined by military families, state legislators and AT&T Pioneer volunteers to kick off the company's Wisconsin recycling efforts at the Wisconsin Veterans Museum on Veterans Day in 2009. Additional events were held across the state to encourage participation in this very important effort.

Since 2008, recycling has helped Cell Phones for Soldiers send **more than 350,000 free phone cards** to military members away from home. With the help of wireless customers in Wisconsin and across the country, AT&T will match its 2008 recycling totals with the charity, year to year, through 2010, aiming to provide Cell Phones for Soldiers with **\$1 million in proceeds**.

**AT&T Pioneers take "Santa's Special Children" on a trip to the North Pole**

In December, the AT&T Pioneers and the United States Air Force joined forces to treat Eau Claire-area children with disabilities, their siblings and parents to a special holiday celebration. **A total of 12 families, including 20 children**, met at the Chippewa Valley Regional Airport in Eau Claire and boarded a cargo plane to "fly" to the North Pole where they met Santa, Mrs. Claus and the elves. Gifts, a story-telling session with Santa and cookies capped off the day.



Did you know?

1941

On the cutting edge of innovation, Wisconsin built the nation's first coaxial cable line for commercial communications, linking Stevens Point and Minneapolis.

Our Commitment to the Environment

Connecting for a sustainable future is our commitment. We believe that the investments we make in our people, the network, communities and the environment can bring prosperity, growth and opportunity to workers, families and businesses.

At AT&T, we're working hard to reduce our environmental impact and helping customers to do the same. Some of our initiatives include:

- Investing **\$565 million** to deploy more than **15,000 alternative fuel vehicles** over 10 years.
- In 2008, AT&T reused and recycled **4.5 million phones** and **1.3 million pounds of accessories** and batteries, and we launched comprehensive office recycling efforts at 100 of our largest locations.
- We encourage consumers to recycle their devices through our **Cell Phones for Soldiers recycling program** and through our **Web site, att.com/recycle**.



AT&T made a bold statement on the exhibit floor of SUPERCOMM 2009, held in November, showcasing the company's "Green Fleet Experience." The AT&T exhibit featured AT&T's wireless fleet management technology and five of our alternative-fuel vehicles, including our first all-electric vehicle, the Smith Newton; a Low-Emission Electric Power (LEEP) Aerial Truck with a quiet, battery-powered aerial lift; a compressed natural gas (CNG) van and two hybrid vehicles.

- Formed the **AT&T Business Sustainability Advisory Council**, which includes private sector, foundation and academic member organizations and is dedicated to advising AT&T on the powerful linkage between information and communications technology and helping customers minimize the environmental impact of their operations.
- AT&T appointed our first **Director of Energy** who will drive comprehensive programs to increase energy efficiencies and direct AT&T's energy-purchasing strategies.
- AT&T is a founding member of **Green Touch**, a global consortium whose goal is to create technologies needed to make communications networks 1,000 times more energy efficient.



Did you know?

1946

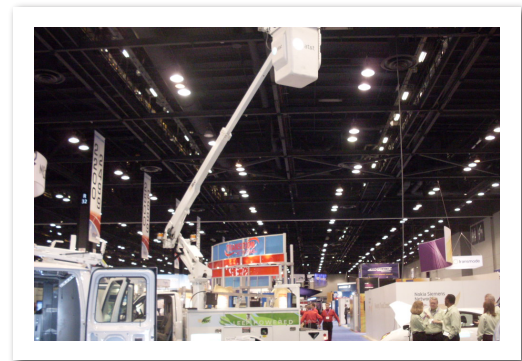
Wisconsin introduced the nation to radiotelephone service on Highway 57, northeast of Green Bay. And, Green Bay Mayor Dominic Olejniczak made the first highway mobile radiotelephone call on Aug. 28, 1946. This precursor to cellular service quickly spread throughout the upper Midwest.

- We are also working to enhance the sustainable qualities of AT&T products. For example, AT&T U-verse<sup>SM</sup> TV was one of the first video service providers to commit to operating under the new **ENERGY STAR certification** for video providers.
- We're connecting customers with **innovative and sustainable products and services** such as: AT&T Telepresence, which combines video, audio and interactive elements to offer an "in-person experience;" vehicle-based fleet management products utilizing GPS, wireless and Web technologies to make mobile workforces more efficient; and smart grid solutions that allow two-way communication between energy providers and customers.

### Investing in cleaner, domestic, alternative-fuel vehicles:

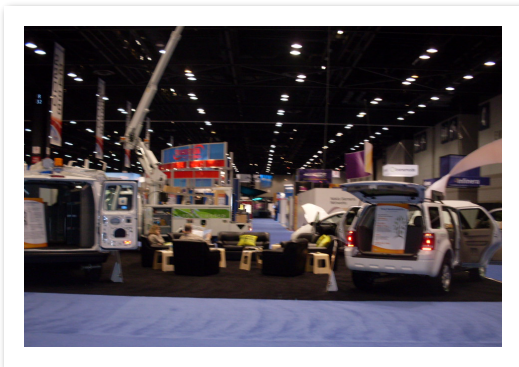
With 77,000 vehicles, AT&T operates one of the largest commercial fleets in the nation and is actively exploring alternative-fuel technologies and looking for cleaner, more efficient methods of powering our fleet.

In 2009, AT&T announced plans to invest up to **\$565 million** as part of a long-term strategy to deploy more than 15,000 alternative-fuel vehicles over the next 10 years. This investment represents the largest initiative to CNG to date by a U.S. company and signals a demand for cleaner, domestic alternative fuels. The initiative includes an expected \$350 million to purchase approximately 8,000 CNG vehicles over a five-year period.



The Center for Automotive Research (CAR) estimates that nearly **1,000 jobs will be created or saved each year** for five years, as a result. And the new vehicles will save more than

**49 million gallons of gasoline** and reduce carbon emissions by **211,000 metric tons** over the 10-year deployment period - equivalent to removing the emissions from more than 38,600 cars a year.



In January 2010, AT&T reached a milestone of its 10-year \$565 million plan with the roll-out of its **1000th alternative fuel vehicle**. There are plans to deploy additional CNG vehicles to several Midwest locations in 2010, including in the Milwaukee area.

### Did you know?

1957

The Madison, Wisconsin, office of Governor Vernon Wallace Thomson was the scene for the installation of the state's one-millionth phone.

Putting Broadband to Work for Wisconsin's Environment

The percentage of people accessing the Internet through broadband continues to rise.

Broadband and wireless growth will help our state meet the demands of the population while protecting the environment and enhancing economic development opportunities.

Extending broadband services to more people will create jobs, lead to the development of new products and connect more Wisconsinites to educational and employment opportunities.

**With wireless, U-verse, DSL and satellite, AT&T delivers affordable broadband options to customers – urban and rural – across Wisconsin and our 22-state in-region wired footprint.**

*Economic impact from accelerating broadband availability in Wisconsin:*

Total Economic Impact	\$6.2 billion
Jobs Created & Retained	105,622
Direct Income Growth	\$4.3 billion
Average Annual Healthcare Costs Saved	\$28.4 million
Average Annual Mileage Costs Saved	\$374 million
Average Annual Hours Saved	161 million
Value of Hours Saved	\$1.6 billion
Average Annual lbs. of CO <sub>2</sub> Emissions Cut	138.7 million
Value of Carbon Offsets	\$749,314

Source: Connected Nation, "The Economic Impact of Stimulating Broadband Nationally," Feb. 21, 2008.



*AT&T operates the nation's largest Wi-Fi network and offers access to more than 130,000 hotspots worldwide and more than 20,000 hotspots nationwide.*

Our mission is to connect people  
with their world, everywhere they  
live and work, and do it better  
than anyone else.



at&t

# AT&T By the Numbers: Our National and International Impact

## Wireless

**85.1 M**

AT&T wireless customers.

**458 B**

Text messages handled in 2009.

**660 B**

AT&T wireless minutes in 2009.

## Network

**880,341**

Miles of network fiber owned and operated by AT&T.

**25%**

U.S. rural lines provided by AT&T -- more than any other telecom.

**371**

Metro areas where AT&T 3G is available.

**18.7**

Petabytes of data transmitted by AT&T on an average business day.

**38**

AT&T Internet data hosting centers worldwide.

**132,973**

Wi-Fi hotspots around the world.

## Corporate

**282,720**

Employees worldwide -- 60% are union represented.

**1**

Rank among U.S. wired and wireless broadband providers in number of customers.

**2**

Average number of patents AT&T receives every day.

**8**

Nobel Prizes in AT&T's heritage.

**\$50 B**

Spent with minority, women, and disabled veteran - owned suppliers since 1968.

**133**

Years AT&T has been improving the way people communicate.

## Broadband | U-verse | Subscribers

**2.1 M**

AT&T U-verse<sup>SM</sup> TV subscribers.

**17.3 M**

AT&T broadband connections in service in America.

**10.4 M**

AT&T wireless business data subscribers.

## Investment

**\$565 M**

AT&T's planned investment in alternative-fuel vehicles.

**\$17.3 B**

AT&T capital investment in 2009.

## International

**220**

Countries where AT&T's wireless customers can make calls.

**160**

Languages in which AT&T communicates with customers.

## Volunteer + Giving

**325,000**

Employee and retiree volunteers.

**10.3 M**

Employee volunteer hours in 2008.

**\$2 B**

Charitable contributions by AT&T.

## Network Disaster Recovery (NDR)

**60,000**

Lines restored by a single disaster recovery trailer.

**312**

Vehicles in AT&T's NDR fleet.

