AT&T SURVEY FINDS ONE-FOURTH OF SMALL BUSINESS OWNERS UNCONCERNED ABOUT DATA SECURITY

Ten Percent Leave Computer Data Unsecured; One in Six Takes No Precautions Against Wireless Security Threats

Small Businesses in Dallas/Fort Worth Are Among the Least Concerned About Wireless Data Security of 10 Markets Surveyed

DALLAS, Dec. 6, 2007 — AT&T (NYSE:T) has announced that, although the majority of small businesses secure their computer systems, one-fourth (24 percent) are unconcerned about computer and online data security, and one in 10 (10 percent) has taken no action to secure data, according to a survey conducted by AT&T. Overall, Dallas/Fort Worth (DFW) businesses ranked eighth out of 10 markets surveyed and are among the least concerned about data security.

Similarly, one-third (32 percent) of small businesses are unconcerned about wireless data security, and one in six (17 percent) small businesses that use wireless technology has taken no precautions against wireless threats.

This includes the majority of small businesses in the DFW area, where more than three-quarters (79 percent) of businesses that have not taken specific precautions against wireless threats responded that they don’t think wireless threats are an issue. However, more than half (60 percent) of DFW small businesses are concerned with computer and online data security, and 76 percent of DFW small businesses have installed software, such as spam-filters or anti-virus protection systems, as a security measure.

In addition, although more than three-quarters (78 percent) of DFW small businesses see data recovery as important, the vast majority of them back up data on-site. This has the potential for risk in case of a natural disaster. Of those that back up their business data, almost half (43 percent) back up at least once a day.

Nearly two-thirds (60 percent) of small businesses nationwide consider online security a concern, and four-fifths (82 percent) have installed software to help keep their business safe from online security threats. Of those companies that have not taken any specific precautions against computer or wireless threats, two-thirds (65 percent) don’t think it’s an issue with their business.
According to Ray Boggs, vice president of small/medium business research at market research firm IDC, small businesses don't usually see themselves as online security targets. “These are cases in which ignorance is not bliss,” Boggs said. “Threats are now highly automated and impersonal. Being small doesn't make you less vulnerable. You may be less visible than a big bank or government agency, but you still can be undermined by the bad guys.”

“The survey shows that there are still many businesses that don’t understand the threats that exist, the impact these threats could have on their business and livelihood, and the easy ways they can guard against them and protect their companies,” said John Regan, vice president, Business Marketing for AT&T. “Small businesses depend more and more on computers and communications technology, and they need to understand how they can protect those systems, whether from a virus or other man-made attack or from a natural disaster.”

Data Backup

When asked about the importance of recovering computer data in the event of a disaster, two-thirds (65 percent) said it is extremely important. More than nine of 10 (93 percent) small businesses back up their data, with almost half (47 percent) doing so at least once a day and almost three-fourths (72 percent) backing up their data at least weekly.

Many small businesses consider computer security important enough to make it an official job responsibility — almost one-third (29 percent) of small businesses have an employee who handles computer security as part of his or her job, and one-fourth (24 percent) of small businesses have hired an outside consultant to handle security.

Although three-fourths (73 percent) back up their data on-site using CDs, hard drives or other devices, only 7 percent of small businesses use the Internet or another computer network to send data to a remote location. In addition, three-fourths (78 percent) of small businesses said it’s important for their business to recover computer data in the event of a disaster.

“The fact that so few small businesses back up their data remotely is surprising because so many companies recognize the importance of protecting their data,” said IDC's Boggs. “It's like flossing your teeth — people, including me, know they should but just don't do it regularly. The key is to make the process routine, automatic, convenient and painless.”

Of those small businesses that have not taken specific steps to back up data, two-thirds (63 percent) don’t think it’s an issue with their business. Two percent didn’t know they should take any precautions.
Market Comparisons

The markets surveyed varied on the importance and application of data-protection technology. Based on responses to six questions focusing on wireless and online data and backup security, each of the 10 participating markets were ranked according to the level of activity in initiating wireless and online data security and backup measures. Each component was weighted in the market rankings, which follow in order of most protective to least protective:

1. San Diego
2. Chicago
3. Atlanta
4. Charlotte
5. Connecticut
6. Milwaukee
7. Detroit
8. Dallas
9. Bay Area
10. Oklahoma

Study Methodology

The results are based on a telephone survey of 1,000 owners and/or employees responsible for Information Technology (IT) at small businesses in 10 U.S. metropolitan/regional areas. One hundred interviews were completed in each of the 10 markets. The sample of participating companies was drawn from Dunn and Bradstreet’s business list of companies located in each of the 10 areas. Each company was screened to include only those that have between two and 25 employees (full- and part-time). Eight of the 10 metropolitan areas are based on DMAs (Designated Market Areas). The other two markets are the states of Connecticut and Oklahoma. Interviewing was conducted between July 2 and Aug. 10, 2007.

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