

# CONSUMER ACTION NEWS

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## 36th Anniversary Edition

### Honoring excellence in consumer advocacy

Consumer Action held its 36th anniversary Consumer Excellence Awards ceremony fundraiser at the Marines' Memorial Club in San Francisco on June 21st.

Members, donors, and friends dined on hors d'oeuvres to the sound of the Vijay Anderson Quartet. The annual event raised \$30,000 which helps support Consumer Action's education efforts and outreach to consumers across the country. (For a list of all donors, see page 2.)

#### Excellence Awards

This year, Consumer Action presented three Consumer Excellence awards in the categories of Legislative, Community, and Media.

Consumer Action Executive Director Ken McEldowney honored Congresswoman Maxine Waters (D-CA), in absentia, with the Outstanding Legislator award for her outspoken advocacy especially on behalf of women, children, people of color

and the poor.

The 2007 Consumer Excellence Award for Outstanding Community Service was awarded to Ana Montes for her dedication to improving conditions in California's Latino neighborhoods & communities of color.

This year's Consumer Excellence award for Outstanding Consumer Journalism went to Ida Yee-Yee Choy for her commitment to advocating for immigrant populations on Sing Tao Chinese Radio since the mid 1990s.

#### Accomplishments

At the party, McEldowney gave a short report on the year's accomplishments. Consumer Action has distributed more than one million publications in the past year through its national network of 9,000-plus community-based organizations (CBOs). The CBOs actively engage in financial literacy using Consumer

See 'Anniversary,' page 2



The director of California's Department of Consumer Affairs, Carrie Lopez, is seen with Ana Montes, Director of Technology and Consumer Protections for the Latino Issues Forum. Montes is a recipient of a 2007 Consumer Excellence Award from Consumer Action. (Staff Photo)

### Can you save a bundle? Cable, phone and Internet packages offer cut rates...but at what price?

By Jennifer Daw Holloway

Getting phone, Internet and cable all in one bill is the hook that telecom and cable companies hope will catch more customers. And many consumers are taking the bait.

For about \$100 a month, you can get high-speed Internet, local and long-distance phone service and cable or satellite television. You will get just one bill and you have only one company to call if you have questions or need service.

Yes, it's one-stop-shopping—but are bundled services really a cost savings? Consumer Action has identified some traps to beware of.

#### Promotional Offers

Many bundled deals are time-limit-

ed offers, typically lasting from three months to one year. For example, some companies, such as Charter and Cablevision, advertise low promotional prices but what happens after your promotional period ends? How much can you expect your bill to go up?

Charter offers a triple package for \$109 per month for 12 months. Charter says the bill would increase 20% to about \$130 per month after the promotional period ends.

Before signing up for any service, ask if it's a promotion and how much it will jump when the initial pricing ends.

Some companies, like Comcast, offer a lower rate if you agree to sign a contract.

If you commit to Comcast for 24

See 'Bundles,' page 4

### Broadcasts go digital in '09 Users of older TVs and those with antennas will need converter boxes

By Linda Sherry

On Feb. 17, 2009 analog TV transmission will end. After that date,

TV broadcasting will be digital (DTV). Currently most TV stations are broadcasting in analog and viewers with digital televisions are already watching digital television.

The end of analog broadcasting will affect millions of U.S. households that rely on over-the-air television signals.

If you receive TV reception over the air using a rooftop antenna or

rabbit ears, your TV could go dark on Feb. 17, 2009.

To continue to receive uninterrupted television reception, you will have to buy a digital television set or obtain a converter box to change the digital signals to analog.

Digital-to-analog converter boxes will make DTV signals viewable on analog

TV sets. These converter boxes will be available in retail stores.

#### Converter box coupons

The National Telecommunications and Information Administration (NTIA), part of the U.S. Depart-

**You don't need to buy a new TV. Analog TVs will continue to work if you get a converter box.**

See 'Broadcasts,' page 2

## Consumer Action

[www.consumer-action.org](http://www.consumer-action.org)

Consumer Action is a non-profit 501(c)(3) advocacy and education organization founded in 1971. CA publishes surveys and distributes multilingual educational materials in printed form and on the Internet.

### Referrals and advice

CA will provide nonlegal advice and referrals on consumer problems. Chinese, English and Spanish are spoken.

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## Anniversary

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Action's free, multilingual materials. Publications are available in Chinese, Vietnamese, Korean, and English & Spanish. Consumer Action provides outreach to community groups for one-on-one consumer education through train-the-trainer seminars.

Nationally, Consumer Action's DC office has been called upon to provide testimony to Congress on abusive credit card practices, and has advocated for changes in law to eliminate predatory lending practices in credit and mortgage lending.

Consumer Action has also worked this year to enact FHA loan reform, protect the privacy of our medical records and prevent the use of national ID cards. ■

## Broadcasts

*continued from page 1*

ment of Commerce, was directed by Congress to set up a program that will allow households to obtain coupons that can be applied toward the purchase of digital-to-analog converter boxes.

The NTIA program will begin offering coupons in 2008. You can obtain up to two coupons worth \$40 each toward the purchase of two converter boxes. Converter boxes will cost up to \$80 each.

You don't need to buy a new TV. Analog TVs will continue to work if you get a converter box. Although virtually all new televisions can receive digital signals without a converter, if you buy a new TV it is a good idea to ask if it is DTV-compatible.

The FCC recently required cable companies to continue to convert basic cable to analog for their customers until 2012. If you are a cable or satellite customer with an analog TV, call your provider to learn more about your options.

Consumer Action believes that the change will catch many people with analog TVs and antenna service unaware. A survey by the National Association of Broadcasters (NAB) found that 56% of respondents knew nothing about the transition to digital television. Only 10% were able to correctly guess that the transition would occur in 2009.

### Digital technology

DTV may deliver a much improved television picture and sound to digital television sets. Converting to DTV will free up sections (bands) of the broadcast spectrum allowing it to be used by broadcasters and public safety and emergency teams.

Consumer Action is a member of the DTV Transition Coalition and will post information about the coupon program on our web site as it becomes available.

Other sources of information about DTV transition include the DTV Transition Coalition web site ([www.dtvtransition.org](http://www.dtvtransition.org)) and the Federal Communication Commission's DTV information site ([www.dtv.gov](http://www.dtv.gov)). ■

## Consumer Action's 2007 donors and partners

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### And

*Many thanks to our Educational Network of more than 9,000 community-based organizations nationwide. We appreciate the work you do and respect your commitment to excellence.*

## Protect your phone records

Phone records can contain a lot of personal and private information about you—the numbers you call, the dates and lengths of calls, your billing information and other sensitive data. In the wrong hands, these details could be used to scam or harm you.

For instance, people involved in divorces might try to get their spouses' phone records to dig up dirt about them. Identity thieves could use the information to set up phone service in someone else's name. Stalkers and criminals who want to intimidate witnesses could locate victims through their telephone records.

One way that someone might try to get your phone records is by pretexting: contacting your telephone company pretending to be you. After some well-publicized cases in which data brokers used pretexting to obtain and sell phone records, Congress passed the Telephone Records and Privacy Protection Act of 2006. The law makes pretexting a federal crime.

Now new rules issued by the Federal Communications Commission will provide more protection as of Dec. 10, 2007. A password will be required to access your account. In addition, you will receive notice when changes have been made to your account or there has been a breach in the security of the records.

To help people learn about their telephone privacy rights, how to protect themselves, and where to go if they have complaints, Consumer Action and the National Consumers League offer a new brochure, *Protect Your Phone Records*, in Chinese, English, Korean, Spanish, and Vietnamese. Verizon provided funding for the project.

The brochure is free on our web site or by sending a self-addressed, business-size envelope stamped with 41 cents postage to Consumer Action, Attn: Phone Records (specify language other than English), 221 Main Street, Suite 480, San Francisco, CA 94105. ■

# Consumer Action celebrates 36 years of consumer service



Consumer Action celebrated its 36th anniversary on June 21, with a party and awards ceremony at the Marines Memorial Club in San Francisco. Many longtime supporters were in attendance to mingle with award recipients. Each year, Consumer Action awards its Consumer Excellence Awards to a community-based activist or organization, a media outlet and a lawmaker. (See story on page one for more information about awardees.)

**In the Photos:** 1. Kathy Li, director of Consumer Action's San Francisco office (left), Ida Choy, and Ken McEldowney, Consumer Action executive director. 2. Candace Acevedo, a Consumer Action community outreach manager (left), Monica Steinisch and Phil Maloney. 3. Jim Conran, a Consumer Action board member. 4. Sheila Kolenc and Michael Heffer, Consumer Action business manager. 5. Nelson Santiago, a Consumer Action community outreach manager, and Audrey Perrott of Eden Council for Hope & Opportunity (ECHO Housing). 6. Linda Sherry, Consumer Action director of national priorities (left) and Chris Bjorklund, a Consumer Action board member. 7. Mabel Zhen and Henry Kee. 8. Rosemary Shahan, president of Consumers for Auto Reliability and Safety, and Steve Solomon, a consumer attorney in practice in San Francisco. (Staff Photos)



# Bundles

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months, you'll pay \$99 for phone, cable and Internet compared to about \$130-\$160 without a contract. At press time, Comcast was offering a \$129 game player, Nintendo DS, to new customers who signed up for their "Triple Play" package.

Charter was giving triple service customers a pair of popular Croc shoes.

### Limitations

Some people will save money with a one-stop approach. In most cases, just subscribing to cable television alone costs \$50 or more per month, without premium channels. A bundled package of phone, cable and Internet may save you almost a \$20 per month on the cable portion of your bill.

You might save money on your phone bill by bundling since many companies offer unlimited calling for one lower rate.

But such a seemingly super plan may have limitations.

In some areas, long distance minutes in a bundled service are limited. For example, AT&T limits direct dial calls from your home to 100 minutes a month if you sign up for its "Quad Pack"—Internet, satellite television, phone and wireless/cell phone. (See the chart on this page for details on service packages offered by large companies.)

### Phone by Internet

Some of the companies that provide phone service via the Internet don't support faxing. That might be a drawback for home businesses.

If your high-speed Internet provider has an outage, you'll be without a phone and Internet.

It may be tough to switch just one service in a bundle without losing the deal on the accompanying services. If you signed a contract, you may be stuck until the agreed-upon term expires.

### No bundle of joy?

For many consumers, customer service at many major companies is no bundle of joy. Even if you only have to call one number for service, your provider may require you to speak with various departments.

If you're having problems with more than one of the services in the

# How does your bundle stack up?

Company	Bundled packages*	TV only	Internet only	Phone only	More information
<b>AT&amp;T</b>	\$99.98 (phone, Internet and wireless phone) or \$139.97 (plus TV and long distance).	\$47.99	Approximately \$20	Approximately \$40 for basic service.	\$49.99 set-up fee for TV. Stand-alone wireless phone plans start at \$39.99. Offers may be for new customers only.
<b>Cablevision</b>	Each service in triple package is \$29.95 per month	\$11.18-\$87.95	\$29.95-\$49.95	\$14.95-\$45	All prices listed are limited-time promotions.
<b>Charter</b>	\$99.97 for digital cable, high-speed Internet and phone, \$69.98 for digital cable and Internet.	\$29.99 (introductory rate); approximately \$50 thereafter.	\$19.99, increases to approximately \$44 after intro rates expire.	Starts at \$29.99 per month.	All prices listed are limited-time promotions.
<b>Comcast</b>	Triple Play (cable, Internet, phone) is \$129.99 per month (\$33 per service).	\$15.75 for basic cable to \$87.95 for premium cable plan.	\$42.95 to \$52.95 per month.	\$42.95	Triple service package price is reduced to \$99.99 with a 2-year contract.
<b>Cox</b>	\$99.85 for triple service	\$9-\$46	\$26.95-\$55.95	\$19.95-\$49.95	Premium channels, HDTV, etc. are optional services with added fees.
<b>Time Warner</b>	\$89.85	Approximately \$50.	\$44.95 (Earthlink or Road Runner)	\$49.95	Premium channels, HDTV, etc. are optional services with added fees.
<b>Bright House Networks</b>	\$134.94 for cable, Internet, phone. \$98.49 for cable and Internet.	Starts at \$58.49.	Starts at \$29.95.	Starts at \$28.95.	Premium channels, HDTV, etc. are optional services with added fees.
<b>Verizon</b>	\$139-\$149.99 for phone, Internet, Direct TV and wireless, \$94.99-\$104.99 for phone, Internet and Direct TV.	FiOS fiber optic digital TV (where available) is \$39.99-\$179.95 per month.	\$14.99*- \$19.99 (intro rates; one-year contract); increases to \$29.99 or more after six months to one year.	\$39.99 per month for plan including unlimited local, long distance, voice mail.	*Router costs \$49.99 on this plan. Direct TV provides TV service; satellite dish leasing fee applies. Early termination fee of \$79 applies on Internet connection.
<b>Qwest</b>	\$97.97 per month for phone, wireless phone and Internet or same price for phone, Internet and Direct TV.	Not applicable,	\$26.99 to \$36.99	\$40.99 per month.	Broadband phone service (VoIP) starts at \$29.99 per month. Note: all calls, including 911 calls, won't function during power outages.

\*Cable, Internet and phone unless otherwise noted.

bundle, you may need more than one repair person—and more than one appointment—to solve the problems.

### The fine print

Make sure you understand all of the fees and charges. Bundled bills often contain fees and equipment charges on top of the bundle's advertised price. There may be a charge to rent your cable box, modem or satellite equipment.

Jeannine Kenney of Consumers Union told *NBC News*, "Generally the disclosures in the fine print, though they may meet the letter of

the law, really don't tell the whole story and consumers really have to beware."

The fine print in bills or notices can contain more than just hidden fees. Comcast recently sent out change of terms notices informing customers that in return for service it would require subscribers to settle disputes using binding mandatory arbitration, not the courts.

The change of terms notice gave customers a 30-day window to opt out of arbitration agreements. According to Comcast, customers who don't opt out give up their right to sue Comcast in court, including

claims for negligence, fraud or intentional wrongdoing.

The company's arbitration provision also bars customers from joining class action lawsuits. To many, that's not exactly good customer service.

### Tips for consumers

To bundle or not to bundle? Whatever your choice, ask questions and learn what you'll pay for services—with taxes and surcharges—and what you'll get.

Some points to consider when shopping for bundled services:

- Be sure you can receive the advertised services where you live. For example, some high-speed Internet services may not be accessible in your neighborhood—but you may not find out until after you've signed up.
- If there's an introductory offer, ask specifically when the rate will change and what the new rate will be.
- Is there a contract? How long does it last? What happens if you terminate the contract early? (At some companies, early termination can result in fees of up to \$250.)
- Are there limits on local or long distance calls? If you go over the limit, what's the rate?
- Be sure you will use all the services in the bundle—unbundling can be tricky.
- Round up past bills so that you know what you have been paying for each stand-alone service. ■

## Join Consumer Action

Consumer Action depends on the financial support of individuals. CA members receive a subscription to *CA News*. New members also receive *How to Complain*. In addition, members have the satisfaction of supporting our advocacy efforts in California and nationally, a free hotline and the distribution of more than one million free educational brochures a year.

- \$25, Regular Membership.
- \$35, Regular Membership (first class mailing).
- \$15, Senior or Student Membership.
- \$10, Low Income Membership.
- \$50, Corporate Subscription (first class mailing, and all CA press releases).
- Donation to CA's Publication's Fund, supporting the free distribution of CA materials to consumers.

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Mail to: Consumer Action, 221 Main St., Suite 480, San Francisco, CA 94105. Donations are tax-deductible.

09/07

