



Verizon Airfone Inc.

**Air to Ground Terrestrial Broadband
Commitment – Capability – Vision**

Meeting with the FCC
June 17, 2004



Verizon Commitment

- ◆ Airfone has a long history of serving the flying public.
 - Considerable capital invested in the ATG network
 - 20 years of quality and feature improvement
 - Sole service provider today, committed to future development
 - Pushed current technology as far as FCC regulations will allow



Verizon Capability

- ◆ Airfone currently offers a variety of narrowband services.
 - Voice: Basic telephone, 3-way, conference calling
 - Data: Web-based content, IM, SMS
 - Audio: News, weather, sports, stocks
- ◆ Customers also want broadband services.
- ◆ Airfone has a technology solution that meets all these needs, but the FCC's rules restrict us from deploying it.



Verizon Vision

- ◆ Verizon's vision is to provide Broadband anytime, anywhere – on the ground or in the air.
- ◆ Customers require a wider breadth of services.
 - Virtual Private Network (VPN) e-mail
 - Unencumbered Internet access
 - ▶ E-Commerce
 - ▶ Web surfing
 - ▶ Airline logistical support
- ◆ Next generation, IP-based technologies provide the most cost effective and spectrally efficient solution.
 - Flight tests prove viability of technology

Summary

- ◆ The Commission should modify its rules to allow Airfone to provide Broadband service.
 - Public will benefit from more robust ATG services
 - Competition to satellite-based services (e.g., Boeing)
- ◆ A prompt decision (3Q04) is necessary.
 - Customers want services now
 - Airlines reluctant to commit until Commission rules
 - Other technologies are moving forward