

**STATEMENT OF
COMMISSIONER MIGNON L. CLYBURN**

Re: *Consumer Information and Disclosure; Truth-in-Billing and Billing Format; IP-Enabled Services*

Today's Notice reflects a fundamental tenet of an effective marketplace: where consumers have meaningful access to information when making choices among providers and varied service plans, they are far more likely to make the best, most efficient choice. When consumers are making informed choices, providers are driven to be innovative and to offer the most desirable services. Consumers purchase those services. Everybody wins.

However, where consumers are locked into long-term plans they never anticipated, experience unforeseen failures in service coverage, or routinely and unknowingly pay for services they never envisioned using, the marketplace has gone askew. And when that occurs, the public interest requires that we identify the problem, fully comprehend its sources and its scope, and then address it head-on.

So today we ask: "Do consumers of communications services and devices currently have meaningful access to essential information throughout and beyond the purchasing process, and if not, what are the most effective means to correct any systemic breakdowns?"

To answer this and related questions, we not only need information directly from consumers and groups that represent their interests, but from industry as well. Some of the best data in this area is in the hands of communications service providers. Many of them have developed impressive customer service operations that collect and track the kinds of information that could assist the Commission with its quest to get a handle on the state of the marketplace. Without it, we run the risk of developing solutions that are suboptimal for both consumers and industry.

Moreover, industry can provide the Commission with potential solutions to consumer confusion by sharing its own best practices. It would be helpful to understand how various companies and organizations have addressed any known information deficits, and what each approach has yielded. I am particularly eager to learn more about the experience of groups like CTIA, which has promulgated a "Consumer Code" geared towards ensuring that its members provide accurate information to consumers. Is self-regulation truly effective in this context? How do we know? Would such self-regulation be superior to guidance from or rules promulgated by the federal government developed in concert with industry and consumers alike? With robust industry participation, this proceeding can truly yield positive and long-lasting results.

We also seek guidance from academics who are experts in the fields of informational and behavioral economics. Each of us here on the dais may have our own

perceptions about how consumers process information and what prescriptions we would offer to remedy any perceived deficits. But for us to make enlightened judgments about what information consumers require to make sound decisions and in what form that information should appear, it is paramount that we have input from experts who have studied these matters with rigor.

Finally, I applaud Chairman Genachowski and the Consumer and Governmental Affairs Bureau for actively seeking input on what the Commission itself can do to better educate consumers. The Commission must not only play an active and ongoing role in this process, but be a leader in the business of protecting and empowering consumers.

Thank you again to the Chairman and the Bureau for this timely Notice which has my full support.