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# Cingular picks up AT&T clients

## New plans, service on tap with merger

By Jeff Smith, Rocky Mountain News  
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The 19 AT&T Wireless stores in Colorado underwent a rapid transformation Sunday.

Out with the AT&T Wireless signs, logos and promotional displays, and in with the Cingular orange (incorporating splashes of AT&T Wireless blue).

And that's not the only change that greets old AT&T Wireless customers today, as the Oct. 26 merger becomes a reality in Colorado.

While AT&T Wireless customers can keep their old calling plans if they wish, they also can begin choosing from a host of new products and services, including Cingular's signature "rollover" plan, which enables customers to roll over unused minutes into the next month.

"The message we're trying to get out is that we . . . are (now) the largest mobile voice and data carrier," said Susan Knox, Cingular's new vice president for the Rocky Mountain region.

Indeed, Cingular, jointly owned by BellSouth Corp. and SBC Communications, now counts 46 million subscribers compared with 42 million subscribers for Verizon Wireless, a joint venture of Verizon and Vodaphone.

But Cingular's ability to take advantage of the numbers game will depend on how smoothly and quickly it's able to integrate operations, lower customer churn and establish its new identity.

"The challenge for Cingular is cleaning up AT&T Wireless," said Tom Friedberg, a Denver telecommunications consultant whose clients include wireless operations.

But on the positive side, "nationally there's one more carrier out of the market and that helps profit margins to improve," Friedberg said.

AT&T Wireless has been hurt by network issues and a high customer churn, and the carrier ranks relatively low in customer care and call quality in the most recent survey by the respected J.D. Power & Associates.

Nationwide, Cingular rates high in call quality but only middle- of-the-road in the western United States in customer-service satisfaction, according to J.D. Power. Cingular is a new presence in the Colorado market.

Verizon Wireless is generally considered to have the best coverage in Colorado, and T-Mobile and Verizon top the customer-service satisfaction rankings in the region. Other major players in Colorado include Sprint PCS, Nextel, Qwest and Cricket.

Verizon Wireless also recently invested a lot in the Colorado market - more than \$110 million in 2003 alone - and it remains to be seen how much Cingular will invest here.

Knox, whose region includes Colorado, Montana, Utah, Wyoming and part of Idaho, was naturally upbeat about Cingular's ability to make a quick impact.

She noted the company's mobile-to-mobile calling plan effectively has doubled in scope and size and said consumers will see many new products and services, including a dozen new handsets.

Cingular, for example, has an exclusive arrangement to sell Motorola's new RAZR "Razor" V3 phone, a sleek 3.4-ounce phone with a built-in camera and zoom, and Internet tools. But the phone is expensive, listed at \$499.99.

Both Cingular and AT&T Wireless had been focusing their capital investments on a network technology called GSM, or Global System for Mobile Communications.

Some AT&T Wireless customers in Colorado are still on an older -TDMA or Time Division Multiple Access network and over time will be encouraged to switch to GSM.

Cingular isn't wasting any time trying to forge a new identity, with a nod to AT&T Wireless.

Cingular's logo remains orange, while the word Cingular has become AT&T Wireless blue. The company has modified AT&T Wireless' "How many bars do you have?" into the tagline "We are raising the bar."

One advertisement shows Major League Baseball pitchers Roger Clemens and Randy Johnson blending together while the announcer says, "Two of the biggest players became one."

In addition to 19 stores in Colorado and hopes of opening more, Cingular inherits from AT&T Wireless more than 200 "doors," such as dealers that will sell Cingular services in Colorado. The company's regional office also will be in the Denver area, although it's too early to say how many executives will be employed here.

Locally, Cingular plans to publicize its brand through local disc jockey "chatter," billboards and grand "reopenings," probably early next year. The company also will look carefully at other opportunities, such as sponsoring local events, Knox said.

AT&T Wireless' LoDo Music Festival in downtown Denver will be back for at least an 11th year next summer under the Cingular brand, she said.

Assuming a smooth transition, timing couldn't be better for Cingular, since this is the beginning of feverish holiday selling.

But Verizon Wireless isn't particularly worried.

"We try not to get distracted," said Bob Kelley, Verizon Wireless' spokesman for the Denver-based Rocky Mountain Region. "We continue to focus on our network and keep our eye on the ball. We're very confident in our network, and we have a commitment to customer service."

And while the merger of Cingular and AT&T Wireless eliminated a carrier from the mix, the industry may get more crowded again in the future.

AT&T Corp. already has announced its intent to offer wireless services again to businesses by leasing capacity from another network. And, most recently, cable-TV companies reportedly were considering forming a joint venture to sell cellular-phone services, too.

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