

# S.R.A. News



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SNET RETIREES ASSOCIATION, INC

SPRING 2016



*Editor's note: This article is a great insight to what lies ahead for AT&T 's employees. We found it very interesting and felt that it should be the lead story for this edition of the SRA Newsletter.*

## Gearing Up for the Cloud, AT&T Tells Its Workers: Adapt, or Else

By QUENTIN HARDY

**"There is a need to retool yourself, and you should not expect to stop," said Randall Stephenson, the chief and chairman of AT&T. He is reinventing the company for a cloud-heavy future.**

DALLAS — Thirty-four years ago, Kevin Stephenson got his younger brother, Randall, a job with the telephone company.

Kevin, then 23, and Randall,

22, had tried selling cattle feed with their father near their home in Moore, Okla., but that didn't pan out. Kevin was hired to do accounting at a local Southwestern

Bell office. Randall, who was in college, needed a bit more help. "He had trouble getting hired,"

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Kevin said. "I talked to someone I knew in personnel."

The brothers had different tastes. Kevin liked to be outside, and now, at 57 years old, he works in Norman, Okla., fixing the decades-old copper lines that still connect to landline telephones in most homes as well as to modern Internet conduits like high-speed fiber optics. Randall liked numbers and stayed indoors, rising through the management ranks.

Southwestern Bell became SBC Communications and took on the old AT&T name through an acquisition in 2005. By 2007, Randall was running the place.

Today, Randall Stephenson, AT&T's chairman and chief executive, is trying to reinvent the company so it can compete more deftly. Not that long ago it had to fight for business with other phone companies and cellular carriers. Then the Internet and cloud computing came along, and AT&T found itself in a tussle with a whole bunch of companies.

AT&T's competitors are not just Verizon and Sprint, but also tech giants like Amazon and Google. For the company to survive in this environment, Mr. Stephenson needs to retrain its 280,000 employees so they can improve their coding skills, or learn them, and make quick business decisions based on a fire hose of data coming into the company.

In an ambitious corporate education program that started about two years ago, he is offering to pay for classes (at least some of them) to help employees modernize their skills. But there's a catch: They have to take these classes on their own time and sometimes pay for them with their own money.

To Mr. Stephenson, it should be an easy choice for most workers:

Learn new skills or find your career choices are very limited.

"There is a need to retool yourself, and you should not expect to stop," he said in a recent interview at AT&T's Dallas headquarters. People who do not spend five to 10 hours a week in online learning, he added, "will obsolete themselves with the technology."

Kevin? He admires his younger brother, but he is among the many AT&T lifers who are not that keen to participate in this reinvention of old Ma Bell. "I'm riding the copper train all the way down," he said.

He talks about the changes with obvious affection for both his brother and his longtime employer. In interviews, many veteran AT&T employees around the country showed a surprising amount of emotion toward a company that has been broken up, rebuilt and reinvented several times.

But that doesn't mean everyone is particularly eager to rebuild and reinvent themselves for a new AT&T. Even if it means, as Randall put it, obsolescence.

Companies' reinventing themselves to compete with more nimble competitors is hardly a new story. Many have tried, and a handful have even succeeded. Mr. Stephenson wants AT&T to be among those few.

In the last three years, he has spent more than \$20 billion annually, primarily on building the digital business. DirecTV was acquired in a \$63 billion deal last year, and several billion more was spent to buy wireless businesses in Mexico and the United States. Even for a company with \$147 billion in 2015 revenue and over \$400 billion in assets built up over more than a century, it's a lot.

By 2020, Mr. Stephenson hopes AT&T will be well into its transformation into a computing company that manages all sorts

of digital things: phones, satellite television and huge volumes of data, all sorted through software managed in the cloud.

That can't happen unless at least some of his work force is retrained to deal with the technology. It's not a young group: The average tenure at AT&T is 12 years, or 22 years if you don't count the people working in call centers. And many employees don't have experience writing open-source software or casually analyzing terabytes of customer data.

If you don't develop the new skills, you won't be fired — at least AT&T won't say as much — but you won't have much of a future. The company isn't too worried about people leaving, since executives estimate that eventually AT&T could get by with one-third fewer workers.

Mr. Stephenson declined to project how many workers he might have by 2020, when the cloud-based system is supposed to be fully in place. One thing about cutting people in an aging work force, he noted, is that "demography is on our side." Other senior executives say shrinking the work force by 30 percent is not out of the question.

Maybe so, but count Kevin among the skeptics of how fast AT&T's transformation will happen.

"I'm proud of my brother," he said, "but he's not going to get rid of this stuff as fast as he thinks."

## ***Eyes on the Cloud***

Long ago, a phone system created wire lines between callers, and operators moved plugs in their switchboards to connect people. Over time, that was automated to become something closer to a computer, with digital fibers and wireless towers. Much of the setup, however, still needed lots of

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people to tend hardware that had been built for particular tasks, like feeding one neighborhood's calls into a nationwide backbone of wires, fiber and switches.

Mr. Stephenson has concentrated on things related to cloud computing, a technology setup that is more like the computer guts of Google or Amazon than the circuits and switches of a phone company. This cloud system will eventually touch ventures in landline phones, wireless, high-speed online services, cable TV and now satellite, thanks to the DirecTV purchase.

Analysts give him good marks but say he has a long way to go. "They want to be 75 percent done by 2020, and last year they did the first 5 percent," said Akshay Sharma, an analyst with the research firm Gartner.

Google and Amazon are increasingly in businesses that look like what AT&T does, and they thrive on analyzing the data they gather about customers. Google, for example, is offering high-speed Internet access in some cities. Amazon is selling video entertainment, as well as hosting new kinds of phone systems in its cloud.

AT&T wants to build products and services as fast as this competition. Data from satellite TV could be analyzed for viewing habits and someday used, for example, to sell football fans a replay app for their AT&T mobile phones.

In 2012, Mr. Stephenson realized much to his dismay, that his staff was woefully unschooled for the new technology. Vision 2020, as the company calls it, is a program that combines online and classroom-based course work in subjects like digital networking and data science, as well as a look at

## S.R.A. RESPONSE TEAM

The S.R.A. Response Team is active and ready to assist our members with problems relative to Health Benefits and Pension items.

Before placing a telephone call to a member of the Response Team, for assistance, be sure you have contacted the AT&T Benefits Center.

The S.R.A. Response Team Members ready to assist you are:

<b>JoAnn Alix-Gagain</b>	203-758-2409 (jagagain@snet.net)
<b>Gail Majewski</b>	860-442-8296
<b>Frank Pagerino</b>	203-929-7487

old skills that can be transferred to new careers.

Everything at AT&T is changing, from the services customers are offered to the way they are charged for them. One service called Network on Demand, for example, allows customers to increase the size of their Internet pipes without calling a technician, something that used to take weeks. And Mr. Stephenson's employees have to be able to deal with all that.

"If we can't do it, mark my words, in three years we'll be managing decline," he said.

A possible answer showed up on a sweltering Dallas afternoon in 2012 when Sebastian Thrun arrived. Mr. Thrun, a Silicon Valley technologist and onetime Stanford professor, is known for his futuristic work on self-driving cars and Internet-based learning. He is also the founder of Udacity, an online education company.

Inside a glass-walled office where Mr. Stephenson meets presidential candidates and corporate titans, Mr. Thrun gave him a pitch on funding an online master's degree in engineering that Udacity proposed to teach in conjunction with the Georgia Institute of

Technology. Within five minutes, the two men were cross-legged on the floor, Mr. Stephenson eager to try a physics course.

His first online learning began with an unexpected challenge: getting online. AT&T's own Wi-Fi was too clunky, Mr. Thrun recalled. Eventually they used Mr. Thrun's smartphone, which ran on the network of T-Mobile, a rival carrier.

The building's Wi-Fi is now said to be better, and elsewhere in AT&T the first employees are getting their online Georgia Tech degrees.

Eboni Bell, 24, a product manager for smartphone software in AT&T's Atlanta office, sees the Vision 2020 retraining as the chance of a lifetime. The company provided tuition assistance for much of her two-year Udacity/Georgia Tech master's degree in computer science, which it says cost \$6,600. Single and childless, she doesn't mind the hours it takes.

"I leave the office at 7 p.m., work at home until midnight, and Saturdays and Sundays are committed to school," she said.

Ms. Bell, who wants to work in software architecture and design,

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## **S.R.A. News**

*This is the official publication for SNET Retirees Association, Inc. members. It contains timely news and feature items of interest to all SNET retirees.*

*S.R.A. is a nonprofit organization. Readers are encouraged to send or phone news tips.*

**[www.snetretirees.org](http://www.snetretirees.org)**



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plans to keep taking courses. "I need to know what my competitors are doing," she said. "I can't see myself staying with one product too long — it makes me feel like I'm not growing."

So far most of the people who have taken the new courses are managers, and seem interested in learning very technical skills. Among the most popular courses are web development, data analysis, introduction to programming and writing apps for the iPhone.

"It's great for those who want to make the transition," said Mr. Sharma of Gartner. "If you don't want to change, it's a good time to retire and enjoy life."

AT&T's workers receive weekly emails and video broadcasts about learning online. Vision 2020 includes an internal website where employees can enter their job titles, see what types of careers might be available in a software-driven company, and what courses they need to take to get them. Over time, their grades are logged, and depending on how they do on the schoolwork, different new courses are suggested. Eventually, performance reviews will include data on what people studied, how well they did and whether, like Ms. Bell, they are willing to keep learning.

Eventually, the plan is that desire for learning will be taken into account when promotions are considered.

Across the country in Orange, Calif., Patti Cunningham, a 61-year-old technician, is struggling. Ms. Cunningham, who has worked at AT&T for 43 years, has not signed up for any courses, and can barely recall receiving emails about the new plans. (An AT&T spokesman produced dozens of such messages, going back to

early 2014.) Essentially, she does not see a place for herself.

"This new concept of training on your own time, everything changing all the time, if you want to keep working, do more things on your own time — I guess they have to do it," she said, sitting in a run-down room at her union local. "But I don't see a need to be involved."

Christopher Shelton, national head of the Communications Workers of America, said the changes were inevitable, and he believed his people would go along with them.

"We realized a long time ago that you can't fight technology change and win," he said. "Our contracts spell out training programs and policies to make sure that members get training to update their skills as technology changes." Still, he thinks the expectations about home study after a hard day's work are too much.

AT&T will reimburse up to \$8,000 a year in tuition; the amount was raised just last month. The company claims that a year into the program, over half of the work force, mostly managers, has started training, sometimes with dozens of short online courses.

"People are going to have to work hard, but it's not insane," said William Blase, who oversees personnel for all of AT&T. "There's going to be an expectation that your compensation will be tied to continuing to learn. We're at a crossroads as a business — and a country — where education has to keep up with technology."

If there is one thing on which Ms. Bell and Ms. Cunningham agree, albeit with different sentiments, it is that the change is necessary. Eventually phone calls, texts, sensor data and TV shows, along with much else, will all run on

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fiber-optic networks and be managed largely with software.

Ms. Bell works with a lot of older colleagues. "One of my co-workers has been looking at the same database for 20 years," she said. "It sounds harsh, but if she doesn't adapt, there won't be room for her."

That message has not been lost on Jacobie Davis, an 18-year employee in Richardson, Tex., who works in tech support for older-style gear. At 39, he is the youngest person in his office, and is scrambling to study both new networks and data science. "I try to put in 15 hours a week," he said. "By 2020, my technology will be gone."

### ***For Some, a Tough Sell***

In some ways, cloud computing is not as radical a technology shift as all the puffy language suggests. Big banks of computers still run software, as they have been doing in many industries since the 1960s. They have more power, because their chips have more transistors that enable them to do more, and they connect to more things thanks to fiber-optic cable and wireless.

The big difference is something called virtualization, which amounts to software that allows many machines to operate like one piece of computer hardware. This made it possible to run software that in effect interacted with other software instead of hardware. This, in turn, means the possibility of changing functions around rapidly by typing a few lines of code.

The new systems also collect more data, quickly analyze information about what people and things are doing, and react. That is how online ads are personalized for you, and increasingly how

maps reflect current traffic conditions, or streetlights adjust to suit parking congestion.

Now what once took a year of analysis and deployment can instead happen in days, even minutes.

These concepts can be tough in some reaches of AT&T, where lives and work have not changed all that much.

In Dayton, Ohio, Kirk Warrenburg came out of a job in a bowling alley and started wiring cards for telegraph systems 40 years ago. Now he works on AT&T's signaling network, which makes sure billions of calls get through.

He has taken 16 courses — Udacity courses and in-house "nano courses," each about two weeks long — in the last year. He doesn't see himself changing jobs, however, because the old machines still need someone to care for them. Younger workers, he thinks, won't want to be in his dead end.

"Writing a telegraph circuit was like writing a recipe for a field technician," he said. "A lot of legacy systems are still around here. I'll be long gone before they will."

Some other older employees besides Kevin Stephenson think the 2020 target will come and go, but basics won't change.

The 2020 effort "is just a start," said Kenny Williams, 64, a testing technician and the head of Ms. Cunningham's union local in Southern California. "I've inoculated my people against worrying. They need a fiber network for this that doesn't exist out here yet. Seventy percent of my folks are safe; the other 30 have to be found jobs, or they'll take the golden handshake" and retire.

As he sees it, much of the urgency comes from the threat of Google. In 2015 Google Fiber,

Google's high-speed Internet service, caused AT&T to do something uncommon in its history: lower its prices because of competition. "In 40 years here I hadn't seen that," Mr. Williams said. "Their people aren't in unions — we're a lot more on AT&T's side than theirs."

AT&T recently began rolling out fiber in about 50 cities in the United States, in what it hopes is a bigger move than Google can make. Still, putting a cloud system all the way across a diverse, continentwide network will take years, which is why Mr. Williams feels safe.

### ***Face to Face With Google***

What happens next at AT&T — and how fast that will happen — is a matter of disagreement in the Stephenson family.

"I go out to houses away from the cities, and there's not a lot of fiber there," Kevin said. Fiber would open the way for all that new technology. He takes comfort in looking at patches linemen did on fiber systems decades ago — from both the jury-rigged craftsmanship and the way they have endured.

But Randall said his brother was not necessarily like the rest of the work force because there will always be hard, outdoor tasks for people like him. "There will be people turning screws and digging trenches. I'll be long gone before that is over. But other guys I know in Oklahoma will do a skills pivot" with additional training, he said.

Besides, it's not just about his brother. It's about most of the economy.

"Everybody is going to go face to face with a Google, an Amazon, a Netflix," he said. "You compete based on data, and based on customer insights you get with their permission. If we're wrong, it won't play well for anyone here."

# SPENDING ACCOUNT ISSUES

*All retiree organizations received a heads up pertaining to spending account errors earlier this year. If you encountered any of these they should be resolved at this time. IF not please contact your AON advisor ASAP.*

*Additionally some folks were automatically reimbursed with 2015 premium amounts due to insurance companies not forwarding newest premium amounts for 2016 to AON. Those issues should also be resolved as of this writing.*

## **TO: Retiree Leadership teams**

AT&T wanted to give you a heads up about several administrative errors that occurred with "Your Spending Account " in processing January reimbursements. We don't anticipate any of these will have a negative financial impact on retirees enrolled through the Exchange. Three communications sent out from the Exchange to participants to alert them to these situations.

## **Issue #1 Duplicate Check Print**

The Aon Retiree Health Exchange has a separate division, Your Spending Account (YSA), which administers reimbursement to retirees who are eligible for a company funded Health Reimbursement Account (HRA). The YSA team outsources check writing to a third party vendor for participants who do not opt in

to direct deposit reimbursement.

On January 8, 2016, the check writing vendor erroneously printed duplicate checks and Explanation of Benefits (EOB) statements for January, 2016 auto reimbursements. 50,000 retirees received two identical checks in the same envelope, which included the same amount, date and check number. The YSA team sent out a communication on January 15th after identifying all impacted participants, which advised that retirees should deposit one check and shred the other, as only one check would clear for payment processing.

For retirees who'd previously provided an email address, this communication went out via email. All other retirees received the communication through U.S. mail. If bank fees are incurred as a result of this error, the Aon Retiree Health Exchange will reimburse impacted participants directly, to avoid a negative financial impact to retirees.

## **Issue #2 Early Claim and Premium Reimbursement Processing**

On January 13, 2016, the YSA team processed the premium reimbursement file for carrier submitted claims from January 1st-7th

- 2,100 retirees received a January claim statement

and plan premium reimbursement and prematurely received a February claim statement and plan premium reimbursement.

The YSA team sent out a communication to impacted participants to advise them that their February reimbursement was processed early and advised that their next auto reimbursement would resume in March.

## **Issue #3 - January 13, 2016**

- 16,500 retirees received a January claim statement and payment and prematurely received a February claim statement, but no payment.

The YSA team sent a communication out to all impacted participants to explain that they received their February claim reimbursement statement early and would receive their February payment the week of February 8th, as scheduled.

Please note, some retirees were impacted by more than one of these identified issues and may have received two separate communications from the YSA team.

Participants are being referred to the Aon Retiree Health Exchange service center if they have additional questions or concerns about their account.

# The following retirees and their guests paid to attend the 2016 SRA Florida Lunch Meetings

## Jensen Beach February 15

### MEMBERS .....GUESTS

JoAnn Alix Gagain  
 Sally Bronson ..... Albert Burdge  
 Bill Cronan  
 George Ducharme  
 Patti Ducharme  
 Richard Frawley  
 Sandra Garbers  
 Jim Gleason  
 Roy Haney ..... Ann Haney  
 Ruth "Hoppy" Hopco  
 Ed Isaacs  
 Pat Isaacs  
 Dwight Johnson ..... Penny Johnson  
 John McCarthy ..... Roberta McCarthy  
 Tim Moriarty  
 Joyce Szczoczarz ..... Ed Szczoczarz  
 ArdenTerriault ..... Michelle Terriault  
 Glenice Trainor ..... Daniel Trainor  
 Charles Waldo ..... Linda Waldo

## The Villages February 16th

### MEMBERS .....GUESTS

JoAnn Alix-Gagain  
 Martha Biestek  
 Tom Boylan  
 Ralph Bushnell ..... June Bushnell  
 Roy DePizzol ..... Bonnie DePizzol  
 Marty Dirga  
 Guy Elwood ..... Peggy Elwood  
 Lori Rusnack Erksen ..... Bob Erksen  
 Dick Harrison  
 Diane Hirbour ..... Joe Hirbour  
 Barbara Kajda  
 Dana Lips ..... Barbara Lips  
 Herb Luce ..... Betty Luce  
 Art Mowery ..... Dennis Flesch  
 Tony Palermo  
 Andy Postman  
 Maryann Postman  
 Lee Russell ..... Diane Russell  
 Sally Skeels ..... Lee Skeels  
 Gary Slesinski ..... Paula Slesinski  
 Beverly Sullivan  
 John Sullivan

## Ft Myers March 9th

### MEMBERS .....GUESTS

JoAnn Alix-Gagain  
 Sharon Celotto ..... Michael Celotto  
 Jim Cyr ..... Pauline Cyr  
 Albie Czapski ..... Betty Rogan  
 Beverly Duggan ..... Rolf Mezger  
 Vicky Joray  
 Robert Kimble ..... June Kimble  
 Tom Lapke ..... Nancy Lapke

Helena LaPorte ..... John LaPorte  
 Nils Lindroth ..... Barbara Lindroth  
 John Lynch ..... Betty Anne Lynch  
 George Lyon ..... Jimmie Dunick  
 Jim McNulty ..... Marilyn McNulty  
 Tim Moriarty  
 Tom Puffer ..... Barbara Puffer  
 Herb Roessler ..... Audrey Roessler  
 John "Cappy" Ryan ..... Lorraine Ryan  
 Karen Brooks

Susan Sirica  
 Ann Spardone

## Venice March 14th

### MEMBERS .....GUESTS

JoAnn Alix-Gagain  
 Ed Ariola ..... Elaine Ariola  
 Larry Beck ..... Elaine Beck  
 Pat Bruton ..... Dan Bruton  
 Norris Buchter ..... Betty Sutherland  
 Pete Burdett  
 Carol Cassista ..... Richard Cassista  
 Bill Cronan  
 Eleanor Crowell ..... Hank Crowell  
 Frank Depgen  
 Carol Depgen  
 Walter Ehman  
 Mary Fontana  
 Mary Ellen Gallagher  
 Laurel Garon  
 Jim Gleason  
 John Greenwood ..... Maryann Greenwood  
 George Hartman ..... Joanne Hartmann  
 Kenneth Hofford ..... Virginia Hofford  
 Vicky Joray  
 Edward Kochol ..... Carol Kochol  
 Lester Larrabee ..... Nancy Larrabee  
 Antonio Longo ..... Elizabeth Longo  
 Jack Lozinski ..... Jan Lozinski  
 Lou Marinelli  
 Dale Matthews ..... Vivian Matthews  
 Fred Mitchell ..... Nancy Mitchell  
 Richard Mulhare  
 Maureen O'Connor  
 Cynthia O'Donnell ..... Bill O'Donnell  
 Jack Pasquale ..... Sue Pasquale  
 Ed Phelan ..... Betty Phelan  
 Norm Regnaud  
 Susan Sirica  
 Ann Spardone  
 Jim Stewart  
 Susan Stewart  
 Carol Surprenant ..... Thomas Surprenant  
 Don Topazio ..... Carol Topazio  
 Raffaella Vegiard  
 Carol Votto ..... Kim Leaman  
 Joann Votto ..... Salvatore Votto  
 Genevieve Welch  
 Claudia Zerella  
 Joe Zerella

# IMPORTANT NUMBERS FOR YOUR FILES

*We have attempted to capture some important numbers and address for you and or family members as a quick reference tool. In no way is it a complete list, but a “most used list”.*

## **Eligibility for health and welfare benefit programs:**

**AT&T Benefits Center** 4 Overlook Point P.O. Box 1474 Lincolnshire, IL 60069-1474 [resources.hewitt.com/att](http://resources.hewitt.com/att) Phone: 877-722-0020 Phone: 847-883-0866 (international) Fax: 847-883-8217 Monday through Friday from 7 a.m. to 7 p.m. Central time

Important: To access the website, you will need your AT&T Benefits Center user ID and password. To access the AT&T Benefits Center via the phone, you will need to provide the last four digits of your Social Security number, your date of birth and your AT&T Benefits Center password.

**Pension Plans:** Fidelity Service Center Fidelity Service Center P.O. Box 770003 Cincinnati, OH 45277-0065 [netbenefits.com/att](http://netbenefits.com/att) Phone: 800-416-2363. Phone: 888-343-0860 (hearing-impaired) Monday through Friday from 7:30 a.m. to 11 p.m. Central time. The interactive voice response system is available 24 hours a day. **Use this number to report a retiree or dependent's death.**

**Beneficiary designations, Death and Survivor benefits:** **Fidelity Service Center** P.O. Box 770003 Cincinnati, OH 45277-0088 Phone: 800-416-2363. Phone: 888-343-0860 (hearing-impaired) Monday through Friday from 7:30 a.m. to 11 p.m. Central time .The automated voice response system is available 24 hours a day. Important: The AT&T Beneficiary Designation applies to most, but not all, AT&T-provided benefits.

**Also you may create, update, print or request an AT&T Beneficiary Designation through Fidelity's NetBenefits website at [netbenefits.com/att](http://netbenefits.com/att).** You may also go to the Quick Reference section of the [access.att.com](http://access.att.com) (from home). Click on B, and then click Beneficiary Designation (online). Eligible former employees may also go to the Benefits section of [access.att.com](http://access.att.com). Click on Your Finances, and then click Beneficiary Designation. All beneficiary designations made using the Online Beneficiary tool will be available for future viewing and updating at your convenience. Please note that in some cases you may have to print your AT&T Beneficiary Designation, gather additional signatures, and then return the form

before your AT&T Beneficiary Designation is valid (for example, in cases for which spousal consent is required by the applicable benefit plan). Please follow the prompts for when a printed form must be returned to the Fidelity Service Center. Update your beneficiary designation online at [netbenefits.com/att](http://netbenefits.com/att). **You may request an AT&T Beneficiary Designation Form through the Fidelity Service Center. An AT&T Beneficiary Designation Form will be mailed to you within three business days.**

**Life insurance:** FOR INFORMATION REGARDING ELIGIBILITY, ENROLLMENT OR COST OF COVERAGE, CONTACT THE AT&T BENEFITS CENTER. AT&T Benefits Center AT&T Benefits Center 4 Overlook Point P.O. Box 1474 Lincolnshire, IL 60069-1474 [resources.hewitt.com/att](http://resources.hewitt.com/att) Phone: 877-722-0020 Fax: 847-883-8217 Monday through Friday from 7 a.m. to 7 p.m. Central time Important: To access the website, you will need your AT&T Benefits Center user ID and password. To access the AT&T Benefits Center via the phone, you will need to provide the last four digits of your Social Security number, your date of birth and your AT&T Benefits Center password. Call the Fidelity Service Center to report the death of an employee, an eligible former employee, an inactive employee and/or an eligible dependent. You do not need a Fidelity Service Center PIN or Social Security number/ customer ID to report a death. See the “Beneficiary Designations, Death and Survivor Benefits” section for contact information

**Aon Retiree Health Exchange:** 4 Overlook Point P.O. Box 1453 Lincolnshire, IL 60069-1407 or [retiree.aon.com/att](http://retiree.aon.com/att)

Phone: 800-928-8027 (TTY use 711 Relay) Fax: 866-893-0702

Monday through Friday from 8 a.m. to 8 p.m. Central time

**Your Spending Account™ (YSA),** a company of Aon Hewitt (Medicare Exchange HRA) Your Spending Account 4 Overlook Point P.O. Box 1407 Lincolnshire, IL 60069-1407 [retiree.aon.com/att](http://retiree.aon.com/att) Phone: 800-928-8027 (TTY use 711 Relay) Fax: 888-211-9900 Monday



# IMPORTANT NUMBERS FOR YOUR FILES

through Friday from 8 a.m. to 8 p.m. Central time  
**Important:** The above vendor contact information is for the AT&T Medicare-Eligible Health Reimbursement Account Program administrator and only applies to eligible participants in the Aon Retiree Health Exchange. Refer to the AT&T Medicare-Eligible Health Reimbursement Account Program SPD for eligibility information.

**Blue Cross and Blue Shield of Illinois:** Blue Cross and Blue Shield of Illinois P.O. Box 805107 Chicago, IL 60680-4112 bcbsil.com/att Phone: 800-621-7336 (Benefit Value Advisors available to assist AT&T members) Phone: 800-621-0965 (for medical services requiring precertification) Phone: 800-299-0274 (NurseLine) The customer service center is available Monday through Friday 7 a.m. to 7 p.m. Central time.

**UnitedHealthcare FOR ALL PARTICIPANTS ENROLLED IN THE AT&T MEDICAL PROGRAM:**  
 UnitedHealthcare P.O. Box 30557 Salt Lake City, UT 84130-0557 myuhc.com (for information on claims, benefits, explanation of benefits, ID cards, search for hospitals, physicians, specialists and more) Phone: 866-705-9767.

**CarePlus UnitedHealthcare:** To confirm whether a specific procedure or device (hearing aids) is covered under CarePlus or to obtain preapproval or prior authorization for a procedure: Phone: 877-261-3340 Monday through Friday from 7 a.m. to 7 p.m. Central time

**CVS/Caremark CVS/caremark Inc.:** caremark.com Phone: 800-378-8851 Phone: 800-231-4403 (hearing-impaired) Monday through Friday from 7 a.m. to 11 p.m. and Saturday from 7 a.m. to 5 p.m. Central time, except some holidays The IVR is available 24 hours a day. **Important:** To access the member website, you must be a registered user and will need your username and password. If you're not registered, select Not Registered and follow the instructions listed. The group code is ATTRX. To access the IVR or to speak to a service associate, you will need the CVS/caremark ID or Social Security number of the primary member. If you have a claim or wish to use the mail service program, claim forms and/or mail service order forms

are available on the website or by phone. Mailing addresses are listed on the form.

**SilverScript Insurance Company:** FOR ELIGIBLE FORMER EMPLOYEES AND DEPENDENTS OF ELIGIBLE FORMER EMPLOYEES ENROLLED IN THE AT&T MEDICARERX PROGRAM SilverScript P.O. Box 280200 Nashville, TN 37228 caremark.com Phone: 877-878-5714 Phone: 877-878-5714 (hearing-impaired)

**Vision:** EyeMed Vision Care EyeMed Vision Care Attn: Quality Assurance 4000 Luxottica Place Mason, OH 45040-7111 Phone: 800-638-4288 Phone: 866-308-5375 (hearing-impaired) available Monday through Friday from 7 a.m. to 7 p.m. Central time eyemed.com The IVR is available 24 hours a day, seven days a week (except during days that require scheduled maintenance). Service associates are available Monday through Saturday from 6:30 a.m. to 10 p.m. and Sunday from 10 a.m. to 7 p.m. Central time.

**Medicare Part B premium reimbursement questions:**  
 AT&T Benefits Center AT&T Benefits Center 4 Overlook Point P.O. Box 1474 Lincolnshire, IL 60069-1474 resources.hewitt.com/att Phone: 877-722-0020 Phone: 847-883-0866 (international) Fax: 847-883-8217 Monday through Friday from 7 a.m. to 7 p.m. Central time.

**Your Health Matters Portal:** To find: • Quick answers to questions about the benefits and programs for which you are eligible, • Information on health and wellness tools, resources and programs provided by AT&T, or • Connect with your medical claims administrator or another benefit administrator. Your Health Matters Phone: 866-276-8444.

When you need a little assistance, dedicated Your Health Matters advocates can help you. The portal is available 24 hours a day. You can call a Your Health Matters advocate Monday through Friday from 7 a.m. to 6 p.m. Central time.

**Dental: Cigna Dental AT&T Dental Service Center**  
 P.O. Box 188040 Chattanooga, TN 37422 mycigna.com Phone: 888-722-5505 Monday through Friday from 7 a.m. to 7 p.m. Central time

# IMPORTANT NUMBERS FOR YOUR FILES

**NEW!!!!!! Cancer Resource Service:** FOR ALL ACTIVE AND ELIGIBLE FORMER MANAGERS AND CERTAIN ACTIVE AND ELIGIBLE FORMER BARGAINED EMPLOYEES ENROLLED IN THE AT&T MEDICAL PROGRAM, AS WELL AS ALL LEGACY AT&T ACTIVE AND ELIGIBLE FORMER BARGAINED EMPLOYEES ENROLLED IN THE AT&T MEDICAL EXPENSE PLAN FOR OCCUPATIONAL EMPLOYEES OR THE AT&T CORP. POST-RETIREMENT WELFARE BENEFITS PLAN The Cancer Resource Service is designed to help you better understand oncology/ cancer diagnoses and available treatment options, and to give you access to the providers and services available at many of the country's leading cancer centers — all at network rates. Phone: 866-936-6002 Monday through Friday from 7 a.m. to 7 p.m. Central time Note: This program is not available for anyone with Medicare as their primary insurer. Important: To receive the network level of benefits, you must contact the Cancer Resource Service before receiving treatment. All provisions, terms and conditions of the AT&T Medical Program apply when services are provided through the Cancer Resource Service.

**Employee and retiree discounts & offers Policy and Program Eligibility:** FOR AT&T PRODUCTS AND SERVICES: WIRELESS, U-VERSE, DIGITAL LIFE, HIGH-SPEED INTERNET, WIRELINE VOICE AND DIRECTV RETIREES <http://access.att.com> Phone: 888-251-0645 AT&T Retiree Discount Center (managed by HealthSmart) [anw.attretireediscounts@healthsmart.com](mailto:anw.attretireediscounts@healthsmart.com) Monday through Friday from 8 a.m. to 6 p.m. Eastern time.

**Discount Enrollment ACTIVE EMPLOYEES AND RETIREES:** Wireless Products and U-verse [att.com/dep](http://att.com/dep) High-Speed Internet and Voice AT&T Employee and Retiree Sales and Service Center Phone: 877-377-9010 Monday through Friday from 9 a.m. to 6 p.m. Central time.

**Account Support – U-verse, High-Speed Internet, Wireline and DIRECTV FOR BILLING INQUIRIES, DISCOUNT ENROLLMENT INQUIRIES, ORDERS FOR NEW SERVICES OR TO MAKE CHANGES TO EXISTING SERVICES AND OTHER CUSTOMER SERVICE MATTERS ACTIVE EMPLOYEES AND**

**RETIREES:** [attathome.att.com](http://attathome.att.com) AT&T Employee and Retiree Sales and Service Center Phone: 877-377-9010 Monday through Friday from 9 a.m. to 6 p.m. Central time **FOR RETIREES WHO RECEIVE REIMBURSEMENTS (DISCOUNT NOT ON AN AT&T BILL):** HealthSmart P.O. Box 2911 Charleston, WV 25339-2911 Phone: 888-251-0645 [anw](mailto:anw). [attretireediscounts@healthsmart.com](mailto:attretireediscounts@healthsmart.com) Monday through Friday from 8 a.m. to 6 p.m. Eastern time.

**Account Support – Wireless Products FOR BILLING INQUIRIES, DISCOUNT ENROLLMENT INQUIRIES, ORDERS FOR NEW SERVICES OR TO MAKE CHANGES TO EXISTING SERVICES AND OTHER CUSTOMER SERVICE MATTERS** [attathome.att.com](http://attathome.att.com) Phone: 800-331-0500 AT&T Customer Care Team or dial 611 from your wireless phone Monday through Friday from 5 a.m. to 9 p.m. Pacific time.

**Important: Discount enrollment cannot be added to wireless accounts at Mobility retail locations nor can it be added through the 800 number. Discounts must be applied through the provided website functionality.**

## NEW OFFERINGS!!!!

**OneStopShop:** A members-only discount shopping website. Save on all your everyday purchases – electronics, toys, apparel, restaurants, travel and more. To activate your account, go to the OneStop home page, and select Your Money Matters, go to Discounts & Offers section, and select the OneStopShop section; or <http://access.att.com>

**Sponsorship Discounts & Offers:** AT&T sponsors sports teams, venues, events, TV shows and community programs to help us connect our customers to their passions. Go to the OneStop home page, and select Your Money Matters, go to Discounts & Offers section, and select the Sponsorship Discounts & offers section or <http://access.att.com> (from home) If you need additional information, contact OneStop. Phone: 888-722-1787 (say “discounts” at prompt) Customer-care specialists are available Monday through Friday from 8 a.m. to 6 p.m. Central.

*Disclaimer: All information was obtained from the AT&T web site for retirees and active employees.*

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# My Sincere Apology

*By JoAnn Alix-Gagain*

In the last newsletter I informed you that Frontier had not responded to our letter requesting that retirees be allowed to make changes to their residential accounts for wireline, internet and U-verse services without loss of the discount /concession. Nor had they commented on vacation shut offs directly to the SRA. That remains the same today.

BUT, they did send out a notice to CT. Consumers that we all should have received last fall that vacation shut off was back. As a CT. Consumer

you have that option to use vacation shut off which reduces your monthly payments without losing your number or having to pay for new connections etc.... What I failed to say (and several members called me about after contacting Frontier) is that as a retiree they could not get vacation shut off without losing the concession forever.

I am sorry if I confused the two issues. As individuals you have to do your own calculations on what is better for you in the long run. What gives you the most

savings? A vacation shut off at \$ 10 per month for a wireline or a monthly concession???

We all could be different depending on the length of time you want to use a shutdown, how many services do you have and what is the newer pricing packages when you do determine to give up a concession by making a change. Some have given up the concessions as they have gotten better pricing overall.

So let me again say I am sorry for this confusion and I am glad I am still human.

---

## Norris Buchter

We were saddened to learn of the passing of SRA Member Norris Buchter. Norris was one of our original members. He also was instrumental for arrangements for the very first

SRA Florida Lunch Meetings held in Tarpon Springs annually, and he only missed this year since. He was generous to the SRA with his contributions of past Telephone Times articles,

photos and memorable gifts like the "stick phone" and porcelain sign he donated to us last year at this time.

Our condolences to his daughter.

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**Due to reconstruction of the AT&T website for retirees death notices are not available at this time. We will print them all (retro to Nov 2015) once the list is available to us again.**

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Register on the SRA new web site to communicate directly with the SRA in a timely fashion, see past newsletters, pictures from events, get up to date information, obtain membership applications for your fellow retirees.

Go to : [www.snetretirees.org](http://www.snetretirees.org)

## INDUSTRY NEWS

### AT&T 5G Roadmap Unveiled; Field Tests to Begin This Year

2/12/16 by Andrew Burger

An AT&T 5G roadmap was released by the company today, charting its course toward offering customers next-generation wireless broadband connectivity. Millimeter-wave RF transmission, network function virtualization (NFV) and software-defined networking (SDN) – all of which AT&T Labs has been working on for years – are core elements of AT&T 5G roadmap, management highlights in a news release.

AT&T expects 5G wireless broadband technology will deliver Internet speeds 10-100 times faster than average 4G LTE connections today. Network latency will also be reduced to a range of 1-5 milliseconds.

To get there, AT&T intends to work closely with Ericsson and Intel to develop 5G solutions in its labs beginning in 2Q. Outdoor tests and trials are slated to commence this summer.

AT&T 5G Roadmap More specifically, AT&T anticipates carrying out 5G field trials in Austin before year-end. The results are expected to help guide future developments, including AT&T's contribution to establishing 5G industry standards, while also setting the stage for widespread commercial and mobile availability once the standards are established.

International standards body 3GPP is expected to complete the first phase of the 5G standards setting process in 2018. Following through on its 5G roadmap will put AT&T in position to fully leverage next-gen wireless broadband technologies, management points

out.

"AT&T's 5G field trials will play an important role in ensuring rapid and wide-scale adoption of this next generation mobile technology," commented Arun Bansal, Ericsson SVP and Head of Business Unit Radio. "5G will impact the entire mobile network – from devices to access and core to cloud – and open up exciting new IoT applications for consumers and industry, so Ericsson is enabling AT&T to move beyond 5G lab tests to gain a greater understanding of 5G's potential in their own network environments and markets."

"As early 5G development and trials get underway, industry collaboration is necessary to implement new network architectures and prepare for commercial availability," added Intel Communication and Devices Group VP and GM Aicha Evans.

Immersive and Pervasive AT&T's wireless network data traffic has soared over 150,000% higher from 2007 through 2015, largely as a result of growing mobile video viewing, which accounted for 60% of the total traffic in 2015. 4K video, virtual reality and IoT will fuel the next wave of growth, AT&T expects.

AT&T Technology and Operations Chief Strategy Officer and Group President John Donovan highlighted a variety of new Internet applications and services 5G will facilitate. "New experiences like virtual reality, self-driving cars, robotics, smart cities and more are about to test networks like never before," he was quoted.

"These technologies will be immersive, pervasive and responsive to customers. 5G will help make them a reality. 5G will reach its full potential because we will build it on a software-centric architecture that can adapt quickly to new demands and give customers more control of their network services. Our approach is simple – deliver a unified experience built with 5G, software-defined networking (SDN), Big Data, security and open source software."

AT&T is in the midst of substituting software for hardware as it upgrades and moves closer toward an all digital network infrastructure. AT&T's SDN Strategy, which was launched in 2014, holds the keys to achieving its goal to virtualize 75% of its network by 2020. AT&T was 5.7% of the way there as of year-end 2015 and is picking up the pace this year, by the end of which it expects to reach 30%.

To date, AT&T's virtual networks support 14 million wireless customers and management anticipates millions more to migrate this year. That has enabled the company to revive its Unlimited Data plan for AT&T Wireless and DirecTV subscribers.

Verizon 5G Plans Verizon CEO Lowell McAdam discussed the organization's own 5G wireless roadmap at a conference in New York City this past December. McAdam said Verizon will conduct its first 5G pilot test early this year at its headquarters in Basking Ridge, New Jersey.

## INDUSTRY NEWS

### Is AT&T Exiting the IPTV Business?

2/16/16 by Bernie Arnason

Ever since AT&T acquired DirecTV, the idea of AT&T exiting the IPTV business has been a subject of debate. AT&T has invested billions in their U-Verse platform, which powers their U-verse TV IPTV service. Will they walk away from it and focus all of their video efforts through DirecTV?

If you believe a Bloomberg Business report, the answer is yes. Bloomberg is reporting the decision has already been made and AT&T is actively in U-verse TV shut down mode.

"AT&T Inc. is phasing out the U-verse TV service as it pushes new customers to newly acquired DirecTV, a sign the company is giving up on once-heralded plans to compete head-on with cable through telephone lines," reports Scott Moritz of Bloomberg Business.

AT&T Exiting the IPTV Business According to the Bloomberg report, AT&T has stopped buying U-verse TV set-top-boxes and is pushing new TV customers to

DirecTV. The report says existing U-verse TV customers will be able to retain the service, but there will be no new sign-ups.

If true, one has to wonder how long AT&T will continue to support U-verse TV. There has been no official word from AT&T on U-verse TV plans. A visit to AT&T's website today still displayed U-verse TV options, although it's clear that DirecTV is getting top billing.

The move makes business sense. It's incredibly difficult to support one video platform at scale, much less two. AT&T stands to save billions annually by exiting IPTV. Bloomberg reports they will shift their focus to a home gateway that delivers a broadband and video bundle, with video delivered via satellite.

By removing video off their access network, they stand to have the capability to dramatically increase the broadband speeds they can offer and better compete with cable broadband. AT&T is also reportedly pursuing a mobile

video strategy as well, using DirecTV and other video content. They also have been eyeing an OTT play. They intend to be a player in video, but perhaps not through their legacy U-verse IPTV network.

**IPTV** **Implications**  
Assuming AT&T follows through as Bloomberg reports, it's somewhat of a blow to the IPTV ecosystem. AT&T is one of the largest pure-play IPTV providers in the world, and the largest in North America. Losing a major player like that has implications for the entire ecosystem.

It will be interesting to see the impact of this on CenturyLink, who uses virtually the same IPTV platform as AT&T. As a result, CenturyLink was able to enjoy better economies of scale. Ericsson provides the middleware for both AT&T and CenturyLink and they are working with AT&T on a new video platform that will emphasize DirecTV. Perhaps that collaboration will allow Ericsson to continue to support both.

## SAVE THE DATE

SRA ANNUAL MEETING and Picnic  
Thursday, September 8, 2016  
Holiday Hill  
Notices will be mailed in July

# 2016 Annual Meeting, Report and Our Pension Plan

*By JoAnn Alix-Gagain*

The AT&T Annual report was mailed to all shareholders March and we do hope you have voted your shares by now. The AT&T Annual Meeting will be held in Billings, Montana on April 29, 2016. That's right... BILLINGS, MONTANA.

Why, you ask? Well it could be because the current Board of Directors and corporate officers do not like a large audience at the meeting. The current Chairman eliminated question and answer session several years ago to avoid confrontation from the attendees who are his shareholders and who he should be answering to, but not him. He likes to present the future technology to those attending. In Billings, Montana, I wonder what the headcount will be. I can tell you there is no easy way to get there as there was no easy way last year either, when it was held in Spokane, WA and the year before that in Columbus, GA and another in Cheyenne, WY. All very nice places I am sure. I went to the one held in WY and I can tell you first hand there was nothing for miles and miles and miles. So why?

For a corporation of AT&T's caliber to consistently aim to exclude the common shareholder is beyond comprehension. The response from the big T will be because

of a recent investment in that area and they want to play it up. WOW!!! A lot of shareholders will see it there. They are in business in Chicago, Detroit, Nevada, FL, CA. and many easier travel locations. How about NJ where their technology headquarters are? Clearly it gives the appearance of avoiding the common shareholders who do not have unlimited resources to attend. Pick up a pen and let your Board of Directors know that this is just unacceptable.

The Corporation's Annual Report is full of information of interest to retirees. It speaks to benefit funding both current and the future. It speaks to lawsuits pending and possible impacts on the stock price if any. It also speaks to new deals like the Direct TV, & Nextel Mexico purchases and the selling off of CT residential services to Frontier and the costs of these actions, and other business risks that are discussed that could impact stock prices and or dividends. Although the Q dividend has increased for 32 consecutive years. (Combining the "old" ATT with the new AT&T). Board of Directors fees, stock awards etc. The compensation packages and payouts for "Named executive Officers" are outlined extensively.

Pension plan assets as well as transfers of pension assets

when they sell off pieces of the business that involve employees with vested pensions. (CT)

The pension plan assets were down in 2015 from 2014. Even with the intake of assets due to the purchase of Direct TV. The plan is funded at 90% level (12/31/15) and the corporation does not anticipate making any cash contributions in 2016.

So no wonder there are not pension increases that so many wait for and ask us about frequently. That really would be quite a surprise, even though so many need one. Please remember that the plan is not in the pits at 90 %. That is a fantastic funding level. All plan participants are not drawing from it. There are many who will be entitled to pensions that have yet to retire.

The Business Solutions is the largest segment of the total revenues followed by the Entertainment Group and third is Consumer Mobility. Total employee numbers are up due to the acquisitions of Direct TV and wireless in Mexico.

AT&T shows over 137 million wireless customers and over 37 million video connections, and over 280,000 active employees as of the end of 2015.

So take some time sit back and look at the Annual report that is also available on line if you are not a shareholder.



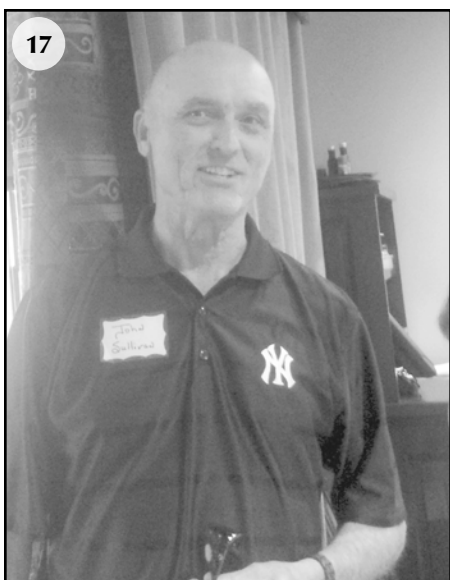
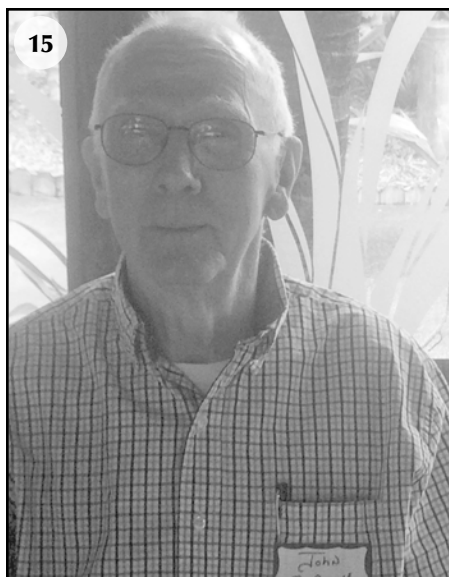
## PICTURE NAMES

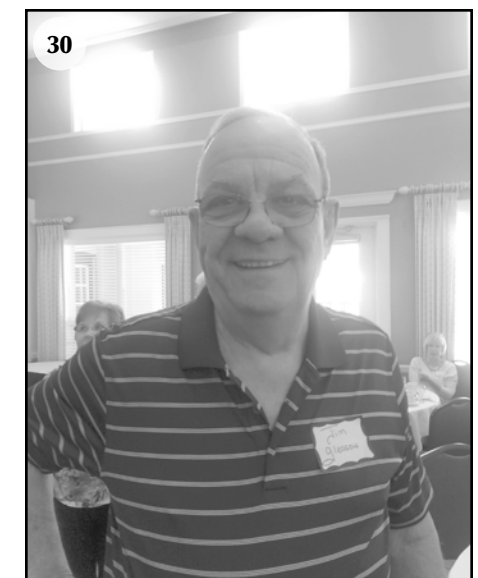
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|---|---|---|--------------------------------------|
| 1. Standing L to R: Fred Mitchell, Jack Lozenski, Don Tropazio, Larry Beck, Ed Ariola. Seated: Norm Regnaud & JoAnn Alix-Gagain | 8. Joann Votto & Carol Cassista                 | 18. Dwight Johnson  | 28. Bill Cronan & Capt. Dick Frawley |
| 2. Jean and Ralph Bushnell  | 9. Diane & Joe Hirbour                          | 19. Maureen O'Connor  | 29. John Greenwood                   |
| 3. Jim and Susan Stewart  | 10. Peggy and Guy Elwood                        | 20. Bonnie & Roy De Pizzol  | 30. Jimmy Gleason                    |
| 4. Richard Cassista & Sal Votto   | 11. Gen Welch                                   | 21. Pat & Ed Isaacs   | 31. Lou Marinelli                    |
| 5. Sally and Lee Skeels   | 12. Joe & Claudia Zerella & Mary Fontana        | 22. Ed & Betty Phelan   | 32. Carol & Tom Surprenant           |
| 6. Laurel Garon and Jack and Sue Pasquale   | 13. Barbara Kajda with Gary and Paula Skesinski | 23. Les & Nancy Larabee   | 33. Tom Boylan                       |
| 7. Richard Mulhare &  | 14. Roy Haney                                   | 24. Betty & Herb Luce   | 34. Vivian & Dale Matthews           |
|   | 15. John McCarthy                               | 25. Dick Harrison with Lori Rusnack Erksen and her dad Bob Erksen | 35. Diane & Lee Russell              |
|   | 16. Walt Ehman                                  | 26. Kim Leeman & Carol Votto                                      | 36. Ed & Carol Kochol                |
|   | 17. John Sullivan                               | 27. Sisters Glenice Trainor & Sandra Garbers                      | 37. Joanne & George Hartman          |
|   |   |   | 38. Marty Dirga                      |













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and join us on Facebook, too!

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*"And I'm proud to be an  
American, where at least I  
know I'm free. And I won't  
forget the men who died,  
who gave that right to me."  
— Lee Greenwood*

**REMEMBER MEMORIAL  
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OFF... PASS IT ON!!!**

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