

AT&T Trims Price of its VIDEOPHONE

AT&T's VideoPhone 2500 not only costs less this year, but AT&T also intends to sell the revolutionary technology in more than 25 countries by year's end.

"International interest in the VideoPhone is just phenomenal," says Stephen Clemente, general manager of Global VideoPhone Systems, a unit of AT&T Consumer Products. "People everywhere are ready for video in their communications life. In the future, videophones will be as common as cordless and cellular phones are today."

In January, AT&T trimmed the price of the VideoPhone 2500 by \$500 to \$999.99, making visual communications even more affordable for millions of additional consumers worldwide. In an unprecedented move in the consumer electronics industry, AT&T will provide rebates to the thousands of customers who purchased the VideoPhone 2500 at a higher price since it became available late last summer.

"Consumers have been telling us they want to experience this new way of communicating," adds Clemente. "Lowering our price is just one step in reaffirming our commitment to bring this revolutionary technology to consumers as quickly as possible. We also are accelerating our plans in terms of international availability."

AT&T Consumer Products introduced the world's first color, motion videophone in early 1992 in the United States. AT&T Bell

Laboratories designed AT&T's VideoPhone 2500, which uses AT&T Paradyne's modem technology, audio compression technology from AT&T Network Systems and digital signaling processors developed by AT&T Microelectronics. AT&T's Shreveport, La., factory manufactures the VideoPhone.

The VideoPhone is a hit, too. Interest from consumers and businesses remains high. "We expected an enthusiastic response because the VideoPhone fundamentally changes the world for people," says Clemente. "For the first time ever, people are communicating over the phone just like they do in person—they're seeing each other while they talk. And the real beauty of the technology is that it doesn't add a penny to the cost of a call."

A whole new business market is emerging. From adoption agencies to hospitals, from video job interviews to shop-at-home video catalogs, the technology is helping people to communicate and conduct business in ways not imagined just a few years ago.

Beginning this month, for example, travelers can use VideoPhones to keep in touch with their families from more than 150 locations—lobbies, business centers and concierge floors—at 11 major hotel chains: Hilton, Marriott, Westin, Sheraton, Hyatt, Holiday Inn, Harrah's, Clarion, Stouffer, Radisson and Loews.

AT&T's nationwide network of Phone Centers offers overnight



AT&T's VideoPhone just became more affordable for millions of consumers—AT&T trimmed the price by \$500 to \$999.99.

VideoPhone rental, as well as VideoPhone booths in the stores themselves where customers can make calls for a fee.

AT&T also is making it easier for people to own their own VideoPhones. Besides the \$500 price cut, customers can take advantage of an interest-free installment plan when they buy a VideoPhone at a Phone Center. The VideoPhone also is sold at hundreds of other retail locations including selected outlets of Office Depot, Circuit City, Impulse, Dayton/Hudson, GTE, Sears and the Good Guys. Call 800-437-9504 for information.

"Last year, AT&T put its stake in the turf of visual communications," says John Hanley, diversified products group vice president at AT&T Consumer Products. "With our innovative technology, useful products and very competitive pricing, we

intend to lead this revolution in the way people communicate."

The revolution already has spread to Canada and Mexico. VideoPhone deliveries to distributors in Chile, Ecuador, Venezuela, the Dominican Republic, Thailand, Malaysia, Singapore, Taiwan, Hong Kong, the Philippines and Turkey are expected to start this month.

"This year, we plan to start delivery to France, Germany, the United Kingdom, Spain, Italy, Belgium, the Netherlands, Japan and Australia," says Clemente, who hopes international consumer interest will rival that in the United States.

"People everywhere live a video life with camcorders, TVs and VCRs," he says. "The VideoPhone is a new dimension. People are ready for it. And once they use one, they'll never give it up

—John M. Brooks