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March 23, 2012

Mr. Angel Ruiz
President and CEO
Ericsson Inc.
6300 Legacy Drive
Plano, TX 75024

Dear Mr. Ruiz:

Cell phones and particularly smart phones have become a ubiquitous part of everyday life. But as dependence on this technology has increased, so too has cell phone theft. Thieves erase subscriber identity information and resell stolen phones for profit or use these phones to commit other crimes. The information on the stolen phones might also be utilized for nefarious purposes.

We are writing to learn what policies your company uses to protect your consumers. Even simple steps, like remote locking of stolen devices, could make a big difference in deterring theft.

A recent survey by Norton showed that one in three individuals experience cell phone loss or theft in the United States.[1] The rate is higher in major metropolitan areas, with 49% of respondents in Los Angeles and 52% of respondents in Miami experiencing cell phone loss or theft.[2] Of the survey's respondents, 87 % indicated that they were unable to lock or clear the memory on their phone remotely after it was lost or stolen.[3]

Without the ability to lock or wipe cell phone memory, victims of cell phone theft not only have to worry about replacing their device, but are also at risk of having their personal and financial information stolen. Indeed, a Symantec study tracking 50 Android phones in major cities such as Los Angeles, San Francisco, and Washington found that more than 95% of people

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[1] *Norton Survey Reveals One in Three Experience Cell Phone Loss, Theft,* ENP Newswire (Feb. 9, 2011).
[2] *Id.*
[3] *Id.*

who found missing phones tried to access sensitive data on the phones such as email and online banking information.[4]

Cell phone theft not only impacts individuals, but also local law enforcement. Since the release of the iPhone 4 in June 2010, the New York City Police Department (NYPD) has had to respond to increased levels of cell phone theft.[5] Last month NYPD added 240 additional transit officers to protect transit riders from cell phone theft.[6] Similarly, the San Francisco Municipal Railway recently began a public awareness campaign to address the growing theft of electronic devices, after nearly 180 electronic devices were reported stolen in a 30 day period.[7] The Massachusetts Bay Transportation Authority (MBTA) began playing public service announcements last year in subway stations offering tips and advice on protecting cell phones and other hand-held devices from theft.[8] In Washington D.C., robberies have increased by 30% since 2011. D.C. Police Chief Cathy Lanier recently stated that the increase is due in part to robbers pursuing individuals carrying expensive electronics, which can be easily resold.[9]

These incidents of theft raise important questions about what role wireless providers, operating system developers, and handset manufacturers might play to combat cell phone theft and protect the personal and financial information stored in wireless devices from falling into the wrong hands. To assist us in fully understanding these important issues, we are requesting that you respond to the following questions:

1. What company policies and guidelines do you currently have in place that relate to cell phone theft or loss?

2. Do you have an evaluation process to ensure that these policies keep up with advancing technologies and changing criminal tactics?

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[4] Amy Gahran, *Most finders of lost phones try to access personal data, survey finds,* CNN (Mar. 20, 2012) (online at http://www.cnn.com/2012/03/20/tech/mobile/lost-smartphones-security/).
[5] Jennifer Fermino, *Thieves out '4' iPhones Subway Thefts Up*, New York Post (Feb. 28, 2012) (online at http://www.nypost.com/p/news/local/thieves_out_iphones_Z4KHIhoLjvP2Hm0y9Pv2yO).
[6] *NYPD Increases Subway Presence to Combat Cell Phone Theft,* NYConvergence (Feb. 28, 2012) (online at http://nyconvergence.com/2012/02/nypd-increases-subway-presence-to-combat-cell-phone-theft.html).
[7] *Cell Phone Thefts on the Rise in SF*, NBC Bay Area (Mar. 13, 2012) (online at http://www.nbcbayarea.com/news/local/Cell-Phone-Thefts-on-the-Rise-in-SF-142582235.html).
[8] Amanda Cedrone, *Boston warns of recent rash of cellphone robberies*, The Boston Globe, (Dec. 9, 2011) (online at http://www.bostonglobe.com/metro/2011/12/09/boston-warns-recent-rash-cellphone-robberies/w1SQ2P3uFjnlwH9I7lQHEK/story.html)
[9] Clarence Williams, *D.C. Police Scramble to Counter Rising Number of Robberies,* The Washington Post (Mar. 19, 2012) (online at http://www.washingtonpost.com/local/crime/dc-police-scramble-to-counter-rising-number-of-robberies/2012/03/01/gIQAgrP9NS_story.html).

3. Law enforcement and others have suggested that the ability to disable remotely mobile devices would reduce or eliminate resale value and thus lessen the incentive for cell phone theft. What are your views on this technology as a deterrent to theft?

4. Does your company cooperate with law enforcement to retrieve lost or stolen phones? If so, how?

5. If your company has knowledge that a specific phone has been reported stolen, do you allow such a phone to be subsequently reactivated with a different phone number? If yes, please explain.

6. Australia has implemented a cell phone "blacklisting" program in which phones that have been reported stolen are placed on a list and cannot be reactivated if an individual brings them in to a local carrier.[10] This has significantly reduced cell phone theft in Australia. Would a similar program work in the United States?

7. What more can be done to protect consumers? Please include any additional insights that you believe we might find helpful or relevant.

Please provide this information no later than April 11, 2012. If you have any questions regarding this request, please contact Shawn Chang at 202-226-3400.

Sincerely,

Henry A. Waxman
Ranking Member

Anna G. Eshoo
Ranking Member
Subcommittee on
Communications and
Technology

Edward J. Markey
Member of Congress

[10] Michelle Quinn, *CTIA: Blacklist for Stolen Phones Won't Work*, Politico Pro (online at https://www.politicopro.com/story/tech/?id=8201).