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April 9, 2012

The Honorable Henry A. Waxman
Ranking Member
House Committee on Energy and Commerce
2204 Rayburn House Office Building
Washington, DC 20515

Re: Consumer Protection from Cell Phone Theft

Dear Representative Waxman:

Thank you for your letter of 23 March 2012 seeking information regarding Samsung's efforts to protect consumers from smart phone theft and from having their personal and financial information stolen. Samsung takes very seriously its role in helping to ensure the safety of the millions of Americans that rely on wireless communications and we appreciate this opportunity to share with you our views on this matter.

In the attached Appendix we provide responses to each of the questions set forth in your inquiry letter.

Consistent with the policies and guidelines regarding smart phone theft and loss of each of our carrier customers, Samsung works with carriers to provide consumers with effective solutions to these issues, as well as appropriate messaging. We offer tools to empower wireless consumers to secure their smart phones, safeguard their personal information, and deter potential theft, including the ability to protect their smart phones using passwords and to utilize procedures that can assist consumers to find a lost or stolen smart phone, remotely lock it, and wipe it of personal data.

As further set forth in the attached Appendix, we are committed to providing increased consumer awareness of these security capabilities and intend to work with our carrier customers to further highlight means available to consumers to protect themselves if their smart phone is lost or stolen. For example, upon first activating a smart phone we intend to provide consumers with additional on-screen messaging about setting a password to protect their personal information. In addition, we will work with our carrier customers to include increased communication in our startup guides regarding device passwords.

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We take the security of consumers very seriously and will do all that we can to help reduce criminal activity and enable users of our devices to avoid becoming victims of cell phone theft. If you have any further questions please contact John Godfrey at (202) 887-5667.

Sincerely,



Dale Sohn
President
Samsung Telecommunications America, LLC

About Samsung

*Samsung Electronics Co., Ltd. is a global leader in semiconductor, telecommunication, digital media and digital convergence technologies with 2011 consolidated sales of US\$143.1 billion. Employing approximately 222,000 people in 205 offices across 71 countries, the company operates two separate organizations to coordinate its nine independent business units: Digital Media & Communications, comprising Visual Display, Mobile Communications, Telecommunication Systems, Digital Appliances, IT Solutions, and Digital Imaging; and Device Solutions, consisting of Memory, System LSI and LCD. Recognized for its industry-leading performance across a range of economic, environmental and social criteria, Samsung Electronics was named the world's **most sustainable** technology company in the 2011 Dow Jones Sustainability Index. For more information, please visit www.samsung.com.*

APPENDIX

Response to 23 March 2012 Letter Inquiry

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

Samsung works with its carrier customers to provide effective messaging to consumers consistent with each carrier's policies and guidelines regarding smart phone theft and loss. We are committed to facilitating increased consumer awareness of this issue and, as part of this effort, will begin providing additional information to consumers in coordination with our carrier customers using multiple channels as further discussed below.

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

See response to question 1.

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?

Smart phone users have multiple options to secure their devices and the personal information that they store on their devices. First, users should always establish a passcode, password, or security pattern to lock their smart phones.¹ Second, users should take steps to protect the security of their personal data residing on the devices, either through the use of software built in to the devices for windows mobile phones² or by downloading applications from the android marketplace that enable users to remotely locate, lock, and wipe the contents of a smart phone. These approaches may deter smart phone theft and provide protection of users' personal information.

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

Samsung cooperates to the fullest extent possible with all requests from law enforcement. Samsung generally is not involved, however, with law enforcement's efforts to recover a lost or stolen phone. Instead, a user's wireless carrier is responsible for the management of the user's mobile device and therefore law enforcement generally seeks assistance from the user's wireless carrier.

¹ See, for example, <http://www.google.com/goodtoknow/online-safety/mobile-security/> and <http://www.microsoft.com/windowsphone/en-us/howto/wp7/start/windows-live-id.aspx>.

² See, for example, <http://www.microsoft.com/windowsphone/en-us/howto/wp7/basics/find-a-lost-phone.aspx>.

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.

This is not applicable to Samsung.

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.³ This has significantly reduced cell phone theft in Australia. Would a similar program work in the United States?

Samsung has not evaluated the Australian “blacklisting” program and therefore has no view as to whether it would 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.

User education regarding the capabilities currently offered by smart phones will help users better protect their information if their device is stolen or lost. Samsung will work with its carrier customers on plans to implement additional user messaging to increase consumer awareness. In coordination with these carriers, we will provide on-screen messaging when a smart phone initially is activated to promote the use of device passwords by consumers. This information also will be included in the “quick start” guides included in smart phone packaging. Further, we are also working with our industry association to develop a public outreach campaign to further educate consumers regarding these methods of protecting their personal information

³ Michelle Quinn, *CTIA: Blacklist for Stolen Phones Won't Work*, Politico Pro (online at <https://www.politicopro.com/story/tech/?id=8201>).