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February 19, 2010

The Honorable Richard J. Durbin
Chairman
U.S. Senate Committee on the Judiciary
Subcommittee on Human Rights and the Law
224 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Durbin:

Thank you for your January 29, 2010 letter to Mr. Seidenberg regarding your plan to convene a hearing of the Human Rights and the Law Subcommittee to focus on Internet freedom around the world, particularly in light of Google's recent announcement that it will no longer censor its China search engine. Mr. Seidenberg has asked me to respond on behalf of Verizon. Your letter asks for information on our business in China, and what measures we will take to ensure that our products and services offered there do not facilitate human rights abuses by the Chinese government. Your letter also asks about our participation in the September 10, 2009, Open House on the Global Network Initiative (GNI) and a subsequent workstream.

At the outset, we once again commend your leadership in advancing human rights internationally and addressing the challenges to Internet communications in China and around the world. As a participant in the global Internet ecosystem, Verizon shares your belief that preserving the ability to communicate over the global Internet is an important issue for human rights, the global economy, and democracy everywhere. Secretary Clinton's recent remarks on Internet freedom rightly recognized that government-to-government actions are critical to averting and addressing abusive foreign government policies relating to freedom of expression and privacy. It is our hope that her leadership on behalf of the U.S. government will lead to more discussions and development of shared norms among nations in multilateral venues.

We also recognize that businesses have an important role to play, and we at Verizon are committed to supporting human rights values and to being a positive force in society wherever we do business. Our commitment to protect human rights is expressed in our corporate policies and practices, which include support for freedom of expression and privacy. Specifically, we have issued a Human Rights Statement (<http://responsibility.verizon.com/home/approach/human-rights>) which acknowledges the importance of the broad principles expressed in the United Nations Universal Declaration of Human Rights. Verizon's support for the important principles of freedom of expression and protection of privacy are encapsulated in our Guiding Principles for Content on Verizon Networks (www.verizon.com/contentpolicy) and Privacy Policy (<http://www.verizon.com/privacy/>), respectively, both of which are publicly available. These statements embody Verizon's commitment to furthering human rights and to our customers' rights and privacy, consistent with our legal obligations as a provider of communications

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services in jurisdictions around the world. Verizon is also committed to engaging constructively with policymakers, members of the Internet community, and other stakeholders to further these goals. We look forward to participating in the upcoming work of the Global Internet Freedom Task Force convened by the Department of State.

Your letter asks specific questions about Verizon's business in China and the Global Network Initiative (GNI). Our responses to each question follow.

- Verizon's Business Operations in China. You have asked that we describe our business operations in China, as well as the steps we will take to protect human rights with respect to those operations.

Verizon does not provide consumer or residential Internet access services in China¹, nor does Verizon offer email, search, hosting, VoIP, chat, social-networking, or other more traditional Internet service provider (ISP) services to Chinese subscribers. In that regard, our business activities in China are quite different from some of the consumer-oriented services we understand are offered by companies such as Microsoft, Yahoo, and Google.

Verizon does maintain business operations in China that provide various services to business customers, including Chinese branch offices of global multinational corporations. Verizon maintains a formal legal presence in China through a wholly foreign owned enterprise ("WFOE"), with offices and employees in Beijing, Shanghai, and Guangzhou. Because the overall Chinese communications licensing regime provides limited market access to foreign-owned companies, Verizon's WFOE is not licensed to provide communications services to customers in China. Our WFOE does provide non-communications services in China which include professional services, consulting, equipment and related support services.

In addition, Verizon has implemented arrangements from outside China that enable services for business customer locations in China. These arrangements include capacity on undersea cable systems serving China and arrangements with licensed telecommunications providers in China that enable a variety of network-based communications services (e.g., private line, virtual-private-network, and other network services) for Verizon's business customer locations in China (e.g., branch offices of multi-national corporations). The market for such services is highly competitive, and Verizon competes against AT&T, British Telecom, Orange Business Services, and other local and global providers of business communications services in China.

As Verizon conducts business in China and elsewhere, we act in accordance with our Human Rights Statement and other policies concerning the privacy of our customers, as indicated above. As a business with a local presence in China and many other foreign countries, we must comply with licensing and other valid legal obligations that foreign governments impose, just as we do in the United States. While we think it less likely that a company operating under a business model such as ours would encounter human rights

¹ This letter does not address Verizon operations in Hong Kong.

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issues of the type that other companies operating in China have encountered, if we were to confront allegations of human rights abuses involving our network and services, we would take such allegations very seriously and act on them promptly, consistent with our Human Rights Statement and guided by our policies on corporate responsibility. Such action may include seeking assistance or consultation, as appropriate, with pertinent U.S. government agencies.

- Comments on the Global Network Initiative (GNI). You also inquired whether Verizon attended the September 10, 2009 Open House on the GNI and whether we plan to participate in the GNI workstream.

Verizon did attend the Open House, and we have also attended other briefings and events organized by the GNI and its participants. While we applaud the objectives of the GNI to address important issues surrounding global Internet freedom, the GNI provides but one approach to these important issues. It is tailored to one segment of the Internet industry and may well have application in the context of the three GNI sponsoring companies, but we continue to find it problematic for the reasons set forth in my August 27, 2009 letter to you. At this time we are reviewing whether participation in the GNI workstream *per se* is the most productive path toward broader industry engagement. In any event, we plan to continue to monitor the efforts underway through the GNI, and hope to benefit from learning about sound practices highlighted or developed in that context. In addition, we believe various other opportunities to exchange experiences through industry and other expert organizations are also valuable and needed, and some of these efforts are already underway. For example, the US Council for International Business and the International Chamber of Commerce are engaged in ongoing work around business and human rights.

As industry participants, stakeholders, and policymakers consider the GNI and additional approaches to addressing these important issues, it is important to recognize a range of approaches that reflect the diversity of different business models of the companies that make up the Internet ecosystem and thus help to achieve broad engagement. We also look forward to working with the Global Internet Freedom Task Force at the Department of State on ways to expand the global Internet to the 5 billion people around the world who are not currently connected and to support the free flow of information across that global system.

Thank you for this opportunity to share our perspective.

Sincerely,



Kathryn C. Brown
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