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July 2008 Newsletter

Voice Over Internet Protocol (VOIP) is gaining popularity as an alternative to traditional land line telephone service. VOIP providers generally offer unlimited local and long distance service for a fixed monthly fee. VOIP technology converts your voice to digital packets which travel over the internet. Most VOIP services supply a converter box into which you plug in a standard telephone, and then you connect the box to the internet by placing it between your computer and your cable modem, or by plugging it into your router. You can use a cordless phone system with multiple handsets, giving you phone service throughout your business or residence.

Whether packets traversing the internet originated at a business or residence, or are bound for a local, long distance, or international destination is immaterial to internet carriers and VOIP providers; therefore, VOIP providers offer the same low rate to all types of customers for all types of calls. The low price is the huge attraction of VOIP. Vonage is a major VOIP provider that charges \$25/month for unlimited usage (minimal taxes get added, nothing like the taxes on your land line phone bill). Comcast also offers VOIP service named 'Comcast Digital Voice', though at a slightly higher price. Even AT&T has a VOIP offering.

Other advantages of VOIP include area code independence and portability. You can plug your VOIP device into any high speed internet connection anywhere in the world. Voice mail, caller ID, and 3 way calling are supported by VOIP. Traditional answering machines and FAX machines are also supported.

There is even an implementation of VOIP that bypasses converter boxes, using your computer's microphone and speakers, or a headset connected to your computer. In this case, you must be at your computer to make or receive calls. This may be appropriate for frequent travelers with the service installed on their laptop computer.

Unlike traditional land line service, VOIP service requires electrical power for the cable modem and converter box. Alarm systems wired into your land line may not work with your VOIP line. Another disadvantage of VOIP service is inconsistent quality of voice. You may encounter interference or an echo on some calls, dependent upon your VOIP service provider and the quality and bandwidth of your internet connection. Most VOIP services also offer 911 service in which the 911 call is routed based upon your service address rather that your current location. Not all VOIP providers offer 911 service.

If you are interested in reducing your phone bill, VOIP service may be appropriate as your primary or secondary phone line. For more information and to compare plans, check the following web sites:

www.fcc.gov/voip www.voip.com www.whichvoip.com

I recently sampled a remarkable VOIP device called 'Magic Jack'. The product review appears on the next page.

Some other tips to reduce your telephone expenses:

- Are you paying \$30 to \$40 monthly for an annual cell phone contract, but find that you always have plenty of minutes left over? If so, you might try a pay as you go plan such as AT&T's GoPhone. There are two pricing plans, nationwide calling, and rollover minutes as long as you renew prior to the expiration date. Check it out at *www.wireless.att.com*.
- If you do not have an unlimited long distance plan, check out using a prepaid phone card for long distance calls. Pingo charges 1.8 cents/minute for calls within the continental US, with a toll free access number and no hidden per call fees. Check it out at *www.pingo.com*.



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Summer weather is upon us, which means frequent thunder and lightning. This also means more inconsistency in the electrical supply. This can cause your computer to reboot, or worse, to crash. Make sure your are properly protected, including backups of your data and downloaded software, and records of your activation keys that you received via email.

I advise all my customers to protect their computer with a battery backup. A cost effective unit is the APC Back UPS 350 (model# BE350R) which has 4 battery backup outlets and 4 surge protected outlets. This is cheap protection at less than \$40 with free shipping from various on line sellers. Vista users please note that as of June 1st the software CD still doesn't contain the Vista version of APC Power Chute software; you will have to download it from the APC website.

Product Review: Dirt Cheap Phone Service with the 'Magic Jack'

The 'Magic Jack' from Ymax Communications is truly a bargain. \$40 plus shipping buys the hardware including one year of unlimited local and long distance phone service within the US and Canada. There is a 30 day free trial period which includes unlimited calling. You can renew your service annually at the 'then prevailing rate' which is currently \$20/year.

I ordered the unit with expedited shipping (2 days with tracking number for \$14), and it arrived via US Mail 2 days later. The box contains the 'Magic Jack', which is a device that plugs into the USB port of your computer and has a traditional phone jack on the back. The box also contains a short USB extension cable and very brief installation instructions.

Installation is a snap. Plug in a phone; then plug the unit into a USB port. Within minutes, the software is downloaded, and you are prompted through an installation script. You create an account, select an area code and exchange, and then you are assigned the last 4 digits of your phone number. You enter your address so that '911' calls are routed properly. You may select a phone number in an area code other than your home area code; '911' calls are routed based upon your address.

How does it perform? Some calls are perfectly clear. Others may have slight interference which is only noticeable by the other party after you tell them you are using VOIP service. Occasionally, you or the other party will hear an echo. Caller ID, traditional answering machines and FAX machines function properly over this service.

The exchange available in our 772 area code is '933' which is an Indiantown exchange. As a result, some local numbers require you to dial the 772 area code; and anyone receiving your call will see an incoming Indiantown number on their caller ID.

Your computer needs to be on for the service to function. However, the service includes voice mail. So if your computer is off, the incoming caller may leave a message, similar to calling a cell phone which is turned off.

The service requires power for your computer and broadband internet service. You can't eliminate your land line if you have an alarm system wired into it, but you can reduce the service level to the monthly minimum.

The Verdict: You get all the bells (no pun intended) and whistles with service quality slightly lower than a traditional land line, delivered in an unconventional manner at an unbelievably low price. Your road to savings starts at: *www.magicjack.com*