

## Prepaid cell plans gaining

Some customers ditch contracts, but still want convenience of a phone

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PEORIA — Not everybody wants a monthly cell phone bill to go with the convenience of a wireless telephone.

As U.S. consumers tighten their household budgets, prepaid wireless packages continue to grow in popularity.

The number of U.S. wireless subscribers who chose prepaid packages grew by nearly 19 percent in 2008 and is expected to expand by another 13 percent this year, according to the Boston-based Yankee Group.

"Because so many customers are accustomed to using their phones every day and rely on this convenience, they don't want to let it go even in a tight economy," said Cheryl Church, director of sales for central Illinois for U.S. Cellular.

"Most (cell-phone) customers still chose a contract plan but prepaid plans work for those who desire to control spending," she said.

Prepaid plans fall into two categories: Pay-as-you-go plans or regular/monthly prepaid plans, said Church.

"Both plans are ideal for light users or those who might want to only use a phone for emergencies," she said.

"Today's prepaid plans offer consumers a lot of value, the same quality network and a wide selection of phones," said Church, adding that incoming calls are free for U.S. Cellular users.

While prepaid service provides an alternative to traditional cell phone plans, consumers still need to be careful, said Jim Chilsen, spokesman for the Citizens Utility Board, the Illinois utility watchdog group. "There are definite pitfalls that consumers should be aware of," he said.

"The attraction for prepaid plans is that there's no contract, no overage fees and no credit check. But, while prepaid plans have gotten better, they often feature higher per-minute rates than other plans. Consumers can pay anywhere from 10 cents to 60 cents a minute," said Chilsen.

CUB provides a prepaid cell phone finder on its Web site, [www.citizensutilityboard.org](http://www.citizensutilityboard.org), he said. "The key to getting the right plan is establishing what kind of caller you are and how much you use your phone," said Chilsen.

All telephone companies are stressing value these days. AT&T promotes a "GoPhone" that "gives customers access to cool devices, features and content of AT&T wireless service and the flexibility to pay what you want, when you want."

Customers should routinely visit [www.att.com](http://www.att.com) for the latest deals, a company spokesman said.

Verizon Wireless, said spokeswoman Carolyn Schamberger, offers three different prepaid plans for customers. Customers, whether on prepaid plans or two-year contracts, want value these days, she said.

"At the end of the day, people want reliability when it comes to their cell phones. That's why Verizon has invested over \$1 billion on its network in Illinois alone," said Schamberger.

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