



CUBFacts Telephone

MagicJack offers unlimited calling for \$20 a year

MagicJack is a three-inch device that uses a high-speed Internet connection to make and receive phone calls. Plug your home phone into the magicJack, which fits into a home computer's USB port, and you can use the phone as you would with ordinary landline service.

The offer: Unlimited nationwide calling plus caller ID, call waiting, voicemail and call forwarding for \$20 a year. The device costs \$40 plus about \$7 shipping and handling, but the first year of service is free.

Requirements:

- Customer must have a high-speed DSL or cable Internet connection (minimum bandwidth speed of 128 kilobytes per second).

To sign up, visit:
www.magicJack.com

Other info:

- MagicJack requires users to get a new phone number. After choosing an area code (only 224, 312, 630, 708, 773, 779 and 815 are currently available), the customer is assigned a new number.
- To make calls, the customer's computer must be turned on, so reliable electric service is a must.
- Customers must register their address to get 911 emergency services. Remember, to make a 911 call you must have the computer on and the Internet must be working.
- In order to use multiple phones, customers must purchase a splitter and run cords from the magicJack to each phone. Users could also buy a cordless phone base station and use multiple handsets throughout the house.
- To make International calls, the customer must purchase minutes beforehand from the company's website. MagicJack's rates are competitive, but it's possible to find better deals online.
- MagicJack is a good deal for high-volume long-distance callers who already pay for high-speed Internet. However, those who wish to maintain a landline and make less than 60 minutes of

long-distance calls a month would be better off with Pioneer Telephone's Rate Buster plan. It's 1.9-2.7 cents per minute, with little or no monthly fee, plus a one-time \$20 credit negotiated by CUB. (See "Another low-cost option.")

The bottom line:

- Most people shouldn't pay more than \$30 a month for phone service, so MagicJack is an inexpensive option—if you already have high-speed Internet service. One downside is you won't have phone service if your computer, your Internet, or your electricity goes down. Some magicJack customers keep a cell phone or landline for such emergencies. Certain callers could save by getting a Consumer's Choice local-calling plan (see below) and using MagicJack for long-distance calls.
- CUB's analysis is based on price, not service quality. You can find reviews on an "unofficial" forum, www.magicjacksupport.com. The comments ranged from "My magicJack works perfectly" to "100% horrible!!!" Please call Jim or Patrick at CUB, **1-800-669-5556**, if you have helpful information on magicJack.

Another low-cost option:

Many people just want plain old telephone service. Under a legal settlement, AT&T is forced to sell the Consumer's Choice local-calling plans, which were designed by CUB to save most consumers money. Those plans plus Pioneer Telephone's Rate Buster long-distance plan could be your best bet. Call CUB, at **1-866-688-4282**, or visit www.CitizensUtilityBoard.org for more details.