

New Study Confirms One Nationwide NPAC Administrator Provides the Most Economic, Reliable and Effective Numbering System

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STERLING, VA,- Neustar, Inc., (NYSE: NSR), the nation's Local Number Portability

Administrator (LNPA), today released a new economic study it commissioned by Dr. Scott E.

Masten, Professor of Business Economics and Public Policy at the University of Michigan's Ross

School of Business. The study confirms maintaining a single number portability administrator

nationwide provides substantial economic benefits to support innovation, reliability, and the

effectiveness of numbering services. Dr. Masten's study was provided to the North American

Portability Management, LLC (NAPM) today with Neustar's response to its Request for

Information.

"The complex, sophisticated services offered by the Number Portability Administration Center

(NPAC) are best handled by a single reliable and tested number portability administrator,” said

Dr. Masten. “The risk of disruption and additional costs of having multiple providers is not

worth the speculative benefits.”

“Neustar continues to provide state-of-the-art NPAC services that support the telecom industry,

consumers and the country as a critical part of our nation’s infrastructure,” said Steve Edwards,

Senior Vice President, Carrier Services, Neustar, Inc. “We look forward to competing in the

procurement underway by the NAPM in order to provide our partners the trusted, neutral and

reliable number portability services they expect.”

Considering the complex nature of NPAC services, Dr. Masten’s economic analysis found that a

single provider of such services offers significant economic benefits. In particular, economies of

scale and scope exist because of the critical infrastructure in place to provide NPAC services to

thousands of carriers nationwide. There are also transactional savings that arise for the NPAC's

customers from connecting with a single, reliable vendor. Moreover, the risks associated with

multiple vendors arising from potential service disruptions and higher costs are significant. Dr.

Masten concludes that any potential benefits of requiring multiple vendors are either

speculative or non-existent.

The study can be found

here: http://webuser.bus.umich.edu/semasten/Reports/Masten_NPAC_Report.pdf

As the Local Number Portability Administrator, Neustar runs the Number Portability

Administration Center (NPAC), the national telephone number registry service that enables the

routing of calls to ported numbers. Neustar assisted the communications industry in

implementing wireline number portability in 1997, wireless number portability in 2003, and

Voice over Internet Protocol (VoIP) number portability in 2007.

About Dr. Masten

Scott E. Masten's research focuses on issues at the intersection of law, economics and

organization, and his work has made him a leading scholar in the area of transaction cost

economics. He has published influential articles relating to contracting, vertical integration,

antitrust and public utility governance and is currently working on a book on the organization

and governance of higher education.

About Neustar, Inc.

Neustar, Inc. (NYSE: NSR) provides market-leading, innovative services that enable trusted

communication across networks, applications, and enterprises around the world. To learn more

about Neustar, visit www.neustar.biz .