

OVERVIEW OF COMMERCIAL MOBILE INDUSTRY ISSUES

CTIA – The Wireless Association™

Presentation to

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Office of Chairman Kevin Martin

Federal Communications Commission

July 20, 2005

REGULATORY PRIORITIES

- National Regulatory Framework
- Spectrum
- Intercarrier Compensation & Universal Service
- Homeland Security/Public Safety
- Public Interest Issues

NATIONAL REGULATORY FRAMEWORK

- The CMRS industry -- a competitive industry which operates without regard to jurisdictional boundaries -- should be subject to minimal regulation, at the federal level.
- A national regulatory framework for competitive industries should be premised on the principle that no regulatory intervention is necessary to address economic (as opposed to social) concerns, except to address market power.
- Industry-driven solutions are the best way to address most social goals (*e.g.*, content, accessibility, priority access, emergency alerts, consumer protection).
- Regulatory intervention may be needed in some contexts, for example, to assure access to spectrum and tower siting; protection from interference.

SPECTRUM ISSUES

- Over time CMRS industry will require more licensed spectrum
 - Wireless voice alone justifies the need for more spectrum, and wireless data penetration in the U.S. is projected to top 50% within five years
 - Licensed spectrum should be a priority
- 700 MHz Auction
 - CTIA supports a hard date for completion of the DTV transition
- Secondary Markets
 - Voluntary spectrum leasing arrangements between licensees and secondary users promote more efficient use of scarce spectrum
- Spectrum Management Reform
 - Long-range spectrum planning needed
 - Need way to lower costs of acquiring spectrum (e.g. relocation fund)
 - Protection from interference will always be important

INTERCONNECTION

- Intercarrier compensation is a significant cost for the wireless industry that impacts its ability to serve customers on an even footing with wireline carriers – particularly in rural areas.
- The FCC should seize the opportunity presented by the Intercarrier Compensation Reform Proceeding and adopt lasting reforms.
- Intercarrier compensation reform should be guided by certain key principles relating to consumer choice, efficiency, nondiscrimination, and administrative simplicity.
- CTIA's Mutually Efficient Traffic Exchange ("METE") Proposal would achieve each of the FCC's stated goals for reform.
- The FCC should move forward in addressing wireless concerns about rating and routing limitations.
 - Failure to address this issue now would create many problems for consumers, the industry and the FCC during consideration of the NPRM.
 - Addressing the issue now would improve the climate for reform.

UNIVERSAL SERVICE

- Wireless carriers should not be unfairly disadvantaged in contributing to or taking from the Fund.
- The FCC should refrain from adopting proposals to discriminate against wireless carriers in qualifying for and receiving universal service support.
- The FCC instead should seriously consider fundamental reforms to the underlying high-cost universal service support mechanisms to better target support, encourage and reward efficiency, and simplify administration.
- The costs of universal service should be spread over the widest base of contributors. The revenue-based system remains the fairest way of assessing contribution obligations.
- The FCC also should consider other reforms that improve the integrity of the universal service system.

HOMELAND SECURITY/PUBLIC SAFETY

- E-911

- CTIA filed Petition seeking to establish a framework for addressing potential waiver requests of the upcoming handset compliance deadlines.
- Working with APCO/NENA/NASNA on accuracy issues.
- PSAP readiness still an issue

- Emergency Alerts

- CTIA Executive Committee has authorized CTIA to facilitate the development of an SMS-based Presidential Level service.
- Five wireless carriers are participating in the Capitol Region Emergency Alert Pilot Project along with FEMA.

- Business Continuity/Disaster Recovery

Public Interest Issues

- Industry-driven solutions are effective ways to address social goals

For example:

- Content
- Accessibility
- Consumer protection
- Amber Alerts
- Network reliability

CTIA CONVENTIONS

- Fall IT Show – September 27-29, 2005
San Francisco
- Spring CTIA Convention – April 5-7, 2006
Las Vegas
- FCC participation
 - Chairman at Keynote
 - 8th floor
 - Bureau Staff