



COMPTTEL

The Communications Association of Choice

September 24, 2007

By Electronic Filing

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: Ex Parte Notice; WC Docket Nos. 05-25, 06-125, 06-147, 06-172, and 07-97

Dear Ms. Dortch:

Pursuant to Section 1.1206 of the Commission's rules, COMPTTEL hereby gives notice that, on September 24, 2007, the following parties met with separately with Commissioner Adelstein and Scott Bergmann, Legal Advisor to Commissioner Adelstein; Commissioner Cops and Scott Deutchman, Legal Advisor to Commissioner Cops; Commissioner Tate and Chris Moore, Legal Advisor to Commissioner Tate; and John Hunter, Chief of Staff to Commissioner McDowell:

Gary Fry, CEO, ANI Networks;
Michael Robinson, President and CEO, Broadview Networks;
Edward Meyercord, III, President and CEO, and Frances McComb, VP Regulatory Affairs, Cavelier;
Charles Hoffman, President and CEO, Doug Carlen, General Counsel, and Angela Simpson, Senior Counsel, Covad Communications;
Randall Curran, CEO, DeltaCom/Interstate Fibernet;
J. Sherman Henderson, III, President and CEO, Lightyear Networks Solutions;
Howard Janzen, CEO, and Gregory Kennan, Director of Regulatory Affairs, One Communications;
Carl Grivner, CEO and Heather Gold, SVP Government Relations, XO Communications;
Chris MacFarland, Chief Technology Officer, McLeod USA;
Gavin McCarty, Chief Legal Office, GlobalCom, Inc.;
Julia Strow, Co-Founder, Cbeyond;
Joseph Ambersley, Executive Vice President, PAETEC Communications;
Riley Murphy, EVP and General Counsel, Nuvox Communications;
Stephen Crawford, SVP and General Counsel, Alpheus Communications;
Russ Merberth, Assistant General Counsel, Integra Telecom;

Christopher Putala, EVP Public Policy, Earthlink;
Cardi Prinzi, SVP Sales and Marketing, Telepacific Communications
David Eckman, Director Core Business, FPL Fibernet, LLC; and
Jerry James, CEO, Jonathan Lee, General Counsel, and the undersigned, COMPTEL.

During the meeting the parties stressed the necessity of access to the last mile loop and, consistent with comments filed, the crucial impact of the above-referenced proceedings for their business plans. Additionally, the attached document was provided to Commissioner Copps by one of the parties.

Sincerely,
/s/ Karen Reidy
VP Regulatory Affairs

cc: Commissioner Adelstein
Commissioner Copps
Commissioner Tate
John Hunter
Scott Bergmann
Scott Deutchman
Chris Moore

July 23, 2007

OP-ED COLUMNIST

The French Connections

By PAUL KRUGMAN

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There was a time when everyone thought that the Europeans and the Japanese were better at business than we were. In the early 1990s airport bookstores were full of volumes with samurai warriors on their covers, promising to teach you the secrets of Japanese business success. Lester Thurow's 1992 book, "Head to Head: The Coming Economic Battle Among Japan, Europe and America," which spent more than six months on the Times best-seller list, predicted that Europe would win.

Then it all changed, and American despondency turned into triumphalism. Partly this was because the Clinton boom contrasted so sharply with Europe's slow growth and Japan's decade-long slump. Above all, however, our new confidence reflected the rise of the Internet. Jacques Chirac complained that the Internet was an "Anglo-Saxon network," and he had a point — France, like most of Europe except Scandinavia, lagged far behind the U.S. when it came to getting online.

What most Americans probably don't know is that over the last few years the situation has totally reversed. As the Internet has evolved — in particular, as dial-up has given way to broadband connections using DSL, cable and other high-speed links — it's the United States that has fallen behind.

The numbers are startling. As recently as 2001, the percentage of the population with high-speed access in Japan and Germany was only half that in the United States. In France it was less than a quarter. By the end of 2006, however, all three countries had more broadband subscribers per 100 people than we did.

Even more striking is the fact that our "high speed" connections are painfully slow by other countries' standards. According to the Information Technology and Innovation Foundation, French broadband connections are, on average, more than three times as fast as ours. Japanese connections are a dozen times faster. Oh, and access is much cheaper in both countries than it is here.

As a result, we're lagging in new applications of the Internet that depend on high speed. France leads the world in the number of subscribers to Internet TV; the United States isn't even in the top 10.

What happened to America's Internet lead? Bad policy. Specifically, the United States made the same mistake in Internet policy that California made in energy policy: it forgot — or was persuaded by special interests to ignore — the reality that sometimes you can't have effective market competition without effective regulation.

You see, the world may look flat once you're in cyberspace — but to get there you need to go through a narrow passageway, down your phone line or down your TV cable. And if the companies controlling these passageways can behave like the robber barons of yore, levying whatever tolls they like on those who pass by, commerce suffers.

America's Internet flourished in the dial-up era because federal regulators didn't let that happen — they forced local phone companies to act as common carriers, allowing competing service providers to use their lines. Clinton administration officials, including Al Gore and Reed Hundt, the chairman of the Federal Communications Commission, tried to ensure that this open competition would continue — but the telecommunications giants sabotaged their efforts, while The Wall Street Journal's editorial page ridiculed them as people with the minds of French bureaucrats.

And when the Bush administration put Michael Powell in charge of the F.C.C., the digital robber barons were basically set free to do whatever they liked. As a result, there's little competition in U.S. broadband — if you're lucky, you have a choice between the services offered by the local cable monopoly and the local phone monopoly. The price is high and the service is poor, but there's nowhere else to go.

Meanwhile, as a recent article in Business Week explains, the real French bureaucrats used judicious regulation to promote competition. As a result, French consumers get to choose from a variety of service providers who offer reasonably priced Internet access that's much faster than anything I can get, and comes with free voice calls, TV and Wi-Fi.

It's too early to say how much harm the broadband lag will do to the U.S. economy as a whole. But it's interesting to learn that health care isn't the only area in which the French, who can take a pragmatic approach because they aren't prisoners of free-market ideology, simply do things better.