

February 6, 2008

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
12<sup>th</sup> Street Lobby, TW-A325  
Washington, DC 20554

**Re: *Ex Parte Presentation***

PS Docket No. 06-229; WT Docket Nos. 96-86, 05-194, 06-150, 06-169, 07-71, 08-7; RM-11361; CC Docket No. 96-45; WC Docket No. 05-337, 07-52

Dear Ms. Dortch:

On Tuesday, February 5, 2008, Steve Largent, President and CEO, Christopher Guttman-McCabe, Vice President, Regulatory Affairs, Paul Garnett, Assistant Vice President, Regulatory Affairs, CTIA – The Wireless Association® and Jim Green of Mercury Strategies, LLC, met with Commissioner Jonathan Adelstein and Renee Crittendon, Legal Advisor to the Commissioner, to provide an overview and update of advances in the United States wireless market. During the meeting, CTIA discussed the attached presentations, along with two recent written ex partes, that detail the state of the U.S. wireless industry in relation to the rest of the OECD's top ten countries by GDP and the contributions of the U.S. wireless industry to the American economy. The statistics presented in these filings show that American consumers are getting more wireless services for less money than in any other country. The filings also show that U.S. wireless carriers are constantly adapting to changes in consumer demand – in the areas of pricing, handset options, access to data, and video services.

CTIA presented statistics on the availability of wireless handsets to American consumers. Despite the contentions of consumer groups, American consumers have their choice of literally hundreds of wireless devices, far surpassing the number available to consumers in other countries. Wireless carriers in the United States offer customers a staggering variety of devices, with a wide array of options and at prices that nearly every American can afford.

The facts demonstrate how the well-functioning, competitive United States wireless market continues to deliver incredible benefits to consumers. The examples provided also demonstrate the accelerating rate of innovation occurring in the United States wireless market. Moreover, these examples show that concerns about consumer access to devices and applications are quickly being addressed in the competitive marketplace. CTIA urges the Commission to consider these factors as it reviews a variety of proposals to impose burdensome economic regulation on the United States wireless market.

Finally, CTIA discussed the Commission's recent Notices of Proposed Rulemaking on high-cost universal service reform. CTIA discussed the conflict between the Notices of Proposed Rulemaking and the Commission's recent *12<sup>th</sup> CMRS Competition Report* on the

issue of wireless substitution. One of the Notices of Proposed Rulemaking relies on data for wireless substitution from 2005 to justify a finding that wireless is not a substitute for wireline voice service. The *Competition Report* shows, however, that the trend toward substituting wireless for wireline voice service among consumers is increasing. CTIA also shared reports issued by Morgan Stanley and the Centers for Disease Control supporting that observation. CTIA urges the Commission to consider the most recent and most accurate data as it considers reforms to the high-cost universal service mechanisms.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter and the presentations given are being filed via ECFS with your office. Should you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

*/s/ Chris Guttman-McCabe*

Chris Guttman-McCabe

Attachments

cc: Commissioner Jonathan Adelstein  
Renee Crittendon