



**TELECOMMUNICATIONS  
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January 11, 2013

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, DC 20554

**Re: *Ex Parte* Submission – GN Docket No. 12-353**

Dear Ms. Dortch:

On Wednesday, January 9, 2013, Danielle Coffey, Mark Uncapher, and Brian Scarpelli, all of the Telecommunications Industry Association (“TIA”) held a meeting via teleconference with Sean Lev, Federal Communications Commission (“FCC” or “Commission”) General Counsel; Julie Veach, Wireless Competition Bureau (“WCB”) Chief; Rebekah Goodheart, WCB; Stephen Wildman, FCC Chief Economist; Jonathan Chambers, Office of Strategic Planning and Policy Analysis (“OSP”); and Henning Schulzrinne, FCC Chief Technologist to discuss, under the above-captioned dockets.<sup>1</sup>

Consistent with our attached slides which were used during the meeting, TIA, representing the viewpoint of information and communications technology (“ICT”) manufacturers, vendors, and suppliers, discussed its initial policy views and concerns related to the ongoing technological transition of legacy networks to Internet protocol (“IP”)-based networks. Noting the ICT manufacturer and supplier community’s support for the Commission’s examination of how to facilitate the transition, we also discussed with the Commission the benefits of such a transition, particularly to consumers, in a wide range of areas including machine-to-machine (“M2M”), along with continued widespread reliance on the public switched telephone network (“PSTN”) for specialized communications services such as burglar and fire alarm systems. Lastly, we noted that we intend to provide more detailed input to the Commission on this topic in the comment process for the above-captioned dockets.

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<sup>1</sup> Pleading Cycle Established on AT&T and NCTA Petitions, Public Notice, GN Docket No. 12-353, DA 12-1999 (rel. Dec. 14, 2012).

Pursuant to Section 1.1206 of the Commission's rules,<sup>2</sup> this letter is being electronically filed via ECFS and a copy of this submission is being provided electronically to the meeting attendees.

Respectfully submitted,

**TELECOMMUNICATIONS INDUSTRY ASSOCIATION**

By: /s/ Brian Scarpelli

Brian Scarpelli  
Manager, Government Affairs

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cc: Sean Lev, FCC General Counsel  
Julie Veach, WCB  
Rebekah Goodheart, WCB  
Steven Wildman, FCC Chief Economist  
Jonathan Chambers, OSP  
Henning Schulzrinne, FCC Chief Technologist

<sup>2</sup>

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47 C.F.R. § 1.1206.



# Public Switched Telephone Network in Transition

January 9, 2013



# TIA SUPPORTS TRANSITION GOALS

- THE “PSTN SUNSET” TOPIC WAS RAISED BY A “CRITICAL TRANSITIONS” WORKING GROUP WITHIN THE FCC’S TECHNOLOGY ADVISORY COUNCIL (TAC), RECOMMENDING THAT THE FCC SHOULD TAKE STEPS TO PREPARE FOR THE INEVITABLE TRANSITION FROM THE PSTN.
- TIA MEMBERS PARTICIPATED AND ARE SUPPORTIVE OF THE COMMISSIONS EFFORTS.
- ICT –TELECOM INNOVATION HAS BEEN A SOURCE OF INCREASED PRODUCTIVITY AND ENHANCED USER EXPERIENCE.



# CURRENT TRENDS IN IP NETWORKS

## CONSUMERS CUT CORDS FASTER THAN BUSINESSES

### VOIP SHARE OF RESIDENTIAL AND BUSINESS TELEPHONE LINES (PERCENT)



*By 2014, business VoIP will account for 10.9 percent of all business lines, while residential VoIP will grow to a 35.7 percent share.*



# CHALLENGES TO AN ALL-IP NETWORK, AT THE EDGE OF THE NETWORK

- “FIBER TO THE PREMISE” IS AN IMPORTANT GOAL & NETWORK INVESTMENT IS MOVING TO THIS, IN AN EFFORT TO MEET INCREASED CAPACITY DEMANDS.
- DESPITE ALL OF THE POSITIVE ATTRIBUTES OF MOVING TO AN ALL-IP NETWORK, TIMING IS A CHALLENGE WHILE OLDER TECHNOLOGIES ARE STILL IN USE IN THE MARKETPLACE AND IN USERS’ HOMES.
- COPPER REMAINS A KEY COMPONENT ON TELECOM INFRASTRUCTURE.



## **THE BENEFITS & SAVINGS POTENTIAL OF ALL-IP NETWORK:**

- SAVINGS FOR OPERATORS WHO WOULD BE FREED FROM THE EXPENSE OF MAINTAINING THE LEGACY PUBLIC SWITCH TELEPHONE NETWORK
- TRANSITION FROM A PSTN TECHNOLOGY FREES MORE CARRIER CAPEX DOLLARS FOR INVESTMENTS THAT LEAD TO ADVANCED SERVICES.
- CONTINUED MAINTENANCE OF THE PSTN COULD DEPENDS ON FEWER AND FEWER CUSTOMERS.
- AVOIDING UNNECESSARY SPENDING IS IN EVERYONE'S INTEREST.



# CHALLENGES TO AN ALL-IP NETWORK: INTERCONNECTION

- PSTN INTERCONNECTION RIGHTS GIVE SOME CARRIERS A PERVERSE INCENTIVE TO SWITCH FROM IP INTO PSTN PROTOCOLS, IN ORDER TO TAKE ADVANTAGE OF THEIR INTERCONNECTION ADVANTAGES.
- BEST APPROACH MAY BE TO DEVELOP A MODEL OF VOLUNTARY AGREEMENTS AMONG CARRIERS.



# POLICYMAKERS NEED TO ADDRESS OTHER CHALLENGES

- “ALWAYS ON” CHARACTERISTICS OF THE PSTN
- SOME SPECIALIZED COMMUNICATION SERVICES, SUCH AS BURGLAR AND FIRE ALARMS ARE MAKING SLOWER TRANSITIONS.
- LEGACY TECHNOLOGIES CAN HAVE LONG LIVES - CON EDISON ENDED 125 YEARS OF DIRECT CURRENT ELECTRICITY SERVICE THAT BEGAN WITH EDISON’S OPENING OF HIS PEARL STREET POWER STATION ON SEPT. 4, 1882 - **IN 2007**



# CONTACT INFORMATION

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