

Pennsylvania Telephone Association

"The Communications Leader in Pennsylvania"

The Friday Report

January 8, 2010

INDUSTRY NEWS

- After 25 years of service, National Telecommunication Cooperative Association (NTCA) CEO Mike Brunner has decided to step down. In a NTCA news release issued yesterday, Brunner described his tenure as "an extraordinary adventure." Brunner addressed the PTA at a Small Company Committee meeting last year.
- AT&T is taking it on the chin from consumer advocates and union officials on both coasts for its recently announced plans to lay-off employees in the wake of landline losses. AT&T is letting 160 technical employees go in Connecticut (The CWA says that brings the total firings to 1,400 over the past two years in the state), and 500 technicians in California are scheduled to be terminated by the end of March.
- Czars yes, lobbyists no. The Obama Administration has taken criticism for its use of a variety of subject matter "czars" directing federal public policy, but apparently outside influence won't be an issue for national telecommunications policy. The National Telecommunications and Information Administration (NTIA) announced this week that it intends to comply with a White House directive not to appoint or reappoint federally registered lobbyists to advisory committees. A spokeswoman for the FCC echoed those sentiments for her agency as well.

CONGRESS NEWS

- Verizon's sale of its wireline assets in New England never sat well with New Hampshire Congressman Paul Hodes, and yesterday he announced his intentions to seek a statutory remedy. Hodes announced that he plans to introduce legislation eliminating the Reverse Morris Trust which allows a company to avoid paying taxes on any gains from a sale where the selling company's shareholders own a majority of the post-merger acquiring firm. Hodes said that in 2007 he wrote to House Ways and Means Committee Chairman Charles Rangel regarding the RMT and believes that the Verizon-FairPoint deal left the latter in bad shape. Opponents of the pending Verizon-Frontier transaction believe that passage of legislation like the Hodes bill could put a damper on that deal.

THE DAILY NUMBERS

- 22.7

The most recent Centers for Disease Control and Prevention report shows that 22.7 percent of U.S. homes had only wireless phones as of June 2009. The increase of 5

percent over a year earlier was documented as part of CDC's biannual National Health Interview Survey.

- 74

The latest Pew Internet & American Life Project survey shows that 74 percent of American adults use the Internet, 60 percent use broadband connections at home, and 55 percent connect to the Internet with wireless service. None of the figures differed significantly from the April 2009 survey.

- 191,000,000

In a report sent to Congress this week, the Federal Trade Commission says that the national Do-Not-Call list has 191 million registrants and that more than 18 million new phone numbers were added in fiscal year 2009.

QUOTABLE

- "The Commission respectfully requests a one month extension for the delivery of the final Plan. The Commission makes this request in the interest of advancing a national broadband plan that reflects the extraordinary importance of the task and that is responsive to the unprecedented record developed during the comment and workshop period. The Commission's process for the Plan has been unparalleled in the history of the agency. It has included over 50 public workshops and field hearings, more than a dozen Public Notices, and significant hours devoted at Commission meetings to provide the public with updates on the Plan's development. Further, the additional time will enable the FCC to continue to obtain input from key stakeholders and more fully brief Commissioners and the House and Senate Committees on aspects of the Plan as it comes together. Importantly, this extension will have no impact on the FCC budget for the Plan, or on other ongoing FCC activities. Accordingly, I respectfully ask that you accept the final Plan on March 17, 2010."

Excerpt from correspondence sent yesterday by FCC Chairman Julius Genachowski to the Chairmen of the Senate Commerce, Science and Transportation and House Energy and Commerce Committees asking for a one-month extension on submission of a National Broadband Plan.