

Pennsylvania Telephone Association

*"The Communications
Leader in Pennsylvania"*

The Friday Report

March 5, 2010

INDUSTRY NEWS

- Bankruptcy courts in the U.S. and Canada have approved the purchase of Nortel's carrier VoIP business by GENBAND. The company was the only bidder for the business line in a deal valued at \$182 million.
- The National Telecommunications and Information Administration and the Rural Utilities Service recently announced an extension of the round two stimulus funding deadlines for broadband infrastructure projects. The NTIA's Broadband Technology Opportunities Program grant submission deadline is now March 26th, while RUS's deadline for the Broadband Initiatives Program is March 29th.
- Dave McClure, president of the U.S. Internet Industry Association (and frequent speaker at PTA events), has been named by FCC Chairman Julius Genachowski to the board of directors of the Universal Service Administrative Company.
- According to a study performed by the Pew Research Center, the Internet is the third most popular source for news in the U.S. While surfing the Net for news still ranks behind local and national television news, the Pew study found that more than 90 percent of Americans use multiple news sources on a daily basis.

LEGISLATIVE NEWS

- Yesterday, the Senate Veterans Affairs and Emergency Preparedness Committee and the Communications and Technology Committee announced a joint hearing to "review the 9-1-1 Emergency Call System, its funding mechanisms, operational concerns, and other issues impacting the efficiency and effectiveness of this vital component of emergency response in the Commonwealth." The hearing is scheduled for March 24th in the East Wing of the Main Capitol and will run from 9-11 a.m.

THE DAILY NUMBER

- 25,000,000,000

The Wall Street Journal estimated this week that the soon-to-be-submitted national broadband plan will cost almost \$25 billion to implement. The FCC is scheduled to submit the plan to Congress on March 17th. The WSJ estimate puts spending for wireless broadband for first responders at \$12-16 billion. The enormous price tag has escalated discussion among industry observers and critics that the plan is likely to be altered by Congress once it hits the halls of the Capitol.

QUOTABLE

- *“It appears that much of this money may be going to pay for duplicative services and facilities where consumers already have broadband access. If that is the case, the money will not be bringing access to unserved areas. Moreover, it will make it much more difficult for the existing providers to operate their business in the face of a government subsidized competitor.”*

“I’m growing increasingly concerned that NTIA and RUS increasingly want to build networks that compete against existing ones. Building networks to underserved Americans would have created jobs.”

The respective comments of Congressmen Cliff Stearns (R-FL) and Lee Terry (R-NE) at this week’s oversight hearing of the House communications, technology, and the Internet subcommittee on federal stimulus funding for broadband deployment.

- *“With the rapid advancement of technologies and innovation within the telecommunications industry, the FCC must be better equipped and more agile to address the ever-changing technical landscape from a regulatory perspective. This legislation takes a step towards ensuring the Commission has the adequate resources, which is essential in guaranteeing our nation’s technical leadership remains on the cutting edge.”*

Maine Republican U.S. Senator Olympia Snowe at this week’s unveiling of legislation authorizing a \$1 million appropriation to the National Academy of Sciences to conduct a study examining the technical policymaking processes and availability of technical employees at the FCC.