

Straight Talk: USTA's Fight for Modern Telecom Rules

Local Telecommunications Companies Want a Real Telecom Debate in Washington. Find Out Why Others Want to Pull the Plug.

Recently in the nation's capitol, leaders of the telecommunications industry sat down with leaders of the information technology community and discussed the need to modernize U.S. telecom policy, drafted before today's use of the Internet, in an effort to renew vigorous investment in the nation's communications infrastructure and speed innovative products and services to consumers. We talked about how quickly our world is changing. From cell phones and e-mail to Internet telephony and WiFi, Americans have never had more choices in how we communicate and who provides our service. As a result, competition is here to stay, and so is a whole new world of communications that holds so much potential for consumers and for our economy.

It's an exciting moment in the Information Revolution. Unfortunately, its promise remains incomplete. The problem? Outdated rules – a U.S. telecom policy written before the Internet became a household word and cell phones became a virtual appendage. As a result, we have a policy that treats direct competitors differently—lavishing billions of dollars in corporate welfare (ultimately paid for by consumers) on one set of companies while discouraging local telecommunications companies from bringing more choices and innovative services to communities across the country.

USTA is leading the call for a modern telecom policy that is both pro-investment and pro-competition, so companies succeed based on consumer choices, rather than regulatory favoritism. We make no secret of the effort: The rules must catch up with our lives today and reflect the growing array of choices available to consumers in the new communications marketplace.

As with any significant policy debate, of course, there is another side. Unfortunately, rather than engaging in a substantive dialogue on the merits of a modern telecom policy, our opponents are spreading baseless allegations in the hopes that if they repeat them often enough, people may start to believe them. Why the smoke and mirrors? Because the companies slinging the mud are the direct financial beneficiaries of today's outdated telecom policy, which heavily subsidizes their existence. Who picks up the tab? Ultimately, you. According to a recent study by the Competitive Enterprise Institute, this corporate welfare costs the average American household more than \$100 a year.

It's a hard policy to defend in the light of day. And, under a market-driven telecom policy, this corporate welfare would go away. It is understandable that our opponents would fight aggressively to defend their favorable treatment under the regulatory status quo. However, it is equally appropriate for local telecommunications companies, consumers and others who are harmed by such a self-serving agenda to seek to bring consumers real choice—their choices, not those made by government policy.

Local telecommunications companies are trying to spark a vital, timely nationwide debate about the appropriate role of state and federal regulators in a market being fundamentally transformed by intense competition and rapid technological change. We firmly believe that, given choices in the marketplace, consumers are far better equipped than regulators to drive the future of the U.S. information economy to its full potential—speeding investment, innovation and growth. We understand that others disagree. We simply ask that when our opponents change the subject rather than debate the issues, you start to wonder why.

Yes, we are reaching out to all segments of the economy, manufacturers, suppliers, customers, those who live in rural and urban America, even business rivals. Like any successful effort in Washington, pursuing a modern telecom policy requires bringing together those who share a belief that a free-market is the most direct path to more vigorous growth and investment in the new communications marketplace. If you agree and are tired of dodging the real issues, and want to engage in a substantive debate about what's at stake for all Americans in today's telecom marketplace, please visit www.thefuturefaster.com. There you can also find vital statistics about the way our world has changed.

Thank you for listening.