WRITTEN TESTIMONY

of

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Committee on Energy and Commerce

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Good morning, Chairman Markey, Ranking Member Upton, and members of the Subcommittee. On behalf of CTIA – The Wireless Association®, I am pleased to have this opportunity to testify on the draft broadband mapping legislation. The wireless industry agrees with Chairman Markey that a U.S.-based broadband census can be a timely and useful tool to help U.S. policymakers assess how effective their policies have been to ensure that all Americans can participate in the 21st century economy, regardless of where they live or their economic status. I applaud Chairman Markey for his leadership on the issue of how best to determine the state of broadband deployment in America.

As you know, the most-often cited international statistics on broadband, Internet access, and technology do not always tell the whole story and the recent OECD's broadband rankings report is no different. This recent report specifically excludes third generation (3G) wireless in its assessment of broadband deployment. I believe this is one of the many flaws of the report because as I will demonstrate to you today, wireless broadband is a very real and important part of our nation's broadband infrastructure. Ignoring the status of wireless

broadband deployment in the U.S. minimizes the status of overall broadband availability in America.

I am here to tell you about what CTIA's member companies have done to bring wireless broadband services to millions of Americans at rates they can afford, and to make you aware of the tools wireless companies have already developed so that consumers can easily determine their wireless broadband coverage. I believe you will find these existing tools very useful in your efforts to collect wireless broadband deployment data. I will also share with you the wireless industry's thoughts on the draft broadband census bill, and list a few key issues that if resolved quickly and correctly will help accelerate wireless carriers' ability to directly compete with other providers of broadband services. This is a win-win result for all Americans because it means more and different kinds of broadband services will become a reality to more Americans at rates they can afford.

So, what is wireless broadband and what are wireless companies doing to bring these services to the American people. Wireless broadband comes in more than 31 flavors, reflecting the diversity of demands and desires among our customer base. The single consistent characteristic to all wireless broadband services is mobility – our more than 230 million subscribers want their wireless e-mail or their wireless Internet access wherever and whenever.

Wireless broadband services encompass mobile text and photo-messaging, mobile game and ring-tone downloads, mobile music and video, and mobile e-mail and web access. Services include individual, personally-oriented applications, and wide-ranging enterprise solutions used by government and industries as diverse as agriculture, education, finance, healthcare, manufacturing, transportation, construction, hospitality, professional services, and

utilities, for purposes such as field force management, to cardiac outpatient telemetry that enable doctors to remotely access critical medical information – real-time vital signs, clinical notes and scans – cutting down their decision time and speeding treatment of patients. For example, the Integrated Clinical Information System Mobile (ICIS Mobile) has been deployed by UCLA and gives doctors access to real-time information, enabling them to make quick judgments about treatment. Remote medical diagnostic services such as CardioNet's Mobile Cardiac Outpatient Telemetry (MCOT) system helps physicians and patients by providing heartbeat-by-heartbeat, ECG monitoring, analysis and response, helping doctors rapidly diagnose and effectively treat patients with cardiac arrhythmia.

U.S. commercial wireless service providers are investing billions of dollars a year, more than $24 billion to be exact, to increase the capacity of their networks so they can compete with other providers of broadband services and deliver the kinds of mobile broadband applications I outlined above, as well as new applications that are still on the drawing board. Attached to my testimony today is a chart listing a sample of the carriers providing wireless broadband today, their optimal and average speeds and the number of Americans that have access to the wireless broadband services they offer. Collectively, wireless companies are providing wireless broadband coverage to more than 200 million Americans in communities across the country.

National carriers Sprint Nextel and T-Mobile USA have announced they will each invest more than $2 billion in their networks over the next year and a half so they can offer new and faster wireless broadband capabilities to compete with other providers of wireless and wired broadband services. AT&T Mobility and Verizon Wireless are also spending billions of dollars deploying wireless broadband technologies so that more consumers have

access to high speed mobile broadband services, including Internet access and audio and video services. Regional companies like Alltel, Alaska Communications Systems and Cellular South are also investing in wireless broadband.

Alltel has built-out high speed Evolution-Data Only (EV-DO) networks in communities that are home to more than 44 million people, providing their subscribers with access to wireless Web-based e-mail, texting and picture messaging, and Internet access via its Axcess Broadband and MobileLink services. Alaska Communications Systems offers EV-DO-based broadband coverage in Anchorage, Fairbanks, Juneau, Eagle River, and the Mat-Su Valley in Alaska, providing their customers with wireless text and picture messaging, and, via their ACS Mobile Broadband offering, wireless Internet access. Cellular South offers EV-DO coverage in Starkville, Mississippi, and along the Mississippi Gulf Coast, giving Cellular South's subscribers in these markets wireless broadband Internet access. Cellular South currently provides broadband speeds over EV-DO networks in Starkville, Mississippi and along the Mississippi Gulf Coast. Cellular South specifically targeted the Gulf Coast for EV-DO deployment to help with the recovery from Hurricane Katrina and in preparation for future natural disasters.

How are Americans responding to these wireless broadband offerings? Consider the following:

- More than half of all wireless consumers in the U.S. have web-capable devices;
- 59% of all broadband subscriber additions in the first half of 2006 were mobile wireless subscribers;

In February 2007 in the U.S. alone, the research firm M:Metrics reports:

- 81.2 million wireless subscribers sent Text Messages
- 30.7 million wireless subscribers used Photo Messaging
- 20.5 million wireless subscribers browsed News and Information
- 20 million wireless subscribers purchased Ringtones
- 17.3 million wireless subscribers used Personal E-Mail
- 13.8 million wireless subscribers used Mobile Instant Messenger
- 10.2 million wireless subscribers used Work E-Mail
- 6.8 million wireless subscribers purchased Wallpaper or Screensaver
- 6.8 million wireless subscribers downloaded Mobile Game

I tell you all of this for two reasons. First, I want to brag a bit about an industry I find vibrant and exciting. Second, I want to emphasize to you the kind of broadband deployment the OECD report excludes. Clearly, Americans are demanding wireless broadband services to satisfy their need for mobile broadband, and my member companies are responding to meet their customers' varying demands. Not including wireless in a national assessment of broadband deployment would ensure that the broadband mapping endeavor will generate an incomplete and inaccurate assessment of the reality of broadband deployment in this country.

That brings me to the issue at hand in the draft bill – the status of broadband deployment in the U.S. and where does wireless broadband fit in. I am proud to say that the wireless industry has already developed the tools to help you figure that out.

I am sure you are all familiar with the recent television and print ads by AT&T and Sprint in which the companies take shots at the other's wireless broadband coverage. These

ads reflect the reality of the wireless industry – it is bare-knuckled competition at its finest and most entertaining. I raise this example to draw your attention to a serious point. Wireless providers compete on the basis of their wireless broadband coverage. That's why they have created digital coverage maps and they make these coverage maps available to their customers through company websites and other promotional materials. Attached to my testimony are links to just a few of the wireless company websites that provide these coverage maps which depict where wireless broadband is available and where it is not. I strongly suggest that you review and use these existing mapping tools as part of your data collection efforts on the deployment of wireless broadband.

As I explained in my introductory remarks, the wireless industry supports both the spirit and purpose of the draft bill. I offer the following suggestions about ways you can maximize the quantity and quality of the data obtained about wireless broadband deployment in the U.S.

First, the definition of "high–speed" excludes wireless offerings that are currently being purchased by consumers to satisfy their demand for mobile e-mail access, web surfing, and full-motion video. This exclusion could have two serious, negative consequences: the speed-based distinction between "high speed" and other forms of broadband may cause regulatory disparity among competing broadband platforms, creating an uneven playing field; and, excluding deployment data about the kinds of wireless broadband services I have described to you today in a report on U.S. broadband deployment would ensure the national deployment data and related mapping would be incomplete and inaccurate. Further, not all wireless broadband services are the same and can not be accurately compared on a one-to-one basis according to speed.

CTIA suggests that rather than changing the existing FCC reporting requirement for broadband, the bill focus on the development of a broadband inventory map that shows the availability of broadband offerings at speeds above 200 kbps, but require the information be categorized across a range of speeds such as 200k-1Mbps, 1 Mbp-2.5 Mbps, 2.5Mbp-10 Mbps, etc.

A second concern is tying collection of data and mapping to 9-digit zip code areas. While a well-intentioned undertaking, there does not appear to be an empirical reason for doing so. Rather, CTIA suggests that wireless providers provide to the NTIA the digital maps and related information they already provide to consumers. This format will allow the NTIA, the FCC or any other agency, federal or state, to manipulate the data into a 9-digit zip code format, census tract, or into any other format that is determined useful. This approach ensures there is minimal confusion for consumers between the information they receive from companies about their coverage and the information they receive from the government. Keep in mind that the wireless industry provides wireless broadband to areas that don't receive mail. Zip codes don't matter.

Third, though CTIA's members have no concerns about states or localities having access to the information provided to the NTIA and/or the FCC, the data collection role given to the states in the draft bill appears to establish an independent basis for state jurisdiction over broadband services. This not only creates unnecessary tension between state and federal authorities, it also undermines the clear, logical, and settled nature of federal jurisdiction over broadband services. Clearly granting the federal government exclusive jurisdiction over obtaining broadband deployment data from commercial providers would resolve any confusion and potential jurisdictional battles.

A final concern is that the draft language also appears to open the door to federal, state and local entities obtaining proprietary, competitively sensitive information that is well beyond the scope of what is being currently requested by the FCC, with little relevance to the status of broadband deployment. A solution would be to require that the data collected and reported by broadband providers be the same information they report to consumers via websites and any other materials accessible to consumers. This will ensure consistency between the mapping and reality, will ensure the information reported is as timely and accurate as possible (*i.e.,* FTC and state laws over truth in advertising ensure info accessible to consumers is accurate) and will relieve the burden on the FCC and NTIA from setting up and maintaining administrative processes to safeguard sensitive, proprietary information.

As you consider possible changes to the draft census bill, I would ask that you consider the following issues that are key drivers to bringing more and better wireless broadband coverage and services to more Americans at rates they can afford.

First, make more useable spectrum available to commercial carriers. The upcoming 700 MHz auction is a fantastic opportunity for Washington to give wireless broadband roll-out a shot of adrenaline. The 700 MHz spectrum scheduled for auction later this year or early in 2008 has been heralded by you, other policymakers in Washington, wireless carriers and Wall Street as the "beachfront property" needed for wireless broadband to become a reality everywhere. The industry urges your continued commitment to keeping the auction on schedule, with the spectrum allocations as designated by the law.

Second, make sure spectrum which has already been auctioned is useable by the companies that have paid for it and stand ready to deploy it. The industry applauds the efforts of the NTIA to ensure an orderly and quick transition of existing government users off

of the AWS spectrum so that companies that paid billions to the U.S. Treasury during the AWS auction can use the spectrum to provide new wireless broadband services. Anything you can do to expedite the band clearing necessary to make AWS spectrum useable sooner rather than later to provide mobile wireless broadband services will be a great service to the American wireless subscriber.

Third, how Washington addresses and resolves the problems with the universal service fund will also have a profound impact on how quickly advanced wireless services are rolled out across the U.S. at rates all Americans can afford. The wireless industry shares the FCC's concerns about the availability of services in rural areas. Universal service and intercarrier compensation regulation that favor wireline incumbents and fail to adequately support wireless network deployment constitute a significant barrier to the deployment of advanced services in high-cost areas. Making USF funds available to competitive ETCs lays important groundwork for advanced wireless infrastructure. The Federal-State Joint Board's recent Recommended Decision to cap CETC USF funding will harm wireless deployment in rural America and it should not be adopted by the FCC.

Finally, I would like to take a minute here and thank the members of this Committee who demonstrated their commitment to bringing wireless broadband to Americans by signing onto the Analog Sunset letter a few weeks ago, expressing their hope to the FCC that the FCC would not further delay freeing up valuable, deployed spectrum that can be used for broadband right away. I would especially like to note the leadership of Mr. Inslee and Mr. Pickering for their dedication and leadership on this time sensitive issue.

The wireless industry is proud of its accomplishments in deploying mobile broadband, and we support your efforts to develop better information on the availability of

broadband services from all sources. The availability of accurate data is a necessary predicate to sound policymaking. We believe that mapping can be done without placing undue new burdens of wireless carriers or jeopardizing confidentiality of sensitive business data. We look forward to working with you on this legislation.

Thank you again and I would be happy to answer any questions you may have.

APPENDIX A

Selected Carriers' Broadband Deployment

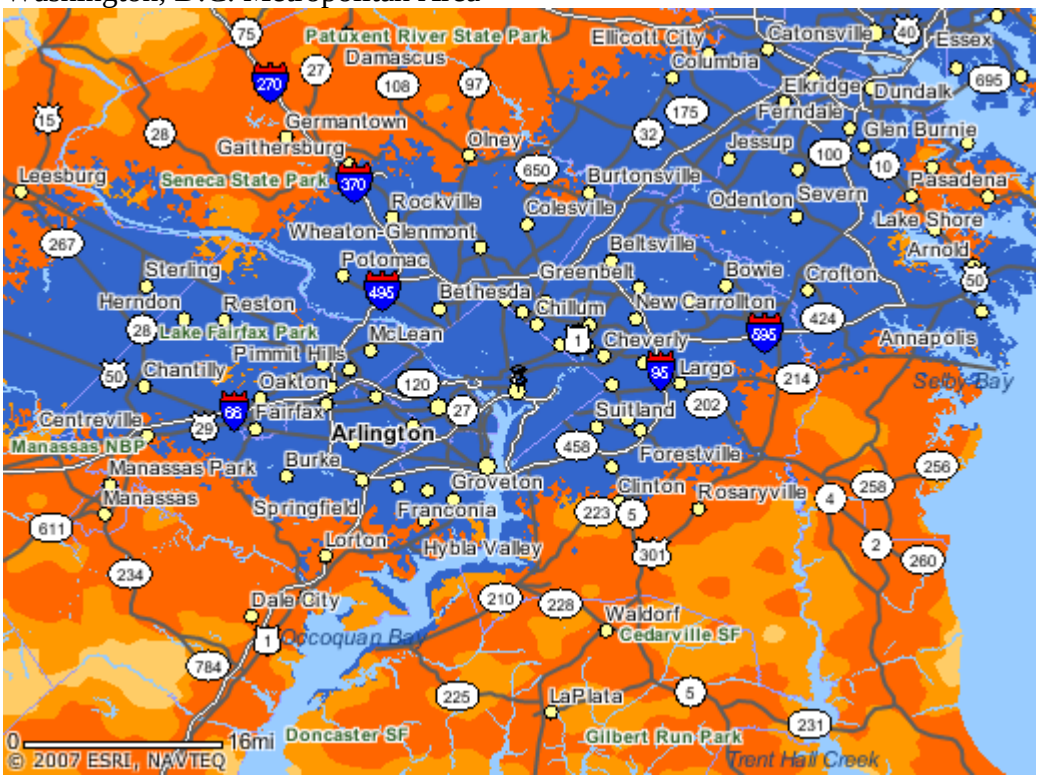
Carrier	Current Availability	Pops	Maximum Speeds	Average Speeds	Commitments
Alltel	EVDO	44+ million	2-2.4 Mbps down	400-700 kbps down	On-going EVDO deployment
AT&T Mobility	HSDPA	Virtually all of top 100 markets	>1 Mbps down Up to 384 kbps up	400-700 kbps down	On-going HSDPA deployment
Verizon Wireless	EVDO	200 million		400-700 kbps down	
Verizon Wireless	EVDO Rev A	More than 145 million		600k -1.4M down 500-800 kbps up	On-going EVDO Rev A deployment
Sprint Nextel	EVDO	More than 204 million	2 Mbps down 144 kbps up	350-500 kbps down 50-70 kbps up	
Sprint Nextel	EVDO Rev-A	193 million	3.1 Mbps down 1.8 Mbps up	600 kbps -1.4 Mbps down 350-500 kbps up	Complete Rev A build-out 3Q07; $2+ billion 4G WiMAX capex by 2008
T-Mobile USA	HSDPA not yet available			100 kbps down for EDGE	$2.7 billion HSDPA capex thru 2008

Source: CTIA-The Wireless Association®, Company Websites, and Press Reports

APPENDIX B

AT&T-Cingular Coverage Viewer
http://www.cingular.com/coverageviewer/

Washington, D.C. Metropolitan Area

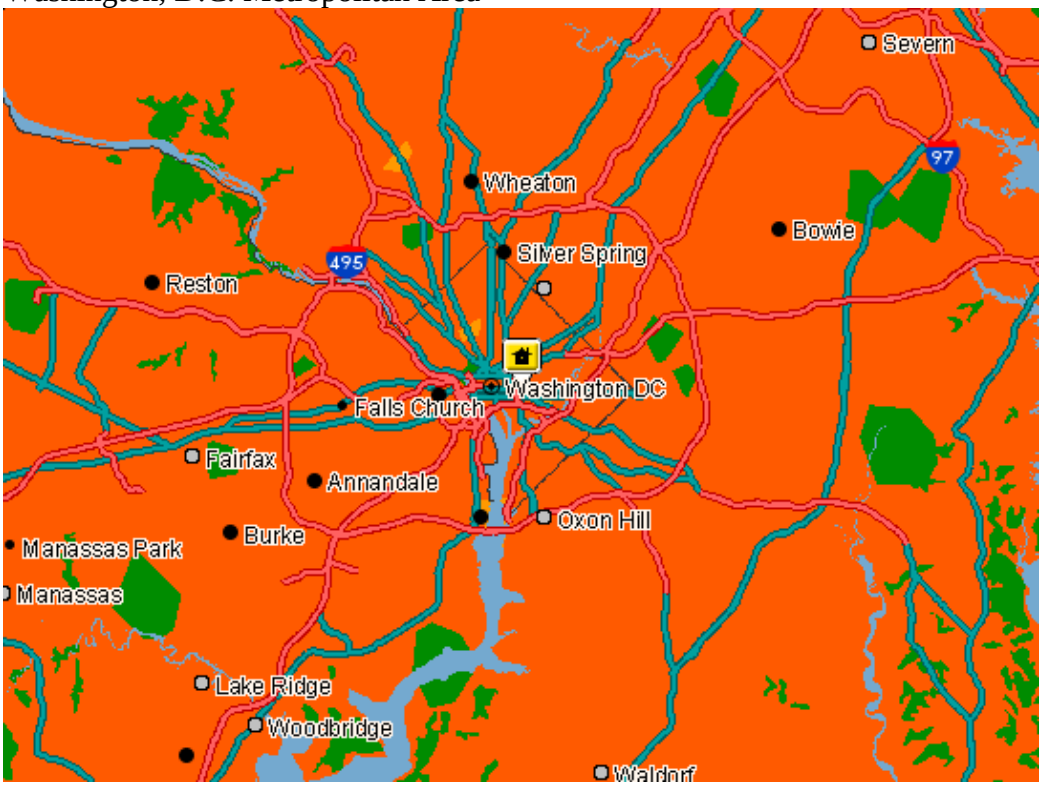


3G Mobile Broadband Coverage Available

Coverage last updated on: April 30, 2007.
Map depicts an approximation of coverage.

Sprint-Nextel Power Network Coverage Tool
http://coverage.sprintpcs.com/IMPACT.jsp?mapzip=20515

Washington, D.C. Metropolitan Area

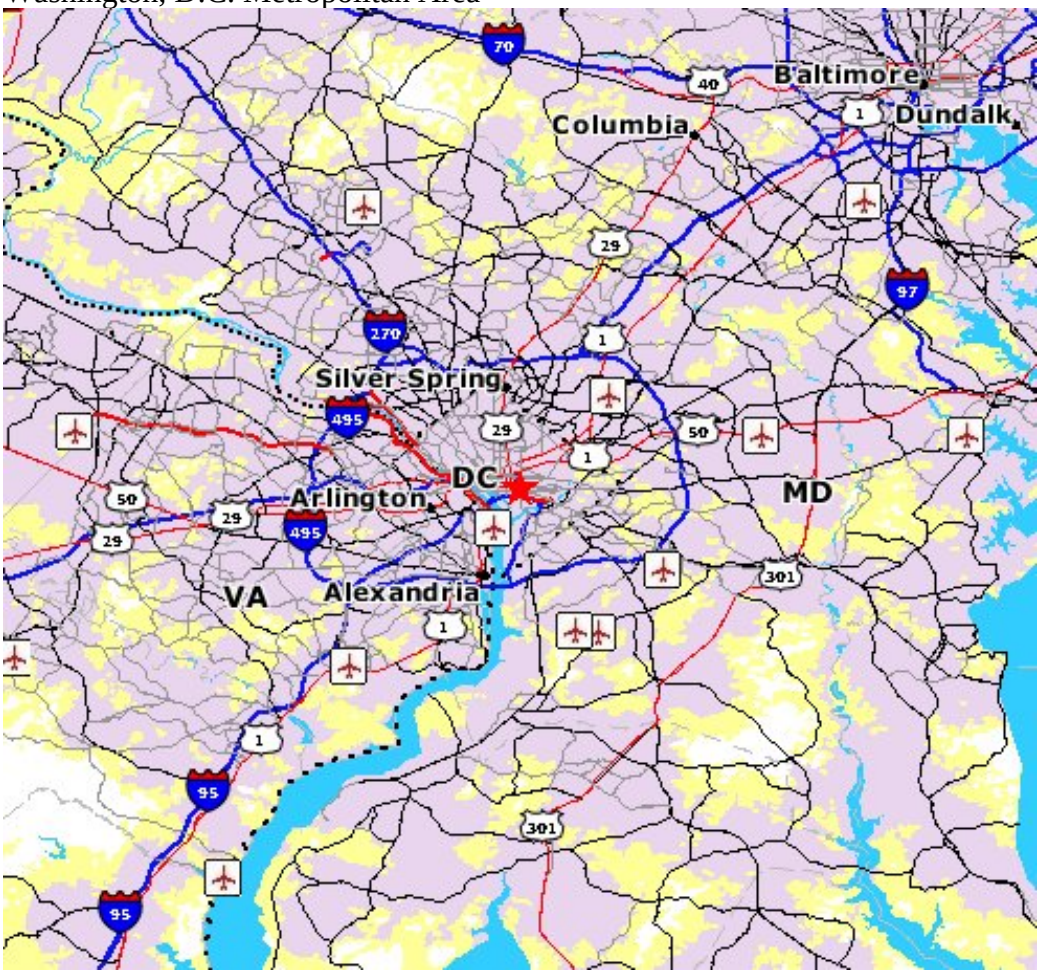


Broadband download speeds
Increased broadband upload and download speeds
Sprint National Network clear voice and data service

Power Vision services and wireless connectivity at broadband-like speeds

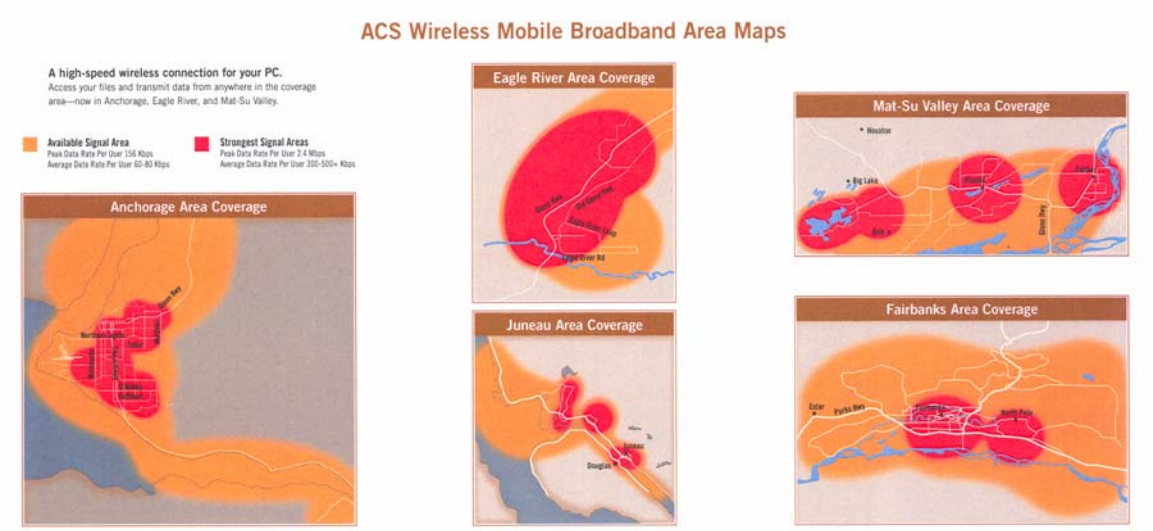
Verizon Wireless Broadband Access & VCast Coverage Locator
http://www.verizonwireless.com/b2c/CoverageLocatorController?requesttype=NEWREQUEST

Washington, D.C. Metropolitan Area



Broadband Access & VCAST (average download speed of 450-800 kbps)
National Access and Enhanced Services (average download speed of 60-80 kbps)

Alaska Communications Systems Wireless Mobile Broadband Area Maps
http://www.acsalaska.com/NR/rdonlyres/64686B8E-9B6D-48B0-A365-CCF9E954EC4D/0/2007MobileBroadbandMaps.pdf



Cellular South Broadband Coverage
http://www.cellularsouth.com/broadband/BroadbandCoverage.pdf