

**The Telecom Report provided by www.pabroadbandnews.com.
For more information, contact John Kennedy at
Johnk@pabroadbandnews.com.**

In this issue ... choice, choice and more choice for consumers. New technologies drive the market, says The Washington Post and consumers have more options - at more competitive prices. "Traditional phone giants, wireless companies, cable systems and Internet companies" are in the mix. The Wall Street Journal says that the "Telecom world spins on change." In the industry, AT&T announces a deal with Best Buy to sell the company's new VOIP service and Vonage continues to pick up funding and customers as it announces a deal with Cisco. Sprint and Mediacom announce their own Internet phone deal. It is not surprising, then, that yet another study envisions continued boom in the VOIP market in the states. Broadband via the power line will continue to grow as well. In State College, Getwireless.net, a four-year-old Internet company focused on selling broadband access to businesses, announces its purchase of Tsunami Communications. In Allentown, RCN offers the fastest access to Internet reports The Morning Call.

From the Papers

Consumers challenging wireless phone 'taxes' that really are extra charges.

[Click Here](#)

Cingular Wireless apparently knows how to grab the attention of the power structure in Washington, D.C.

[Click Here](#)

Vonage is in deal with Cisco in subscriber push.

[Click Here](#)

The future of long distance: "A combination of deregulation and new technologies has spawned a sometimes bewildering choice of pricing plans from different players — traditional phone giants, wireless companies, cable systems and Internet companies."

[Click Here](#)

Centre Daily Times: Getwireless.net, a four-year-old Internet company focused on selling broadband access to businesses, announced Monday that it has bought Tsunami Communications, another four-year-old company with a more residential clientele.

[Click Here](#)

Broadband over power lines gains steam. Alternative form of high-speed Internet access is more widely available.

[Click Here](#)

Wall Street Journal: "Telecom world spins on change. Cable, wireless, Net all pose threats to the Bells' turf."

[Click Here](#)

Sprint, Mediacom join in Internet phone deal.

[Click Here](#)

AT&T and Best Buy will sell CallVantage Internet-based telephone service at 628 stores throughout the U.S.

[Click Here](#)

The Washington Post talks up Nextel, says the company "... is still the smallest of the six national wireless carriers, but it is the most profitable."

[Click Here](#)

In Allentown, "RCN offering fastest access to Internet" reports The Morning Call.

[Click Here](#)

The number of US internet telephony subscribers is expected to grow to one million by the end of this year from 131,000 in 2003, according to a new study.

[Click Here](#)

Powerful Telecommunications Duo Asks Federal Court to Nullify FCC's Wholesale Price Freeze

Two leading telecommunications companies petitioned a federal court last week to overturn a recent ruling by the Federal Communications Commission (FCC) that effectively freezes the prices that the incumbent carriers may charge their competitors for network access. The companies, Verizon Communications Inc. and Qwest Communications International Inc., filed the petition just days after the FCC ordered wholesale rates frozen for six months while it crafts new rules governing the prices that the carriers can charge for access.

Verizon and other incumbent carriers have long argued that the wholesale rates set by state regulatory bodies are often below the costs incurred in providing the services. In March, a federal appeals court -- the same court recently petitioned by Verizon and Qwest -- overturned the regulatory process that led to the below-cost rates. The court's order became effective in mid-June. The carriers maintain that the FCC acted unlawfully when it froze the rates, given the March ruling by the federal court.

In a statement commenting on the Commission's latest move regarding the rates, FCC Chairman Michael K. Powell wrote that he is not a fan of UNE-P (unbundled network access) as the vehicle for parking our aspirations for vigorous voice competition. "It is a synthetic form of competition that would never have proved sustainable, or have provided long-lasting consumer benefits," the Powell statement said.

Nonetheless, in its August 20 order, the FCC stated that it is putting forth a comprehensive twelve-month plan consisting of two phases: the first phase requires the incumbents to continue providing access to unbundled networks under the same terms and conditions they are currently providing over the next six months; the second six-month period would see the implementation of the Commission's new rules governing UNE-P access -- if it is able to craft those rules in time.

Wireless Giant Wins Legal Battle against Spammer

Verizon Wireless announced it was granted a permanent, legal injunction against Rhode Island resident Jacob Brown, a known 'spammer' who knowingly executed a systematic spam attack on wireless phones owned by Verizon Wireless customers. The Honorable Mary L. Cooper, United States District Judge in Trenton, New Jersey, permanently enjoined Jacob Brown from sending further spam to Verizon Wireless customers.

Brown and his cohorts distributed unsolicited short text messages (also referred to as 'spam') offering mortgage loans and directing individuals to adult Web sites. Additionally, these individuals 'spoofed' and disguised themselves by using IP addresses of innocent persons to distribute messages, creating identification protection for the guilty and an undercurrent of insecurity for innocent people. The company, which has long championed a customer's right to privacy and 'spam-free' wireless environment, believed legal action was necessary to deter future wireless phone 'attacks' that force customers to pay for unsolicited commercial spam messages each time one reaches their phone.

The action taken against Jacob Brown is the latest of many legal filings by Verizon Wireless against wireless 'spammers.' Last year, for example, Verizon Wireless filed two suits against wireless spammers in federal court in Georgia -- which were disseminating repeated, unsolicited, text messages to Verizon Wireless customers -- and succeeded in stopping those spam attacks. These are believed to be some of the only legal actions taken in the nation against wireless spammers.

Within the last year, Verizon Wireless differentiated itself from its carrier competitors by making the independent decision not to participate in a wireless phone directory because, among other reasons, the company feels that it too would undermine customer privacy. At the Wireless Leadership Summit held by The Yankee Group in New York, Verizon Wireless' President and CEO, Denny Strigl, championed Verizon Wireless' 'customers first' stance on several issues, including the preservation of wireless customers' privacy and control over their bills and unwanted or unexpected calls saying, "Today, wireless users view cell phones as one place they don't face intrusions from telemarketers and other unwanted, unsolicited calls and messages. As an industry, we [wireless carriers] should be proud of our strong record to proactively preserve customers' privacy in an intrusive world. Why would we want to tear down a wall of privacy that we spent two decades fortifying?"

The injunction against Jacob Brown should help to deter 'spammers' and further protect wireless device users from unwanted communication.

Verizon Opens Additional Internet Express Lanes in Poconos Area

More consumers and businesses in the Poconos area can enjoy the benefits of high-speed Internet access now that Verizon Online has expanded its availability in portions of Monroe County. Verizon Online DSL is now available to more than 2,750 additional customers as the result of the company's most recent expansion and upgrade of its local telecommunications network. The additional DSL-capable lines are available in areas such as Alpine Lake, Birch Hollow and Tara Estates, and along portions of Shine Hill Road.

Verizon has invested \$8.5 billion in its network across the commonwealth over the last 10 years. Not only is Verizon DSL available to more people than ever before, but Verizon can help customers make the most of high-speed access to the Internet or other broadband services. With a home network, customers can have additional security and connect several computers to one DSL connection to access the Internet at high speeds. A home network also lets subscribers share files and printers among several computers. Currently, Verizon Online is offering its basic consumer DSL service for \$29.95 per month when purchased in combination with Verizon Freedom or another Verizon local or long-distance bundle.

For more information, contact John Kennedy at Johnk@pabroadbandnews.com.

For Daily Updates on competition in the telecommunications industry in Pennsylvania and around the nation, visit www.pabroadbandnews.com.