



From: Catena Networks, Inc.
One Pager On: Broadband: Supply, Demand and the Role of Regulatory Policy
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Recommendations for Action on Wireline Broadband Deployment

Catena Networks, a privately-held US manufacturer of integrated POTS + DSL Remote Terminals equipment for facilities-based carriers, is in a unique position to offer a “front lines” perspective on how the current regulatory environment has stifled innovation and investment in wireline broadband infrastructure deployment. Catena has raised \$192 million in four rounds of equity financing, employs more than 300 people, many of them in engineering, giving Catena the technology muscle of companies that have been around for over 20 years.

Regulations that impose stringent access and pricing obligations on the incumbent local exchange carriers have dramatically reduced capital expenditure by these carriers. This in turn severely limits the ability of vendors to introduce new products and attract new capital for innovative technology developments that will reduce carrier costs and reach more consumers.

Regulatory Reform

Regulators must eliminate barriers to investment by wireline broadband carriers to complete the digital broadband transformation of the access network – the “last mile” to the home – paving the way for the rapid delivery of new and richer content to consumers.

The FCC should complete its diligent review of unbundling regulations in order to provide regulatory certainty and reduce the threat of further regulatory encroachment at both the federal and state government level, and level the playing field with other service providers.

Congress should adopt incentives designed to spur technology development and infrastructure investment at all levels, including measures to ensure that consumers in underserved areas receive the benefits of competition between providers using different broadband platforms.

Government and Industry Roles

Governments should adopt broadband delivery platforms to further the general public safety, health, and welfare of citizens, such as rapid law enforcement coordination and response.

Encourage public and private investment in applications beneficial to consumers such as telemedicine, telecommuting, and distance learning – all critically dependent upon broadband.

Government and industry should invest in research and development to further increase the speed (and mobility), redundancy and security of the nation’s digital infrastructure.

Industry sectors should work together to quickly resolve copyright issues, digital rights management policy, allowing content to be protected and distributed to consumers.

Everyone wants Broadband™

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