



INDUSTRY ASSOCIATIONS FORM HIGH TECH BROADBAND COALITION TO ADVANCE AFFORDABLE, UBIQUITOUS BROADBAND

Washington, D.C., April 3, 2002 — Uniting in an effort to advance new, last mile broadband investment and deployment in the U.S., six inter-industry trade associations today announced the formation of the High Tech Broadband Coalition (HTBC) – an ad hoc alliance representing the computer, telecommunications equipment, semiconductor, consumer electronics, software and manufacturing sectors. Leaders of the coalition explained that HTBC is committed to the rapid and ubiquitous deployment of fast, interactive, content-rich and affordable broadband services.

HTBC trade association members include: Business Software Alliance (BSA), Consumer Electronics Association (CEA), Information Technology Industry Council (ITIC), National Association of Manufacturers (NAM), Semiconductor Industry Association (SIA) and Telecommunications Industry Association (TIA).

"HTBC brings a new and focused perspective to the broadband debate that has been missing to date," said CEA President and CEO Gary Shapiro. "Widespread availability of broadband is the fuel that will help drive the next revolution in consumer technologies and bring consumers the benefits and wonder of high-speed Internet access. CEA is eager to participate as part of this new coalition toward the common goal of affordable, ubiquitous broadband so that consumers can enjoy the full promise of current and future technologies."

Jerry Jasinowski, president of NAM added, "The reason manufacturers are in this coalition is that the wider distribution of broadband - particularly that infamous last-mile of transmission line - is essential to moving e-business forward, and e-business in turn represents the key to continued increases in productivity for our members. This issue is particularly critical for smaller, independent manufacturers, which are less able to afford expensive upgrades."

During a media briefing this morning, HTBC representatives reported the group will file comments on Friday with the Federal Communications Commission (FCC) as part of the agency's triennial review of unbundling rules included in Section 251 of the 1996 Telecommunications Act. HTBC will call for streamlined regulation to speed broadband deployment, urging the FCC to achieve a minimal regulatory environment for new, last-mile broadband facilities. (Copies of an executive summary of the filing can be obtained from the media contacts listed at the bottom of this press release).

Specifically, the HTBC suggests that the FCC refrain from imposing Section 251 unbundling obligations on new last mile broadband facilities, including fiber and DSL electronics deployed on the customer side of the central office. HTBC also suggests that the Commission continue to require incumbent local exchange carriers (ILECs) to provide collocation space and unbundled access to the legacy copper facilities, as well as establish ILEC build-out and minimal bandwidth requirements.

"Removing outdated regulations will encourage investments in last-mile broadband facilities, thus providing affordable access to consumers," said George Scalise, SIA president. "This also will allow consumers to reap the full benefits of faster and better semiconductor chips that drive their computers and peripherals."

"This filing is an important piece of our strategy to bring broadband to more consumers, at higher speeds, and lower prices," added ITI President Rhett Dawson. "We urge the FCC to adopt our focused approach to deregulating only new last mile broadband infrastructure, while maintaining those rules needed to ensure competitive access to consumers and establishing reasonable deployment benchmarks for the incumbent carriers. We believe this balanced formula will maximize investment, access, competition and innovation in the broadband marketplace."

HTBC believes the timely deployment of high-bandwidth broadband will generate enormous societal and economic benefits for American consumers, workers and businesses.

"Ubiquitous broadband deployment will help our country both recover and sustain economic momentum, while demonstrating to the world the enduring strength and resilience of the United States," stated TIA President Matthew J. Flanigan. "It can spur business investment, bring substantial improvements to education, healthcare and teleworking, as well as public safety and security. If the telecommunications network is to be an important competing platform for meeting the rising demand for broadband connectivity, its last mile infrastructure needs substantial upgrading. Current regulations, however, are impeding the massive investment that is needed today and for the foreseeable future."

Robert Holleyman, President and CEO of BSA agreed stating, "Widespread deployment of broadband is crucial for the future of the Internet and its promise to deliver an exciting new generation of Web-based services. Barely 10 percent of American homes and small- and medium-sized business have access to high-speed Internet connections. Until that number dramatically increases, the real promises for innovations in everything from e-commerce to e-government to telecommuting and distance learning cannot and will not be realized."

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