

STATEMENT OF COMMISSIONER

MICHAEL J. COPPS

December 11, 2002

RE: Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993; Annual Report and Analysis of Competitive Market Conditions With Respect to Commercial Mobile Services.

The CMRS Competition Report serves as the factual foundation of many Commission decisions. It is therefore extremely important that Commission staff have the best possible data available to them when composing this Report. I have noted in the past that our Report and our decisions would greatly benefit from better data.

For example, I have been particularly worried that past Reports have defined an entire county as being served by a carrier if any part of the county is served. This means we have counted an entire county as served even though only a highway that runs through it is actually served. We also have found competition in a county even where two apparent competitors do not venture into each other's territory to actually compete. This situation occurs because Commission staff do not have access to more granular data. This NOI asks the questions needed to solve this problem and I urge carriers to help us produce more granular, aggregated, non-company-specific data on this point by submitting coverage information and seeking confidential treatment.

In addition, better understanding the state of competition and deployment in rural America must be a top priority of the next CMRS Competition Report. This NOI dedicates an entire section to rural issues. Combined with what we learn from the Rural Spectrum NOI that we also are issuing today, we have the potential to be in a better position to analyze rural service soon. Again, the submission of detailed comments from a wide range of sources will be the key to success here.

I am also hopeful that this NOI will also help us better understand if and how churn, service quality, pricing, innovation, and ARPU relate to our analysis of competitive market conditions. Making conclusions about increasing or decreasing competition from evidence about these and other metrics is tricky business. The NOI seeks input on how we should make these conclusions.

To conclude, I want to thank the staff for going through this extra step in the Competition Report process. I know that you work hard on this Report already and I believe that you produce admirable results. I hope that these NOIs will begin to give you the data you need each year to further advance this critical resource.