

**STATEMENT OF
COMMISSIONER MIGNON L. CLYBURN**

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 Mobile Wireless, including Commercial Mobile Services, WT Docket No. 09-66.

I applaud the Wireless Telecommunications Bureau for the impressive report you have produced and presented to us today. This report significantly expands our understanding about critical segments of the industry. Indeed, this is the first competition report in which the Commission has provided such extensive information about key input segments such as spectrum, towers, network equipment, and backhaul transport facilities. The Bureau's robust, granular review of these costs highlights the difficulties that large carriers and smaller service providers face when trying to expand their service in certain license areas or when trying to enter new ones.

Our goal is a mobile wireless market in which investment goes primarily towards fueling innovation rather than simply meeting the costs to provide basic mobile services. Therefore, it is imperative that we do all we can to lower the costs that these input segments impose on carriers and service providers.

Gathering detailed information about the costs involved in providing mobile services is also important in order to encourage greater investment in those areas of the country, particularly rural areas, where consumers do not have meaningful choices among providers. For example, the Urban Rural Comparisons section of this Report reveals that, despite the hundreds of billions of dollars that have been invested over the past decade, more than 900,000 people live in rural areas where they have no access to any wireless service provider. More than 2.4 million people live in geographical areas covered by only one service provider. And more than seven million people live in areas served by only two service providers. In this regard, I am heartened by reports that Verizon Wireless intends to offer spectrum to providers serving rural areas, and I look forward to hearing more about how such a proposal could lead to more options for consumers in these areas. When the Commission releases a Public Notice seeking comment to enable us to prepare the next mobile wireless competition report, I encourage commenters to provide us with as much information as possible about how we can encourage more investment in these rural areas.

I commend the staff of the Wireless Telecommunications Bureau for their hard work on this report.