



NEWS

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See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

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FCC RELEASES NEW LOCAL TELEPHONE COMPETITION DATA *Third Collection to Comprehensively Include Interconnected VoIP*

Washington, D.C. – The Federal Communications Commission today released the third *Local Telephone Competition* report to be based on comprehensive information about subscribership to interconnected Voice over Internet Protocol (VoIP) service as well as more traditional telephone lines. The report summarizes data collected by FCC Form 477 as of December 31, 2009.

Interconnected VoIP service represents an important and rapidly growing part of the U.S. voice service market. Interconnected VoIP service enables voice communications over a broadband connection and allows users both to receive calls from, and place calls to, the public switched telephone network, like traditional phone service. Providers of the service include companies like Vonage as well as cable and telephone companies that own their own networks.

Report highlights include:

- In December 2009, there were 127 million traditional switched access lines in service and 26 million interconnected VoIP subscriptions in the United States, or 153 million wireline retail local telephone service connections in total. Of these, 91 million were residential connections and 62 million were business connections.
- Interconnected VoIP subscriptions increased by 22% during 2009 (from 21 million to 26 million subscriptions) and switched access lines decreased by 10% (from 141 million to 127 million lines) for a combined annual decrease of 6% (from 162 million to 153 million total wireline retail local telephone service connections).
- Of the 153 million total connections in service at year-end 2009, 45% were residential switched access lines, 38% were business switched access lines, 15% were residential interconnected VoIP subscriptions, and 2% were business interconnected VoIP subscriptions.
- Of the 153 million total connections, 42% were residential lines and 28% were business lines owned by incumbent local exchange carriers (ILECs), while 17% provided non-ILEC residential service and 13% provided non-ILEC business service.
- Of the 91 million wireline residential connections, 69.9% were ILEC switched access lines, 23.5% were non-ILEC interconnected VoIP subscriptions, 5.5% were non-ILEC switched access lines, and 1.1% were ILEC interconnected VoIP subscriptions.

- Of the 62 million wireline business connections, 68% were ILEC switched access lines, 26.3% were non-ILEC switched access lines, 4.8% were non-ILEC interconnected VoIP subscriptions, and 1% were ILEC interconnected VoIP subscriptions.
- 84% of interconnected VoIP subscribers in December 2009 received service through a broadband bundle.
- 87% of these bundles were provided over cable modem; 13% via fiber to the premises (FTTP), DSL, or other wireline; less than 1% via fixed wireless or other connections.
- 11% of interconnected VoIP subscriptions were to a nomadic service that can be used over any broadband connection.

The report also updates summary statistics for the mobile telephony subscribership information collected by Form 477.

The report can be downloaded at www.fcc.gov/wcb/stats. It is also available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, SW, Washington, DC. Copies may be purchased by calling Best Copy and Printing, Inc. at (800) 378-3160.

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