

**Prepared Remarks of Acting Chairwoman Mignon L. Clyburn
The Competitive Carriers' Association Annual Convention
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Thank you, Steve, for that generous introduction, and I appreciate all of you for attending this morning.

When I got on the plane yesterday morning, I thought I would only have to pause in my remarks to mention the tragedy of the Colorado floods. Then came the breaking news of the unimaginable horror caused by the shooting at the Navy Yard in DC. So, before we begin, I must offer my deepest condolences to the families of those 12 souls who are no longer with us and for those who also lost loved ones as a result of the floods in Colorado. We hope the worst has passed. In the meantime, the FCC will continue to monitor, evaluate and respond as needed to help ensure our nation's communications infrastructure works when people need it most. These are the times when Americans must be able to communicate with family, friends and emergency personnel.

I'm guessing that the majority of the people visiting Vegas are still asleep – OR just coming in for the night – and I promise not to take a poll, on where you fall in.

Since most of us could use a little jolt at 8:30 AM, I'm going to do something a little unorthodox, and open with my best closer – 700 MHz interoperability.

When I was sworn in as Acting Chairwoman, in May, I knew there was a limited amount of time, to try and make a lasting impact. So, in laying out my agenda, I surveyed the FCC's docket for items that met a few criteria. They had to be high-impact; issues I had prioritized since my arrival that were generally issues that were pro-consumer and pro-little guys and gals; and thorny, long-standing issues that would benefit most from a little extra push. I love challenges. Well since I'm in Vegas, let's just say that I'm not intimidated by long odds and 700 MHz interoperability certainly fit the bill.

As you know, when the Commission auctioned this spectrum in 2008, it was widely anticipated that deployment of this valuable spectrum would result in greater innovation and competitive options for consumers. Unfortunately, the lack of interoperability in the band prevented many consumers, from realizing those benefits.

But last week, after many frustrating years, CCA, AT&T, the Interoperability Alliance, DISH, and consumer advocacy groups, working with FCC staff, finally reached a voluntary industry solution that will resolve the lack of interoperability in the lower 700 MHz band in the most efficient manner.

Under the agreement, AT&T will modify its 700 MHz LTE network with new software that will enable it to support Band 12-capable devices and also work with manufacturers to develop devices that support Band Class 12. In plain English, it will be easier for your customers to roam on AT&T's LTE network, and devices like the iPhone that used to work exclusively for AT&T, will work on your networks in the 700 MHz band.

This is a big win for consumers, especially in rural areas, who will see more competition and more choices.

Also, by making it easier for small wireless carriers to compete, today's interoperability solution, will spur private investment, job creation, and the development of innovative new services and devices.

This non-regulatory, pro-consumer solution would not have happened, when it did, without the tireless efforts of CCA's leadership and members. So I just want to take this opportunity to say, "Thank you."

So -- we got a deal on 700 MHz interoperability. That means our work is done, and we can go hit the tables. Right? No such luck.

Please be assured, that we will be watching the implementation of the agreement, with a close eye. This issue is too important to me, and to the members of CCA, not to see it through.

The FCC is pursuing an extensive agenda, to spur innovation, investment, and competition, in the mobile sector.

Why? Because few if any sectors, of our economy, hold more promise to drive economic growth, job creation, U.S. competitiveness, and practical improvements in our quality of life, than wireless.

From medical monitoring devices to interactive digital textbooks to the smartphones in our pockets that have an app for just about everything, mobile technology enables revolutionary change.

Here are just a few stats to illustrate its scope.

When Barack Obama was elected President, only about 13 percent of Americans had smartphones.

Today, that number is 56 percent and climbing and today's smartphones have as much computing power as the lunar module that put a man on the moon.

The apps economy, which didn't even exist in 2008, has already created more than 500,000 U.S. jobs.

Here's one last stat that's almost hard to comprehend. According to McKinsey, the annual economic impact of mobile broadband globally could grow to \$10.8 Trillion by 2025. Not billion. Trillion. That's incredible.

So we need to make sure, that every American, can take part in the mobile revolution. We need you – our smaller and rural carriers – to achieve this goal, and seize the opportunities, for you not only make massive investments in our mobile infrastructure, you developed innovative services and products to customers, such as flexible contract and pricing options. We also need smart policies from Washington, and again, that will only occur from engagement from you.

So what are we working on at the FCC? Our mobile agenda essentially falls into four buckets, which are complementary, and have some overlap:

- 1) Promoting competition;
- 2) Empowering consumers;
- 3) Unleashing spectrum; and
- 4) Spurring investment.

COMPETITION

Since this is the Competitive Carriers Association, obviously, I'm going to start with competition.

Competition is an essential driver of investment and innovation, and must be preserved, as it is the best way to protect the growing percentage of Americans, who rely solely on mobile services, for their

communication needs. I've already spoken about how important interoperability in the lower 700 MHz band was to promoting competition.

Another significant pro-competition action was the FCC's order mandating data roaming among mobile broadband providers. Data roaming is critical to supporting competition and innovation. It permits providers to enter markets that others may deem hard to serve and it allows consumers, in rural areas, to have more choice.

Every carrier has the potential need to roam on networks, built by others. I'm pleased that the courts have upheld the Commission's data roaming order, and I am interested in the progress made by the industry towards creating more fair, roaming agreements.

I am proud of the job we've done at the Commission, but our work is far from done. There are many smaller carriers who serve rural America or who compete regionally that provide critical service to consumers, but are struggling for a foothold. So we will continue to work hard to ensure that all Americans are served and are served by a competitive and fair environment.

EMPOWERING CONSUMERS

I think it's fair to say that promoting competition is the FCC's most important pro-consumer policy. But there are other policies of interest to CCA that I see falling in the Consumer Empowerment bucket.

Protecting consumers is at the core of the FCC's statutory mission and I'm pleased to say that we've been able to work with CCA members and other carriers to reach voluntary industry solutions to consumer problems.

For example, bill shock is a problem that costs millions of wireless customers, hundreds, sometimes thousands of dollars in unexpected charges.

After working with the FCC in good faith to find a solution, CCA members and the rest of the industry agreed to provide alerts to approximately 97 percent of U.S. wireless customers, when they are approaching monthly limits for voice, text, data and international roaming.

Then there's cell phone unlocking. I support policies that enable consumers to lawfully unlock their mobile telephones so they can seamlessly move from one carrier to another. While wireless carriers should be able to enforce their valid customer contracts, unlocking provisions need to be grounded in common sense and practical application. Consumers, who satisfy the reasonable terms of their contracts, should not be subject to civil and criminal penalties if they want to take their device to a new carrier.

I recently asked FCC staff to redouble their efforts to explore all possibilities with industry and stakeholders, to achieve consumer-friendly cell phone unlocking policies. I applaud CCA's members that already offer consumers, the ability to seamlessly unlock, a cell phone. We are moving quickly with industry to develop a baseline standard that reduces consumer frustration and promotes consumer access to unlocked devices.

Another critical area, where the FCC wants to work with wireless carriers of all sizes to protect consumers, is public safety. We talk a lot about the benefits of mobile communications, but certainly none is greater than the fact that it can save lives. To fully realize that potential, we need to modernize 9-1-1.

Many Americans would be surprised to learn that, in most areas of the country, you cannot text 9-1-1. It's imperative that our emergency response system is compatible with the ways people, in 2013, use their devices to communicate.

Being able to text to 9-1-1 is critical in so many ways. It allows for millions with hearing and speech disabilities the same access to 9-1-1 that others have. It also permits people to contact emergency officials when a voice call would put them in more danger.

The transition to Next-generation 9-1-1 has been at the top of our public safety agenda. As part of our effort to modernize 9-1-1, the Commission recently adopted a requirement that wireless service providers, and certain providers of over-the-top texting application, send a "bounce-back" message to consumers that attempt to send a text to 9-1-1 where the service is not available.

When it comes to 9-1-1 services, another critical issue is location accuracy. We've learned that tracing the location of a caller, using a mobile phone indoors, has become increasingly difficult. As more consumers cut the cord and rely only on wireless service we need to ensure that callers can be located by first responders no matter where they are. We are in the process of examining this issue and welcome your input to formulation next steps.

SPECTRUM

Obviously, spectrum is the lifeblood of mobile communications. And of course, all eyes are on the upcoming Incentive Auction.

This unprecedented two-sided auction will use the power of the market to repurpose beachfront spectrum, used by TV broadcasters, for wireless broadband. The FCC staff continues their work on the Incentive Auction with the goal of conducting an auction, in 2014.

We all know that the auction of the 600 MHz band will create opportunities for wireless providers and broadcasters alike. I remain committed to facilitating access by all providers to valuable spectrum resources including the 600 MHz band.

I am also interested in the opportunities that the Incentive Auction will create for small businesses. The transition of the 600 MHz band to advanced wireless service use has the ability to create jobs and spur innovation across the country. From the construction crews working on broadcast towers, to the competitive carriers providing service to consumers, to the start-ups that will develop the next hot app, small businesses have the opportunity to benefit at every stage.

Running parallel to the Incentive Auctions, we also have an open proceeding regarding how we measure spectrum aggregation and its impact on competition in the wireless space. Our current spectrum holdings policies pre-date iPhones, Android phones, tablets, app stores, and the spectrum crunch. Clearly, an update was due.

INFRASTRUCTURE INVESTMENT

That brings me to our fourth and final bucket -- spurring investment in infrastructure.

As you know, our mobile infrastructure relies overwhelmingly on private investment. So the Commission has made it a priority to remove red tape that saps resources and slows broadband deployment.

We've reduced the cost and significantly shortened the time to attach communications equipment to utility poles, establishing a 90-day "shot clock" to speed approval by municipalities of new wireless towers.

Recently, I circulated, to my fellow Commissioners, an NPRM on important wireless infrastructure issues that we will consider at our meeting next week.

It is my hope that this proceeding will lead to smart policies that accelerate the deployment of infrastructure, while upholding our duty to protect our Nation's environmental, Tribal, and historic resources.

As you know, there are some areas where the business case cannot be made for wireless carriers to further invest. That's why as part of the Commission's universal service reform, we established the Mobility Fund, to close gaps in mobile network coverage, using market-based reverse auctions, to ensure funding is spent wisely and efficiently.

I share and appreciate CCA's commitment to implementing universal service reform in a manner that maximizes consumer benefit. Wide participation by qualified carriers – including rural, mid-size and regional providers – is central to achieving this goal.

I look forward to keeping an open dialogue as we continue our efforts to implement the Connect America Fund and Mobility Fund.

Those are the highlights of the FCC's mobile agenda, and as you heard repeatedly, achieving many of our goals will require our working together.

Thank you again for the invitation to speak today. My door remains open and I look forward to continuing our work with CCA and its members long into the future.