



January 4, 2008

**THIS WEEK'S HEADLINES:**

MTA Online Membership Survey Is Fast, Easy

Mystery Cruise Planned for Evening Entertainment

Wanted: Nominations for MTA Leadership Awards

Who's Your Nominee for MTA Director?

Competition Report Reveals Interesting Facts

Universal Service Report Tracks Trends

Vonage Settles Patent Suit With Nortel

Latest Reports Says Landline Still Preferred Choice

**FCC & Regulatory Filings**

**INDUSTRY CALENDAR**

**PEOPLE & COMPANIES**

Do you have an announcement for *People & Companies*? Send an e-mail ([info@mnta.org](mailto:info@mnta.org)) or fax (651-291-2795) to MTA.

**MTA UPDATE**

**MTA Online Membership Survey Is Fast, Easy**

MTA is conducting an online survey to identify member needs, desires and to measure the effectiveness of current programs and activities. The survey takes only a few minutes to complete. It is an anonymous survey. Participants' identity will remain confidential. When finished, simply hit the submit button and the survey will be sent to the MTA. It is a fast and easy process. The deadline for submitting the survey is January 18, 2007. To take the survey, [click here](#).

**At the MTA Convention**

**Mystery Cruise Planned for Evening Entertainment**

The MTA Convention Planning Committee has chosen another must see entertaining event for Tuesday night. Following the Tuesday night reception, go aboard the S.S. Victoria, flagship of the Cozy Comfy Cruise fleet. We will celebrate the anniversary of Captain Thomas Moorhead's service to the line. But watch out. Not everything is as it seems. With shifty characters, shady dealings and all the suspicious activities going on, this is NOT your typical "Love Boat." Don't forget to purchase your tickets in advance for an exciting evening of dinner and mystery.

Whether purchasing tickets or registering for the MTA 2008 Annual Convention, the online service makes it fast and easy. This is the first time online registration has been available for the convention. All the information you need to register as an attendee, exhibitor or event sponsor is available on one site.

Our theme – C3 2008: Competitiveness, Convergence and Consolidation—recognizes the three driving forces shaping today's telecom industry in Minnesota. For more information and online registration, [click here](#).

### Save These Dates

#### **Annual Convention & Trade Show**

**March 2-5, 2008**

#### **MTA Golf Day**

**July 7, 2008**

#### **Fall Conference & Communications Seminar**

**November 18 & 19, 2008**

### Stat of the Week

Since Tuesday, more than 850,000 consumers have requested \$40 coupons for converter boxes that will let old televisions receive over-the-air broadcast next year, according to the National Telecommunications and Information Administration.

### **WEEKLY BULLETIN**

Is there someone in your organization who you would like to add to the distribution list? Send their name, company, and e-mail address to [info@mnta.org](mailto:info@mnta.org) and we'll add them to the list.

WEEKLY BULLETIN is intended for MTA members. Redistribution is limited to internal audiences only.

If you wish to be removed from the MTA e-List, click here to [unsubscribe](#).

© copyright 2007, Minnesota Telecom Alliance  
[www.mnta.org](http://www.mnta.org)  
Tel: 651-291-7311  
Fax: 651-291-2795  
E-mail: [info@mnta.org](mailto:info@mnta.org)

MTA Officers: John Finke, Chairman; Robert K. Eddy, Vice Chairman;  
Paul Freude, Secretary-Treasurer;

### **Wanted: Nominations for MTA Leadership Awards**

It's time again to call for entries for the ninth annual Minnesota Telecom Alliance 21<sup>st</sup> Century Leadership Awards – an award to recognize MTA members that have made outstanding contributions to the progress and prosperity of Minnesota's telecommunications industry.

Nominations are now being accepted for awards in the following categories: Humanitarian, Public Service, Industry Leadership, Associate Member Leadership and Economic Development. For more information and nomination form, [click here](#) and scroll down to the bottom of the page.

### **Who's Your Nominee for MTA Director?**

The MTA will hold an election for four directors during the first general session of the MTA's 99<sup>th</sup> Annual Convention on March 3, 2008. The Directors Nominating Committee will meet January 10, 2008 to receive nominations for directors to serve on the Board of Directors.

The election is for three-year terms. The regular terms of the following directors will expire: Paul Freude, Paul Bunyan Rural Telephone Cooperative; Paul Hoge, Crosslake Communications; Ronald Laqua, Halstad Telephone Company; and Cheryl Scapanski, Benton Cooperative Telephone Company. According to the bylaws, Messrs. Hoge, Laqua and Ms. Scapanski are eligible for re-election.

The committee will prepare a slate of candidates. Nominations must be made in writing to the committee chairman John Finke, and the alliance's president, Michael Nowick, by Tuesday, January 8, 2008. Letters of nomination also must be submitted for incumbent directors seeking re-election. All members are encouraged to participate in the nominating process. A copy is available by contacting the MTA at 651-291-7311 or [info@mnta.org](mailto:info@mnta.org).

## **INDUSTRY UPDATE**

### **State Senate Victory Boost DFL Veto Power**

DFL candidate Kevin Dahle's victory this week in a special election for a state Senate seat will give the DFL Senate majority the two-thirds necessary to override a veto by the governor. If there are no further changes in the membership of the Senate, the ability to override a governor's veto would remain in place for the remainder of Governor Pawlenty term (three years). Dahle defeated former Republican state Rep. Ray Cox of Northfield. Dahle replaces Sen. Tom Neuville, R-Northfield, who was appointed a Rice County judge by Gov. Tim Pawlenty.

### **Retirement Party for Commissioner Johnson**

Michael J. Nowick, President

Weekly Bulletin editor:  
Moses Dennis

On Monday, Jan. 7, the Minnesota Public Utilities Commission will host a farewell celebration for Commissioner Marshall Johnson, who is retiring after 14 plus years as commissioner. The celebration will be held in the large hearing room at 10:00 a.m. There will be a brief program and light breakfast. If you plan to attend and/or would like to say a few words or share a fond memory, you are asked to RSVP by e-mail at [registrar.puc@state.mn.us](mailto:registrar.puc@state.mn.us). Include the attendee names and indicate if you wish to say a few words.

### **Competition Report Reveals Interesting Facts**

The Federal Communications Commission (FCC) this week released new data on local telephone service competition in the United States. Twice a year, all incumbent local exchange carriers (incumbent LECs) and competitive local exchange carriers (CLECs) are required to report basic information about their local telephone service, and all facilities-based mobile telephony providers are required to provide information about their subscribers, pursuant to the FCC's local telephone competition and broadband data gathering program (FCC Form 477). The statistics reflect data as of December 31, 2006.

#### **Summary Statistics**

- End-user customers obtained local telephone service by utilizing approximately 138.8 million incumbent LEC switched access lines, 28.7 million CLEC switched access lines, and 229.6 million mobile telephony service subscriptions at the end of December 2006.
- Mobile telephony service providers reported 229.6 million subscribers at the end of December 2006, which is 26 million, or 13%, more than a year earlier. About 7% of these subscribers were billed by mobile telephony service resellers.
- Incumbent LECs were the presubscribed interstate long distance carrier for 58% of the switched access lines they provided to end users, while CLECs were the interstate long distance carrier for 76% of their switched access lines.

### **Universal Service Report Tracks Trends**

The staff of the Federal-State Joint Board on Universal Service has released its most recent Monitoring Report on Universal Service. This report reflects information on the telephone industry filed with the Federal Communications Commission (FCC) through June 2007.

The report released today addresses the various universal service support mechanisms, which amounted to about \$6.6 billion in 2006. In 2006, disbursements among the four categories of universal service mechanisms were: 61.8% for high-cost support; 25.2% for schools and libraries support; 12.4% for low-income support; and 0.6% for rural health care support. The key statistics in the report are:

- 1) **Industry Revenues and Contributions** – Total industry revenues for telecommunications services provided to end

users in 2006 were about \$236 billion, compared to about \$235 billion in 2005. Revenues for fixed local service providers decreased to about \$81 billion, from about \$82 billion, while wireless service providers' revenues increased to about \$110 billion, from about \$101 billion, and toll service providers' revenues decreased to about \$45 billion, from about \$52 billion.

- 2) **Low-Income Support** – Total low-income support increased to about \$808 million in 2006, from about \$803 million in 2005.
- 3) **High-Cost Support** – In 2006, total high-cost support amounted to about \$4.1 billion, an increase from about \$3.8 billion in 2005. This increase is due to support to competitive carriers (CETCs) increasing from \$0.6 billion in 2005 to \$1.0 billion in 2006.
- 4) **Schools and Libraries Support** – Schools and libraries support disbursements in 2006 decreased to \$1.7 billion from \$1.9 billion in 2005.
- 5) **Rural Health Care Support** – The demand for rural health care support disbursements increased to \$41 million in 2006 from \$26 million in 2005.
- 6) **Subscribership and Penetration** – According to the Current Population Survey, the percentage of households subscribing to telephone service increased to an average of 93.6% in 2006, from 93.1% in 2005.
- 7) **Rates and Price Indices** – The price index of overall telephone rates increased 1.7% in 2006, compared to the general rate of inflation of 2.5% for all goods and services.
- 8) **Network Usage** – Interstate toll usage for customers of incumbent local exchange carriers declined to 379 billion minutes in 2006, from 401 billion minutes in 2005.

### **Vonage Settles Patent Suit With Nortel**

Vonage and Nortel today have agreed in principle to end the litigation pending between them. The contemplated settlement involves a limited cross license to three Nortel and three Vonage patents and will not call for any monetary payments by any party, according to a news release issued by the companies. Claims relating to past damages and the remaining patents will be dismissed without prejudice. The settlement is subject to final documentation.

### **Latest Reports Says Landline Still Preferred Choice**

A new report shows that given a choice, teens 12 to 17 would choose a landline phone as their method of communication at home. A Pew Internet & American Life Project report debunks the myth that landline phones are going the way of the horse and buggy. The study validates other industry reports that indicate there will always be an overarching

need for landlines and their superior characteristics. In fact the most recent study by the National Telecommunications Cooperative Association (NTCA) and the Foundation for Rural Service found that given a choice, 70 percent of respondents selected the landline as their method of communication at home.

## INDUSTRY CALENDAR

### Upcoming MTA & Industry Meetings/Events

**Jan 8:** MTA Legislative Committee, MTA office 1:30 p.m.

**Jan. 9:** MTA Regulatory, Tariffs & Services Committee, MTA office, 9:30 a.m.

**Jan 10:** MTA Directors Nominating Committee, MTA office and conference call, 1:00 p.m.

**Jan. 11:** MTA Education & Human Resources Committee, Benton Cooperative Telephone Co., Rice, 10:00 a.m.

**Jan 22:** MTA Executive Committee conference call, 1:30 p.m.

**Jan. 23:** MTA Video Committee, MTA office, 9:30 a.m.

**Jan. 24:** MTA CLEC Committee, MTA office, 9:30 a.m.

**Jan. 30:** MTA Board of Directors conference call, 9:00 a.m.

For a look at 12 months and more of industry events, [click here](#)

## PEOPLE & COMPANIES

**Kris Nelson**, director of Human Resources for **CTC**, retired on Dec. 31 after 37 years with the company. Kris chaired the MTA Education and Human Resources Committee for several years. A retirement party is being held today, Friday, Jan. 4. Thanks, Kris, for your contributions to the MTA.

**Martin Group**, the nationwide provider of Software, Business Services, and Engineering for communications companies, has appointed **Eugene McCord** to vice president of operations. McCord will be responsible for managing the company's customer-facing operations including activations, software support, business services, IT, quality assurance, and training. In this position, Mr. McCord will determine and formulate policies and business strategies and provide overall direction for Martin Group.

Do you have an announcement for *People & Companies*? Send an e-mail ([info@mnta.org](mailto:info@mnta.org)) or fax (651-291-2795) to MTA



