



The VON Coalition

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VoIP Leaders Urge Key Senators To Support Continuation Of Pro-Innovation Policies
Ask Senators to Oppose Rate-Raising, Growth-Sapping, Innovation-Reducing Policy Change

Washington, D.C. – Today, the nation's leading VoIP providers urged the Chairman and Ranking Member of the Senate Commerce Committee to support the continuation of federal pro-growth, pro-consumer, pro-innovation policies that have for 20 years ensured that Internet communications are not subject to the regulations for yesterday's technologies.

The VoIP leaders highlighted the need for the Federal Communications Commission to reform the broken access charge system. But until that system is reformed, the VON Coalition asked policymakers to reaffirm that access charges do not apply to VoIP services by encouraging the FCC to grant the Level 3 Petition now pending at the agency. Doing so will keep the successful pro-growth, pro-innovation policy in place while the Congress and the Commission work to finalize and implement comprehensive reform of intercarrier compensation, including access charges as well as necessary reform of the Universal Service system.

However, the group warned that a failure to reaffirm that access charges have not and do not apply to VoIP services will create additional regulatory uncertainty during the reform process. The ultimate victims of such uncertainty will be the American consumer. The letter, sent to Senate Commerce Committee Chairman Ted Stevens (R-AK) and Ranking Member Daniel Inouye (D-HI), responded to a letter addressed to the Senators by incumbent local exchange carrier (ILEC) trade associations dated February 3, 2005. The VoIP leaders warned that following the path outlined by the ILECs would increase rates for innovative IP-enabled voice applications; decrease innovation and development of new voice applications; and slow broadband adoption.

In its letter, the VON Coalition pointed out that all network providers are compensated for the use of their network. Pursuant to FCC rules and policy, enhanced service providers, including VoIP providers, have always gained access to the telephone network by paying for tariffed business services rather than paying per-minute access charges.

Staci Pies, The VON Coalition's President said, "there is no need for such a rate-raising, growth-sapping, innovation-reducing policy change. If we subject tomorrow's technologies to yesterday's broken systems, consumers and business users will miss out on the new services, increased choices and lower prices that VoIP can deliver."

About the VON Coalition:

The Voice on the Net or VON Coalition consists of leading VoIP companies, on the cutting edge of developing and delivering voice innovations over Internet. The coalition, which includes Acceris, AT&T, BMX, BT Americas, CallSmart, Convedia, Covad, Earthlink, IceNet, iBasis, Intel, Intrado, Level 3, MCI, Microsoft, PointOne, Pulver.com, Skype, Teleglobe, Texas Instruments, USA Datanet, VocalData, and Voiceglo, believes that Americans are fundamentally better off with a generally hands off regulatory approach to Internet and Internet based services like VoIP. Since its inception, the VON Coalition has consistently advocated that federal and state regulators maintain current policies of refraining from extending legacy regulations to Internet services, including VoIP. More information about the VON Coalition can be obtained at the following website: <http://www.von.org>