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EXPERTS FORECAST NEW AGE OF TELECOM COMPETITION

Washington, D.C. – Industry experts presenting at The New Millennium Research Council's (NMRC) roundtable event, "The New State of Competition in the Telecommunications Industry," agreed that new competition to traditional landline services is changing the landscape of the telecommunications market. Dr. Rob Atkinson, Director of the Technology & New Economy Project at the Progressive Policy Institute, moderated the panel featuring Dr. Joe Kraemer, LECG, Gary Arlen, Arlen Communications and Philip Richards, Insight Research.

NMRC executive director, Dr. Patricia F. Lewis, welcomed the audience saying that today's consumers increasingly rely on new forms of communications – instant messaging, email, and wireless – in place of traditional telephone service. She noted that 61% of US households now have at least one wireless phone, over 160 billion emails are sent every year in the United States and more than 850 million "instant messages" are sent every day.

Joe Kraemer estimated that, "In the best case scenario, there will be no material recovery in the telecommunications industry until at least the Summer of 2003." Phil Richards added, "This is definitely a time of turmoil in the telecom industry. Competition is not the primary issue, survival is the issue."

The panelists also discussed various means to encourage consumer broadband use and deployment by corporations. Additionally, Gary Arlen noted that broadband deployment is extremely important, not only for the services it can provide to consumers, but also for national security and our country's economic recovery.

Rob Atkinson closed the session with a look back on the past five years. He noted that many analysts assumed most of the market uncertainty would have diminished by this year, but as a result of these new services, the future promises to be just as turbulent and difficult to forecast. To view the webcast of yesterday's NMRC event, please visit www.newmilleniumresearch.org.

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The New Millennium Research Council (NMRC) is a non-profit research organization based in Washington, DC. Its mission is to foster policy research focused on developing workable, real-world solutions to the issues facing policy makers, primarily in the fields of telecommunications and technology.