



INDEPENDENT TELEPHONE & TELECOMMUNICATIONS ALLIANCE

June 25, 2008

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20054

Re: Bright House Networks, LLC, Comcast Corporation, and Time Warner Cable, Inc., Complainants, v. Verizon California, Inc., et al, Defendants
File No. EB-08-MD-002

Dear Ms. Dortch:

The Independent Telephone & Telecommunications Alliance (ITTA) hereby files this letter in support of the Verizon Petition for Stay filed June 23, 2008, in the above-captioned proceeding.

ITTA members are mid-size local exchange carriers that provide a broad range of high-quality wireline and wireless voice, data, Internet, and video services to 31 million customers in 45 states. ITTA has consistently supported principles of competitive neutrality and fair play in the marketplace. The Commission's June 23, 2008, Memorandum Opinion and Order (Order) in the above-captioned proceeding would place telecommunications carriers at a clear disadvantage by barring retention marketing strategies that are available without restriction to certain of their formidable competitors. The Order imposes a disparate playing field and favors improperly one class of providers over another.

The ability of providers to compete with each other is enhanced when those providers can extend offers and counter-offers to existing and prospective customers. The Order effectively imposes a "gag order" on incumbents who are informed of a subscriber's impending exit by way of a local service request (LSR). And yet, there would be no similar restriction on the company's efforts to retain that customer where the same carrier is informed of the subscriber's impending exit by the customer herself. The result is that a different set of rules is invoked in markedly same situations, the difference being only that in one instance, the customer communicates its intent to the carrier, while in the other instance, the customer designates an agent to convey the same message.

The Commission also introduces an astonishing premise, specifically, that entities can be a "telecommunications carrier" under one provision of the Communications Act, but not under another provision of the same statute. This decision threatens to throw into disarray attempts to adjudicate future proceedings that involve a determination of a carrier's obligations. An entity allegedly obligated to fulfill statutory duties may well plead that notwithstanding the benefits it accrues from its classification as a telecommunications carrier in one regard, it is absolved from responsibility in other arenas since it wishes to not be telecommunications carrier there. This, too, creates an uneven playing field as entities providing competitive services are bound by different rules.

Local exchange carriers, including ITTA members, no longer resemble monopolies that could potentially thwart budding competition. Instead, ITTA members are losing lines every month in a robustly competitive marketplace that offers not only an array of providers but also a broad set of technological platforms upon which new and innovative services are delivered. In this competitive environment local exchange carrier (LEC) customers are harmed when their service providers are barred from a meaningful opportunity to make compelling offers to retain their business.

The *sine qua non* of competition is the ability of providers to compete freely in the marketplace. This competition can include the offering of distinctive services or competitive pricing. Either way, the consumer wins as each provider endeavors to offer more than the other. Under the Commission's ruling, however, incumbent providers would be prohibited from participating in that exchange in real-time. Rather, the development of an informed customer is stunted unnecessarily as one market provider is kept bound at the sidelines, unable to share with the customer information that could inform rational consumer choice. Notions of a pro-competitive environment evaporate in the face of a decision that silences one of the players.

Retention marketing is common in numerous subscriber-oriented industries, and competitively necessary in virtually every service market. Therefore, it is urgent that the Commission move to ensure that LEC customers can receive the same benefits as other consumers. In this regard, it would be counterproductive for the Commission to move forward against Verizon for endeavoring to fulfill the pro-competitive goals of the Communications Act by trying to compete and give its customers the best deals suited to their preferences.

ITTA supports stay of the Order in order to ensure competitive parity among providers and ensure consumers' ability to enjoy fully the benefits of competition.

Respectfully submitted,

s/ Joshua Seidemann
Joshua Seidemann
Vice President, Regulatory Affairs

cc: Lisa Saks
Suzanne Tetreault
Federal Communications Commission

Christopher Savage
Counsel to Bright House Networks, LLC

Mark D. Schneider
Counsel to Comcast Corporation

Matthew A. Brill
Brian W. Murray
Counsel to Time Warner Cable, Inc.

Kathleen M. Grillo
Verizon Inc.

CERTIFICATE OF SERVICE

I hereby certify that on June 25, 2008, I caused a copy of the foregoing letter (re: File No. EB-08-MD-002) to be delivered electronically to the parties listed below:

Bright House Networks, LLC

Christopher Savage
Davis Wright Tremaine LLP
Suite 200
1919 Pennsylvania Avenue, NW
Washington, DC 20006

Comcast Corporation

Mark D. Schneider
Jenner & Block LLP
601 13th Street, NW
Suite 1200 South
Washington, DC 20005

Time Warner Cable Inc.

Matthew A. Brill
Brian W. Murray
Latham & Watkins LLP
555 11th Street, NW
Suite 1000
Washington, DC 20004

Verizon Inc.

Kathleen M. Grillo
Verizon Inc.
1300 Eye Street, NW
Suite 400 West
Washington, DC 20005

Federal Communications Commission

Lisa Saks
Suzanne Tetreault
Market Disputes Resolution Division
Enforcement Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20054

s/ Joshua Seidemann
Joshua Seidemann