



BUILDING GLOBAL COMMUNICATIONS

Matthew J. Flanigan
President
703/907-7701

December 15, 2004

The Honorable George W. Bush
President of the United States of America
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

On behalf of the 700 member companies of the Telecommunications Industry Association, I congratulate you on your reelection to a second term as President of the United States and applaud the leadership of your Administration. We look forward to continuing to work with the Administration on a technology agenda that fosters innovation, spurs economic growth and cements U.S. global leadership in information and communications.

Over the last four years, I have requested your leadership in establishing a vision and national framework for ensuring that this country's communications infrastructure is world-class and robustly broadband capable. Mr. President, we have and will continue to applaud your call for universal access to broadband connectivity by 2007 for all Americans. We also are grateful for the tireless efforts of your appointed leadership at the Departments of Commerce and State and the Federal Communications Commission.

I wholeheartedly agree with your pronouncements that ubiquitous broadband deployment will result in enormous improvements in job creation, education, healthcare and teleworking, as well as public safety and security, all of which are critical to the future of our nation. Universal broadband access would equip every American with the critical tools necessary to compete in the 21st century, tools that would make them far more productive, secure and enhance their standard of living.

As you are aware, the telecommunications industry, which supports basic and advanced voice and data communications services and is the backbone of all information technologies, has suffered an extended slump, losing more than 600,000 jobs since 2001. Manufacturers and suppliers of communications products and equipment, which comprise the TIA membership, have borne the brunt of this collapse. Today, we continue to lag behind other segments of the national economy in recovering. While some signs of life have appeared, the bottom line is that the telecommunications sector remains on unsure footing with no assurance of achieving long-term stability and growth.

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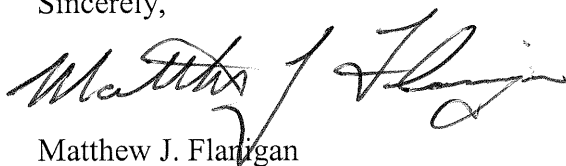
It is well understood that telecommunications is a critical building block for many other industries. As a result, investment in this industry and new technology deployment should be of paramount national concern. We pledge our support for your stated economic and technology growth initiatives, including in the areas of tax reform and bilateral and multilateral trade negotiations. We also applaud the passage of the *Commercial Spectrum Enhancement Act* and the legislation extending the Internet tax moratorium.

We call your attention to other specific areas of critical importance to the telecommunications industry that, with your leadership and support, will ignite and sustain a revitalization of the information and communications technology sector. The essential elements of this national strategy include:

- Encouraging deployment of national, advanced, next-generation communications infrastructures
- Completing the FCC-led framework for broadband deregulation
- Establishing tax incentives for broadband deployment
- Reducing the myriad taxes on communications services
- Creating a zone of concise, minimal and national regulation of IP communications
- Making additional spectrum available for new advanced wireless services, including expediting the nationwide transition to digital television, which will free up valuable spectrum for interoperable public safety communications and commercial advanced wireless services
- Appropriating/budgeting for additional targeted federal funding for communications research

Mr. President, TIA is convinced that your leadership on this framework will lead to a return to strength and growth for the telecommunications industry and provide a long-term boost to the national economy. We appreciate your consideration of our suggestions and thank you for your commitment to fostering a climate that will allow the U.S. communications industry to be the envy of the world.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew J. Flanigan". The signature is fluid and cursive, with a large initial "M" and "F".

Matthew J. Flanigan