

For Immediate Release

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COMPTEL: FCC Move to End Lock Up Plans Will Open Competition

Washington DC (October 16, 2015) -- The FCC announced an inquiry today into lock up provisions in the large ILEC special access plans that are holding back broadband competition and the deployment of the tech transitions.

In response, Chip Pickering, CEO of COMPTEL, released the following statement:

“Lock up provisions are anti-consumer, anti-customer and anti-competitive. Central to open markets is the freedom a customer has to take their business someplace else.

These lock up plans are tethering customers to old technology and incumbent networks. In order to speed the tech transitions, we must address these anti-competitive terms and conditions and unleash competition. This will be a fast, market-driven approach to opening new markets for investment.

“Right now new network builders struggle to attract customers who are held hostage by AT&T and Verizon in lock up provisions that can extend up to seven years in length.

“We have the power to vote for a new President every four years, but lock up provisions have business broadband customers unable to switch providers for nearly two full terms. Two year contracts were discarded and eliminated in the more competitive wireless marketplace. The enduring lock up practice is evidence that that the business broadband market is ripe for change.”

“Today’s inquiry by the FCC honors a commitment made by Chairman Tom Wheeler last year during his COMPTEL *PLUS* Keynote, where he stated:

WHEELER QUOTE: "But we are not idly waiting for the data to come in. You have told us that **lock-up provisions** requiring large volume and term commitments in existing contracts are causing uncertainty, unreasonably raising costs, and delaying the transition to IP for your customers. **This does not serve competition and it does not serve your customers.** That is why I have directed the staff of the Wireline Competition Bureau to recommend ways to alleviate the impact of such provisions on the tech transitions.”

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About COMPTEL:

Based in Washington, D.C., COMPTEL is the leading industry association representing competitive networks. COMPTEL members are entrepreneurial companies driving technological innovation and creating economic growth through competitive voice, video, and data offerings and the development and deployment of next-generation, IP-based networks and services. COMPTEL advances its members' interests through trade shows, networking, education, and policy advocacy before Congress, the Federal Communications Commission and the courts. COMPTEL works to ensure that competitive communications providers can continue to offer lower prices, better service, and greater innovation to consumers. For more information, [visit www.comptel.org](http://www.comptel.org) or follow @COMPTEL on Twitter.