

# TELECOMWEB NEWS DIGEST

## PHOENIX CENTER STUDY UPHOLDS NECESSITY OF 1996 TELECOM ACT

Although provisions of the 1996 Telecommunications Act continue to spur a great deal of heated debate, the law's pro-competition elements are clearly functioning as intended. A compelling new study from the Washington, D.C.-based Phoenix Center, released Tuesday (Jan. 27), makes the case that without the Act, the wide array of telecom services now enjoyed by American consumers, as well as competitive pricing models now in use by the nation's largest telcos, simply would not exist.

In fact, the expansion of telephone competition - particularly the "all-you-can-eat" bundles of long distance and local phone service - is benefiting American consumers to the tune of \$10 billion a year in lower phone bills and increased phone usage, according to the Phoenix Center study. It says that, on average, consumers who buy the bundled packages are saving \$429 a year.

"These savings validate Congress's wisdom in opening the U.S. phone market to full competition," Phoenix Center President Lawrence Spiwak told TPR. "This study simply empirically validates the obvious fact that competition produces lower prices, better service, more employment and increased investment."

For an in-depth report on the Phoenix Center's new study, be sure to read this week's edition of TelecomWeb's sister publication, Telecom Policy Report, the industry's leading source for behind-the-scenes investigative reporting, analysis and policy forecasting.