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Telecom In Brief

UNE-P Spurs RBOC Investment, Phoenix Center Finds

The **Regional Bell Operating Companies** are investing more heavily in their network in states where competition is most intense--even as an economic slowdown has caused total telecom investment to decline, the Washington, D.C.-based **Phoenix Center** says in a new policy bulletin. On average, net investment by **BellSouth, SBC** and **Verizon** has increased \$759 per year per UNE-P access line, or about \$5.2 billion in 2002. On average, UNE-P adds about 6.4 percent a year to RBOC investment.

Even in 2002, when the Bell companies' total net investment fell by about 7 percent, investment dollars were more heavily allocated to states with greater UNE-P competition, according to the Phoenix Center's latest bulletin, "Competition and Bell Company Investment in Telecommunications Plant: The Effects of UNE-P." But the aggregate decline was cut in half by the additional investment related to UNE-P competition.

"The evidence is unmistakable," Phoenix Center President Lawrence Spiwak told *Communications Today*. "When the Bell companies face competition in the local phone market, they have to invest more heavily in order to upgrade their offerings and hold on to their customers." To learn more about the Center's most recent findings and what remains on its radar screen, don't miss the next edition of the *Communications Today's* sister publication, *Telecom Policy Report*, the industry's leading source for in-depth, behind-the-scenes investigative journalism. To get a free four-week trial subscription to *TPR*, go to <http://www.telecomweb.com/cgi/catalog/info?TPR>.