

**Steve Largent**  
President/CEO

June 20, 2007

The President of the United States  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

**Re:** *In re Certain Baseband Processor Chips* (Inv. No. 337-TA-543)

Dear Mr. President:

On behalf of CTIA – The Wireless Association® (CTIA), I am writing to express our concerns regarding the above referenced decision issued by the U.S. International Trade Commission (ITC) on June 7, 2007. This decision bans the importation of new cell phones that are critical to the ongoing operations of U.S. wireless networks owned by AT&T, Verizon Wireless, Sprint/Nextel, T-Mobile and other CTIA members. The ITC's action will freeze innovation for these wireless networks and will deny new wireless technologies and services to more than 230 million Americans. This importation ban will adversely affect public safety, our national communications infrastructure, the U.S. consumer and the competitiveness of the U.S. telecommunications industry. Based on these considerations, the ITC Chairman dissented from the Commission's decision to ban importation of these cell phones on public interest grounds. We are requesting the Administration support the Chairman's position by disapproving the Commission's decision on public interest and policy grounds.

The wireless networks owned and operated by CTIA members play an important role in supporting the day-to-day operations of our Federal, State, and local public safety organizations, as well as for disaster response in times of emergency. Since the ITC decision freezes innovation in these networks, this decision will diminish the ability of public safety to conduct basic public safety communications. The Association of Public-Safety Communications Officials responded to the ITC decision by stating that *"the 'downstream' remedy announced today by the ITC could have a far reaching, adverse impact on the delivery of public safety services within the United States."* The National Public Safety Telecommunications Council also opposes the ITC's decision, stating that *"serious negative ramifications will result to public safety communications if a recent remedy ordered by the International Trade Commission (ITC) stands."* CTIA members also play a key role in implementing the new emergency alert system created under the Warning, Alert, and Response Network (WARN) Act of 2005. The ITC's decision will undermine our ability to fulfill that important obligation by banning the importation of new cell phones with improved data transmission capabilities.

An importation ban on advanced cellular telephones is also detrimental to the efforts of CTIA members to improve wireless "911" emergency communications across the country. In many cases, the handsets at issue will deliver more precise 911 position location information than older cell phones currently being used. These new cell phones



have improved sensitivity in their position location technology and can help locate distressed callers accurately when other technologies fail. Americans make more than 200,000 911 calls on their wireless devices each day, and we need to ensure that our citizens have access to the best position location technology available. The National Emergency Number Association also opposed the ITC's decision, stating *"the 'downstream' remedy announced last week by the ITC...will have a negative impact on the delivery of 9-1-1 service for American consumers and first responder communications."*

The ITC's decision will also cause serious economic disruption. U.S. wireless carriers have invested billions of dollars to develop new handsets and broadband networks and plan to invest billions more in the future. The decision freezes this process of innovation. Substantial investments will be stranded and jobs will be lost if the ITC importation ban is allowed to stand. Wireless broadband is driving investment in high-paying, high technology jobs throughout the country as U.S. companies create content and applications enabled by EV-DO and W-CDMA technologies. Experts have testified to Congress that wireless broadband is expected to account for half of all wireless growth in the next five years, generating two to three million new jobs over the next decade. In short, the impact of the ITC's order on our national communications infrastructure and our economy is very substantial and will undermine the President's goal of extending broadband services to all Americans. In addition, an importation ban on U.S.-developed technologies will have a chilling effect on U.S. research and development in the wireless broadband area.

The ITC's importation ban, if implemented, will force the redesign of virtually all handsets that utilize the banned chips. This redesign process requires a substantial amount of time (18 to 24 months) and many millions of dollars for each of the companies involved. This time lost will unquestionably diminish the international competitiveness of these companies, and the additional costs will be passed on to consumers. While we appreciate the importance of protecting U.S. patent rights, we understand that an adequate alternative remedy is already available in federal court, where the complaining party can be made whole without causing massive collateral damage to public safety, our communications infrastructure, and the U.S. economy. In that such an appropriate avenue already exists, and in light of the numerous negative impacts the action will cause, we respectfully ask you to disapprove the ITC's decision.

Sincerely,



Steve Largent

cc: The Honorable Susan Schwab  
United States Trade Representative