

Statement of Chairman Richard E. Wiley
In which Commissioners Reid, Washburn, Quello and Robinson join

The Commission is confronted here with the difficult task of assuring that the benefits of full and fair competition will flow to the public, while minimizing to the greatest extent possible the intrusion of bureaucracy into the marketplace. I am convinced that both these objectives can best be realized by the approach we have followed in this proceeding.

The necessity of a terminal interconnection program under FCC auspices is directly attributable to the carrier's failure to develop standards and procedures which would provide adequate protection against any harms to the switched telephone network from customer-supplied terminals. My hope and expectation is that an industry consensus can yet be reached which will permit "a withering away" or elimination of this regulatory program. Regrettably, the record reflects that such industry consensus is unlikely unless all participants in the terminal marketplace fall within the regulatory ambit. AT&T's proposal for an industry-derived protective module only came after the Joint Board's Recommended Decision to create a registration program. Similarly, AT&T's Technical Standards Proposal only came after the inclusion of carrier-supplied equipment within this registration program. Indeed, business realities suggest that if just non-carrier suppliers are required to register their equipment, there may be no incentive for constructive cooperation from carriers and their suppliers.

I remain hopeful that industry-wide agreements can be reached which will reduce or eliminate the need for FCC involvement, and more importantly, assure the unimpeded availability of the maximum communications options for the American public. The transitional period afforded all suppliers in today's decision, in addition to its other attributes, provides a further opportunity for such needed and desirable industry-initiated solutions.