

**Separate Statement
of
Commissioner James H. Quello**

May 9, 1996

Re: Motion of AT&T Corporation to be Declared Non-Dominant for International Services, Report No. DC 96 - .

I strongly support this Declaration of Non-Dominance for AT&T Corporation ("AT&T") in the provision of international services. This *Order* complements our previous declaration of non-dominance for AT&T in the domestic interexchange market.¹ The key finding underlying this Declaration is that AT&T no longer possesses market power in the international services market or controls bottleneck facilities.

By being found to be "non-dominant" for IMTS, AT&T is now free regulatorily to do what it has sought to do as a practical matter, that is, compete for customers for international communications. Reclassifying AT&T as non-dominant will remove the regulatory strictures that subjected AT&T, but not its competitors, to price cap regulation and more stringent tariffing and Section 214 requirements. AT&T can now compete on an even footing, without such unnecessary and unproductive regulatory shackles.

I emphasize that, although AT&T has made certain voluntary commitments during the transition period, we do not find AT&T responsible for any structural or systemic problems that may exist in the IMTS market. This Commission must pursue other regulatory devices to spur competition in the provision of international services. Continuation of dominant carrier status would accomplish nothing except inequitably burdening AT&T. Put simply, it is unfair to hold AT&T responsible for "problems" that we have not clearly identified, that they did not create, and that they cannot fix.

We are freeing AT&T from outdated constraints to allow it to compete fully in the IMTS market. All existing and potential customers will benefit thereby and for that public interest reason I am happy to support this item.

¹ *Motion for Reclassification of American Telephone and Telegraph Company as a Non-Dominant Carrier*, 11 FCC Rcd 3271 (1995).