

Center for American Progress



**IN CONJUNCTION WITH THE FREE PRESS
SPECIAL PRESENTATION:**

**“LET THERE BE WI-FI: COMMUNITY BROADBAND
AND THE FUTURE OF THE INTERNET”**

INTRODUCTIONS:

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FEATURING:

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MARK LLOYD: We're starting a little late, but we are always in sort of the odd position of wanting to appreciate the people who actually show up on time, but also wait for the folks who actually RSVP'd and said they would be here, but I think we've got enough folks to get going and to begin a really very good discussion.

My name is Mark Lloyd. I'm a senior fellow here at the Center for American Progress. I work on communications policy issues; actually a wide range of issues. And we are here today to talk about community internet. The topic or the title of the discussion is "Let There Be Wi-Fi," and I'm actually going to veer off from that a little bit in my opening remarks, and then introduce Ben Scott.

And I just wanted to veer off that to say this: I was involved in really the early 1990s in discussions about what the internet was going to mean for the United States, and what new digital technologies, whether they were going to be delivered by wire or wireless, would mean in the United States. And there were promises about e-government and promises about telemedicine and promises about how this was really going to supercharge our educational system and we were going to be super competitive with the world, and wasn't it great that the United States really did a wonderful job at providing internet services really to the world through DARPA and the developments of digital technologies. And we were going to charge out there and we were really going to be major leaders in communications technologies and digital technologies especially.

There was talk about national telecommunications infrastructure and making sure that the United States wasn't leaving anybody behind in the – what we were calling a super highway – information superhighway back then.

Congress responded to this by putting in the 1996 Telecommunications Act a section called 706, which required the Federal Communications Commission to actually report to Congress every two years on how we were doing and whether or not we were making progress on making sure that Americans had access to affordable and high-speed internet service, and this was a little before they were calling it broadband.

It is now some 10-plus years later, at least since the debates over the '96 act, which really began sort of '94, '95. We are at least 12 years beyond the promises and excitement – at least 12 years beyond the promises and excitement of digital technologies and the United States is actually falling behind. We're falling behind both in terms of making sure that folks have access to real advanced telecommunication services and we're falling behind in the use of wireless technologies.

There are a wide variety of reasons for this, but there should be a great deal of concern about the fact that we started out with a head start and that we're not where we really need to be. Part of what's happening, though, is that we have some – over 500, last

time I counted, communities around the country that were looking at establishing their own telecommunications environment. They were figuring that if competition wasn't going to be there, if they needed to step in and do it themselves, whether by providing wired services or wireless services, that small towns and big cities and an aggregation of community groups would get together and they would provide wireless or wired services to their communities for digital technologies.

That's where we come today. We have really an expert panel here and I would like to recognize I think in the first instance John Halpin, who really worked very closely with Free Press in bringing this together, and worked with Frannie Wellings about making sure this panel could happen. And I would like just to at this point acknowledge that the Center for American Progress is extraordinarily interested in issues related to the deployment of advanced telecommunication services to all Americans. We are doing studies now looking at where the U.S. really stands in terms of its international ranking of providing services to Americans, and we're looking at trying to find ways so that community groups can be engaged in figuring out just where they have telecommunications and broadband services in their communities.

But with that, let me introduce my good friend and colleague, Ben Scott. I've known Ben for a number of years. He is one of the most promising, I think, young policy analysts in Washington these days. He is a policy director for Free Press. He has written a lot about the debates around the 1996 Act and about the debates regarding media ownership, and was pushing very early on that a number of folks in the public interest community really needed to be involved in questions around Wi-Fi. He's got both experience on the Hill and experience with community groups and experience with academics, which is an odd combination. With that, let me introduce Ben Scott from Free Press.

BEN SCOTT: Thanks a lot, Mark, for that introduction. I hope I can live up to its glowing parameters. It's a privilege for me to be here at this event. Free Press, for those of you who don't know us, we're a young organization, about three years old. We're a national group with over 200,000 members. And our role is to bring together two key elements to change communications policy for the better in this country. One is to educate the public and organize them to participate in the public policy debates in Washington and in their state capitals, and two is to have a presence on the ground in Washington or in those state capitals of expert policy analysts to find the opportunities where the public can best be involved and change things for the better.

I want to give you a little bit of an idea of what we have in store today. The four gentlemen on my left are among the nation's foremost experts and most experienced players in the debate over community broadband. Free Press has been involved in this issue only for a couple of years. And you've all heard the expression, "We stand on the shoulders of giants." Well, these four gentlemen are the giants on whose shoulders we stand, and I'm pleased to have them all here this morning to tell their stories.

They're each going to speak for around ten minutes and then we're going to have

a Q&A session. Because the session is being recorded today, I'm going to be scurrying around for the microphone, so if you can wait for me to get to you until – so you can ask your question and be recorded on the tape, that would be great. I want to encourage everyone to pick up the materials on the front table, and specifically the *Washington Monthly* magazine which has an article authored by the Center for American Progress' John Podesta and the Free Press' founder, Robert McChesney, which is a great overview of this topic.

So let me just introduce the panel. Jim Baller, who is third to my left, is founder of the Baller Herbst Law Group, a national law firm based here in Washington as well as in Minneapolis. He is a leading expert on the issue of community internet, representing local governments and public power utilities in matters involving telecommunications, internet access, and barriers to public sector entry into communications.

To his right is Greg Richardson. He's the founder and managing partner for Civitium, LLC. Civitium is the market leading management and technology consulting firm for municipal governments and institutions that are applying wireless technologies as a foundation for digital communities. Civitium serves as the lead advisor for many of the most high-profile digital community initiatives in the world, including Philadelphia, San Francisco, and Houston.

And to my immediate left is Bill Graham, who's been the mayor of Scottsburg, Indiana, since 1988. When he took office, the city had one of the highest unemployment rates in the state of Indiana and was on the decline. He has been instrumental in attracting new business and keeping old ones in his community, in large part due to aggressive communications planning. When the telecom companies and the cable companies of his state were unwilling to bring broadband to Scottsburg, Mayor Graham started his own citywide broadband utility. He managed to retain the employers who threatened to leave if they were forced to stick it out with dial-up and he increased the jobs and the commerce in his city. Scottsburg is one of our greatest examples of the effectiveness of community broadband.

These are our panelists. I hope you enjoy the program. We're going to start out with Jim Baller.

JIM BALLER: Ben, thank you very much, and thanks to Free Press and the Center for American Progress for hosting this event and giving me the opportunity to participate.

I am really the most fortunate lawyer in America, if not the world, I think. My job satisfaction is just off the chart. I have had, over the course of the last 15 years, the opportunity to get up every morning and work toward helping communities help themselves to advance their economic development and educational opportunity, quality of life, and the battles are battles that are wonderful, that need to be fought. The people that one runs into – many of you are in this room, on this panel, and I have just such a warm sense of purpose and rapport that I am delighted to be able to share that with you.

I've been asked to give an overview of the field that we're talking about today, and I'd like to do that on a somewhat personal level. I think we'll touch the major points that way. Back in 1993, '94, the American Public Power Association, which is the association that represents the American consumer-owned electric utilities, commissioned me to write a paper that compared what was happening in the telecommunications world today – the world that you were describing – with the world that existed a century ago when electricity was the must-have technology of the day and the private sector, as is common and certainly appropriate for the private sector, was seeking to meet demand in the major population centers and literally left much of America in the dark because street lighting was the first major use.

I got into that topic and began to see the parallels, and they were just so astoundingly comparable to what we're seeing today. I'd like to, by the way, invite you to read the full article if you have the opportunity to do that, but I wrote the paper that ended up as part of the discussion in the "Let There Be Wi-Fi" paper that Bob McChesney and John Podesta put together. And so I'd like to go back in time to a century from before and talk about what I think are the most important things about that experience. And that's because I think that there's something that transcends the technologies that goes to the heart of American values, American democratic issues, America's sense of the relationship between the public and the private sector.

In 1900 and thereabout, give or take 20 years, more than 3,000 communities that were underserved or unserved saw the promise of electricity and knew they had to have it, and they stepped forward and formed their own electric utilities. There was tremendous resistance by the private sector. If I have time now or later, I'll read you a couple of quotations about that. But the communities went forward anyway. The dialogue was virtually identical to the dialogue that we hear today. I sometimes in these presentations read from the chapters of a two-issue seminar hosted by *Moody's* magazine in which proponents and opponents of municipal electricity gave their reasons for and against municipal ownership. The dialogue was verbatim the same as the dialogue today – the same arguments. Municipalities always fail. They've got unfair advantages. Everything you hear today was played out a century ago. But municipalities prevailed in that dialogue, and now looking back we have 2,000 municipal electric utilities left and they have made tremendous contributions over the last century for their communities, for America at large, and today we see the same thing again.

And now we see communities seeing broadband as the platform that everything that we will be doing in the world ahead. We see broadband as critical to economic development, to job creation and job retention, to educational advancement, to homeland security, to public safety. All of these things we have to have broadband to do. It has to be affordable. It has to be mobile. It has to be a combination of mobile and (audio break) that we're going to need. And as we see what we need, we see across the world the leading nations moving forward getting it – getting it and moving forward while we sit here at home in America wasting time quarreling with the private sector about who should be doing what. We don't have the luxury for that quarrel. We must work

together, the public and private sectors, shoulder to shoulder.

Now, over the course of the last 15 years I've had the opportunity to be involved in most of the leading community communications projects. Not a single one of those ever proceeded without the public sector going to the incumbents at the very beginning of the process and saying, how can we work together? How can we design the system so that it works for everyone? How can you find a way to work with us to achieve our municipal or county or regional goals at the same time that you achieve your needs for infrastructure that's state of the art?

And why do they do that? First of all, because it makes sense. And second, if you don't do that, as soon as you move forward with a project someone – a city councilman, the private sector, someone – will say, have you tried to work with the private sector? And if you don't answer that question genuinely yes, your project will stall because we should be working together. But over those 15 years we've encountered nothing but resistance.

Now, where are we today? We are still fighting the same fights out in the states. We're fighting it with greater and greater success because we are beginning to understand our mutual dialogue. We have exploded the myths about the inability of municipalities to contribute, about the unfairness of what they are doing. The more we talk, the more dialogue we have with one another, the more people understand the issues that we're talking about, the better it is for municipalities and for America, and that dialogue needs to continue. We need to talk with each other. It is a multidisciplinary and a multicultural, multiracial issue. We must move forward.

Now, let me invite all of you to visit our web site, www.baller.com, and particularly migrate over to the community broadband page. We've collected there economic studies showing the relationship between broadband and economic development. We've collected responses to industry myths. We've collected white papers. We've collected articles in the media. The media has been tremendously friendly. We've collected case histories. We've tracked developments on Capitol Hill and around the states in near real time. And for those of the rest of you who might be interested, we also do a daily email of hyperlinks to items of interest in this field, and if you give me your cards or send me an email I'd be glad to have you join our list.

Best of all, best of all, there's so much pent-up enthusiasm that America has for moving forward, for restoring the leadership that we used to have in the internet area. We can get there. I'm very positive about what we can do because of what I see we are doing. But it isn't enough. We've got to move forward. The incumbents – our hands are always out to them to work with us. I hope we swamp them so that at last it gets through to them that we can and will work with them, but they've got to meet us because they can't stop us. If they stop us through municipal means, we'll go to co-ops. We'll go to partnerships. We'll go to the kinds of mechanisms that Greg has developed. We'll do it in all ways, because we must. We have to win this fight.

My last point, and then I'll give it up. Why do we need to win this fight? Because as we see in the net neutrality debate that's going on at the same time, that there's a very close connection between municipal networks and net neutrality. A couple of years ago the name of the fight was media ownership. I suggest to you that across the country, millions of members of the public didn't fully understand the difference between 35 percent ownership and 45 percent ownership. They may not have understood the technological issues. They may not have understood the political issues. But they responded in tremendous numbers and with intensive passion against the FCC's media ownership rules. To the same – they responded so forcefully that they forced Congress to take the rare step of overriding the FCC's rules.

And why? I think that the core reason is that we are feeling that the incumbent communications providers are growing increasingly large, increasingly powerful, increasingly unresponsive to us as the citizens of America. And I think that core of freedom, that desire not to be overwhelmed, particularly when we're talking about something as important as the ability to obtain access to the platform – to the infrastructure on which our very future depends, and I think that that same set of feelings is pervasive in the municipal networks dialogues and the net neutrality dialogue. And I will just stop right here or else I'll go on for two days.

MR. SCOTT: Thanks a lot, Jim. As always, very enlightening.

I want to give a little bit of context before Mayor Graham takes the stage because I think it's worth mentioning. As Jim alluded to, last year 13 different states saw legislation in the state houses attempting to either prohibit or dramatically restrict the abilities of municipalities to partner with the private sector and build community broadband networks. In 12 of those 13 states, those efforts were either an outright failure, a success for the advocates of community broadband, or a favorable compromise for the advocates of community broadband. This is because powerful coalitions of local governments, private sector, and citizen activists came together to address the public interests in their state capitals and get good public policy made and stop bad public policy from being made.

Mayor Graham has been a leading light in this fight, as well as in his own community, in building networks. Mayor Graham testified in the Indiana legislature last year in a successful effort to stop a prohibition on municipal broadband in Indiana. This year, the incumbent telcos came back again, offered the same legislation, and I'm pleased to say Mayor Graham testified once again, and once again the legislature was stopped in its tracks. Now, the state legislative session in Indiana is not over yet, so they may come back again, but for the moment we are – we stand in possession of the field. And I think we owe Mayor Graham a great deal of gratitude for that, and I just wanted to set that up and turn it over to him.

WILLIAM GRAHAM: The best thing I could do is just not say anything. (Laughter.) My mother, God rest her soul, would be very proud to know that I'm an expert finally. (Laughter.)

MR. SCOTT: A giant.

MR. GRAHAM: And a giant. You know, I should remind Ben I've lost 20 pounds since Christmas. You know, I'm trying to get some of that weight off, Ben.

I'm the mayor of Scottsburg, Indiana, and Scottsburg has a population of 6,040 – a very small community. We're just 29 miles north of Louisville, Kentucky. We are really controlled by Louisville, Kentucky, as to what we get on our television programs, et cetera, and a lot of different things. And I point this out to you because the state of Indiana doesn't always claim Scottsburg, and after the recent legislation, I'm sure that we're Kentuckians, but that's where we're at and I think you need to know that.

We have worked very hard to attract industry into our community. And we did take 25 percent unemployment and brought it down at one time to 1.5 percent, and probably today we're around 4.5 percent. But as hard as we worked to get business and industry in Scottsburg, I'm going to say the last five years we worked even harder to keep it. It's been a much harder fight to keep the industries there than it was to get them there.

One of the things that we found out for sure is that in Scottsburg if we think we're going to compete in manufacturing with third world countries, people are going to live on a very low income. So we made the decision that we had to be higher tech, we had to raise the skills of our people, and we had to be on the edge of emerging technology, not just stamping out a little plastic part that could be stamped out anywhere.

And so we were working to build what we call a TIE center – technology, innovation and entrepreneurship – where we can foster this innovation and entrepreneurialism and technology. And we were working with all the colleges and universities throughout the state of Indiana trying to get them to partner with us, and they had a great deal of interest in doing that, but out of doing that – and this is back in the year 2001 we were starting doing this – they said, “Mayor, how about your telecommunications infrastructure?”

Well, I had been mayor at that time for about 15 years and I knew infrastructure was roads and highways and water and sewer and electric and that stuff, but I never really thought about telecommunications being part of our infrastructure. I said, “Well, I guess it's okay.” I said, you know, “I go home at night and if I want to get online about 6, 7 o'clock, it takes me an hour to get online, and maybe I'd be on there five minutes and get kicked off,” and, you kind, of thinking the whole world lived that way. And they said, “Well, why don't you go home and do a survey of your business and industry and see what they think?”

Well, that really opened a can of worms. You know, when you start going back and asking your own people, what have you got? Are you happy with it? And what are your complaints? And a good mayor knows, never ask anybody what their complaints are. (Laughter.) And that's the difference between a good mayor and a bad mayor.

(Laughter.) And we were overwhelmed with what we found out. We found out that the cost of a T-1 line in Scottsburg, Indiana, was \$1,350 a month and the cost of a T-1 in Louisville Kentucky 29 miles away was \$350 a month. We found out that there wasn't any more T-1 lines available for Scottsburg, Indiana. We found out that we had three business and industries that were planning on leaving Scottsburg because of the poor telecommunications infrastructure that we had.

In doing that, the Chrysler dealer, who lives about 20 miles away in another community, owns the Chrysler dealership in Scottsburg, and he calls me and he said, "Mayor, I've got to tell you this story." He said, "Our mechanics don't have a service manual anymore. They've got a laptop that sits on the air breather or fender of a car, and that laptop connects directly to Chrysler. Our parts department doesn't have parts books anymore. They've got a computer that hooks directly to Chrysler. Our sales department doesn't fill out sales forms anymore. If you want red, it's a click of the mouse. If you want your payment on the 15th, it's a click of the mouse. All of that's hooked directly to Chrysler."

And I thought, what's this sucker leading up to? You know, what's he going to tell me? (Laughter.) And finally he said, "And Chrysler tells us that if we can't get high-speed, secure, reliable, internet service in Scottsburg, Indiana, we have to move the dealership." Well, that's 60 jobs. Sixty jobs in a community of 6,000 is a lot of jobs.

We had one of our industries that had a defense contract, and still has a defense contract, and to upload and download all the specifications and bids that they had to do, they very nearly lost a \$2 million contract because they couldn't get online. Finally, they went to our local library and got online and at the last minute got their bid in. They were to leave.

We have a plastics company that does a lot of exporting to Taiwan and China and other countries – I mean, they're cutting-edge plastic. And they were planning a major expansion and was going to make it in the next community closer to Louisville where they could get higher speed broadband service.

So we decided that we had to do something, so we called in all the major providers that we could and said, you know, "Here's what our people are telling. Here's what we need. How can we work with you so you can bring that to our community?" The answer from all of them was, "Mayor, economies of scale will not permit us to bring that to your community." We had Insight cable TV that had just come through our whole community and dug up our streets and broke our waterlines and sewer lines and got into electric lines and all those things, and made this fiberoptic cable all the way through our community and said, you know, you're going to have all this great stuff, but we couldn't get them to turn it on. They were turning on the larger communities. They were expanding in (inaudible) and wouldn't give us date when.

So we looked at this for almost – oh, we looked at it for 18 months trying to find people who would partner with us and trying to get a different consultant. We didn't run

into – I’m sorry, but if we’d have found this man he could have told us what we could do. We had six different – we put out requests for proposals. We had six different proposals, and the only thing that was alike about those six proposals that it was going to cost us \$50,000 or \$60,000 to do a study and it was going to cost \$5–\$6 million to hard wire a fiberoptic cable loop all around our community. Well, \$5 (million) or \$6 million for 6,000 residents – the economies to scale certainly is not there.

So we finally went to APPA that Jim was talking about and said, “Show us some leaders in the United States, somebody who’s done something in their community and figured this out.” Somebody has already figured this out. We found a community only a couple hours away from us, and it was Owensborough, Kentucky, that had spent \$11 million to put the fiberoptic cable all around their community and then found out they couldn’t get the last mile. Economies to scale wouldn’t let them get to the home. And they went wireless. So we found out the company that done that for them. We got them to Scottsburg. And I said, “I have one question for you about Owensborough.” He said, “What’s that, Mayor?” I said, if you can go wireless the last mile why can’t it all be wireless? He said, “It can.” So we got quotes from him of what it would take to make Scottsburg wireless, and within the city limits itself we could have made it wireless for \$275,000, not 5 or \$6 million – no \$50–\$60,000 study.

But I put together what I call a technology committee, and it was all young people, and by young people I mean 40 or under. (Laughter.) And because they understand it better than I do. That’s why when somebody calls me an expert on this I really kind of choke up because, as Randy can tell you, I lost my PDA coming over here today. That’s the kind of expert I am. I got all these trinkets and electric gadgets but have a hell of a time getting them to the airport, and after I do that I can’t get them here. But they understand. And one of them is the IT director at our local school, and he said, “Mayor, if we’re going to bring it to Scottsburg, let’s connect to five different schools we have in school district too, and so we tell our people – we said look at that.

So when they looked at that, we found out that we were covering the whole county and – but we wasn’t covering the town three miles to the north of us. Well, we were only hitting about – covering about half of it. And I said, “Well, let’s see what it would take to cover them well.” So they looked at that and we found out we covered them well. We said the next town about five miles from there, but we was only covering about half of that. And I said, “Well, let’s see what it takes to cover them well, because our people in Scottsburg work there. They’re our employers.” We looked at that and we ended up we spent \$385,000. That was our initial investment. Our projection was that we’d have 100 customers in the first year, and we had 500.

Now we are seven different counties, serve three different courthouses in three different counties; serve a sheriff in Washington County, which is another county; through several state agencies. We have industry and business coming to Scottsburg because of our high-speed wireless, not leaving. We found out that some of our people that live in Scottsburg can now work at home. We are furnishing 512 kilobytes per second up and down for \$35 a month residential, and they can get 1 meg for \$70 a month

residential. We furnish 1.5 meg to our businesses, which is, I understand it, pretty equivalent to a T-1 line, for \$200 a month, not \$1,350, not \$300 or \$350.

So we have really done well. We're growing like crazy. We're growing so well and got so much attention, and the big telcos have really brought to the state legislature that we have to stop these types of things from happening because they're interfering with fair competition and they're causing us to limit our investment to provide what is needed throughout the community. We were very successful in getting it killed last year, and as of Wednesday of this week they took out what was Section 35 out of the deregulation bill which would prohibit municipalities from entering into the broadband business, so we're very proud of that fact, but they'll be back next year.

It's very important that we support, I think, Senator Lautenberg and Senator McCain's bill where states can't enforce municipalities not being able to be in the competitive market. I come out of the private sector. I'm very much for the private sector. I don't want to compete with the private sector, but I want to control my own destiny and that for the people of Scott County and that for all of the Hoosiers and everywhere else. You know, don't tell me I can't do this when I know it's the right thing to do, and I can do it cheaper and do it more reliable and do it much, much faster. We're working on virtual health programs right now in our community as to where the doctor can sit in his office and talk to elderly people or whomever in their living room. Rural health is a big issue in rural communities.

I think I've probably talked my time. I don't know, but –

MR. SCOTT: That was – that's great.

MR. GRAHAM: I think that means “you have, shut up.” (Laughter.) Very honored to be here. And like Jim says, I think we play off of each other's enthusiasm. And I'm not an expert on anything, but I would be willing to share anything about our story with anybody. Thank you.

MR. LLOYD: Well, Greg, I'm sorry you have to follow that.

GREG RICHARDSON: That's what I was thinking.

MR. LLOYD: But I will tell you that when I first encountered Greg and Civitium, I had in mind that he had about 50 people working for him because he's everywhere. And it was only recently that I learned when I started inquiring of a colleague of his, and I said, “Well, I see that Civitium is in Philadelphia and I see that you're in San Francisco and I see that you're in Houston and I see that you're in a dozen in places,” and he said, “Actually, we're in several dozen more than that.” And I said, “Well, how many people do you have in those locations?” And he said, “Well, it's pretty much just Greg.” Greg is, I think, the hardest-working guy in the municipal broadband business. He is one of the leaders in bringing private sector investment and we are very glad to have him here to bring his perspectives.

MR. RICHARDSON: Thank you, Ben. You know, I'll tell you, my wife has a different perspective on that (laughter) (inaudible). That is a tough act to follow. First of all, let me thank the Center for American Progress and Free Press for the invitation to participate. It's an absolute honor to be on a panel with Mayor Graham and my good friend Jim Baller. And I would echo Jim's comments: there really is a sense of camaraderie on the part of those of us who have been involved in this. Jim in particular has been for the past two years my absolute mentor in this space, and it's an honor.

I guess I first would say that I sometimes feel as though I am a part-time consultant, a part-time activist, and a part-time advocate for municipal rights. And I think that most of the people in this industry, like Jim and like Mayor Graham, are the same way.

I'd like to provide a complementary perspective from what you've heard this morning, and I'd specifically like to focus on the issue of innovation and talk a little bit about what's occurring the market as a result of community and municipal involvement in broadband. I'd also like these remarks to be a challenge to those who may argue that creating barriers to entry for this kind of community involvement serves to "preserve innovation." I hope that I can convince you this morning that quite the opposite is true.

Our view is that 2006 is another important milestone in this market. It's a market that has only recently even been referred to as a market. From a handful of small communities who had visionary leaders, this movement has grown into very, very large cities around the U.S. and has also begun to spread around the world. We have new clients outside the U.S., like Vancouver in British Columbia and Johannesburg in South Africa, and the most fascinating thing to hear is to sit down for the first time with those clients and to hear the same themes that have developed here in the U.S.: the benefit of broadband on economic development, digital inclusion, and efficiency in government. The same three themes are spreading around the world.

No longer in 2006 do we refer to this market as a grand experiment. The experimentation of 2004 and 2005 doesn't really seem as fragmented anymore. It seems to start this year taking shape. There is a question that remains as to whether or not these trends can scale. And there's also a question about innovation. Is this movement creating any benefit in terms of market conditions for competition, consumer choice, and innovation in technology? I believe that the movement will scale, and I think there's absolute proof that innovation is occurring.

I am most terrified coming to these events of any other type of event I go to, I have to admit, not because I feel uncomfortable speaking in front of crowd, but more because the stakes are very high. The people in this room and the opinion you have on this topic and what you say to others and the influence you have in terms of the debate that's going on – those are very, very high stakes.

So what evidence is there to suggest that this movement is creating better market

conditions and creating more innovation? I have a few points on that. First, communities are moving beyond an initial focus on the network and starting to focus more on applications and solutions. This has the effect of creating more entanglement for that infrastructure and thereby making it more sustainable.

Second, business models have settled down in this area quite a bit, even since last year, and they've settled down really into two scenarios, the first being franchise-like models where the city acts in a role of a catalyst to promote public-private partnerships like Philadelphia and San Francisco; and second, utility-like arrangements, not unlike what Mayor Graham described where cities actually act as the provider and where there may be market conditions that provide the political support for public funding. This has the effect of lowering risk for new communities and allowing more a predictable value chain to develop in terms of suppliers.

Third, local governments are becoming much more aware and educated about the need for them to protect their interests. Most communities that we work with and many that we don't now track developments in state legislatures, issues about telecom reform in ways that they haven't in the past. This has the effect of reducing or eliminating barriers to entry for other communities.

Service providers, (bars?), and systems integrators have matured their business plans, their proposals, and their solutions. This has the effect of creating repeatability and shortening the procurement process and the life cycle for public-private partnerships to form. New sources of capital, new providers, and new motivations are happening.

The arguments that are made that public involvement in broadband is a disincentive for private investment – I could site at least ten anecdotes if I had time that would demonstrate how that is also a myth. Also, experiments to change the way these kinds of investments – the return on these investments are monetized are being tried by companies like Google – that technology innovation results in a continuing rapid pace of changes in technology that enable all of us to work and work more quickly.

We're moving from second and third-generation Wi-Fi mesh systems, standardization of WiMAX, to smarter radio and antenna technologies. That has the effect of driving performance and reliability up and driving prices down for the technology. In the case of Philadelphia, who chose EarthLink as its partner, there were many estimates made over a two-year period about what the capital cost to build a network like that would be. We made original estimates and a business plan. Vendors we responded with proposals to either validate or invalidate those estimates, and ultimately EarthLink made a commitment to invest a large amount of money in the city for the network. The end result of that is, depending on whose numbers you go by, the capital cost to reach every household in the city of Philadelphia with universal service similar to what Mayor Graham described was in the neighborhood of \$20 per home. That is – excuse me the cliché, but that's really paradigm changing in terms of what kinds of services can be delivered and what kinds of community benefit can happen.

And finally, and probably most important, the vehicles for idea sharing and information sharing between communities have grown dramatically over the past two years. This is from web logs like Muniwireless and Wi-Fi Net News, (unintelligible) Glenn Fleischman (sp), to conferences. I think we have three this quarter alone. It's almost a burden to have so many events. We have industry newsletters, not the least of which is what Jim provides through his firm. We also now have a magazine coming out on the market focused on municipal wireless. The effect of that is it streamlines the process of communities sharing not only best practices but worst practices, and that, needless to say, has a benefit in terms of other communities who go down this path.

All of those trends that I talked about are exciting on their own and individually, but if you consider how all of them work together, those trends essentially create increasing returns. One benefits the other, and that benefits yet another.

So in closing, as I said before, it's extremely important the position that you take on this matter. I also came out of the private sector – spent my entire career, had never met with a local government before about two years ago. And as I moved into this space and started really understanding what communities' needs were, I got a wake-up call that doesn't everyone have all these gadgets hanging off of them and high-speed broadband at home and hot spots everywhere they go? The reality is that they don't, even in communities that you would describe as being well served by the private sector. Why are cities like Philadelphia, San Francisco, Vancouver – some of those cities the broadband penetration may be 80 percent.

Why are those communities doing what Mayor Graham's community is doing? The reason they're doing it is because they recognize that it's not good enough just to get to 80 percent broadband penetration. They still have to go to the next level. They still have to deal with the challenges of the 21st century. They still have to compete with Bangalore. They still have to compete for jobs even with neighboring communities, so it is extremely important the way you feel and the position that you adopt here. And our key message is that municipal rights not only matter for benefit to the communities, they actually matter for the development of the market and competition and consumer choice.

Thank you.

MR. LLOYD: Can we get a round of applause for all of our panel?

(Applause.)

MR. SCOTT: I want to go into the question-and-answer session for the next 10 or 15 minutes, but before I do that I want to thank a couple people. I want to thank the folks at Center for American Progress to set up this event; Theo LeCompte in particular. Also, I want a special thanks to my colleague at Free Press, Frannie Wellings, who worked very hard to put this program together and make it the success that it has been. She's very kindly volunteered to take around the microphone to get your questions so that they can be recorded as a part of the program. So not everybody at once, but hands in the air.

If you could identify yourself before you ask your question, that would be great.

Q: Hi. I'm Jamie Tadero (ph) from Rockville, and I'd like to ask Jim Baller if you could share your thoughts on the two-tier approach.

MR. BALLER: Please tell me what you mean by two-tier so we'll all know that we're on the same page on that.

Q: Some refer to it as network neutrality, but essentially what it would be is that some providers of content would pay additional fees to have their content be delivered with higher priority than other content.

MR. BALLER: I think that the answer to that depends on where you sit. If you're a consumer who is paying for bandwidth, you ought to be able to use the bandwidth in any way that that bandwidth will support. If you're an upstream provider of service and you're paying the network providers for access to the system in ways that support applications that you want to provide consumers, you ought to be able to use your system in whatever way that you're paying for. And so I think it's an affront to tell consumers that once they've paid for the very things that make the system attractive to them that they should then pay more for the right to use their system in the way that the system is capable.

Now, the short answer is that I don't like the concept of – Drew, you've got the best – Drew Clark of *National Journal* knows more about this issue than probably most of the rest of us in this room. There are different buzzwords to describe the opposite of net neutrality, but I don't like them very much. Let me also add, though, that I think that even if we have net neutrality, it's not enough. It's sort of the response that one has when one has painted oneself into a corner and all you're left with is large incumbents and you're saying to the incumbents, gee, at least give us net neutrality. I think what we need are options – real options, real competitive options, so if that's the way they want to go they're entitled to go that way but we aren't forced to choose that direction and lying to them about principles of net neutrality.

Municipal broadband, or community broadband, to use a broader term, I believe is a critically important safety valve for America. If our current administration wants us to go down the path of duopoly or monopoly, I think that's very dangerous for America, and it is critically important for us to have a safety valve.

Q: Hello. Of course I know all of you. Welcome, Mister Mayor. Thanks for coming back to Washington again to do this. I'm Michael Calabrese with the New America Foundation. And I guess a disclosure, we're also fellow advocates of community wireless and –

MR. BALLER: Very effective advocates.

Q: Thanks. And opening more of the airwaves to unlicensed – you know, shared

unlicensed use, because that's actually the rocket fuel that drives this is to have access to the airways without buying a multi-hundred-million or \$1-billion license to get it. So I just wanted to ask a question that's a little provocative about whether the cities – towns and cities you're dealing with – this might be probably more to Jim and Greg, but also to the mayor in terms of how much – I'm wondering how much they're looking ahead on two issues. One is the one that was just asked about. You know, for example, in a franchise model, are – you know, in your experience are the cities insisting or net neutrality provisions in these contracts, and if not why not?

And second – because I don't want to wake up in a world where EarthLink decides that, you know, that they're vertically integrate into content and regulate the bits that Philadelphians can receive. And then second, is in terms of scaling – you mentioned scaling. I think once people in these places – Philadelphia, San Francisco, you know, and Indiana – once they get a taste of pervasive connectivity, they're going to want applications like voice-over IP to cut their phone bills, streaming video, and so on, which is going to demand more bandwidth and better speeds than 512 megabits per second.

And I'm wondering if places like Philadelphia are looking ahead as far as how they're going to scale to 3 and 5 and 10 megabits per second in wireless, and what is that going to take. Because, you know, we have a great fear – we're starting a study actually as far as what sort of spectrum it will take to scale these networks, and we have a real fear that right now Wi-Fi is sharing a tiny (junk?) band with 300 million cordless phones, microwave ovens, baby monitors, and so on and that this is all just going to implode, potentially, if we try to scale up on a little patch of un-license without opening the empty TV channels and other places.

MR. RICHARDSON: Hi, Michael, good to see you. To answer your first question, yes. There's this trend that I the past couple years have called from the FCC to city hall, which is a reference to the way in which policymaking in this area has migrated to spread itself across cities. As deregulation is happening in terms of things like open access, ISPs losing access to other incumbent facilities – cable and DSL – cities are pushing right back in the direction demanding by their partners that they support, for example, open access – the ability to have multiple retail providers despite the fact that the city may sign a “franchise” with one facility space provider. So that's one area where we've seen I think a very positive sort of policy-setting (goal?) by cities at a grassroots level.

The second issue regarding network neutrality is I think we've learned a lot over the past couple of years with the major cities that is starting to show up in some of the, I would say, fast-follower cities. So, for example, San Francisco has provisions in the RFP that we authored that demand that the provider adhere to network neutrality principles. That's a bit of a difficult thing to regulate probably at any level for the reasons that Jim talked about a few minutes ago. But at least in terms of making sure that multiple service providers are not discriminated against and the facilities owner, who may be providing a retail product, also has no preference over other providers. Those things are starting to show up in particularly the major city bids. We certainly promote that.

Consumer privacy is another one. It's another area where guidelines may not exist but cities have the option of putting those kinds of requirements in terms of what personal information can be shared on the party that they choose to grant their right-of-way to in the franchise. So all of those things, Michael, are things I think that cities are increasingly aware of, but I think there's still a lot of education in many cities about the need to do those things.

MR. BALLER: And I'd just like to – that's a great answer and I won't add to it except that I'd like to say that the work that you folks are doing, you and Jim, work that Harold Feld (sp) is doing in this area, are extremely important because this is a rapidly growing information society that we have, and your spectrum issues are things that, Bill, you may not have understood – that I certainly didn't understand. The more we go forward the more we're coming to realize how much we don't know and how much we need to know, and it's important that this dialogue is happening at all levels.

One observation that I would just make in response to your question about scale is that it is very easy for incumbents to view municipal networks as threats their business, but I think that there are ways to view the municipal opportunity as being an opportunity. The more new people we bring to the internet, the more they begin to have the experience of being able to communicate through broadband, I believe the more we will see demand for broadband increasing. And once you've crossed that threshold, it changes your life and you demand more and more of it. We will in some ways easily scale and in other ways we will scale more – in ways that are more difficult.

When you come to realize that countries like Japan are currently competing at 100 megabits per second and can't even get the kinds of bandwidth that you're talking about because they're just no longer available on the market, then you begin to realize that we've got a lot of catching up to do. And the more people we get into the broadband experience, the more people like you and Jim advising us on the things that we need to do from a structural and infrastructure standpoint to support that growth, the better off we're going to be as a nation.

MR. GRAHAM: Randy, if I could, I'd like to make a comment on that, and I'll try to be brief. But as small as we are in Scottsburg, we're looking at all of it. And I think the economies to scale are going to say if you don't look at the triple play, can you really provide the broadband cost effectively? Are we planning on doing it? I hope not, you know, but I think we had to look at it because the emerging technology is going to force us to stay there.

We had a Korean company that's in our community that called the week before last and was very upset that they couldn't get 10 megawatt of power from Verizon. And they called us, and we said, "Do you want it tomorrow?" We can provide that and have that wirelessly. It saved us, again, from that company looking at expansion somewhere else. Now, when all that gets full, I'm worried, you know, about what happens, how much airspace is there. And I don't understand it well enough to know, but I know that I

understand enough to be concerned about it.

The one thing that we found out in the state of Indiana, that 92 percent of the fiber laid in Indiana is still dark. Only 8 percent is being used. And I think you'll find that typical in a lot of places. And I know it's privately owned, but I know I helped pay for it. And that's a real concern to me when it's sitting there and not having access. So I think one of the big things that will come around is kind of like electric power. Do you have access to the transmission?

MR. BALLER: You know, what really fries me more than that, Bill, is when you know that you own it, when you've bought and paid for itself and the incumbents tell you you can't use it to serve your own needs. Can anybody justify why a municipal electric utility that can provide low-cost, high-speed service better than the private sector can do it, cheaper than the private sector can do it, when the public has already paid for that asset and can't use it for the benefit of the community? That doesn't make sense to me. It also doesn't make sense to me when a community that can use it is confronted with a law that says you need to impute phantom costs into your rates to push up rates to the level where they're uncompetitive. That doesn't make sense either. You know, we can't let arguments like that prevail. We need to work together to get some sense into the way that we're doing business in this country.

Q: Hi. Drew Clark with *National Journal's* "Technology Daily" and drewclark.com. Thank you for your remarks, Jim. I don't want to ask about net neutrality though. I do want to ask about video franchising, which hasn't been mentioned on the panel thus far and occupies a somewhat parallel position for a lot of the municipalities that are thinking about broadband networks. And indeed, in the telecom legislation, both on the federal and state level, many of those bills encompass both – provisions dealing with both of those.

Now, I understand that Indiana – that the bill from which the municipal provision was taken out still has a cable franchising – a video franchising bill that allows the Bells to enter the video marketplace without getting municipal franchises from each community. And I guess municipalities are in a bit of a difficult position because they are in one case for letting themselves enter one market for broadband service, but occupy a kind of regulatory roadblock position on competitive entry into the video marketplace when they insist that a Verizon or an AT&T go to every single community across the nation before they roll out video services.

So I guess first for the mayor, but also for anyone else on the panel, could you address this paradox where municipalities want to be able to enter the market, but maybe want to slow down or stop or put requirements on someone else who wants to enter the video marketplace.

MR. GRAHAM: We did address that in Indiana, and what it still has left in the bill is that the video franchising would be statewide. It would not be left up the local level. And there's – I don't know whether I like that or I don't. I really don't like it, but

I don't know whether it's worth my fight to try to stop that. I know that we get 3 percent franchise fees per Comcast or Insight to be in our community, and Indianapolis gets 5 percent, plus a percentage of the advertising. You know, what's the difference? Why do we not – so there's some parity to some of that, and that's hard for me to argue. But I have said that, again, I want to control our own destiny. Don't tell me I can't do it.

In Scottsburg, Indiana, we do not get an Indiana television station. We're captive to the Louisville market. When the governor gives his state of the state address, we can't get it. When we have a hometown meeting, we can't get it. I get to watch – I can see all the national and international news I want, and I can get all the Louisville and Kentucky news I want, but I can't get Indiana news. And so are we interested in that? Yes. The economies to scale is probably going to say that we're going to have to be able to provide the premium channels to be able to compete, you know, and to have what we want just like Indiana stations.

So I don't know if I've answered your question or not. They tell me the bill as is would not prevent us from doing that. We do have to give – whatever it is that we want, we have to give the private sector first option to provide it. And I think it's like only 60 days, and if they can't come up with some plan to provide it within another 90 days, then we can go into business.

MR. BALLER: And, Drew, let me also respond from a national – or more national perspective. In the way that you framed your question, I think that there were some assumptions in it that I think are worthy of questioning. Number one is the notion that municipalities are in fact seeking to or even capable of delaying entry to any significant extent. While we hear from incumbents that there is delay in the process, we're not really seeing it. A few years ago when we went through what was called the over-builder phase where a number of over-builders across the country wanted to enter communities to provide competitive services, municipalities were getting 20, 30, 40, 50 franchise applications, and we knocked those things through in a very short period because municipalities want competitive services. On the one hand, you hear from a Verizon, let's say, that we should have national franchises, and on the other hand you see them getting franchises on a day-by-day basis. They don't seem to be having problems when they ask for them; they just raise the issue as being one that holds them back. So point number one, I believe, is that we need to find out whether we have here a solution to a problem that really exists.

If there is a problem, then the question seems to be, to me, what is the best way to fix it and are there ways to fix the problem so as to also address the issues that the solution might create? For example, in a number of states, the state statutes have level playing field provisions, or in many cases cable operators have in their franchises level playing field provisions. The city of Louisville is a good example, where we represented the city of Louisville. It was eager for competition and granted an overbuild franchise to an over-builder called Knology. The incumbent, Insight, then suing on a level playing field provision in its franchise tied the city up for three years in litigation and Knology just finally just gave up and left the market. So what you have is the city on the one hand

wanting competition, and on the other hand having the cable industry saying if it's good enough why isn't it good enough for our competitor?

It's quite a complex issue, and I think that, number one, municipalities want competitive services. They want broadband as rapidly as possible. They want competition. They want what's good for the community. That transcends both the cable franchising and the municipal or community network issue. Does it have to be franchising at the local level? Does it – is the state the better alternative? Should it be national? How do you then deal with issues like enforcing customer service, public educational and governmental access and all of that? I think sensible people can come together and find a way to get this done without throwing out the system that has worked for decades, certainly before we have a factual foundation on what the level of the problem that we're trying to solve here is.

In the end, I'd just go back to where I started on all this: we don't as a nation have time to get bogged down in this sort of dialogue. We've got to address these problems because if we don't get our networks built and operational while the rest of the competitive world does, we're going to be toast, maybe for decades. And so we need to find ways to integrate these issues and come out with solutions that work for everybody because the stakes are so high.

Q: Hi. I'm Michael Nix (ph). I'm a consultant here in town and I've done an awful lot of work on electricity restructuring, and a little bit on telecommunications.

Mr. Richardson, your point about having multiple service providers in a given community, I couldn't support that any more. I think that's just an excellent concept that you bring forward. It's the type of thing that in cable or in our telephone – or our cell phone service that we have now. I think I'm the only satisfied Sprint customer in the United States, but I can have Sprint – I mean, I live right downtown here. I can have Sprint. I can have Cingular. I can have T-Mobile. And I'd like to see that for Mayor Graham, but, you know, his community gets that in broadband.

Speaking to your study, Mr. Baller, at APPA, I'm awfully glad to see APPA taking this position in broadband because I know in the late '90s when I was working with a lot of energy marketers and various people who wanted more competition in electricity, APPA was acting like a monopoly provider on electricity like the – so the public monopolies were a lot like the investor-owned electric monopolies in trying to stop a lot of innovation that was taking place there.

But Mr. Richardson, getting back to your point, it's totally crucial that we have multiple carriers and you see so people do have choice. If we're simply moving from monopoly to monopoly, if Mayor Graham can simply offer his constituents one provider and it's the city of Scottsburg, we're going to have the same problems there that we do with other monopoly providers in electricity and natural gas and the way we used to have in telephony, with – look, we can offer you any phone as long as you want it black and you want Ma Bell to be your provider. So what you're doing at Civitium is just superb

there, and kudos to you, both Mayor Graham and Mr. Baller, on what you're doing there in your fields.

MR. RICHARDSON: Thank you. If I could comment just briefly on the point about – that I made about open access, I think in some ways the broadband market needs to go backwards. And what I mean by that is the broadband market needs to look more like the dial-up market did back in the mid-'90s. If you think about it, within any community you had hundreds of internet service providers that you might have been able to choose from. Some may have been college students in the basement and so on, but what was the reason for that? Well, the reason was the barrier to entry to become an internet service provider was as low as it could be. They had access to a universal telephone network that there was no cost associated with, so I do think there is some benefit.

Some people will argue that having multiple retail providers where there's a single wholesale provider doesn't create real competition; it creates the appearance of competition. You know, I think that's an academic debate. I think what it does do that I think everyone would agree with is it at least provides consumer choice. So I may choose to go with a certain internet service provider, not because they're the lowest or the highest price or any other reason; I may choose because I like their customer service reps. I like the way they send me their invoices. And a whole – my family may be on that plan. There may be some benefits, so I do think that that's really important.

But I also don't want to diminish the fact that there's an opportunity for this growth within communities of local internet service providers. Every broadband provider today it seems is a big name, like the ones you mentioned. I'm on Sprint. I'm on AOL. I'm on – well, what about the innovative little local or regional internet service provider that was so meaningful in the 1990s?

MR. GRAHAM: If I could just say one thing. You know, the city would not mind to get out of this business at any time. And we tried to look at it that anything that we invest in that, our payback will come in two-and-a-half to three years, so that, you know, we can just shut the door and say, hey, our people are well taken care of. Well, let it be. You know, we've got water and sewer and electric and roads and police and fire and a whole lot of things to take care of. Not being – get into education and healthcare and workforce development. We did it to have some control over our destiny and be able to keep the people there.

MR. BALLER: And let me just go back to the history of electric power again. In the teens and '20s of the last century, at their peak there were something like 3,200 municipal utilities. In that period of time, about 1,000 of them sold their systems to the private sector. Their goal was not to be in the business of providing electric power indefinitely. They wanted not to be left behind in having the benefits of the electric power. Once they achieved that goal, they won. That was a success to them and they could then sell their systems to the private sector that was at that point ready to give them a fair return on it and then go forward with providing electric power.

We may very well see in the communications industry the very same pattern in some communities. Now, there are 2,000 left. In those communities they've found over the century that they can still provide better service at much less cost than the private sector can provide.

There's just one other part now that I'm this history of electric power again. To those of you in the audience, what do you suppose Los Angeles, Seattle, Cleveland, Nashville, Phoenix, Austin, San Antonio, Jacksonville, Memphis, Kansas City, and many others have in common? They're all major cities. They all had plenty of electric power. But they all municipalized and became municipal providers of their own power. They did that because they found that the private sector was charging at least twice as much for the service that they could provide for themselves. And those cities, at the time that they get into the electric power, looked at the issue that is – in a way that's somewhat different from the way that some members of the private sector looked at it. They said, the first question is, what can we do for ourselves at the cost and at the level of quality we want? And if we can do something for ourselves, we respect the private sector for being able to offer us service, but we're not here for the benefit of the private sector. It's the other way around. And if the private sector can offer us something better than we can do for ourselves – if our priority is to do something different, if we don't have the scale, so be it. That's what the private sector is there to offer us, but we don't owe them the level of profit that they want when we can do something for ourselves. We may see communities, particularly some of the large communities, reawakening as well to that kind of thinking.

MR. RICHARDSON: If I could just comment on – a quick comment on Jim's reference here. You may have heard these examples before. Some of them are I think spot on and some of them could probably be debated, but we believe there's a great precedent – there are many precedents for public sector and private sector cooperation in other industries. And we don't look outside communications a lot in this debate, but Jim obviously has looked outside that in the provisioning of electric power.

There are other examples that exist even today. The U.S. Postal Service – you know, I don't hear Fed Ex, UPS and DHL suggesting that that needs to be shut down because it competes with their business. Now, that one could be debated because postal service is a privatized entity I think to a large extent. Other examples are public transportation. You have a subway system here and in many cities that you can go from point A to point B, but you still have limousines running up and down the street, and you really don't hear the limousine lobby saying, you know, stop putting in public transportation. Another one is just bottled water. You know, I don't hear Dasani and Pepsi and Coca-Cola lobbying to tell the city to shut down the water fountain in the park and why are you running tap water into people's homes when we've got a private sector product here that – you know.

So I think a lot of these cases what you see is that government at a minimum, and I don't want to emphasize this too much, but at a minimum government has a history of

providing an essential service. So the question there, and I think what we're in some ways grappling with is, has broadband – has communication services and some of these other services reached the point where people deserve at least a least-common-denominator service.

Now, I don't necessarily believe that that means that cities' or government's role in general is to provide sort of the low-end and, you know, the – I wouldn't necessarily take the argument that far, but I think that really is what Mayor Graham has done. There's an essential service in his community. He says it's not being provided by the private sector. There's no motivation. The economic incentives don't work. And he's made it available. So I think if there's – the bright spot there is if there's precedent for those kinds of public-private cooperation in other industries, the opportunity exists here. It can play out that way. But on the track that we're on, I think a lot of us are worried that it won't play out that way. One side has to win or lose.

MR. BALLER: While you're heading over with your mike, Fran, let me say that we should not leave this room without expressing a word of thanks to Jim Kohlenberger and Jeff Turner. Would you guys stand up for a minute, please? These folks are playing an extremely important role in the dialogue at the federal level on the kind of legislation that we've been talking about, particularly Lautenberg and McCain, and also supporting our efforts around the country and they're just playing an extremely important role. Thank you.

(Applause.)

MR. LLOYD: Now that we've got you applauding, I'm afraid we've run out of time. (Laughter.) I know these gentlemen will stick around if you have questions afterward, but we want to be respectful of everyone's schedule. Please join me in thanking our panelists one last time.

(Applause.)

(END)