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Using Wireless Phones Outside U.S. Borders

BY MARTHA BUYER
DAILY RECORD COLUMNIST

Because of our proximity to the Canadian border, many Western New Yorkers (and others) take our wireless phones across the border and use them with impunity. And everything is great until the bill arrives.

The extra charges assessed by Bell Canada for use of an American (or other countries' based phone) wireless phone that uses — at least in part — Bell Canada's network, can be nothing short of staggering. There's not a ready "cure" for this problem, but consumers whose wireless phones actually work in Canada should be forewarned that there will be a price for such international access, and it will be high.

While this issue may be of great concern for *The Daily Record* readers in New York, given our proximity to the United States' northern border, the issue that has the Federal Communications Commission's interest these days involves the surcharges that are applied to calls made to foreign-based wireless phones.

Over the past 10 years, the cost of international long distance has dropped significantly. While a call overseas in 1992 cost, on an average, \$1 per minute, today it now costs less than 25 cents per minute, with much lower rates available to many countries in Europe and Central America.

Although it's hard to correlate any direct relationship between the drop in long distance costs and the rise in availability of wireless phones worldwide, in fact, as more people have gone wireless, the authorities that govern the use of wireless phones overseas have sought creative ways to recover revenues lost.

Perhaps in an effort to recover this revenue stream as a result of the competition-driven drop in long distance charges, or perhaps because it's just a good opportunity, some foreign mobile phone companies have created new mobile phone surcharges that are of great concern, not only to the consumers who are forced to pay them, but to the FCC as well. As such, the FCC is seeking input from American consumers who have been blindsided by these fees before taking action.

Specifically, in an FCC consumer commentary that was released in the latter part of October (www.fcc.gov/cgb/consumerfacts/consumercomment.html), the FCC has opened an inquiry into the costs of "foreign mobile termination rates, actions taken by foreign regulators, and the impact these rates and actions have on U.S. competition and U.S. consumers." For calls to wireless phones that are based overseas, some of these additional surcharges can be as high as 20 to 30 cents per minute.

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MARTHA BUYER

With wireless phone usage becoming increasingly the communications vehicle of choice, and with many friends and family members trotting the globe and staying in a location for more than a few days, although it's much easier to remain in contact over great distances, these hidden costs can create an unhappy surprise for an unwitting bill recipient.

For this reason the FCC issued a notice of inquiry on Oct. 14 to address these issues, and to solicit comments from consumers who have experience with calls that terminate on non-U.S. based wireless phones.

The FCC staff has several concerns for which they are seeking comments from consumers. These include whether or not the American consumer was aware of the surcharge before making the call, whether the consumer knew that he/she was, in fact, calling a mobile phone, and, among other questions, whether or not these hidden charges affect the number of calls being made from the United States to mobile phones based in other countries. If you are

interested, please view — and respond to — the questions at the aforementioned url, and refer to FCC Docket No. 04-398.

As a side note, please be advised that not all wireless phones work all over the world. In Europe, the technology that powers most wireless phones is called GSM (Global System for Mobile Communications).

Although there are some garden variety domestic phones that rely on GSM (actually the AT&T/Cingular network relies most heavily on GSM technology, thus rendering some of its phones out of service in many "off the beaten path" locations), most domestic wireless carriers currently rely on CDMA (carrier detect/multiple access) technology. As an interesting service offering, AT&T/Cingular does rent GSM phones to travelers headed overseas.

If you are planning on taking your wireless phone with you when you travel outside of North America, and it's not GSM-based, be sure to check with people on the ground at your destination to determine whether or not your phone will work once you land. What it will cost to use that phone is an entirely different matter, and one that's worthy of careful consideration.

Martha Buyer is an attorney concentrating in the practice of telecommunications law. Her clients range from Fortune 500 companies to small family-owned businesses where she has provided a range of telecommunications consulting and legal services, primarily geared to support corporate end-users working with carriers and equipment providers. She can be contacted at martha@marthabuyer.com.