



Government Affairs e-Update



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Note: This report is generally issued on Fridays.

This Week@Cisco in Government Affairs

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This Week@WASHINGTON, DC

FCC's Powell Sits On Horns Of Dilemma - When he joined the Federal Communications Commission in 1997, Michael Powell likened the role of implementing new telecom and media rules to that of his childhood hero, daredevil motorcyclist Evel Knievel. "We are daringly attempting to leap the canyon that divides the regulatory world from the competitive one," he said at the time. And like Mr. Knievel, Mr. Powell, now in his fourth year as chairman of the FCC, has suffered more than his share of crash landings. <http://online.wsj.com/article/0,,SB108932376100259068,00.html> (Paid subscription required)

Nextel Must Pay At Least \$3.2 Billion For Airwaves - Verizon Wireless Decries 'Giveaway' - The Federal Communications Commission ordered Nextel Communications Inc. to pay at least \$3.2 billion as part of a complex compromise that gives the wireless phone company a slice of valuable airwaves while freeing up crowded frequencies for public safety agencies. <http://www.washingtonpost.com/wp-dyn/articles/A37692-2004Jul8.html>
More: <http://www.nytimes.com/2004/07/09/business/09spectrum.html> (Free registration required)

IRS Eyes Net Phone Tax - A "temporary" tax created to pay for the Spanish-American War may result in higher fees for Internet telephone calls. http://news.com.com/IRS+eyes+Net+phone+taxes/2100-7352_3-5258809.html?tag=nefd.lede

IRS Notice Sparks VoIP Taxation Fears - Rep. Chris Cox, R-Calif., sent a letter Wednesday to President Bush asking him to "direct the IRS immediately to affirm that this 100-year-old tax does not apply to the Internet, but only to traditional analog voice services." http://news.com.com/Critic+pans+IRS+suggestion+on+VoIP/2100-1036_3-5261200.html

Congress Runs Into VoIP Divide - The political debate over how to regulate Internet phone calls is showing early signs of dividing along traditional partisan lines. http://news.com.com/Congress+runs+into+VoIP+divide/2100-7352_3-5260162.html

HSIN Starts Five Months Early - Homeland Security Secretary Tom Ridge said that the department has nationwide connectivity to all 50 states through a secure unclassified network, a full five months ahead of schedule. <http://www.fcw.com/fcw/articles/2004/0705/web-hsin-07-08-04.asp>

Penatagon: Rough RFID Ride Ahead? - It's always a little nerve-wracking when big businesses or government bureaucracies wager on a new technology, especially when the technology in question involves the fate of thousands of suppliers and billions in inventory. So Wal-Mart Stores and the U.S. Department of Defense have no doubt rattled some with their embrace of radio frequency identification, or RFID, as the next



big thing for managing their supply chains. Both outfits have deadlines this coming January for significant RFID rollouts.
http://www.forbes.com/technology/2004/07/07/cz_ag_0707beltway.html

This Week@EMEA

Mobile Broadband Services: Commission Tables Blueprint For Anytime, Anywhere Access, To Boost Growth In Business And Public Services - Accessing everything you need at head office from a computer in the field is fast becoming vital to the efficiency of both private enterprise and public services. A policy blueprint to ensure that data can be accessed anytime, anywhere across the EU, and that the EU retains its lead in this area, is set out in "Mobile broadband services."

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/04/828&format=HTML&aged=0&language=EN>

Making Research Careers More Attractive: Concrete Steps Leading To Brain-Gain Results - In a knowledge-based economy, where new ideas and scientific knowledge are central to innovation and growth, investment in human resources in science & technology (S&T) is an essential factor to remain competitive.

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=MEMO/04/167&format=HTML&aged=0&language=EN>

First Review Of Markets In New Regulatory Framework For Electronic Communication Planned For The End Of 2005 - The Commission will maintain - until the end of 2005 - the present list of electronic communications markets that national regulatory authorities can subject to so-called "ex ante" regulation.

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/04/845&format=HTML&aged=0&language=EN>

This Week@Asia/Pacific

Thailand, Australia Sign Telecom PACT - Australia and Thailand will step up cooperation in the area of telecommunications and information technology under a pact recently signed. Australian Communications Minister Daryl Williams said the agreement, inked in tandem with the Australia-Thailand free trade treaty, fits with Australia's pursuit of bilateral and multilateral arrangements to combat spam.

<http://online.wsj.com/article/0,,SB108899107612755118,00.html> (Paid subscription required)

Pakistan Bars Indian Telco - Pakistan is unlikely to grant a long-distance telephone license to a company which has an Indian partner because of security concerns, the telecommunications regulator said.

<http://australianit.news.com.au/articles/0,7204,10056296%5E15322%5E%5Enbv%5E,00.html>

China Daily Launches Search Engine - Search engines in or about China are becoming a hot and growing market. Just within the last several weeks there have two China-oriented engines launched, with the latest being Acoona.com, a business search engine launched by the state-owned China Daily newspaper company and partner U.S.-located China Communications Corp. <http://www.washtimes.com/upi-breaking/20040708-015330-1668r.htm>

China Begins Policing Of Mobile Text Messages - China has issued new regulations on the filtering of mobile phone short text messages in a move that expands its censorship controls over wireless technologies and the Internet, state press said.

http://story.news.yahoo.com/news?tmpl=story&ncid=1293&e=2&u=/afp/20040702/tc_afp/china_internet_messaging&sid=96001016

Japan Launches Anti-Spam Drive - Japan's Public Management Ministry has vowed to work with IT firms in a serious effort to combat ever-increasing quantities of unwanted e-mail. Unsolicited commercial e-mail, or spam, is a growing hazard to Internet-connected computers and mobile phones in Japan. <http://www.washtimes.com/upi-breaking/20040709-045143-2758r.htm>

Two Vietnam Cyber-Dissidents Face Trial - A professor and a retired army colonel who used the Internet to criticize communist Vietnam's policies face trial in the next week as Hanoi extends a crackdown on cyber dissidents, human rights groups said.

http://story.news.yahoo.com/news?tmpl=story&ncid=1212&e=2&u=/nm/20040708/wr_nm/rights_vietnam_dissidents_dc&sid=95573503

Australian Gov't To Offer Open Source Guide - A new guide designed to help federal government agencies evaluate open-source products alongside their proprietary rivals is due to be completed and distributed by September.

http://news.com.com/Australian+government+to+offer+guide+to+open-source/2100-7344_3-5260261.html?tag=nefd.hed



This Week@US States

Telecom Rates Battles Heat Up - The national battle over competitive local phone service is heating up in California as state regulators consider raising the rates SBC charges rivals to use its network by more than 20 percent.
http://www.mercurynews.com/mld/mercurynews/business/technology/9114576.htm?ERIGHTS=2791213099515527832mercurynews::jeamhar@cisco.com&KRD_RM=70ououquurvtvuqqvrnnnnnnnnjohn|Y

Destination Wi-Fi, By Rail, Bus Or Boat - THE Klickitat, a 1927 steel ferry boat plying waters between a 19th-century port and an island harbor, may seem a quaint way to travel - and an unlikely place to get work done. But it may be headed for a new frontier in Internet access for commuters.
<http://www.nytimes.com/2004/07/08/technology/circuits/08wifi.html> (Free registration required)

Other Tech News Of The Week

What Makes Cisco Run - John Chambers Has A New Vision Of What His Company, And The World, Can Be - <http://www.forbes.com/business/forbes/2004/0726/066.html>

Study: Broadband Market To Triple By 2008 - The worldwide base for broadband technology is expected to reach 325 million subscribers by 2008, up from about 100 million at the end of last year, according to new research from the Yankee Group.
http://news.com.com/Study:+Broadband+market+to+triple+by+2008/2100-1034_3-5260958.html

The McKinsey Global Survey Of Business Executives, July 2004 - The second McKinsey Global Survey of Business Executives finds that corporate leaders are still confident—especially about hiring, IT spending, China, and India—though they've tempered their earlier enthusiasm.
<http://www.mckinseyquarterly.com/links/13969>

Implored To Offshore More - A report by an influential consulting firm is exhorting U.S. companies to speed up "offshoring" operations to China and India, including high-powered functions such as research and development. <http://www.washingtonpost.com/wp-dyn/articles/A21975-2004Jul1.html>

Software Piracy Continues To Grow - More than one third of the software installed on the world's computers is pirated according to a survey by the Business Software Alliance. The annual survey of global software piracy shows that 36% of software was being used illegally in 2003 according to figures prepared for the BSA. <http://news.bbc.co.uk/2/hi/technology/3872843.stm>

Spammers Can Be Beaten In Two Years - Millions of users may abandon the Internet and phone messaging systems unless governments and software companies join forces to block the spread of spam, key figures in an antispam drive said.
http://news.com.com/Spammers+can+be+beaten+in+two+years--regulators/2100-1023_3-5258828.html?tag=nefd.top

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