

FEDERAL COMMUNICATIONS COMMISSION

Strategic Plan FY 2003-FY 2008





MESSAGE FROM THE CHAIRMAN

I am pleased to provide you with this strategic plan for fiscal years 2003 through 2008.

Since passage of the Government Performance and Results Act (GPRA) in 1993, which requires Federal agencies to prepare strategic and performance plans, the role of and environment surrounding the FCC have changed significantly. This strategic plan reflects the direction in which the FCC must proceed if the American people and economy are to continue to benefit from the ongoing developments in global communications.

Consistent with the requirements of OMB Circular A-11, our strategic plan contains:

- A comprehensive mission statement;
- A description of general goals and objectives;
- A description of the means and strategies that will be used to achieve the goals and objectives;
- A description of the relationship between performance goals in the annual performance plan and general goals and objectives in the strategic plan;
- Identification of key factors that could affect achievement of the general goals and objectives;
- A description of program evaluations used, and a schedule for future evaluations; and
- A summary of public comments received on the first draft of the plan.

By working closely with Congress, consumers, and those in the communications industries, I believe the path set out in this strategic plan will allow the FCC to provide the leadership necessary to restore stability to the communications marketplace in the near term and facilitate “the air for innovation” needed over the long term.

Michael K. Powell
Chairman

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ABOUT THE FCC

The FCC is an independent Federal agency directly responsible to Congress. The FCC was established by the Communications Act of 1934 and is charged with regulating interstate and international communications by radio, television, wire, satellite, and cable.

The FCC is directed by five Commissioners appointed by the President and confirmed by the Senate for five-year terms, except when filling an unexpired term. The President designates one of the Commissioners to serve as Chair. Only three Commissioners may be representatives of the same political party. None of them can have a financial interest in any Commission-related business. The Chairman and other Commissioners oversee FCC activities, delegating selected responsibilities to six bureaus and ten staff offices.

MISSION

It is the mission of the Federal Communications Commission to ensure that the American people have available – at reasonable costs and without discrimination – rapid, efficient, nation- and world-wide communication services; whether by radio, television, wire, satellite, or cable. 47 U.S.C. §151 – Title 1, Section 1 of the Communications Act of 1934, as amended.

GENERAL GOALS

Since its founding, the United States has transformed itself through the use of technology. Communications technologies – from Alexander



Graham Bell's telephone to Marconi's radio to today's Internet – have been some of the primary drivers of this transformation.

While some of today's providers of communications services and technologies struggle through economic and technological upheavals, Americans generally understand that today's immediate problems do not signal a crisis or collapse in the possibility of continued growth through the application of technology. Instead,

a slow, but steady, stream of technological advances coupled with sound business practices and appropriate enforcement of regulations will ensure that American consumers, governments, businesses, and industry continue to enjoy the advantages of technological progress based upon the availability of reliable, innovative communications products and services.

The FCC is responsible to Congress and the American people for ensuring that an orderly framework exists within which communications products and services can be quickly and reasonably provided to consumers and businesses. Equally important, the FCC must also address the communications aspects of public health and safety, ensure the universal availability of basic telecommunications services, make communications services accessible to all people whether they live in a rural area or have a disability, and protect and inform consumers about

their rights. In support of this mission, the FCC, in accordance with its statutory authority, has six general goals for the next five years. They are:

BROADBAND: Establish regulatory policies that promote competition, innovation, and investment in broadband services and facilities while monitoring progress toward the deployment of broadband services in the United States and abroad.

47 U.S.C. §157 and note.

COMPETITION: Support the Nation's economy by ensuring that there is a comprehensive and sound competitive framework for communications services. Such a framework should foster innovation and offer consumers meaningful choice in services. Such a pro-competitive framework should be promoted domestically and overseas.

47 U.S.C. §§251, 253, 254, 271, and 309(j).

SPECTRUM: Encourage the highest and best use of spectrum domestically and internationally in order to encourage the growth and rapid deployment of innovative and efficient communications technologies and services.

47 U.S.C. §§301 and 303(g).

MEDIA: Revise media regulations so that media ownership rules promote competition and diversity in a comprehensive, legally sustainable manner and facilitate the mandated migration to digital modes of delivery.

47 U.S.C. §§307(b) and 336; Telecommunications Act of 1996 §202(h).

HOMELAND SECURITY: Provide leadership in evaluating and strengthening the Nation's communications infrastructure, in ensuring rapid restoration of that infrastructure in the event of disruption, and in ensuring that essential public health and safety personnel have effective communications services available to them in emergency situations.

47 U.S. C. §§151, 337, and 606.

MODERNIZE THE FCC: Emphasize performance and results through excellent management. Develop and retain independent mission-critical expertise and align the FCC with the dynamic communications markets.

47 U.S.C. §155(a).

GENERAL OBJECTIVES BY GOAL

Broadband:

- Promote the availability of broadband to all Americans.
- Conceptualize broadband in a way that includes any platform capable of providing high-bandwidth intensive content.
- Clarify and stabilize the regulatory treatment of broadband services.
- Encourage and facilitate an environment that stimulates investment and innovation in broadband technology and services.
- Harmonize regulation of competing broadband services that are provided via different technologies and network architectures.
- Dutifully enforce market-opening requirements.
- Monitor social and economic developments in order to provide ongoing national and international policy leadership and consumer education in the emerging broadband arena.

Competition:

- Foster sustainable competition across the entire telecommunications sector.
- Facilitate a more effective wholesale market through interconnection policy and other competition-related rules.
- Promote and advance universal service.
- Ensure that consumers have choices among communication services and are protected from anti-competitive behavior in the increasingly competitive telecommunications landscape.
- Continually evaluate and report on the competitive environment for communications services.

Spectrum:

- Advance spectrum reform by developing and implementing market-oriented allocation and assignment reform policies.

- Vigorously protect against harmful interference and enforce public safety-related rules.
- Conduct effective and timely licensing activities that encourage efficient use of the spectrum.
- Provide adequate spectrum and improve interoperability for better public safety and commercial purposes.
- Serve as a dependable information source for Congress and the American people on the complex issues inherent in using our finite spectrum resource.

Media:

- Enforce compliance with rules that foster competition and diversity.
- Build and continually update a solid factual and analytic foundation for media ownership regulation.
- Encourage the timely development and deployment of digital services.

Homeland Security:

- Evaluate and strengthen measures for protecting the Nation's communications infrastructure.
- Facilitate rapid restoration of the U.S. communications infrastructure and facilities after disruption by a threat or attack.
- Develop policies that promote access to effective communications services by public safety, public health, and other emergency and defense personnel in emergency situations.

Modernize The FCC:

- Structure the FCC so that it can flexibly respond to Congress, consumers, and the communications industries in a timely manner.
- Provide and sustain mission-critical training and development in order to ensure excellence among a diverse and expert staff.
- Offer employees educational and advancement opportunities.

KEY FACTORS

A new type of migration is occurring today. Past migrations involved the physical movement of people from one place to another leading to the diffusion of cultures, tools, habits, ideas, and forms of political organization. Modern migrations involve not the movement of people but fundamental shifts in technologies. These technologies change not only how people live but also how they think about what is possible. No technology more clearly reveals the face of “new possibilities” than communication technologies – radio, television, wireline, satellite, and cable – that the FCC is charged to regulate.

In this ever-changing environment, the FCC must ensure that the American people enjoy the advantages of fully competitive communications markets while having access to reliable communications services at just, reasonable, and affordable rates.

To successfully carry out this mission the FCC must balance technological, economic, legal, and organizational factors. These factors are broadly discussed below. Fuller detail on these factors is found in the following section on Means and Strategies as they pertain to each of the FCC’s goals and objectives.



Technological Factors:

Emerging technologies underpin the hopes and plans for continuing today’s communication revolution into the future.

Popular scenarios of an always-connected future may assume levels and penetrations of technologies that, in some cases, do not yet exist or exist only in configurations or at prices the market is currently unwilling to bear.

Thus, the FCC must advance regulations that encourage and support development and deployment of innovative communications technologies while keeping Congress and the American public informed on the viability of varied communications technologies.



Economic Factors:

The Telecommunications Act of 1996 directs the FCC to promulgate rules that encourage competition in order to offer consumers a variety of communications services at reasonable prices.

Thus, consumers' welfare stands at the forefront of the FCC's policies, and it is consumers who ultimately determine which communications technologies succeed and which fail based upon whether those technologies provide products or services that consumers value.

Legal Factors:

The FCC conducts its business governed by Congressional statutes, as ultimately interpreted by the courts. The FCC also is required to work with state and local officials in efforts to increase competition and regulate communications markets. In addition, the FCC joins the State and Commerce Departments in representing the United States in international negotiations and treaties related to increasingly globalized communications services.

Organizational Factors:

Any FCC action is critically dependent on its employees and the tools that they have to do their jobs. Regrettably, many in the FCC's workforce are approaching retirement age. In addition, many of the agency's tools – especially its computers, technical facilities and equipment, and financial processes and systems – need to be updated to keep pace with the swift-moving technology markets the agency is expected to regulate. Further, the FCC must continually review its organizational structure to ensure that it is not an impediment to effective market development and can adequately fulfill its regulatory oversight responsibilities.

Thus, the FCC faces significant technological, economic, legal, and organizational challenges in its endeavor to successfully accomplish its six general goals.

MEANS AND STRATEGIES

Goal 1 - Broadband:

Broadband technologies, which encompass all evolving high-speed digital technologies that provide consumers integrated access to voice, high-speed data, video-on-demand, and interactive delivery services, are a fundamental component of the communications revolution. Fully-evolved broadband will:

- Virtually eliminate geographic distance as an obstacle to acquiring information, and
- Dramatically reduce the time it takes to access information.

All will benefit as broadband's technologies are developed and deployed. Nonetheless:

- The infrastructure is not yet ubiquitous,
- Relative costs of deployment remain high compared to narrowband,
- Access is limited in underserved areas, and
- Adoption rates remain low relative to availability.

Therefore, the following objectives are set for broadband:

Objectives:

- Promote the availability of broadband to all Americans.
- Conceptualize broadband in a way that includes any platform capable of providing high-bandwidth intensive content.
- Clarify and stabilize the regulatory treatment of broadband services.
- Encourage and facilitate an environment that stimulates investment and innovation in broadband technology and services.
- Harmonize regulation of competing broadband services that are provided via different technologies and network architectures.
- Dutifully enforce market-opening requirements.
- Monitor social and economic developments in order to provide ongoing national and international policy leadership and consumer education in the emerging broadband arena.

Factors:

- Technological -
 - ⇒ Broadband infrastructure is not yet universally deployed.
 - ⇒ As broadband infrastructure develops, it appears that an increasing number of traditional telecommunications services will migrate to broadband platforms.
- Economic -
 - ⇒ From a consumer's perspective, today's broadband has a high cost relative to dial-up services.

- ⇒ Some argue that competitive access requirements reduce broadband providers' incentive to invest and place such providers at a competitive disadvantage when compared to providers of other platforms like cable.
- Legal -
 - ⇒ The FCC is in the midst of several proceedings regarding the appropriate regulation of broadband services.
 - ⇒ The existing regulations were largely drafted prior to the evolution of broadband services.



- Organizational -
 - ⇒ The appropriate role for the FCC in the emerging broadband market needs to be clearly understood throughout the agency.

Means and Strategies:

- Processes to -
 - ⇒ Study and understand domestic and global markets for broadband technologies.
 - ⇒ Clarify regulatory classification and access obligations, where appropriate.
 - ⇒ Eliminate unnecessary regulatory barriers to deployment.
- ⇒ Participate in national/international discussions regarding multiple technologies and their applications.
- ⇒ Educate American consumers about broadband and its applications.
- ⇒ Carry out strong enforcement of market opening requirements.
- Skills to -
 - ⇒ Study and understand markets and technologies.
 - ⇒ Conduct innovative rulemakings, execute economically sound decisions, and conduct rigorous and effective policy analysis.
 - ⇒ Carry out international communication and negotiation.
 - ⇒ Facilitate discussions among key groups (state and local governments and industry) to identify best practices.
- Resources needed -
 - ⇒ Engineers, attorneys, economists, auditors, and analysts.
 - ⇒ Access to current data on industry and forecasting on future demands.
 - ⇒ Computational and economic modeling software and hardware.

Goal 2 - Competition:

The Telecommunications Act of 1996 directed the FCC to take action to remove statutory, regulatory, economic, and operational barriers to local telephone services competition. In 1998, the FCC established a framework of national rules. These early rules focused on three entry points for local competition:

- Full facilities-based entry,
- Purchase of unbundled network elements from the incumbent local exchange carrier, and
- Resale of the incumbent's retail services.

Today's focus is on:

- Concerns that not all geographic areas and demographic groups have the same access to advanced communications services,
- Questions about which, if any, of the emerging communications technologies should be included in definitions of universal service,
- Disparity between the pace of competition developing in business and residential markets.
- How best to stop deceptive and illegal practices such as telemarketing fraud.

In support of these issues, the following objectives are established:

Objectives:

- Foster sustainable competition across the entire telecommunications sector.
- Facilitate a more effective wholesale market through interconnection policy and other competition-related rules.
- Promote and advance universal service.
- Ensure that consumers have choices among communication services and are protected from anti-competitive behavior in the increasingly competitive telecommunications landscape.
- Continually evaluate and report on the competitive environment for communications services.

Factors:

- Economic -
 - ⇒ The telecommunications sector of the economy is currently in a financial slump.
 - ⇒ After a decade-plus, some consumer advocates suggest that mergers have not always produced effective competition.
 - ⇒ Some newer market entrants raise concerns about barriers to entry.

- ⇒ Incumbent providers question the equity of having to open the physical infrastructure they build to competitors who have not made similar investments.
- Legal -
 - ⇒ Deceptive and illegal communications practices – such as slamming, cramming, telemarketing fraud and abuse – continue and, therefore, demand continuing FCC response and oversight.
 - ⇒ There are currently no Federal performance measures that allow an objective assessment of how incumbent local exchange carriers are doing in providing required facility and infrastructure access (either on an unbundled or special access basis) to competitive carriers.
 - ⇒ Interconnection and pricing obligations imposed by FCC regulation remain under review for some of the newer communications technologies. At the same time, the scope of unbundling obligations is also under strict judicial review.
- Organizational -
 - ⇒ Ensuring staff is properly trained to achieve the appropriate balance among consumer protection, competition promotion, and imposition of necessary regulatory requirements is an ongoing challenge.

Means and Strategies:

- Processes to -
 - ⇒ Review FCC rules continually to ensure that they remain properly balanced and reflective of constantly changing technologies.
 - ⇒ Foster facilities-based competition.
 - ⇒ Increase digital broadband competition from multiple technology platforms.
 - ⇒ Simplify and enforce interconnection rules.
 - ⇒ Encourage universal service in a manner that is consistent with competition.
 - ⇒ Review and understand industry ownership information and transactions in order to assess competitive effects.
 - ⇒ Study and evaluate the competitive forces at work in communications markets.
 - ⇒ Ensure that our data collection and accounting rules are tailored to allow us to fulfill our oversight responsibilities.
- Skills to -
 - ⇒ Review, analyze, and rework regulations.
 - ⇒ Understand constantly changing technologies.
 - ⇒ Understand, explain, and encourage competition.
 - ⇒ Understand and evaluate industry transactions.
- Resources needed -
 - ⇒ Enforcement and audit personnel, engineers, attorneys, and consumer advocates.
 - ⇒ Monitoring and testing equipment.

Goal 3 - Spectrum:

The promise of emerging communications technologies could mean:

- Having the emergency dispatcher know exactly where your teenager is when he or she has to call for emergency help from a wireless phone (E911);
- Ubiquitous, mobile broadband connections via your Next Generation wireless phone that allow you to be part of a video conference with people around the world while you're traveling; or
- Using the cable modem that's upstairs or printing a document on the color printer that's in the basement – all while you're on the first floor – through wireless networking (Wi-Fi);

These and hundreds of other promising technologies are dependent on one resource – spectrum. Spectrum encompasses the entire range of electromagnetic radio frequencies used in the transmission of sound, data, and video. The FCC and the National Telecommunications and Information Administration (NTIA) share responsibility for managing the spectrum. NTIA manages spectrum used by the Federal government (e.g., air traffic control and national defense) and the FCC is responsible for spectrum used by others, including individuals (e.g., garage door openers and computer modems), private organizations (e.g., radio and television broadcasters), and public safety and health officials (e.g., police and emergency medical technicians).



Because there is a finite amount of spectrum and a growing demand for it, effectively managing the available spectrum is a strategic issue for the FCC and the NTIA. Therefore, the following objectives are established:

Objectives:

- Advance spectrum reform by developing and implementing market-oriented allocation and assignment reform policies.
- Vigorously protect against harmful interference and enforce public safety-related rules.
- Conduct effective and timely licensing activities that encourage efficient use of the spectrum.
- Provide adequate spectrum and improve interoperability for better public safety and commercial purposes.

- Serve as a dependable information source for Congress and the American people on the complex issues inherent in using our finite spectrum resource.

Factors:

- Technological -
 - ⇒ Explosive growth in new technologies – particularly handheld and wireless devices.
 - ⇒ Increasing demand for spectrum requires new and innovative management techniques to use spectrum more efficiently.
 - ⇒ Methods for avoiding and mitigating harmful interference, and increasing opportunities for spectrum sharing and re-use, require further study.
- Economic -
 - ⇒ The competing demands for this resource require trade-offs between users including commercial services, national defense, and public safety.
 - ⇒ Where spectrum relocation is desirable, crafting economic incentives for incumbent spectrum users to relocate continues to prove challenging.
- Legal -
 - ⇒ U.S. policies in regard to spectrum management may need to shift to a greater market-orientation in order to permit flexible and agile response to technological and economic factors.
 - ⇒ Judicial challenges have had an impact on the rights and responsibilities of the FCC in relation to spectrum that has been previously auctioned.
 - ⇒ Congress sometimes mandates the timing of auctions.
 - ⇒ Jurisdictional issues between the agencies charged with spectrum management (in particular NTIA and FCC) and competing demands may lead to new ways to achieve more efficient spectrum management.
 - ⇒ Differences between international and domestic spectrum allocation policies may lead to disparity and inconsistency between U.S. and foreign licensing processes.
- Organizational -
 - ⇒ The FCC needs sufficient human expertise and technical equipment to appropriately deal with issues, negotiate resolutions, and enforce interference and public safety requirements.

Means and Strategies:

- Processes to -
 - ⇒ Study and understand U.S. spectrum use and market conditions related to spectrum.
 - ⇒ Provide bands to promote flexible technology development.

- ⇒ Use the Technical Advisory Committee to develop recommendations to promote spectral efficiency.
- ⇒ Refine licensing assignment processes.
- ⇒ Educate American consumers about spectrum management issues, especially interference.
- ⇒ Carry out strong and effective enforcement in harmful interference and public safety situations.
- Skills to -
 - ⇒ Study and understand market conditions.
 - ⇒ Collaborate and communicate with industry and advisory committees.
 - ⇒ Conduct innovative reengineering to speed up licensing processes.
 - ⇒ Carry out sound engineering studies on impacts of spectrum sharing.
 - ⇒ Understand and anticipate technological developments.
 - ⇒ Negotiate internationally for global spectrum allocation.
- Resources needed -
 - ⇒ Engineers, economists, enforcement personnel, attorneys, and international negotiation experts.
 - ⇒ Engineering test facilities and spectrum monitoring equipment.
 - ⇒ Computer hardware and software.

Goal 4 - Media:

The FCC is responsible for developing and modifying broadcasting and other media rules and policies in order to address changing technologies and changing competition and ownership patterns. The challenges in this area arise from:

- Changing ownership patterns,
- Legal challenges to FCC rules and policies,
- Converging markets and industries, and
- Increasingly rapid changes in technologies employed by service providers.

Consistent with statutory directives, these factors have led the FCC to make rebuilding the factual and analytical foundation of its media ownership regulations and competition policies a top priority. The FCC will examine whether current forms of media regulation are achieving statutory policy objectives and determine how changes in regulations may affect the policy goals of competition, diversity, and localism. A critical aspect of the FCC's responsibility to ensure that the public is served by an efficient and competitive set of media services is the full facilitation of the transition to digital broadcast television.

In support of this direction, the following objectives are established:

Objectives:

- Enforce compliance with rules that foster competition and diversity.
- Build and continually update a solid factual and analytic foundation for media ownership regulation.
- Encourage the timely development and deployment of digital services.

Factors:

- Technological -
 - ⇒ Advances in technology create a potential for significant increases in competition.
 - ⇒ The transition to digital television and digital radio is technologically challenging and requires coordination among various industries.
- Economic -
 - ⇒ Ongoing changes in the methods of delivering news and entertainment programming introduce uncertainty and thus, risk, into communications markets.
 - ⇒ Economic factors may spur consolidation.
 - ⇒ Changes in ownership patterns potentially affect competition and diversity.
 - ⇒ DTV transition requires significant, up-front financial investment from content providers, service outlets, and equipment suppliers prior to the full roll-out of the technology and eventual recouping of investment.
- Legal -
 - ⇒ Court decisions have affected, and may continue to affect, the FCC's ownership limits.
 - ⇒ Congress has mandated a transition to DTV that will require coordination with all aspects of the distribution system.
 - ⇒ Pressure to clear broadcasters from various parts of the spectrum in order to make it available for new wireless services, including public safety, will continue to grow.
- Organizational -
 - ⇒ FCC staff must continually update their knowledge and skills in order to provide economic and legal justification for media ownership and other regulations that serve the public.

Means and Strategies:

- Processes to -
 - ⇒ Gather data on media markets using all appropriate resources.
 - ⇒ Use rulemaking to explore new ownership models.
 - ⇒ Develop coherent cross-media ownership policies.
 - ⇒ Establish the proper technical framework for the digital transition.

- ⇒ More credibly review license transfers to ensure they are in the public interest.
- ⇒ Seek innovative ways, in collaboration with industry, to facilitate digital transition.
- ⇒ Educate American consumers about media regulation and related issues, such as DTV conversion.
- ⇒ Implement strong and effective enforcement programs.
- Skills to -
 - ⇒ Gather, analyze, and communicate information with Congress and consumers.
 - ⇒ Conduct innovative rulemaking.
 - ⇒ Review and analyze mergers.
- Resources needed -
 - ⇒ Attorneys, economists, engineers, analysts, and enforcement personnel.
 - ⇒ Access to current data on industry.
 - ⇒ Facilities to test and learn about digital transmission equipment.

Goal 5 - Homeland Security:

In the aftermath of the September 11, 2001, terrorist attacks, all Americans were reminded of the importance of reliable, easily available, and interoperable communications systems – both for emergency personnel responding to a tragedy and individuals checking on friends and family. Much of what the FCC does either directly or indirectly affects the national security or emergency preparedness telecommunications activities of the public and private sectors. To fully and effectively carry out its role in promoting homeland security, network protection, interoperability, redundancy, and reliability, the FCC has established the following objectives:

Objectives:

- Evaluate and strengthen measures for protecting the Nation’s communications infrastructure.
- Facilitate rapid restoration of the U.S. communications infrastructure and facilities after disruption by a threat or attack.
- Develop policies that promote access to effective communications services by public safety, public health, and other emergency and defense personnel in emergency situations.

Factors:

- Technological -
 - ⇒ The U.S. economy and society is increasingly dependent on interconnected communications technologies.



⇒ There are an increasing number of threats – natural and man-made, physical and cyber – to today's interconnected communications technologies.

- Economic -
 - ⇒ The globally interconnected nature of many of today's communications technologies

is a significant contributing factor to the growth of the U.S. economy, but also exposes it to a wider variety of threats.

- ⇒ The current economic climate may make it difficult for communications infrastructure providers to commit large sums of money to the wholesale improvement of network protection and redundancy.
- Legal -
 - ⇒ Congress and the courts may increasingly be asked to resolve what some perceive as differing standards for spectrum efficiency between federal agencies, under the authority of NTIA, and the spectrum users regulated by the FCC.
 - ⇒ Lack of legal means for protecting information on vulnerabilities from public disclosure via FOIA may discourage service providers from complete candor in discussions with the FCC.
- Organizational -
 - ⇒ FCC staff must continually update their knowledge in order to fully understand national and international implications of the threats to communications technologies under homeland security scenarios.
 - ⇒ The FCC must maintain ongoing, highly integrated relationships with other federal regulators and with state and local regulators who are heavily involved in the use of spectrum as it relates to public safety.

Means and Strategies:

- Processes to -
 - ⇒ Use existing committees and task forces to develop best practices.
 - ⇒ Work closely with other Federal, state, and local agencies to establish priorities and procedures in regard to spectrum use.
 - ⇒ Collaborate with industry and government entities to ensure network protection, reliability, and redundancy.
 - ⇒ Increase governmental and non-governmental awareness of emergency remediation procedures, such as the Telecommunications Service Priority (TSP) system.

- ⇒ Work with industry to resolve interoperability restraints.
- ⇒ Facilitate the deployment of life-saving E911 technologies.
- ⇒ Establish appropriately balanced policies for wireless priority access.
- ⇒ Enforce interference and public safety regulations.
- Skills to -
 - ⇒ Gain full technical knowledge of the actual impact of various spectrum uses on interference.
 - ⇒ Develop technically sound and socially fair prioritized policies, procedures, and agreements.
 - ⇒ Encourage the use of best practices among industry and government entities.
 - ⇒ Respond quickly in emergency situations.
 - ⇒ Foresee and plan for the unexpected.
- Resources needed -
 - ⇒ Enforcement personnel, attorneys, engineers, public safety experts, and state and local first-responder experts.
 - ⇒ Monitoring equipment, back-up emergency equipment for FCC operations.

Goal 6 - Modernize the FCC:

The FCC has committed itself to making the fundamental changes necessary to become a more responsive, efficient, and effective agency capable of facing the technological and economic opportunities of the new millennium.

While these changes have begun with an agency-wide reorganization and dedication of resources to recruiting, training, equipping, and deploying an expert workforce, much remains to be done as the agency seeks to capitalize on its competencies in:

- Promoting competition, innovation, and investment in broadband services and facilities,
- Supporting the Nation's economy by ensuring an appropriate competitive framework for the unfolding of the communications revolution,
- Encouraging the highest and best use of spectrum domestically and internationally,
- Revising media regulations so that new technologies flourish alongside diversity and localism, and
- Providing leadership in strengthening the defense of the Nation's communications infrastructure.

To meet these requirements, the FCC has set the following objectives:

Objectives:

- Structure the FCC so that it can flexibly respond to Congress, consumers, and the communications industries in a timely manner.
- Provide and sustain mission-critical training and development in order to ensure excellence among a diverse and expert staff.
- Offer employees educational and advancement opportunities.

Factors:

- Technological -
 - ⇒ Carrying out the mission of the FCC requires highly trained, expert staff capable of assessing and understanding technological and industry trends and enforcing technical requirements with up-to-date technological tools.
- Organizational -
 - ⇒ Organizational, staffing, and accountability structures need to be continually optimized to allow the FCC staff to deal with today's fast-changing communications markets.
 - ⇒ Maintaining an on-going training and staff development program - particularly essential since communications technologies change so rapidly - is a challenge.
 - ⇒ Civil service rules regarding financial remuneration and the FCC's budget limit the FCC's ability to compete for certain types of mission-critical expertise in comparison to what is available for those types of expertise in the private sector.

Means and Strategies:

Processes to -

- ⇒ Develop and reward effective, results-oriented management.
- ⇒ Identify ways to leverage technology to improve/streamline various FCC operations (such as licensing, regulatory fee assessment, registration, and financial operations) in order to reduce backlogs and be more responsive to consumers and communications services providers.
- ⇒ Hire, train, equip, and retain a diverse and expert staff essential to the FCC's critical functions.
- ⇒ Continually review the Commission's organization plan in order to facilitate streamlined operations in line with communications markets.

Skills to -

- ⇒ Identify and reward results-oriented managers.
- ⇒ Innovatively reengineer traditional processes - such as licensing and fee assessment and collection - to operate more quickly and with greater financial accountability.

- ⇒ Integrate and leverage appropriate information technologies into all aspects of FCC operations.
- ⇒ Establish and operate programs of mission-critical information access and learning for staff.
- ⇒ Anticipate and structurally respond to the impacts of future communications markets convergence. Adjust administrative authorities, responsibilities, and resources accordingly.
- ⇒ Conduct appropriate workforce planning for both retirements and those whose functions change due to the implementation of information technologies.
- ⇒ Integrate new technologies into existing and reengineered processes, where appropriate.

Resources needed -

- ⇒ Analysts, managers, and training experts.
- ⇒ Training and development funds.

PERFORMANCE GOALS FOR EACH OF THE GENERAL GOALS

For its six general goals, the FCC has established eleven performance goals:

BROADBAND: Broaden the deployment of broadband technologies across the United States and globally.

COMPETITION: Ensure that American consumers can choose among multiple reliable and affordable communications services.

Ensure that all American consumers retain reliable wireless and wireline phone service.

Create and maintain a two-way dialogue with regulators around the globe in order to foster the creation of pro-competitive global markets.

Create and maintain a two-way dialogue with American consumers so that they are informed about their rights and responsibilities in the competitive communication marketplace.

SPECTRUM: Ensure that the Nation's spectrum is used efficiently and effectively.

Advocate U.S. spectrum interests in the international arena.

MEDIA: Develop a sound analytic foundation for media ownership rules.

Facilitate the Congressionally-mandated transition to digital television and further the transition to digital radio.

HOMELAND SECURITY: Promote the reliability, security, and survivability of the communications infrastructure.

MODERNIZE THE FCC: Become a more responsive, efficient, and effective agency capable of facing the technological and economic opportunities of the new millennium.

The FY 2004 Annual Performance Plan sets forth twenty-three performance indicators that the FCC will use to measure one year's progress toward its six long-term general goals and eleven annual performance goals.





EVALUATION PLANS

The FCC is dedicated to ensuring that both the mission and resources entrusted to it are properly and effectively managed. The performance of the FCC is evaluated in several ways – through the Annual Performance Report and the annual financial audit, by investigations and audits conducted by the FCC’s Inspector General and the U.S. General Accounting Office, and via formal program evaluations carried out by staff in the Office of Managing Director.

During the first year of this strategic plan, the Managing Director’s staff plans a formal program evaluation on the timeliness of the FCC’s many licensing systems. The evaluation will include identification of current standards for processing licenses, the processes and procedures that underlie these current standards, best practices of other licensing bodies, and recommendations – if warranted – for universal processing standards throughout the FCC.

In each of the subsequent years of this Strategic Plan, the Managing Director’s staff will identify and conduct at least one formal program evaluation per year. These evaluations will be based upon the issues most relevant to that time and will be designed not to duplicate or conflict with audit and inspection plans of the Inspector General.



SUMMARY OF PUBLIC COMMENTS

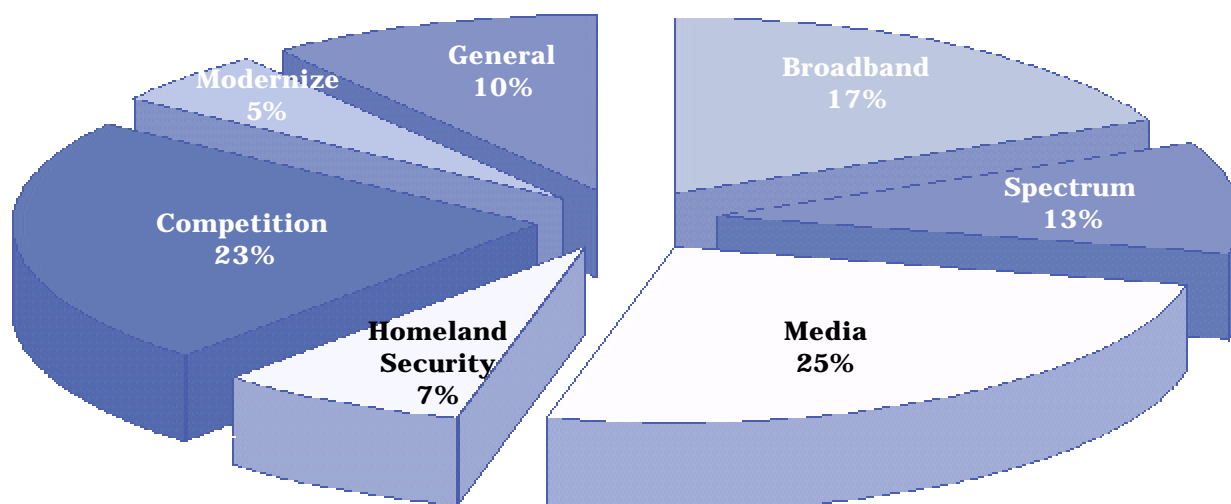
During its public comment period (July 1-August 2, 2002), the FCC received 24 public comments on its draft strategic plan for FY 2003 to FY 2008. Thirteen of these comments came from people who represented an association, organization, or company. Nine comments were from individuals. Two comments were from governmental entities.

Within the structure of the draft strategic plan and its six proposed general goals, the comments broke down this way:

Broadband	Spectrum	Media	Homeland Security	Competition	Modernize the FCC	General document
7	5	10	3	9	2	4

Total equals more than 24 because many individual commenters addressed more than one goal

Comments by Draft Strategic Plan Goal Section



In seeking to further categorize the comments, the following trends emerged:

1. A high percentage of the comments (61%) focused on the general theme of protecting the public interest and consumers. Within this theme, specific elements addressed were:
 - Concerns about the significant financial investment required of consumers for the transition to digital modes of programming delivery,

- The need to ensure diversity by requiring local control of media, and
 - Enforcing laws and regulations or creating protections against telemarketing, slamming, indecency, pornography, and violence.
2. Concerns about ensuring timely delivery of new technologies (broadband, digital, wireless, etc.) to rural areas and underserved populations, such as the disabled and low income Americans, were expressed by several commenters (35%).
 3. Four commenters (17%) felt that while the plan appropriately characterizes today's environment it was inaccurate in its vision of the future. The FCC was encouraged to forecast a more stable or conservative view of the future. One commenter encouraged the FCC to secure and use economic modeling programs to better forecast future scenarios.
 4. Better enforcement of existing rules while not creating new rules was seen as essential by four commenters (17%) if the FCC is to create the stabilized regulatory climate that these commenters thought necessary to encourage investment and innovation.
 5. Finally, conflicts between market or competition-based spectrum allocation and assignment and the public health and safety needs of state and local governments were also mentioned by three commenters (13%) – with all of these commenters stating that public health and safety needs for spectrum must be the top priority.

How Comments Were Gathered

The FCC provided four avenues for public comment during the comment period. These were:

1. Posting of the draft strategic plan on the FCC web site with an introductory page soliciting comments.
2. Issuing a Public Notice on July 1, 2002, soliciting comments.
3. Notification of the FCC's Advisory Committees and Task Forces and requesting comments on July 1, 2002.
4. Direct contact with organizations representative of the FCC's stakeholders with a request to conduct a personal interview.

Seventy-five percent of the comments received were generated by one of the first three approaches, 25 percent of the public comments came from the direct interviews.



How Comments Were Used

Since the vast majority of the comments received were related to concerns about the FCC’s priorities, wording in the introductory and explanatory portions of the plan was revised to better clarify that the FCC has multiple priorities mandated to it by Congress. Thus, statutes demand that the FCC protect consumers and those same, and other statutes, also demand that the FCC promote competition. The FCC must ensure communications networks for public safety are continuously operating but it must also seek ways to more effectively utilize existing spectrum. Rural areas must receive broadband internet services but so must inner-city public schools. In all this, the FCC’s challenge, which the strategic plan attempts to portray, is to properly balance the multiple requirements and priorities Congress has chosen.

Many of the commenters were concerned that the plan is broad and general in its approach. Since the nature of a strategic plan is to lay out a long-term vision, commenters are encouraged to look to the FCC’s Annual Performance Plan and budget submittal to get the details and specifics they are looking for.



With the events of September 11 it has become imperative that the communications community come together to determine our role in ensuring homeland security. We must be aggressive in ensuring that our policies maximize the many efforts being made to make our Nation safe. We will work with industry to ensure the reliability and security of our Nation's communications infrastructure.

Michael Powell
Chairman

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