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## **Granite says ILEC's IP migration shouldn't compromise competitors' voice, data service offerings**

July 31, 2015 | By Sean Buckley

Granite Telecommunications may be motivated to transition to IP-based technologies, but in the near-term the service provider still needs to use the ILEC's ubiquitous copper and TDM-based networks to serve its growing base of large retail customers that have multiple locations throughout the U.S.

According to an FCC filing, Granite told various commissioners that the regulator should ensure that the ILEC's migration from "TDM-based technologies to IP-based technologies does not undermine Granite's and similarly situated competitors' ability to provide competitive telephone and data service offerings."

To illustrate its points about having competitive access to telecom services, Granite was joined by the CIOs from Simon Properties, Brooks Brothers and Pier 1 Imports.

David Schacht, CIO of Simon Property Group, was cited in the FCC filing as saying that "it is critical that his company provide its retail tenants with reliable TDM-based telephone service."

Schacht's argument was supported by both Sahal Laher, CIO of Brooks Brothers and Andy Laudato, CIO of Pier 1 Imports, who both said that there aren't many choices for voice services besides the local incumbent telco.

"Laher and Laudato also explained that their companies have benefitted significantly from competition provided by competitors like Granite" and that "incumbent LECs own the only viable physical connection to many of their store locations," according to statements Granite cited in the FCC filing.

Although there are a number of emerging alternatives to deliver voice services to business customers, such as fixed wireless, mobile wireless and cable, these options lacked the ubiquity and reliability of the telco's existing TDM-based services.

"Both companies have found that (1) fixed wireless services are unreliable and often require the deployment of equipment that is not a realistic option for retail locations, (2) mobile wireless service is not a viable solution for the companies' in-store needs, and (3) cable company facilities do not serve a large percentage of their locations (in fact, Mr. Laudato stated that Pier 1's most recent survey concluded that existing cable plant does not reach approximately 90 percent of Pier 1's store locations) and that it is prohibitively expensive to pay a cable company to deploy new loop facilities to a store location," read the filing.

Both CIOs said that "only companies like Granite have been willing and able to offer TDM-based telephone service to all of the companies' store locations."

Laudato added that "incumbent LECs have been unwilling to provide Pier 1 service outside of the incumbent LECs' territory," while "Granite has delivered significant benefits in the form of superior customer service, lower transaction costs, and lower prices as compared to incumbent LEC TDM-based telephone service offerings."

Voice services are only one element of what Granite offers to retail chains and mall operators like Simon. The service provider recently began offering its "[Granite Grid](#)" product, which combines its fiber connections throughout each business location with last-mile connections from the local ILEC to provide voice and data services. Already, Simon Properties has signed on as the first named customer for Granite Grid, a solution that Schacht said is providing benefits for its mall tenants.

Schacht told FCC commissioners "the 'Granite Grid' solution has provided significant benefits to Simon Property malls and its retail tenants," and "that he approached incumbent LECs to provide this service to Simon Property, but they were not interested in doing so."

Providing access to existing TDM services and comparatively priced IP-based services is a key issue as the FCC gets ready to address its ongoing review of special access and copper retirement issues at its upcoming meeting on Aug. 6.

In June, FCC chairman Tom Wheeler set forth an [agenda](#) that he says is designed to protect both businesses and consumers as ILECs migrate more of their networks from copper to fiber and to IP.

For more:

- see this [FCC filing](#) (PDF)

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