December 11, 2015

Ms. Janice Charette
Clerk of the Privy Council and Secretary to the Cabinet
Langevin Block
80 Wellington Street
Ottawa, Ontario K1A 0A3

Dear Ms. Charette:


ARRIS is a global provider of entertainment and communications solutions. ARRIS enables cable, telephone, and digital broadcast satellite operators and media programmers to deliver media, voice, and IP data services to their subscribers. We are a leading producer of video set-top boxes, digital video and Internet Protocol Television ("IPTV") distribution systems, broadband access infrastructure platforms, and associated data and voice equipment. Our solutions are complemented by a broad array of services including technical support, repair and refurbishment, and system design and integration. ARRIS provides its products and services to multiple customers who offer cutting-edge video and broadband solutions to Canadian consumers.

ARRIS recognizes that consumer expectations and needs for broadband services are evolving at a rapid pace. As Canadians are spending increasingly more time online, the availability of additional, faster broadband networks will be critical. Broadband supports a thriving digital, information, and knowledge economy, creating well-paid, highly skilled jobs and providing access to new technologies and services.

Canada's broadband market is ahead of the curve globally, while many other industrialized nations have struggled to build even a single ubiquitous broadband network. Canada has achieved this success largely through high levels of capital investment made by facilities-based competitors willing to risk significant financial resources to keep pace with and surpass their market rivals, creating a virtuous cycle of investment and enduring competition.

ARRIS believes that the Canadian Radio-television and Telecommunications Commission’s ("CRTC") approach to imposing wholesale access requirements on broadband networks, and the recent decision to extend these mandates to fiber-to-the-premises ("FTTP") networks, undermines the business case for facilities-based providers to invest in broadband networks, which could threaten Canada's broadband leadership position and ultimately harm Canadian consumers. This has played out to some extent in certain parts of Europe where regulatory
requirements have impeded market-driven investments. European policy-makers are now searching for ways to catch up – a position Canada should seek to avoid.

In ARRIS’s view, the CRTC should pursue a light-touch regulatory framework that encourages true competition, investment, and risk taking, not artificial mandates that create an uneven playing field. The pace of technological change and innovation is occurring at a breath-taking rate, and there is significant risk that regulatory action will have the opposite effect to what was originally intended. The Commission’s responsibility under the Telecommunications Act to ensure Canadians have access to high quality services at reasonable prices can best be achieved by a robust facilities-based competitive environment that meets Canadians’ growing demand for broadband. Broadband providers who invested heavily in building this communications fabric need a predictable regulatory environment to recoup and continue these major capital and operational investments.

Canada’s broadband market is already highly competitive with a wide range of service options available to consumers using a range of technologies and networks, including cable broadband, telco, mobile, satellite, fibre and fixed-wireless. There is no evidence of market power in the retail broadband market, or the need for government-mandated wholesale access at regulated rates. The marketplace is doing a great job of creating and maintaining a robust competitive environment.

In ARRIS’s view, all broadband networks should be exempt from wholesale requirements. Consumer demand for faster speeds and more capacity is already at an all-time high, making it imperative for broadband service providers to invest in new and faster broadband networks using a variety of technologies, provided there is regulatory certainty. Canadian consumers will be the clear beneficiaries of this enlightened regulatory policy with untold tangible economic benefits within the growing digital economy.

ARRIS appreciates the opportunity to share its views on this important decision. We would be happy to provide any additional information or respond to any questions that may arise.

Sincerely,

Jason Friedrich
Vice President – Global Government & Regulatory Affairs
ARRIS Group, Inc.

cc: Ms. Pamela Miller
Director General, Telecommunications Policy Branch
Industry Canada
10th Floor
235 Queen Street
Ottawa, Ontario K1A 0H5