



MEDIA, TECHNOLOGY, INSIGHT

---

# Barnes instrumental in diversifying CWTA

By *Perry Hoffman*

Created 07/14/2008 - 1:30pm

(ROW) Wireless

That the **Canadian Wireless Telecommunications Association** continues to exist today could be summed up as one of Peter Barnes biggest accomplishments. The telephone alliance (Stentor) was the first to go, followed more recently by the Canadian Cable Television Association.

Yet despite some bitter battles between CWTA members, their outgoing president managed to stave off the organization's collapse and convince its two largest members to return. Barnes stepped down as CWTA head this month.

Ten years ago, the CWTA was embroiled in controversy after **Bell Mobility** and **Telus Mobility** decided to leave the organization. A year later, Barnes arrived and the two companies rejoined in a renewed effort to fight battles where common ground could be found.

The reconciliation hasn't always been smooth, Last year, the CWTA's front man advocated for an open and unfettered spectrum auction. It was a decision by the association's board that pitted some of its members against each other.

Unity has been found on other fronts, however. Barnes points to inter-carrier text messaging and wireless number portability as two examples of where the CWTA's diplomacy convinced fierce competitors to set aside their differences in the spirit of making the Canadian wireless sector better for consumers and for operators.

As president and CEO of the CWTA for nearly nine years, Barnes has witnessed many changes and helped the association grow with the sector. He presided over the association when new competitors Microcell Telecommunications and Clearnet Communications forced change on the old guards of wireless communications by introducing new pricing plans and service offerings. Ultimately, they were both acquired, but their influence on the Canadian wireless sector is undeniable. The same can be said for Barnes as he played a critical role in expanding the duties and responsibilities of the association, making it more relevant to players, the industry and government.

Last week, *Report on Wireless* editor Perry Hoffman sat down with Barnes, who is now a principal at **Tactix Government Consulting** in Ottawa, to discuss the many changes within the association, the industry and spectrum management. Below is an edited transcript of that conversation.

***Report on Wireless: How has the CWTA changed during your tenure from a pure lobby group?***

**Peter Barnes:** The key was to enhance the association and, more importantly, the industry's credibility and presence with public officials, the media and the general public. During my almost nine years, the number of wireless subscribers grew from less than seven million to more than 20 million - a phenomenal growth rate.

That was the overall goal: to explain what the industry was doing, what it had accomplished and what it wanted to do. But it also involved talking to the members and explaining to them in some cases how government and media were thinking. In a way, an association's role is that of an interpreter because you're explaining the reality of your membership to public stakeholders or you're explaining the reality and perceptions of those public stakeholders - media and government - to your members.

Another big change for the association is that it became involved in business development issues such as inter-carrier text messaging, short codes, number portability and trade-related activities.

**RoW:** Inter-carrier text messaging was a big moment for the wireless industry in Canada. Being the broker for this was a bit of a departure for the association at the time.

**PB:** This is one of the other important changes that occurred during this period: the business development role that the association took on. The watershed moment was when we approached the then presidents of the wireless companies to identify and agree upon the need for a common platform for text messaging which previously didn't exist. We led the request for proposals and the vendor selection process, while the carriers worked out the technical components. The result was a common platform that made text messaging a real business, growing from almost nothing to 40 million text messages per day.

The success of SMS then led to the development of the short code market in Canada and with the CWTA offering one-stop-shopping for short code usage. This has created a lot of business in Canada, whether it's an airline or a music program, there are all kinds of applications and contests that have been spawned from this.

It gave the competitors an assurance that they could deal with the association to be an honest broker that could help them grow not only their own business but also grow the pie.

**RoW:** Number portability was another one of those issues where the CWTA took the lead and didn't wait for the CRTC to initiate a proceeding.

**PB:** We knew it was coming because the government announced it in the federal budget.

So, the association and the industry took a leadership role in identifying a very aggressive timeline, quicker than had happened in other countries, and carried it through. We couldn't have done that without the previous success in helping to bring in inter-carrier text messaging.

**RoW:** International trade was another activity that under your tenure the association decided to get into. How important was it to the association to go in this direction?

**PB:** As you know we have a lot of trade members and companies who offer products and applications to the carriers, not just in Canada, but around the world. And as an association, we have to provide value to our members and this was one of those ways we could do that for our products and applications companies.

In international markets we paired up with the federal government, certain provincial governments, which have their own trade services such as trade commissioners or funding programs, and facilitated access by some of our members to those programs. We also made our website more friendly so that trade commissioners in southeast Asia, for example, working for the Canadian embassy could quickly find out about Canadian wireless companies.

The other trade element was the association's success in signing and executing memorandums of understanding with international wireless industry trade associations. Hong Kong was the first one and there have been a couple of since. This allowed our companies to talk to their companies, do their elevator pitches and get to meet each other. And on a couple of occasions we did virtual trade missions where we've saved the member companies the expense and time of going to Hong Kong, for example. So we'd set up a video conference for a morning and have a half dozen Canadian and Hong Kong companies pitch each other. A couple of partnerships grew out of these.

**RoW:** We have witnessed the failure of other industry associations such as the Canadian Cable Telecommunications Association (CCTA) because of members' competing interests. What are some of the challenges of dealing with a membership involving both large and small operators that in a lot of cases see things quite differently?

**PB:** I think it comes with the territory. Unless you have all of your members the same size and same ambition, you're going to have that kind of contention and challenges. I think the important thing is to be transparent with the membership and to have discussions with the members to come to an agreement as to what the association does and doesn't do. You have to remember that when members are sitting on the board of directors, the responsibility they exercise is for the good of the industry association. Clearly, one of the things you want to preserve and enhance is the credibility of the association and that's always a litmus test on how you can behave.

**RoW:** The activity leading up the Advanced Wireless Services (AWS) spectrum auction policy led to some harsh words on both sides of the debate. The CWTA chose a side on this issue. How were things within the association at the time?

**PB:** This is one of those situations where we had to be transparent to our members, so we

had discussions with the board, which included a wide variety of companies from different perspectives. We came to an agreement as to the role that the association could play when we met with public officials or with media. We were very clear in saying that the position we were espousing was that of a majority of members not the full complement. So we didn't hide stuff under the rug, we were up front. The other thing that was unanimous from the board in those discussions was the role of the CWTA in ensuring that the facts and perceptions overall about the wireless industry were factual and that any misstatements or mischaracterizations were corrected.

**RoW:** During your tenure, the use of spectrum auctions took hold as the preferred method of licensing spectrum. Was that was the right thing to do?

**PB:** Yes, I think so. Spectrum auctions are more transparent, more efficient. The officials and the processes of Industry Canada are clearly professional and you don't hear any complaints about the processes and there aren't any complaints about gaming or signaling during spectrum auctions.

When you look at the kind of money that's being put on the table in the AWS spectrum auction, and that money will flow to the Canadian taxpayer, is a pretty good indication of the value of the spectrum for the public good. But it also associates a price to an asset than businesses are willing to invest in.

**RoW:** Should Canada give serious thought to the idea of a spectrum user rights regime?

**PB:** I think the government has a responsibility to increasingly think about the property rights associated with spectrum as the investments become more and more serious both in acquiring the licences and for building out the licences. The government needs to recognize that it needs to provide investment certainty to the operators which can help reduces costs for both the company deploying the spectrum and the taxpayers using wireless services. It's a circle because if companies are paying a 5% premium on their debt or their equity because there are uncertainties with what they can do with their licences after five or 10 years, the customer is going to pay for it.

**RoW:** Was it time to leave the association?

**PB:** I had been with the association almost nine years. My last two jobs, I had held for five years each so this was a long time for me. But it was a fascinating time for me because so much was happening.

I worked out the timing with my management so it would be relatively painless for the association as far as finding a successor and there was plenty of time after the announcement and before I left. And the opportunity at Tactix came up so the timing there worked as well.

**RoW:** What will you be doing in your new job?

**PB:** The kinds of issues I will be working on will here are helping clients navigate through or with government on issues of telecom, broadcasting, Internet, copyright and international trade. These are areas where I have previous experience from either the

association or previous jobs and my involvement with the Prime Minister's advisory counsel on APEC will help with international trade issues.

---

**Source URL:** [http://www.techmediareports.ca/reports/content/barnes\\_instrumental\\_in\\_diversifying\\_cwta](http://www.techmediareports.ca/reports/content/barnes_instrumental_in_diversifying_cwta)