Before the Federal Trade Commission Washington, D.C. 20580

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In the Matter of	)	
CAN-SPAM Act	)	FTC Project No. R 411008
Rulemaking	)	

## COMMENTS SUBMITTED ON BEHALF OF ONE WORLD INTERACTIVE AND US CELLNET

One World Interactive and US Cellnet, by their attorneys, Klein, Zelman, Rothermel & Dichter, L.L.P., hereby submit comments with respect to the Proposed Rule in the above-captioned matter, which was published in the <u>Federal Register</u> on March 11, 2004.

One World Interactive and US Cellnet offer Short Messaging Services (SMS) to wireless subscribers. SMS or wireless text messaging is widespread in Europe and throughout the world. It is estimated that over one billion SMS messages are now sent per day worldwide. In addition to text messages, the worldwide SMS market includes ring tones, graphic displays, sports alerts, dating, financial applications and many others.

In the United States, SMS traffic is estimated to exceed one billion messages per month and rapidly rising. Despite the rapidly rising volume, SPAM has not

been a significant problem in the U.S. This is one area where industry self-regulation and standards have been effective. One World Interactive and US Cellnet are both committed to preventing the use of SPAM to market SMS services. Rather, it is their desire to see this burgeoning technology used in an intelligent fashion so that its full potential is realized by wireless customers.

For the industry to grow and the maximum benefits of the technology to be available to customers, regulations that stifle innovation and competition should be avoided. While the Federal Communication Commission (FCC) is given primary responsibility for implementing regulations for mobile service commercial messages under the provisions of Section 14(b) of the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM Act), the FCC is to consult and coordinate with the FTC. Moreover, the FTC is given authority over possible modifications to the CAN-SPAM Act's definitions and provisions. Accordingly, the FTC maintains a role in ensuring a fair and balanced playing field for SMS services.

To achieve this result, competitive barriers should be minimized to promote a level playing field. Rules should not be adopted that favor cell phone carriers over third party competitors in the marketing of SMS services. To do so would raise anti-competitive barriers. Similarly, SMS services should not be treated in a manner that results in regulations that are more harsh than those applicable to other modes of communications with prospective customers. In other words, in recognition of free speech and fair trade principles, all manners of communications should be placed on similar footing.

In conclusion, One World Interactive and US Cellnet request the assistance of the FTC in ensuring that the natural growth of a competitive marketplace, through which consumers may enjoy technical innovation, is not hindered by unnecessary or anti-competitive regulations. We also wish to indicate our continuing desire to participate in any proceedings related to this subject matter.

Dated: New York, New York April 20, 2004

Respectively submitted,

Klein, Zelman, Rothermel & Dichter, L.L.P.

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