



# NEWS

**Federal Communications Commission**  
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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.  
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

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FOR IMMEDIATE RELEASE:  
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## **FCC ADOPTS ALL-OR-NOTHING RULE TO REPLACE PICK-AND-CHOOSE RULE**

### ***Action Permits Competitors to Obtain Mutually Beneficial Concessions to Better Serve End-User Customers***

Washington, DC – The Federal Communications Commission (FCC) today adopted an all-or-nothing rule that requires a requesting telecommunications carrier seeking to adopt terms in another carrier’s interconnection agreement to adopt the agreement in its entirety, taking all rates, terms, and conditions from the adopted agreement.

The Commission based its decision on two key determinations. First, the Order concludes that the current pick-and-choose rule is not compelled by the language of section 252(i) of the Communications Act. Second, the Order finds that the new all-or-nothing rule will promote more give and take in negotiations, which will produce mutually beneficial agreements that will be better tailored to meet carriers’ individual needs. In addition, the new rule is expected to reduce negotiation time, expenses, and possible areas of dispute, while at the same time providing adequate protection against potential discrimination. Based on these determinations, the Order concludes that the benefits of adopting the all-or-nothing rule outweigh the burdens, and therefore replaces the pick-and-choose rule.

- FCC -

Docket No.: CC 01-338

Action by the Commission, July 8, 2004, by Second Report and Order (FCC 04-164). Chairman Powell, Commissioners Abernathy and Martin; with Commissioner Capps dissenting and Commissioner Adelstein approving in part and dissenting in part. Chairman Powell and Commissioners Abernathy, Capps and Adelstein issuing separate statements.

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