

April 4, 2019

Director General
Telecommunications and Internet Policy Branch
Innovation, Science and Economic Development Canada
235 Queen Street, 10th Floor
Ottawa, Ontario K1A 0H5
Filed electronically: ic.telecomsubmission-soumissionstelecom.ic@canada.ca

Re: March 9, 2019 notice Canada Gazette, Part 1, Volume 153, Number 10:
Order Issuing a Direction to the CRTC on Implementing the Canadian
Telecommunications Policy Objectives to Promote Competition, Affordability,
Consumer Interests and Innovation

Dear Director General:

Our company, Guavus, is submitting this letter out of concern for the Government of Canada's proposed new policy direction for the CRTC. We believe the proposed policy direction will fail to achieve its stated objectives unless it is modified in certain key respects.

Guavus (www.guavus.com) is a data analytics software and systems vendor that provides critical network and marketing analytics technology to communications service providers, including Canadian operators. Headquartered in California, we have offices and have been operating in Montreal as Guavus Solutions Canada for over 10 years. Guavus is a subsidiary of the Thales Group, a French multinational information technology and cybersecurity solutions provider.

Guavus has been working hand in hand with Canadian network operators from the advent of 3G, through the transition to 4G, and now in planning to support our customer-partners with advanced analytics capabilities as they deploy 5G networks. Guavus solutions process billions of records daily, enabling our customers to analyze their mobile and wireline users' data the instant it is captured, driving faster network decision making and improving the quality of their users' experience.

Our Concerns: Reduction in Investment

As a supplier to Canadian operators, we are concerned with the potential negative impact the proposed new CRTC policy direction, as currently formulated, may have on the evolution to 5G networks and the growth of all-fiber and other new broadband technologies. Those initiatives will require significant investment, both in infrastructure and enabling technologies like big data analytics, that we fear will be thwarted by the proposed new policy direction.

We respectfully request that you revisit and revise the policy direction to ensure strong support for network operator investment in the next generation of Canadian telecommunications networks.

Drilling down more specifically on our concerns:

- Demand for all-fiber, new broadband technologies and 5G networks will require extremely large investments by their providers
- The Government's proposed policy direction to the CRTC could force Canada's network builders and innovators to open up their communications networks for resale by non-network service providers
- Forcing companies that are building and upgrading their networks to share the benefits of those investments with their competitors will discourage future investment
- Compelling Canadian facilities-based competitors to scale back on planned investments in infrastructure would have negative secondary impacts on vendors, including Guavus, which supply the intelligence and analytics to plan and build out the next-generation networks
- Any policy change that leads to a decrease in expected capital investments impacts suppliers like us, which in our case could cause a material reduction in our Canada telco business, thereby affecting the 60+ people we have working in our Montreal facility and our Canada hiring and growth plans
- Investments at risk are those specifically intended to extend and improve the reach and capabilities of advanced wireline and wireless networks, which are the main beneficiaries of Guavus's big data analytics software solutions
- Investment by Canada's facilities-based competitors will decrease, especially in underserved areas, and may exacerbate urban-rural digital divide and impact future jobs and economic opportunities for residents and businesses in many smaller communities

Recommendations

As a long-term analytics link in the Canada network service provider supply chain, we at Guavus recommend that the Government focus on encouraging rather than curtailing investment.

Our belief is that competition between facilities-based service providers/builders is the best approach in meeting the needs of Canadian mobile and wireline users in rural and urban environments. That approach will support achievement of the policy's stated objectives of promoting competition, affordability, consumer interests and innovation. The current policy proposal's approach – generating more opportunities for resellers – will not.

Ongoing investments in next-generation networks and services contribute to employment and growth in the supply chain of which we are a part and benefit Canadians overall. We urge the Government of Canada to move forward with policies that clearly support ongoing investment in advanced communications networks by Canada's facilities-based competitors.

Thank you for your consideration of our concerns and recommendations.

Very truly yours,



Faizel Lakhani
Chief Executive Officer
Guavus Solutions Canada / Guavus, Inc.

cc: The Hon. Navdeep Bains, PC, MP, Minister of Innovation, Science and Economic Development ised.minister-ministre.isde@canada.ca