

May 4, 2009

Mr. Kevin Lynch  
Clerk of the Privy Council and Secretary to the Cabinet  
Langevin Block  
80 Wellington Street  
Ottawa, ON K1A 0A3

**Re: Canada Gazette, Part I, Vol. 143, No. 14 – April 4, 2009**

**Notice No. DGTP-004-09 – *Petitions to the Governor in Council concerning Telecom Decisions CRTC 2008-117 and CRTC 2008-118, Telecom Regulatory Policy CRTC 2009-34, and Telecom Order 2009-111***

Dear Mr. Lynch,

Sandvine Incorporated ULC is submitting the following response in support of the above petitions filed by Bell Aliant, Bell Canada and TELUS.

Sandvine is a Canadian company located in the heart of the Region of Waterloo technology cluster. The Company was established in 2001 and employs over 250 people in Canada. Sandvine has twice been named to the Deloitte Technology Fast 50 list of fastest growing technology companies in Canada over a five-year period: in 2007 Sandvine was the top company and in 2008 Sandvine was ranked seventh. The Company was identified in the National Post as one of Canada's Top 100 Corporate R&D Spenders, based on fiscal 2007 spending. For the last three years Sandvine has been named one of the top 50 "Best Workplaces in Canada" in Canadian Business magazine.

Sandvine is focused on protecting and improving subscribers' quality of experience on the Internet. Our network equipment and solutions help cable, DSL, FTTx, fixed wireless and mobile operators better serve their subscribers and understand network trends; offer new services; mitigate malicious traffic; manage network congestion; and deliver QoS-prioritized multimedia services. Sandvine's technology is used by more than 150 Internet service provider customers in 60 countries. Together, these customers serve over a hundred million broadband and wireless subscribers.

The Internet is dynamic. Networks are deploying new technologies and expanding capacity all the time. Canadians have come to rely on the Internet for banking, government, commerce, communications, and have increasingly come to treat Internet access as a must-have service in their day-to-day lives. In such a dynamic and varied environment, Sandvine submits that good public policy must be designed to encourage investment in new technologies and capacity expansion.

The CRTC decisions at issue here appear to require incumbent local exchange carriers (ILECs) to provide wholesale access to next generation facilities at regulated prices. Sandvine is concerned that these decisions could undermine the incentive for ILECs to invest in Canada's next generation network infrastructure.

As one of Canada's Top 100 Corporate R&D spenders, Sandvine fully understands the risks involved in investing in new technologies. Sometimes the investment is successful and sometimes it is not. But ultimately Sandvine and its stakeholders either receive the benefits of, or bear the losses of, its investment strategy. However, if the CRTC decisions remain in place, it appears that ILECs will not receive the full benefits of their investments in successful new technologies while at the same time bearing *all* of the losses if such investments prove to be unsuccessful. Sandvine believes that this inequity could reduce the incentive for ILECs to invest in Canada's next generation network infrastructure, which would not be in the best interests of Canadians. Any reduction in investment in next generation networks would have a negative impact on Canadian subscribers, network operators, networking equipment companies, content providers and national productivity and competitiveness.

Accordingly, Sandvine expresses to the federal cabinet its support for the petitions filed by Bell Aliant, Bell Canada and TELUS, and for the development of policy that encourages investment in Canada's next generation network facilities.

Yours truly,

A handwritten signature in black ink, appearing to read "Don Bowman", followed by a horizontal line extending to the right.

Don Bowman,  
Chief Technology Officer  
Sandvine Incorporated ULC

cc. Pamela Miller, acting Director General, Telecommunications Policy Branch  
.. Via e-mail: [telecom@ic.gc.ca](mailto:telecom@ic.gc.ca)