

Contact:
Christian Munson
Crawford Public Relations
(703) 318-5461
cmunson@crawfordpr.com

Contact:
New Paradigm Resources Group Inc.
(312) 980-7848
info@nprg.com

NEW PARADIGM RESOURCES GROUP SEES HEALTHY COMPETITIVE TELECOM LANDSCAPE IN CANADA

First “Canadian CLEC Report” Points to Geography and Favorable Regulatory Environment as Key Drivers of Continued Growth of Competition

CHICAGO, JUNE 11, 2001 – Three years after Canada deregulated its telecommunications industry, competitive local exchange carriers (CLECs) are making significant headway in the market, according to New Paradigm Resources Group’s first *Canadian CLEC Report*[™]. The report, released today, shows Canadian CLEC revenue topped \$1 billion in 2000, compared with \$980 million in 1999, capturing more than 8 percent of the country’s total \$12 billion telecommunications market. Pointing to the Canadian market’s unique geography and favorable regulatory environment, the report concludes that the young Canadian CLEC industry has the wind at its back.

“Canadian CLECs confront the same economic hurdles U.S. competitors face today,” said Terry Barnich, President of NPRG. “But there are unique, fundamental market factors that will help the young market continue to thrive.”

The geography of the Canadian market, for example, lends itself to competition because the demand for alternative voice and data services is not widely dispersed, as it is in the U.S. Most of Canada’s top urban centers are within a few hundred miles of the U.S. border, and it is possible for CLECs to target more than 50 percent of the nation’s 30 million residents in its top ten urban markets: Toronto, Montreal, Vancouver, Ottawa-Hull, Calgary, Edmonton, Quebec City, Winnipeg, Hamilton and London. The limited geographic scope of the market gives Canadian CLECs easier access to customers at a lower cost of deploying network infrastructure.

Canada’s regulatory environment is also driving competition. In March 2001, the Canadian Radio-Television and Telecommunications Commission (CRTC) rendered a favorable decision to CLECs that forces Canadian incumbents, including Bell Canada and TELUS, to open their networks to competition until they can show competition is fully represented in particular areas. Forceful decisions like these ensure continued market opportunity for Canadian CLECs.

“The first edition of the *Canadian CLEC Report*TM represents a comprehensive overview of the industry that will yield invaluable insight to industry professionals and analysts,” said Craig Clausen, Senior Vice President at NPRG. “Canadian CLECs, like their U.S. brethren, are enduring difficult economic conditions, but those that weather the storm will find favorable conditions that will encourage further growth.”

The first edition of the *Canadian CLEC Report*TM, the most comprehensive review of the Canadian competitive local telecom industry, provides extensive coverage of: Regulatory Developments; Canadian CLECs; US Involvement in Canada; CLEC Market Forecasting; Markets Served by CLECs; Profiles of all 9 operating facilities-based CLECs; and a Competitors’ Watchlist. The report is available from NPRG for \$1,650 by calling 312-980-4796, or by ordering through NPRG’s e-commerce site at <http://ecom.nprg.com>.

About New Paradigm Resources Group

New Paradigm Resources Group, Inc. is a research and consulting firm monitoring and analyzing developments in the competitive telecommunications industry. NPRG maintains an extensive array of proprietary databases that support our foundational industry reports, which, in turn, fuel our client-specific expert consulting work. NPRG publishes the *CLEC Report*TM, a biannual multi-volume review of the state, trends and future of the competitive local telecom industry, as well as the *ISP Report*TM, *DSL Report*TM, *ASP Report*TM, *Utilities in Telecom Report*TM and the *BLEC Report*TM.