ANNUAL REPORT

2018/2019

Joining together to improve the lives of Americans through delivery of wireless communications
MISSION: CCA is committed to being the premier advocacy organization for competitive wireless carriers and stakeholders. CCA will use advocacy leadership, education, and networking opportunities to help rural, regional, and nationwide competitive carriers grow and thrive in the wireless industry.

VISION: CCA will be the leading advocacy organization for competitive wireless carriers and stakeholders, joining together to improve the lives of Americans through the delivery of wireless communications.
The past year has been another busy and productive one for CCA, making progress on the policy front, hosting two successful shows, and enhancing the Industry Development Programs. CCA’s mission is advocacy, networking, and education, and the association’s policy work, the events and programs all contribute to the goal of helping rural, regional, and nationwide competitive carriers grow and thrive in the wireless industry. As the industry continues to change and the transition to 5G and next-generation technologies is full speed ahead, CCA’s work as a voice for competitive carriers is more important than ever.

I want to thank the Board of Directors, CCA members, and the staff for another year of commitment and hard work. Our collective efforts produced a number of successful outcomes, and I am pleased to say the policy focus remained strong over another challenging year.

Not a day goes by that CCA is not focused on members’ most pressing advocacy issues. While CCA staff continues to monitor all issues affecting the competitive carrier ecosystem, at the direction of the Board and membership, CCA is particularly focused on four key policy issues.

**Universal Service Fund (USF)**

Access to critical USF funding continues to be a main focus for CCA members, especially rural providers. CCA has led the charge to improve the data collection process and is working closely with several congressional offices, the Administration, and the FCC to ensure eligibility maps adequately depict consumers’ on-the-ground experiences. Several pieces of legislation have been introduced, and CCA has testified before Congress several times this year alone to help address the important mapping issue and spectrum policy.

**Spectrum**

CCA remains focused on ensuring all carriers have access to low-, mid-, and high-band spectrum to enhance and expand broadband services. CCA still is focused on 600 MHz spectrum and facilitating a successful post-Incentive Auction transition. Many CCA members won spectrum at the auction and must have access to their purchased spectrum as quickly as possible to benefit consumers and help drive economic growth.
In addition to the 600 MHz, CCA continues to monitor items following the close of the millimeter wave (28 GHz and 24 GHz) auctions, and has been actively involved in finding ways to free-up as much mid-band spectrum as possible. C-band spectrum offers tremendous opportunities for carriers to deploy next-generation technologies, and CCA worked with ACA Connects and Charter, to find a middle-ground solution to ensure the maximum amount of this valuable resource is made available for wireless use.

**Infrastructure**

With several advancements made in 2018, CCA continues to urge policymakers to provide certainty regarding permitting processes and deployment costs, including on federal lands. Having clarity on infrastructure and build-out processes will help competitive carriers make more informed business decisions, reduce costs, make better investments with limited resources, and speed new services to consumers especially in rural America.

**Supply Chain Security**

CCA members care deeply about network security and protecting their customers and the millions of consumers who may be affected by supply chain security. This issue dominated headlines throughout the year, and CCA has been tracking it closely. Key legislation has been introduced, including the 5G Leadership Act of 2019 introduced by Senators Wicker and Warner, which would provide $700 million in reimbursements for smaller U.S. carriers to replace any prohibited equipment, and CCA continues to monitor these developments.

The above highlights just a few of the many policy issues CCA has been tracking this year, but it is only a brief snapshot of the steadfast work of the association. CCA may not be the largest organization in town, but it is one of the mightiest and has an outstanding reputation as a go-to resource for policymakers.

It has been an honor and pleasure to serve as Chairman of the Board. I am pleased with our staff and the Board’s continued commitment to ensuring CCA remains the leading voice for competitive carriers and wireless stakeholders, and I look forward to another successful year ahead.

Best Regards,

Willy Pirtle
SVP, Sales & Marketing, Shentel
2018/2019 CCA Chairman of the Board
I am very pleased with the progress CCA has made over the past year, especially on the advocacy front. 2018 and 2019 proved to be active, challenging, and positive years for the association, and it continues to be an honor and pleasure to serve as President & CEO of such an outstanding organization.

I extend special thanks to Willy Pirtle, the 2018/2019 Chairman of the Board for his leadership and guidance. CCA accomplished a lot, and I thank the Executive Committee, the entire Board of Directors, and all CCA members for a very productive and successful year.

Additionally, I would be remiss not to thank CCA’s outstanding staff for working around the clock on behalf of CCA members and for making CCA a wonderful place to work. The success of this association depends largely on the hard work and dedication of the membership, and there is no doubt that CCA members truly are committed to ensuring competitive carriers can compete and thrive in the industry.

At the direction of the Board of Directors, CCA remained focused on the policy issues, reaffirming CCA’s strong commitment to ensuring competitive carriers have access to critical inputs including spectrum, with a particular focus on mid-band spectrum, devices, USF support, and streamlined infrastructure reform. CCA testified before Congress six (yes, six!) times this past year on members’ most important issues. There is no doubt about it – CCA is a reliable force to be reckoned with in Washington, D.C.

While CCA’s highest priority is advocacy work, education and networking also are important parts of the association’s mission. Both of these objectives are accomplished through the annual events and the Industry Development Programs, and I would like to highlight these critical components of CCA.

**Events**

CCA’s Mobile Carriers Show and Annual Convention provide numerous educational and networking opportunities for attendees and are essential to the association’s overall success. Revenue generated from the shows directly supports advocacy initiatives and is critical to achieving the association’s policy goals. CCA held its 2018 Annual Convention in Orlando with keynote remarks by FCC Commissioner Brendan Carr and a special workshop focused on the retail store experience hosted by Gensler.
The 2019 Mobile Carriers Show in Denver was a great success with higher registered attendees than previous years, and the show featured a wildly popular “5G Integration Experience” led by CCA-member, Award Solutions. In Denver, CCA also hosted its first-ever 5K and 1-Mile Fun Run/Walk with proceeds benefitting the Food Bank of the Rockies; it was an outstanding event with well over a hundred participants that enjoyed networking with one another while giving back to a local charity.

Industry Development Programs
The Industry Development Programs (“IDPs”) were designed by carrier members to complement CCA’s advocacy work. I am very pleased with the continued growth and success of these programs over the past year, and thank the Business Innovation Group (“BIG”) for its diligent work to identify carriers’ most pressing challenges. Many carrier members completed the carrier survey which provided invaluable information regarding the day-to-day and long-term needs of the membership. CCA used this information throughout the year not only to develop and enhance the IDPs, but also to design educational sessions based on the expressed topics of interest. Programs include CCA’s LTE Roaming Hub, CCA’s Device Hub, and solutions for Text to 9-1-1, eSIM, risk management, and more.

With advocacy work, the annual trade shows, and the Industry Development Programs, CCA certainly is fulfilling its mission of policy, education, and networking. I am proud to be part of an organization whose members are focused on ensuring CCA remains the leading voice on behalf of competitive carriers in Washington, and beyond. With continued hard work and commitment from CCA members, the sky is the limit!

As always, I encourage you to get involved, and I look forward to another year filled with success!

Sincerely,

Steven K. Berry
President & CEO, CCA
I am pleased to report that 2018 was another positive year for CCA financially. At the direction of the Board of Directors, CCA remained committed to members’ top advocacy issues and maintained its strong presence in Washington as the leading voice for competitive carriers.

Though the association faced challenges including continued industry consolidation and unexpected advocacy issues that arose over the course of the year, CCA finished the year within our targeted budget.

Total expenses were approximately $353,274 higher than budget. New advocacy expenses were offset by a special advocacy contribution for supply chain issues, allowing CCA to meet advocacy expenditures and finish the year in a positive budget position with Net Income of $206,409. Exceeding budget expectations certainly is no easy task, and CCA should be commended for this accomplishment.

One significant adjustment CCA made to its financial process was moving from modified cash basis to accrual basis of accounting beginning with the 2018 budget year. Under the accrual method, transactions are recognized as the underlying events occur, regardless of the timing of the related cash recipients and payments. Revenues are recognized when income is earned (for example, the annual events, membership dues and industry development programs) and expenses are recognized when liabilities are incurred. The move to an accrual basis should help streamline CCA’s accounting processes; however, for the first year of transition to this new method, year-to-year comparisons are difficult to make. In 2019, though, year-over-year comparisons with 2018 have added to our analysis of CCA’s performance.

Despite being a challenging year, the combination of a very successful Mobile Carriers Show in Las Vegas and diligent expense management resulted in a successful 2018 budget outcome. With the mobile industry continuing to change at such a rapid pace and consolidation on both the carrier and associate sides, hitting the membership dues budget was a difficult task, and CCA was slightly below targeted numbers. On a positive note, CCA did welcome several new associate and a few carrier members, which was a good sign in a tough environment. The Board is keenly focused on membership and finding ways to achieve CCA’s revenue goals for upcoming years and, to that end, has approved a slight increase in membership dues to begin in 2020.

Similarly, the consolidation of associate members and vendor/suppliers impacted the Annual Convention in Orlando. With companies watching their bottom lines, especially towards the end of the fiscal year in October, CCA saw slightly fewer exhibitors and sponsors than expected, resulting in lower revenues. While overall income from the Convention was lower than predicted, CCA managed to cut expenses to minimize budget impacts.
Conversely, the spring Mobile Carriers Show in Las Vegas was tremendously successful and exceeded revenue expectations by more than $130,000 or 11%. The increase in revenues was due, in part, to a partnership with the Wireless Repair Expo. The partnership attracted many new registered attendees and several new exhibitors to the convention, both of which contributed to revenue growth. Sponsorship levels also exceeded expectations by more than $25,000, and CCA was able again to reduce expenses, resulting in higher profit.

CCA thanks its Pinnacle Sponsors and long-time exhibitors and sponsors for their continued support of CCA’s annual trade shows. I know of no other trade show with as many carrier sponsors. Thank you, carriers. Strong participation at the events from CCA members is critical, as it strengthens the association’s resources for advocacy.

The Industry Development Programs also finished a positive year in 2018, as CCA was able to stay on target, slightly exceeding budget expectations for the second year in a row. Uptake on the programs continues to be slow; thus, CCA took a conservative financial approach to 2018 budget expectations. CCA will continue to promote the current industry development programs, and most importantly, will remain ready to pursue new initiatives where its carrier members require solutions.

Revenues derived from membership dues, the events and Industry Development Programs support CCA’s top priority – advocacy. Resources in 2018 were well-spent on critical issues including Universal Service Fund support, infrastructure, access to spectrum, and supply chain issues, among others. The legislative and regulatory offices of CCA continue to excel and remain one of the most effective and respected advocacy teams in Washington.

CCA's total income for 2018 was $5,719,139, compared to the 2017 total income of $5,107,619. This number is above projections for the year. I am pleased to report that CCA’s financial condition remains strong. Achieving a balanced budget is a priority for the Board, and the Board is focused on ensuring another prosperous year.

On behalf of the Executive Committee and the Board of Directors, I thank all members for your continued support this past year.

Regards,

Jonathan Foxman, President & CEO, Cellular One
CCA 2018-19 Treasurer
## Financials

### Statement of Financial Position

**Assets**
- Cash & cash equivalents: $1,414,974, $340,078, $809,114
- Investments: 1,027,078, 1,068,215, 1,037,968
- Accounts Receivable: 54,389, 0, 0
- Accrued Receivables: 36,982, 0, 0
- Prepaid expenses: 219,375, 112,273, 55,790
- Fixed assets, net of accum. deprec.: 400,534, 8,814, 24,301
- Other assets: 71,888, 96,600, 24,712

**Total Assets**
- $3,225,220, $1,625,980, $1,951,885

**Liabilities & Net Assets**
- Other current liabilities: 462,104, $1,522, $1,333
- Accounts Payable: $6,192, $ - , $ -
- Deferred revenue: 2,080,813, 1,274,836, 1,570,330
- Accrued Expense: 56,737, 0, 0
- Accrued Payroll Liabilities: 43,563
- Unrestricted net assets: 575,812, 349,622, 380,222

**Total Liabilities & Net Assets**
- $3,225,220, $1,625,980, $1,951,885

### Statement of Activities

#### Ordinary Income
- Conferences & meetings: 2,499,579, $2,389,764, $2,392,216
- Directory & advertising: 7,949, 12,252, 14,600
- Membership dues: 2,474,710, 2,401,732, 2,285,110
- Industry Development/Webinars: 171,527, 127,339, 0
- Member PR/advocacy assessment: 570,000, 30,000, 53,418
- Interest/investment/rental income: (4,635), 146,532, 76,680

**Total Income**
- 5,719,130, 5,107,619, 4,822,024

#### Expenses
- Salaries, general & administrative: 3,271,149, $2,584,772, $3,160,439
- Convention & conferences: 1,086,040, 1,587,455, 913,664
- Membership/advocacy: 1,196,519, 965,992, 1,036,821

**Total Expenses**
- 5,553,708, 5,138,219, 5,110,924

**Total Increase (Decrease) in Net Assets**
- $165,423, $(30,600), $(288,900)
CCA’s Goals - to advocate, facilitate, educate, and communicate - are what the association is all about. These goals serve as a foundation for our planning efforts each year, providing representation to our member companies through our advocacy efforts in Washington, DC, our annual meetings, webinars, and email alerts.
I. ADVOCATE -
Represent the interests of member companies before public and private entities involved in the formulation and or enforcement of wireless service policy.

Objectives:
1. Monitor the activities of Congress and make direct contact with Members of Congress and their staffs on legislation impacting member companies.
2. Monitor the activities of the FCC and make direct contact with the Commissioners and staff on rules and regulations impacting member companies.
3. Monitor the Courts and respond accordingly on decisions impacting member companies.
4. Monitor and respond to other government entities as it relates to competitive carrier policy decisions.

II. FACILITATE -
Provide an environment wherein member companies can share and benefit from common efforts, experiences, and expertise.

Objectives:
1. Create and participate in joint efforts to influence legislation and regulation.
2. Provide informal networking opportunities for members in and around CCA meetings.
3. Establish opportunities for formal dialogue through the CCA website, newsletters, and requests for member information.
4. Provide programming that includes member experiences.
5. Maintain an active member list and make available to CCA members when requested.
6. Develop and maintain dialogue with industry affinity groups on issues, meetings, and other industry information.

III. EDUCATE -
Provide and coordinate opportunities for member companies to receive pertinent and helpful knowledge and learning relative to the various aspects of providing wireless services in the competitive carrier marketplace.

Objectives:
1. Conduct an annual seminar built around educational presentation in the fields of wireless service, business planning, and the state of the industry.
2. Include educational presentations in the fields of wireless technology, engineering, and network planning.
3. Hold an annual meeting of all members focused on opportunities for member companies to keep apprised of the latest public policy issues, wireless market and business issues, and the latest industry technology and products available to them, as well as a place for product and service providers to share with members the latest innovations in technology and support services.

IV. COMMUNICATE -
Serve as a course of information, material, and data as to the important place competitive wireless communications service providers occupy in the marketplace.

Objectives:
1. Maintain active information exchange between members through utilization of member notices, newsletters, website, or other means.
2. Develop annual membership directory and make available to all CCA members.
3. Develop and distribute to appropriate audiences information on CCA, its history, purpose, and membership.
4. Develop and maintain active website for CCA members and the general public and share pertinent information as to the who, what, when, where, and why of CCA.
CCA advocates before Congress, the Federal Communications Commission, and other relevant federal agencies on all issues impacting the wireless market. Consumer demand for mobile broadband continues to grow while policymakers face key decisions to make sure the United States is the world leader in 5G deployments and innovations. These decisions impact whether consumers enjoy the benefits of competition and whether services available in rural America are reasonably comparable to those in urban areas. Mobile broadband is an essential driver of economic growth opportunities, increased public safety, civic and social engagement, educational opportunities, telemedicine, and impacts every aspect of American life. CCA will continue to be the voice for competition for carriers and consumers alike.

**UNIVERSAL SERVICE FUND (USF):** Congress created USF to provide reasonably comparable services to urban and rural consumers alike, requiring that support be predictable and sufficient. These policies have enabled years of deployment and expansion of wireless services in rural America.

CCA led efforts to establish a Mobility Fund II that will provide $4.5 billion over ten years while reasonably phasing out legacy support. Importantly, these decisions must be based on reliable coverage data to appropriately target support to preserve and expand mobile broadband.
SPECTRUM: All carriers – whether rural, regional, or nationwide – need access to usable spectrum. CCA leads the policy fight in Washington to ensure competitive access to spectrum whether acquired at auction or on the secondary market. CCA also engages policymakers to make more spectrum available for commercial use, supporting legislative efforts to create a spectrum pipeline, including reallocating spectrum for mobile broadband use. CCA advocates for sufficiently small geographic license sizes so competitive carriers can access spectrum resources, and supports interoperability across bands and reasonable spectrum aggregation limits. For example, CCA leads efforts to ensure mid-band spectrum, including the “C-Band,” will be available for commercial wireless use via an FCC-led public auction reallocating as much spectrum as possible, and continues to push to ensure that winning bidders from the 600 MHz auction can put that spectrum to use to serve consumers as soon as possible.

CCA will continue to advocate for policies that provide all carriers with a meaningful opportunity to gain access to, and limit excessive concentration of, spectrum in low-, mid-, and high-bands.

NETWORKS: In addition to spectrum and devices, competitive carriers must deploy physical infrastructure to complete and connect their networks.

The FCC, Congress, and the President all have identified mobile broadband deployment as a priority. CCA continues to advocate to streamline the permitting and deployment process to provide increased certainty and to marshal resources to meet the needs of unserved and underserved communities as carriers densify their networks or bring service to new areas.

NATIONAL SECURITY: Securing communications is a priority for Congress, the Administration, and wireless carriers. Efforts to identify risks and potential threats to the American telecommunications ecosystem are underway. CCA and its members continue to work closely with policymakers to ensure the deployment of secure communications services through a trusted supply chain, especially in rural areas.

COMPETITION AND CONSUMER CHOICE: CCA supports other policies that enhance competition in the industry and is active on several other policy issues including roaming policies, number portability, device access, 911, accessibility, privacy, and cybersecurity.
Clear and effective communication, both internally within the membership and externally with reporters and media outlets, is an important part of achieving CCA’s mission. Over the past year, CCA continued effective efforts in the media and communications department to ensure the membership remained well-informed and policy positions were known throughout the industry, news sources, and key government policymakers.
**Press Outreach** – CCA remained actively engaged with the press and made regular appearances in trade publications, especially with respect to USF, infrastructure reform, mmW & mid-band spectrum, industry development programs, and CCA’s annual events. CCA issued more than 80 press releases, editorials and blog posts this past year, further solidifying the association as a “go-to” source for issues concerning competitive carriers. CCA also generated a significant amount of news at the annual shows.

**CCA Website and Social Media** – CCA’s website is the digital face of the association, and serves as the primary hub where members can connect. CCA displayed association and member press releases on the website throughout the year and continued to provide essential information about CCA including membership benefits, industry development programs, and advocacy items. CCA enhanced communication through social media, especially surrounding the events, to include Facebook, Twitter, LinkedIn, and more.

**Media Partners** – CCA engaged more than a dozen returning and new media partners and press to the annual shows. Participation by media outlets is essential to generating news from CCA events.

**The CCA Voice** – Both issues of *The CCA Voice* were tremendously successful thanks to the participation and support of members and advertisers. The submitted articles included topics such as ending robocalls, creating the best customer experience, how to prepare and adapt for the next generation of rural America, and of course, critical advocacy/policy updates from Washington, DC, and more. Every Member of Congress and each FCC Commissioner receives a copy of *The CCA Voice*, so this magazine remains an excellent advocacy tool that puts our members' voices in the hands of the most important policymakers in the competitive carrier ecosystem.

**Media Recap** – Each week, CCA sent Media Recaps to the Board of Directors and Washington Reps Group. The Recaps contain CCA press releases and legal filings from the week as well as news stories that mention the association.

**CCA SmartBrief** – CCA continued to publish its CCA SmartBrief, a free weekly publication that includes important competitive carrier and industry news. The publication is available to both members and non-members.

**Press Bulletin** – CCA published its Press Bulletin the first Monday of each month and included association and member press releases. Banner ads also were featured from advertisers and media partners.

**Email Alerts** – This past year, CCA sent a number of emails regarding advocacy updates, webinars, events, and membership. Email alerts are the fastest, most effective way to communicate directly with members, potential new members, and others interested in CCA’s issues and events.
Each year, CCA provides opportunities for education, collaboration, and networking through two primary trade show events held throughout the United States.
CCA Annual Convention
CCA's Annual Convention brings together mobile industry experts, innovators, stakeholders and policymakers for networking, learning and sharing best business practices. Held each fall, this event is the "go-to" event for carriers and important players in the competitive wireless ecosystem. Educational sessions include in-depth presentations on business, technology, marketing, competitive policies and the latest trends in mobile. Companies from all over the globe display their latest technologies, products, and services in the exhibit hall, where attendees gather to see the industry's best.

The 2018 Annual Convention was held in Orlando, Florida. CCA was pleased to welcome FCC Commissioner Brendan Carr and NTIA Administrator David J. Redl to deliver keynote remarks. Experts from top companies including ATN International, Ericsson, Nokia, and Sprint shared their expertise on ways to successfully bring robust mobile broadband services to rural America. Convention attendees also heard keynote remarks from executives at Gensler, who shared tips on turning yesterday's brick and mortar store into the retail store of the future.

The educational sessions discussed important topics including:
• Are you IoT Ready?
• Lessons in Deploying VoLTE
• Access to Spectrum
• Small Cells

Mobile Carriers Show
CCA's 2019 Mobile Carriers Show (MCS) was held in Denver, Colorado for the first time ever! Keynote speakers included Charlie Ergen of DISH, Chetan Sharma, executives from T-Mobile, and more. CCA launched a new partnership with Award Solutions, who held an immensely popular hands-on "5G Integration Experience" for all attendees. CCA also hosted a charity Fun Run/Walk and donated proceeds to the Food Bank of the Rockies.

Session discussions included:
• Customer Loyalty
• Innovative Small Cell Solutions
• Strategies for Successful VoLTE Deployments
• The Robocall Revolution
• New Handset Strategies: New, Used, and BYOD
• And many more!

Upcoming Events:
CCA's 2019 Annual Convention takes place September 16-18 at the Rhode Island Convention Center in Providence, and CCA's 2019 Mobile Carriers Show takes place March 30-April 1 at the Sheraton Dallas in Texas.

Important Update:
CCA's events website received a much-needed upgrade this year! If you haven't checked it out, visit www.cca-convention.org to see it for yourself.