May 13, 2014

Federal Communications Commission
445 12th Street, SW
Washington D.C. 20554

Dear Chairman Wheeler and Commissioners Clyburn, Rosenworcel, Pai, and O’Rielly:

For more than a decade, America’s broadband companies (including companies that depend on the broadband ecosystem) have worked to ensure that their customers can enjoy access to world-class broadband services consistent with the Commission’s clearly articulated core Internet freedoms. An open Internet is central to how America’s broadband providers operate their networks, and the undersigned broadband providers remain fully committed to openness going forward. We are equally committed to working with the Commission to find a sustainable path to a lawful regulatory framework for protecting the open Internet during the course of the rulemaking you are launching this week. That framework must promote investment and opportunity across the Internet economy, from network providers to app developers, for the benefit of American consumers.

In recent days, we have witnessed a concerted publicity campaign by some advocacy groups seeking sweeping government regulation that conflates the need for an open Internet with the purported need to reclassify broadband Internet access services as Title II telecommunications services subject to common carrier regulation. As demonstrated repeatedly, the future of the open Internet has nothing to do with Title II regulation, and Title II has nothing to do with the open Internet. As it did in 2010, the Commission should categorically reject efforts to equate the two once and for all.

The high stakes of this debate have already been demonstrated. Today’s regulatory framework helps support nearly 11 million jobs annually in the U.S. and has unleashed over $1.2 trillion dollars of investment in advanced wired and wireless broadband networks, as well as an entirely new apps economy. We see an average of over $60 billion poured into cable, fiber, fixed and mobile wireless, phone, and satellite broadband networks each and every year. And broadband gets better every year: the average broadband speeds jumped 25 percent in 2013 alone, highlighting there are no “slow lanes” in today’s Internet.

Yet even the potential threat of Title II had an investment-chilling effect by erasing approximately ten percent of some ISPs’ market cap in the days immediately surrounding the Title II announcement in 2009/10. Today, Title II backers fail to explain where the next hundreds of billions of dollars of risk capital will come from to improve and expand today’s
networks under a Title II regime. They too soon forget that a decade ago we saw billions newly invested in the latest broadband networks and advancements once the Commission affirmed that Title II does not apply to broadband networks.

Reclassification of broadband Internet access offerings as Title II “telecommunications services” would impose great costs, allowing unprecedented government micromanagement of all aspects of the Internet economy. It is a vision under which the FCC has plenary authority to regulate rates, terms and conditions, mandate wholesale access to broadband networks and intrude into the business of content delivery networks, transit providers, and connected devices. Indeed, groups pushing the Title II approach fail to acknowledge that their path forward is in fact a slippery slope that would provide the Commission sweeping authority to regulate all Internet-based companies and offerings. In defending their approach, Title II proponents now argue that reclassification is necessary to prohibit “paid prioritization,” even though Title II does not discourage—let alone outlaw—paid prioritization models. Dominant carriers operating under Title II have for generations been permitted to offer different pricing and different service quality to customers.

Not only is it questionable that the Commission could defensibly reclassify broadband service under Title II, such an action would greatly distort the future development of, and investment in, tomorrow’s broadband networks and services. America’s economic future, as envisioned by President Obama and congressional leaders on both sides of the aisle, critically depends on continued investment and innovation in our broadband infrastructure and app economy to drive improvements in health care, education and energy. Under Title II, new service offerings, options, and features would be delayed or altogether foregone. Consumers would face less choice, and a less adaptive and responsive Internet. An era of differentiation, innovation, and experimentation would be replaced with a series of “Government may I?” requests from American entrepreneurs. That cannot be, and must not become, the U.S. Internet of tomorrow.

We should seek out a path forward together. All affected stakeholders need and want certainty and an end to a decade of legal and political wrangling. All parts of the Internet community should be focused on working together to develop next-generation networks, applications, and services that will be critical to our global competitiveness and enhance opportunities for all Americans. Yet, those demanding the Title II common carrier approach are effectively compelling years—if not decades—of endless litigation and debate. The issues at stake would include not simply regulating the Internet under Title II, but also which specific provisions of the monopoly-era statute apply to modern broadband networks. Collectively, we would face years more of uncertainty and, as a result, an economy deprived of the stable regulatory framework needed to promote future investment, innovation and consumer choice.
As it begins its rulemaking process, the Commission should reaffirm its commitment to the light-touch approach that has ensured America’s leadership throughout the Internet ecosystem, from networks to services, from applications to devices. The U.S. experience was not a foregone conclusion. It was the result of courageous and bipartisan leadership that rejected old regulatory mandates in favor of a new, nimble paradigm of government oversight. We urge you to continue down that path at this critical juncture.

Sincerely,

[Signatures]

Thomas R. Stanton
Chairman & CEO
ADTRAN

Amy Tykeson
CEO
BendBroadband

Glen Post
President & CEO
CenturyLink

Robert Currey
Chairman & CEO
Consolidated Communications

Gary Shorman
President & CEO
Eagle Communication

Anand Vadapalli
President & CEO
Alaska Communications

Steve Miron
Chairman & CEO
Bright House Networks

Tom Rutledge
President & CEO
Charter Communications

Patrick J. Esser
President
Cox Communications

Paul H. Sunu
CEO
FairPoint

Randall L. Stephenson
Chairman & CEO
AT&T

Brian Sweeney
President
Cablevision

Brian L. Roberts
Chairman & CEO
Comcast

Steve Largent
President & CEO
CTIA – The Wireless Association

Maggie Wilderotter
Chairman & CEO
Frontier