

October 26, 2015

The Honorable Greg Walden U.S. House of Representatives 2185 Rayburn House Office Building Washington, DC 20515 The Honorable Anna Eshoo U.S. House of Representatives 241 Cannon House Office Building Washington, DC 20515

Dear Chairman Walden and Ranking Member Eshoo:

The Telecommunications Industry Association (TIA), the leading trade association for global manufacturers, vendors, and suppliers of information and communications technology (ICT), applauds you for holding a hearing on, "Common Carrier Regulation of the Internet: Investment Impacts." As you consider this important topic, we urge you to focus on the following areas during the hearing:

In the five years since the adoption of National Broadband Plan, significant investment has taken place. As a result the average connection speed for the U.S. as a whole in the second quarter of 2010 was 4.6 Mbps. Fast forward to 2015 – the U.S. has an average connection speed at 11.9 Mbps.<sup>1</sup> Even the definition of what actually constitutes broadband is becoming increasingly complex. Earlier this year the Commission effectively moved the "goalposts" for broadband earlier this year by adopting a new 25 Mbps definition.

Your Committee's hearing appropriately raises the central question: As a result of the FCC's new Title II regulatory regime, will future broadband investment continue at its prior pace?

If speeds matters, then continued investment in next-generation broadband networks is essential to realize opportunities in education, healthcare, teleworking, e-commerce, public safety, and security. These capabilities can equip users with the tools that are necessary to compete in the 21st century, making them far more productive, increasing their standards of living, and enhancing economic and physical security.

Public policy can make a significant contribution to encouraging, as well as discouraging, continued investment at the pace experienced in recent years. Since the FCC's decision to extend Title II, the net capital investment has decreased across the six largest ISPs, amounting to \$3.3 billion in capital flight.<sup>2</sup> For more information, please contact Mark Uncapher at 703-907-7733 or by email at <u>muncapher@tiaonline.org</u>.

Very best regards,

James Reid Sr Vice President of Government Affairs Telecommunications Industry Association

1320 N. Courthouse Road, Suite 200 Arlington VA, 22201, USA

+1.703.907.7700 MAIN +1.703.907.7727 FAX

<sup>&</sup>lt;sup>1</sup> See, Akamai, <u>The State of the Internet</u>; Q1 2015 Report<u>https://www.akamai.com/us/en/our-thinking/state-of-the-internet-report/index.isp</u> <sup>2</sup> See, <u>Forbes</u>, "Does The Tumble In Broadband Investment Spell Doom For The FCC's Open Internet Order?" Hal Singer; August 25, 2015