

*Remarks of Chairman Julius Genachowski on the
Measuring Broadband America 2012 Report Presentation*

July 19, 2012

In addition to promoting innovation, investment and competition, promoting consumer empowerment in the ICT sector has been one of the Commission's core priorities over the past three years.

As part of the FCC's Consumer Empowerment Agenda, we've been working to arm consumers with information to help them make smart choices about the broadband service that's right for them – promoting competition, which promotes innovation and investment, better service, and lower prices.

The broadband speed test was an early key initiative in this area. This app allows consumers to click a button on their computers or smartphones and get a readout of the speed of their wired or wireless broadband service.

American consumers have run more than a million of these speed tests, which shows the demand for consumer information about broadband service quality.

Other important consumer initiatives include clamping down on mystery fees, telemarketers, cramming, and bill shock.

We've identified bad conduct and imposed record-breaking penalties. We've adopted rules to protect consumers. And we've worked with the industry to develop tools to help consumers avoid needless and unfair overage charges.

Transparency has been at the heart of many of our consumer initiatives, particularly transparency that employs modern technology tools.

It's a matter of basic fairness to consumers. And a belief that better information can help make the market work – that we can use technology as a policy tool to promote competition and its benefits to consumers.

About a year ago, we took an important step in using tech-driven transparency to empower broadband consumers with the release of the first Measuring Broadband America report – the most comprehensive and rigorous assessment ever of broadband performance in the United States. We did this because of reports and test showing disparity between advertised and actual speeds.

We just received an overview of the Measuring Broadband America July 2012 Report, which provides a one-year update on last year's Report.

The strong improvements we see in ISP performance from the first test to today is a case study in how smart, government-driven transparency drives better outcomes.

There is no doubt that information from our report last year fueled competition in the marketplace.

High-performers touted their rankings in TV and radio ads, on blogs, in articles—the word got out far and wide. And low performers changed their practices and speeds.

I commend the seriousness with which ISPs - both cable and telco - have taken this effort. I applaud the very strong improvement of Cablevision from last year to this, from outlier to one of this year's best performers in terms of delivering on advertised speed.

And I welcome and support the ongoing engagement of the public interest and research communities in this effort. This measurement project is the result of a unique collaboration of the public interest community, researchers, ISPs, and Commission staff. Together, working hard at consensus, this group has addressed many challenging issues.

One hallmark of this effort has been the adherence to principles of open data, open process, and scientific rigor.

We are committed to these principles, and will continue to honor them as this project moves forward.

The bottom line of this Report is that millions of Americans have better broadband performance this year than they did last year.

This is good news for consumers and our economy.

Faster broadband has brought untold benefits to millions of Americans—from distance learning to distance healthcare—from being able to see and hear loved ones thousands of miles away to being able to telecommute when roads are not safe to drive. But of course we can't be satisfied, and we're not.

To realize the full power of broadband's potential, we must continue to see increases in broadband speed and capacity, and decreases in per gigabyte costs.

Without higher capacity, a student might not be able to complete her studies, a patient might not be able to have another needed checkup, a child might not be able to have another video chat with a parent who is a service member overseas.

And critically, it is abundance that drives innovation.

Very fast broadband bandwidth and very high capacity are essential for the innovations of today, and strong continued improvements in speed and capacity are essential for the innovations of tomorrow.

We cannot realize the immense potential economic benefits of cloud computing without broadband abundance—the ability to quickly and cheaply move large amounts of data through the Internet.

What's at stake is our global competitiveness, and the power of innovation to create jobs. By some estimates, cloud computing has the potential to create over a million jobs in the U.S. by 2015, and more thereafter.

It's very good news that we've seen a 30% increase in broadband speeds – but we need to press so that we have speeds measuring not in megabits, but in gigabits.

Finally, we are committed to expanding this Report and other consumer-oriented public/private initiatives.

Our next big challenge is measuring mobile broadband performance. Through initial discussions we've made significant progress.

Let's make sure consumers have meaningful and accurate mobile broadband information, and I look forward to working with the mobile industry and all other stakeholders to make this happen – to deliver the kinds of consumer benefits we have seen from this residential broadband report.

Thank you to the Consumer Bureau and the Office of Engineering and Technology for their work on this item. And special thanks to our CTO Henning Schulzrinne and to OET's summer intern Dan Chen for his work on this presentation.