

AMERICANS FOR PROSPERITY

1726 M Street NW, 10th Floor • Washington, DC 20036 • 202-349-5880

June 8, 2009

The Honorable Michael J. Copps
Acting Chairman
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

RE: A National Broadband Plan for Our Future, GN Docket No. 09-51

Dear Acting Chairman Copps:

Americans for Prosperity (AFP) is a national grassroots organization of more than 500,000 citizen-leaders dedicated to fiscal responsibility, transparency, and limiting the scope of federal regulations to prevent them from unnecessarily restricting consumer choices. As communications technologies have become ubiquitous, the work of the Commission has dramatically increased in relevance to the regular Americans who increasingly depend on communications technology in all aspects of their lives. AFP's role is to speak not for any special interest but for the general interests of our members and all American consumers.

We appreciate the opportunity to submit comments in response to the Federal Communications Commission's National Broadband Plan notice of inquiry.

Broadband networks have transformed our economy and provided for endless opportunities of economic growth. The success of the Internet is a true free-market success story, with enormous and rapid innovation happening almost continuously since the 1996 Act opened the Internet to full commercial development and competition.

Free-market principles are at the heart of the rapid investment and deployment of high-speed broadband networks that have transformed Americans' everyday lives. It has been private investment in the pursuit of profit in a competitive marketplace, overwhelmingly, that has driven each impressive new technology forward.

The Commission has the opportunity to develop a national plan that will continue to encourage investment, spur economic growth and bring even greater innovation to the marketplace. If, however, the Commission opts to follow a government-centric model of heavy-handed regulation or outright government ownership and control, the pace of innovation at the physical layer will slow or even stop, which in turn will limit innovation at the other network layers. We should be very cautious before adopting any major changes to a generally well-functioning model.

Unless the government interferes, broadband providers are expected to invest hundreds of billions of dollars in capital expenditures over the next few years. Such enormous investments indicate that broadband networks, even in this economic climate, are an engine of wealth creation and prosperity in the private economy. These investments create high-paying permanent jobs that families across the

country rely on. It's imperative that the Commission ensure this economic environment is kept free from undue regulatory barriers in order for continued investment and the creation of new jobs to occur.

The absence of overly restrictive "Net Neutrality" regulations and the increased demand for new applications and faster networks have encouraged providers to deploy new technologies faster and more efficiently, benefiting not only the everyday Internet user but also small businesses throughout the country.

If broadband providers cannot manage their network traffic, they cannot offer high-quality, high-value services that are free from the degradation of bandwidth hogs — like teenagers who download huge amounts of bootleg movies, music, and games from file-sharing networks. Network operators must be allowed to develop new technologies within their own networks first — something that network-neutrality mandates could prevent.

Without the flexibility to develop technologies that can most efficiently serve customers while generating revenue, there will be less private investment in upgrading the capacity of the Internet. Larry Lessig of Stanford University, a leading proponent of net neutrality regulations, says openly that it will lead to less private investment in the Internet and therefore will require the government to step in with the investment of tax dollars. Lessig's rationale is that "Broadband is infrastructure — like highways, if not railroads."

The Internet in its current form works much better, and improves much more quickly, than government-run highways and railroads. And anyone who knows anything about highway and railroad contracts knows that large-scale infrastructure management by the government invites politically motivated deal-making as well as rampant fraud and abuse.

Yet the greatest danger of network neutrality may be the outright censorship of speech that it promises. Here's an example: University of Sunderland professor Alex Lockwood says nationalization of the Internet is one way to get a handle on the "problem," in his view, of scientists skeptical of global warming who use the Internet to disseminate their research.

Heavy-handed government control of broadband through regulations, conditioned subsidies, unbundling schemes, or outright government ownership would destroy the overwhelmingly successful private market for broadband.

If the Commission is intent on acting, it should instead focus on reducing regulation, treating all broadband providers equally by eliminating outmoded regulatory silos, and assuring that any subsidies are provided on a technology- and business-model neutral basis that encourages broadband without distorting generally well-functioning markets.

Respectfully submitted,



Phil Kerpen
Director of Policy
Americans for Prosperity
1726 M St NW
Washington, DC 20009