

Remarks of
Michael K. Powell
Chairman, Federal Communications Commission
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Good afternoon. It is a great pleasure for me to be at WCA 2004 to talk about the role wireless has and will play in bringing broadband to all Americans.

Promoting greater availability of high-speed Internet access has been a top priority for me and the administration. The result of our national broadband policy will empower consumers, foster economic growth, and help create innovative solutions for protecting the homeland. It has the potential to create new jobs, promote investment, and improve education and health care for millions of Americans.

Recently, the President underscored his personal commitment to this issue by announcing that every American should have access to the benefits of broadband by 2007. This is a bold and ambitious goal that will require a similarly strong commitment from Congress, the Commission, state and local governments, and the industry. It will also require that the Commission and the industry use every possible device in its broadband tool kit to get the job done. Wireless will play a critical role in meeting the deadline and delivering these benefits to American consumers. Without the leadership of the wireless industry representatives here today, this job wouldn't just be more difficult—it would be impossible.

The FCC's role—and my mission—is to facilitate competition that will spur broadband deployment and make this goal a reality. Wireless broadband can bring much needed competition to existing DSL and cable-modem service. The wireless alternative will transform the marketplace by driving down the price of broadband services and expand access to underserved areas. Magical things happen in competitive markets when there are at least three viable, facilities-based competitors. And we are looking to wireless to help deliver that Triple Crown.

We have been hard at work to maximize flexibility in our rules, to create a competitive environment, and to make additional spectrum available for implementing these services. For example, various panels at this conference have been discussing the MDS/ITFS rulemaking. We are working hard to develop new rules allowing more efficient and productive use of the spectrum in the 2.5 GHz band, much of which is currently underutilized.

Initially designed as a broadcast-style wireless cable service in the 1980s, this band has evolved along with the telecom industry itself, and the Commission has added flexibility to the band's rules incrementally over the past several years. In 1995, the FCC established geographic licenses for the service and auctioned the unused spectrum. In 1998, we authorized the use of two-way services, and in 2001, added a mobile allocation to the band. Now it is time for new rules that will allow MDS and ITFS licensees to enjoy the complete flexibility available to licensees of other wireless services.

And it is not only the carriers who will reap the benefits of greater flexibility; American consumers will as well. These new rules will unleash the power of wireless broadband over fixed and mobile platforms in this band, and provide tremendous benefits for Americans in the form of personalized and ubiquitous services, economic growth, and greater security. I applaud WCA and other organizations for coming together to create the consensus plan on MDS/ITFS rebanding, which has formed the foundation of many of our proposed policy changes.

The key to success in the MDS-ITFS proceeding is for the Commission to provide for flexible use of the spectrum disciplined with vibrant competition and a realization of the true opportunity cost of the spectrum resource allows for innovation to flourish. By allowing the creation of secondary markets, we are providing the industry with more commercial flexibility in obtaining and allocating spectrum. Further, our spectrum leasing initiative will make spectrum more easily accessible to wireless operators interested in serving niche markets.

In the unlicensed bands, we have found that innovation multiplies when the participants are able to cooperatively introduce a number of new broadband services only lightly touched by regulation. That's why we continue to promote innovative uses of unlicensed spectrum such as our allocation of additional spectrum in the 5 GHz band and our recent inquiry smart radio devices that could make use of unused broadcast television spectrum without creating interference. We also will continue to support ultrawideband technologies and look to new and emerging platforms such as broadband over power lines for solutions.

I should note that the FCC has developed vehicles within the Commission specifically devoted to wireless broadband issues. Last December, in reorganizing the Wireless Bureau, John Muleta urged the Commission to create a new Broadband Division within the Wireless Telecommunications Bureau to oversee the development and deployment of wireless broadband through licensed spectrum holdings. Following up on this, I recently announced the creation of the Wireless Broadband Access Task Force, which will examine Wireless ISP deployment across the Nation, particularly in rural areas, and make recommendations for possible improvements to spur deployment.

Last week in South Dakota, I had the opportunity to see how small, entrepreneurial WISPs are overcoming obstacles to serve rural. I am particularly excited about the potential of wireless technologies to bring broadband to tribal communities, where even basic telephone service penetration rates have historically been far too low. These efforts demonstrate how essential wireless is to bringing a customized, high-speed information experience to all Americans, regardless of where they live, and at affordable rates.

At the Commission's recent Wireless Broadband Forum, we heard many exciting stories about the explosive growth of wireless broadband all over the country—everything from Wi-Fi technologies to wireless internet service providers that are popping up, particularly in rural America. We're beginning to see greater uses of wireless mobile broadband products, such as EvDO coming into the market place. In the near future, the concept of "hot zones" will enter our vocabulary—regional areas where wireless broadband is not merely portable, but mobile. These are true commercial applications that are rapidly spreading throughout the market place

We also heard participants at this Forum talk about how the networks and applications of today will continue to evolve to meet consumer demand. We see creative uses of OFDM, WCDMA, WiMax, and Ultra Wideband. Products that just a few years ago very few had ever heard of are now beginning to work their way through the commercial system.

These advanced technologies will ensure this nation's future competitiveness. Our economy's explosive growth at the end of last year is directly attributable to our investments in the Internet and information technologies in the 90's. If the United States hopes to see its economy grow in the future, I think the continued proliferation of broadband technologies—with wireless playing a critical part—is the key to that solution. Productivity and growth will make our world a better place for our children and that makes our task even more daunting and that much more important.

As we witness the growth of a new technology infrastructure, we must remain committed to maintaining the safety and security of our networks. We understand that as an economy moves into an information age, its dependence on critical information infrastructure intensifies. This dependence also makes us more vulnerable to any problems that may develop on this network. Therefore, as we continue to engineer and create the information network of the future, we have the historic opportunity to think about first responders and public safety now—not as an afterthought. We have the opportunity to talk about how to secure the network through encryption and protect it from those who would wish us harm.

In 2002, we re-chartered NRIC with the aim of broadening its membership and focus to wireless carriers, ISPs and the satellite industry. Reflecting that focus, the current NRIC chairman is, for the first time, a member of the wireless industry. Taking command is Timothy Donahue, President and Chief Executive Officer (CEO) of Nextel Communications Inc. Deploying new technologies that enhance Homeland Security has been a centerpiece of NRIC VII's agenda. This includes ensuring that wherever an American may travel, they will be able to rely on the lifesaving capabilities provided by Enhanced 911 services.

So the broadband future is exciting, innovative and bright, and we look forward to wireless being part of that future. The raw material is there, and the recognition of its importance has begun to develop. Now all that is left is the easy part, of actually making it happen, and that's what the discussions and debates at this important conference are about—bringing the stakeholders together who know how to make it happen. Hopefully in a few years we will look back quite proudly of our accomplishments knowing that we put the country and the world on better, more competitive footing. This is a world that our children will enjoy for years to come.

I'm excited to be a part of it and I look forward to the exciting efforts of WCA's members to make this goal a reality.

Thank you very much.