



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE
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Press Statement of Chairman Michael K. Powell **FCC Report Shows Strongest Ever American Broadband Market**

High-speed connections grow 60 percent from previous year

Re: Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996 (GN Docket No. 04-54).

This country finds its greatest strength in its diversity. Today's Report shows that America's broadband future is built on the most diverse—and therefore strongest—foundation possible. It describes a marketplace of increasing choice built upon multiple broadband platforms.

This Report will serve as a milestone that we have indeed turned the corner on the digital migration. Our Report counts 48 million consumers using high-speed connections in the home—up 60 percent from a year earlier. When I became chairman, the number of advanced services lines was just 2.9 million, an increase of 600 percent compared to today's Report. As of December 2003, high-speed lines have more than tripled since our last report and net broadband additions for the first quarter of 2004 were the largest per quarter gain to date. In July, a Nielsen/Net Ratings survey reported that a majority of households have opted for high-speed connections over dial-up. As this Report demonstrates, deployments to date have given Americans a growing number of ways to communicate, gather information and entertain themselves. High-speed Internet accelerates that trend. These expanded choices, in turn, result in lower prices and higher value. These choices place power back in the hands of consumers, who are increasingly responding to the freedom it offers.

All this activity is precisely what Congress had in mind when it directed the Commission to “encourage the deployment [of broadband] on a reasonable and timely basis.” The Communications Act also mandates that we take “immediate action to accelerate deployment” if it is not reasonable or timely. That's why the Commission has pushed to restore market incentives for providers to bring consumers fiber-based high-speed Internet technologies. We have taken steps to promote investment in established platforms, such as cable modems and DSL, but we have also led the charge for new, emerging broadband platforms. These networks use WiFi, fiber to the home, broadband over power lines, EvDO, and satellite to deliver

broadband to consumers. We have also moved to expedite the DTV transition, initiated rulemakings to allow shared access to unassigned broadband spectrum in the television bands; reallocated critical pieces of reclaimed spectrum to public safety purposes; taken steps to unlock more spectrum for unlicensed use and initiated rulemaking to adapt our rules to technologies such as smart antennae arrays and cognitive radios. At the applications layer, I have challenged the industry to preserve the openness of the Internet by endorsing four simple, consumer-empowering “Net Freedoms.” All of these efforts provide tools for innovative entrepreneurs to replace yesterday’s single-purpose networks with different types of full-service digital networks to support the applications of tomorrow.

Our work, however, is not done. Tomorrow’s broadband applications will demand much greater bandwidth. We wholeheartedly agree that a 200 Kbs or even a 1 megabit connection is wholly inadequate for the demands of a growing number of consumers. Americans deserve information at the speed of light – and it is the country’s challenge to deploy a network that is as capable as any other nation’s. As other countries place their eggs in the basket of one, typically dominant supplier of broadband, we are committed to broadband deployment over multiple platforms. Deployment of multiple broadband platforms is the best way to meet the President’s goal of universal and affordable access to all by the year 2007. The Commission’s role – and my mission – is to continue to champion and facilitate higher-speed, more capable platforms that can run tomorrow’s applications. As regulators, we must embrace the reality that the torrent of change from new broadband technologies has arrived, is unstoppable, and will accelerate over the years ahead. We have a clear vision for this migration to advanced platforms: stimulate investment in next generation architectures, apply a light hand and let entrepreneurs bring the future to the people.

There’s never been a better time for broadband. I am optimistic about today’s findings and what it means for tomorrow.

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