

**STATEMENT OF
COMMISSIONER MEREDITH A. BAKER**

Re: *Fostering Innovation and Investment in the Wireless Communications Market, GN Docket No. 09-157; A National Broadband Plan For Our Future, GN Docket No. 09-51*

Today, in this *Notice of Inquiry*, we commence a proceeding which will allow the Commission to obtain comprehensive information about innovation in the wireless industry. I am encouraged to see the Commission undertake a thorough review of its policies and procedures to ensure that we do all we can to continue to foster and encourage competition, innovation, and investment in the wireless sector. I am very pleased that this will be the first vote that I will cast here at the Commission.

I am also pleased that today's *Notice* poses important questions about the critical role spectrum management plays in wireless innovation. Specifically, we hope to acquire a comprehensive understanding of developments that will promote greater access to and more efficient uses of spectrum.

At the outset, I want to note that this *Notice* will likely produce many recommendations for Commission action. We must be wary, however, of implementing policies that could benchmark innovation and unintentionally hinder possible new entrants, technologies, and business models. Rather, any future action that arises as a result of this *Notice* should ensure that capital investment will not be deterred and that innovation continues to flourish to the benefit of the American consumer. Over the past ten years, the nation's wireless industry has witnessed unparalleled innovation and growth. In fact, the wireless industry has grown at well over 16 percent per year outpacing the remainder of the economy which has grown at a rate of a little more than 3 percent per year,¹ and, over the past seven years, wireless providers have invested \$22.8 billion per year, on average, to upgrade networks to provide broadband services.² We stand on the verge of the next generation of wireless broadband products and the government should proceed with great caution so as to ensure the best outcome for consumers.

I thank the Chairman for taking into account my concerns regarding the Commission's statutory authority to regulate some of these areas.

While more detailed information is helpful, I would like to raise the issue of the potential burden on interested parties. We are releasing this *Notice* concurrently with our important inquiry on mobile wireless competition, and I question whether stakeholders will have the ability to submit substantive responses in both proceedings. While we do not know what this inquiry will yield, in determining our next steps, we should be mindful of our past successes and continue to refrain from imposing unnecessary and burdensome regulatory obligations on industry.

Finally, I want to thank the staffs of the Wireless Telecommunications Bureau and Office of Engineering and Technology for this thorough and comprehensive item. I look forward to contributing my views and engaging in this debate with staff, interested parties, the Chairman, and my fellow Commissioners. Ongoing wireless market innovations – whether handset functionality, 4G technologies, smart antennas, or software defined radios, to name a few – are the key behind greater productivity and improved gateways to information that enhance the lives of American consumers and our economy. I

¹ Harold Furchtgott-Roth, *The Wireless Services Sector: A Key to Economic Growth in America*, 2008 Report (January 2009).

² Letter from Christopher Guttman-McCabe, Vice President, CTIA – The Wireless Association, to Chairman Julius Genachowski, Commissioner Michael J. Copps, Commissioner Robert M. McDowell, Federal Communications Commissions, at 1-2 (July 9, 2009) (this figure does not incorporate investments made by wireless providers to acquire certain spectrum at auction or to develop handsets and applications).

hope this Notice will help inform what we at the FCC can do to ensure that America continues to be a world leader in the next generation of wireless innovation.