

**STATEMENT OF
CHAIRMAN JULIUS GENACHOWSKI**

Re: Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report and Analysis of Competitive Market Conditions with Respect to Mobile Wireless, including Commercial Mobile Services, WT Docket No. 09-66.

Having world-leading mobile networks and services will be essential to our nation's global competitiveness, and to creating jobs and growing the economy here in the United States. FCC auctions and competition in the wireless voice market over the past 15 years have spurred investment, extraordinary innovation, and in many cases new and improved services for flat or lower prices for American consumers. It is, of course, vital that competition continue to serve these goals as consumers and industry migrate from voice to high-speed data and 4G mobile broadband and these services are extended to all Americans.

This Report is one of several Congressionally-mandated reports that the Commission releases each year focusing on competition in different sectors of the communications landscape. Late last summer, I announced the goal of upgrading our competition reports across the board to provide important information to all stakeholders and to create solid, transparent, fact-based foundations for predictable policies and decisions.

I am pleased that today's Mobile Competition Report is the first example of this effort, and I thank the staff of the Wireless Bureau, as well as the staff of the Office of Strategic Planning and Policy Analysis for their great work in getting us to where we are today.

One of the first changes to this report is its title. Prior efforts have been called the "Annual Commercial Mobile Radio Services Report" -- quite a mouthful -- known around these parts as our yearly CMRS Report -- not particularly illuminating, especially given the importance of mobile communications to so many Americans.

The change in title to the Mobile Wireless Competition Report is emblematic of an approach that is applied throughout the Report: to present information in way that will be relevant and understandable to a wide variety of audiences -- including consumers, investors, companies of all sizes, engineers, researchers and policymakers across government. The data presented in this year's Report cover traditional areas of inquiry such as voice service, spectrum holdings, and the number of providers, subscribers, and usage -- as well as newer ones such as the ongoing deployment of 4G networks and the explosion of innovation in and around smartphones.

This Report does not seek to reach an overly-simplistic yes-or-no conclusion about the overall level of competition in this complex and dynamic ecosystem, comprised of multiple markets. Instead, the Report complies with Congress's mandate to assess market conditions by providing data on trends in competition and choice over time -- an approach that fits best with the role of the FCC as a fact-based, data-driven agency responsible for promoting competition and protecting consumers, and fostering investment and innovation, and is consistent with our recent actions to unleash spectrum.

I won't attempt to summarize the many facts in this thorough Report. I'll simply say this: In so many ways, this explosion of mobile innovation is great news for American consumers. Perhaps no sector of our economy holds more promise for 21st century U.S. leadership in innovation and investment than wireless broadband.

Of course this is why the National Broadband Plan included major recommendations for ways to accelerate wireless broadband deployment, and recover sufficient spectrum to allow our innovative companies, entrepreneurs, and American consumers to seize and benefit from the full opportunities ahead.

The new trends do also present real challenges for busy American families when it comes to selecting the mix of mobile devices and services that matches their needs and budgets. Indeed, in difficult economic times such as these, the importance of empowering consumers and promoting competition is especially great.

As the National Broadband Plan and our Notice on Consumer Information that we released last fall both recognize, the better consumers understand the terms and conditions of the services being offered to them, the more they can make the market work effectively. This is why the National Broadband Plan includes recommendations about increasing transparency to consumers – for example, about broadband speeds.

And it is also why we began an inquiry last week into how the Commission and the wireless industry can take advantage of new technologies to avoid “bill shock,” the unwelcome surprise that some consumers experience when their monthly bill is dramatically larger than expected. I’m pleased that our new Consumer Task Force, headed by Joel Gurin and involving many key leaders at the agency, is already producing results.