

PREPARED REMARKS FOR DELIVERY  
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HOPE STREET GROUP 2012 COLLOQUIUM: INNOVATION PANEL  
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Thank you Hope Street for the opportunity to participate in this panel discussion on innovation.

One of the things I admire most about the Hope Street Group is their comprehensive approach to promoting economic success. They are focused not only on solutions to drive economic growth and job creation, but also ensuring the doors of opportunity are open to all Americans, and tackling major challenges like education and health care.

Obviously communications technology is key to addressing all of Hope Street's goals.

I'd like to talk for a moment about what we at the FCC sees as three key ingredients for innovation in communications technology sector that will drive economic growth, promote broad opportunity, and enable new advances in areas like health, education, and energy.

First, unleashing spectrum for mobile broadband.

Spectrum is the invisible infrastructure that sustains the mobile revolution that is transforming our economy and the way with live.

The U.S. is leading this revolution. We have now regained global leadership in mobile.

American-designed apps and services are being adopted faster than any others, both inside and outside our borders.

Freeing up more spectrum for broadband and promoting its efficient use will help the U.S. maintain its leadership in mobile.

It will also enable new devices and services to flourish, from interactive digital textbooks to smart homes where appliances talk to one another saving energy costs.

Earlier today, the FCC adopted new rules making the U.S. the first country in the world to dedicate spectrum for Medical Body Area Networks – which enable advanced health monitoring that will improve the quality of care, lower costs, and ultimately save lives.

Previously, the Commission dedicated spectrum for Medical Micropower Networks, which have the potential - literally - to enable paraplegics to stand.

A second key ingredient to innovation is driving universal broadband deployment and adoption.

To maximize the benefits of wired and wireless broadband, we need to work toward connecting all Americans.

But nearly 18 million Americans couldn't get broadband if they wanted it. The infrastructure isn't there. Deploying broadband in these areas would enable a variety of innovative new services and applications for rural Americans, making it possible for small businesses in these communities to fully participate in the 21<sup>st</sup> century economy.

To close this deployment gap, the Commission unanimously approved a once-in-a-generation overall of our universal service programs that puts us on the path to broadband for all within a decade.

We face not only a broadband deployment gap, but also an adoption gap. Nearly 1/3 of Americans – about 100 million people – still haven't adopted broadband in the home.

Getting these Americans online would deliver dramatic benefits to each of these individuals – in the form of access to job listings that are exclusively online, children who can research on the Internet to help with homework, and deals that can save consumers thousands a year.

Getting these 100 million Americans online would have tremendous benefits for our overall economy. Imagine if we could expand the online marketplace by 50% and how much that would do to drive sales for small businesses and make the U.S. a more attractive market for investment.

A third key ingredient to innovation is increasing the speed and capacity of broadband.

Broadband speed and capacity are important to innovation -- from education and health care to information and entertainment.

Greater speeds and greater capacity will create more incentives for innovators to develop next-generation products and services that will provide dramatic benefits.

That's why we need test-beds of super-fast broadband at anchor institutions like research hospitals, like the work being driven by organizations such as Gig.U.

We also need steadily increasing broadband speed and capacity for the average consumer.

With fast networks and high monthly capacity, families with connected high-school students won't have to fight over who gets to use the Internet for homework this week and who doesn't.

A distance learner can take a full course load online, as opposed to picking and choosing lectures.

A senior with diabetes can take advantage of treatments that use online video for regular consultations and wireless monitoring that requires high-data transmissions.

When it comes to speed and capacity, an environment of abundance, not scarcity, will open the door to new innovation – some we can envision and others that we can't even imagine today.

New business models and new services can be a good thing for consumers by driving efficiency, providing more choices, and improving affordability by offering lower prices per bit. It can also help ensure that lower users aren't subsidizing heavier users.

At the same time, to drive U.S. leadership in the broadband economy, new business models and new services by broadband providers should not come at the expense of competition, including from over-the-top providers, or at the expense of increases in broadband speed and monthly capacity.

The Commission is committed to promoting all of the ingredients of innovation, and we look forward to working with Hope Street and all of you to seize the opportunities of broadband Internet for our economy and society.

Thank you.