

**PREPARED REMARKS OF FCC CHAIRMAN JULIUS GENACHOWSKI  
CONNECT TO COMPETE RECYCLING/DONATION PROGRAM ANNOUNCEMENT  
LATIN AMERICAN YOUTH CENTER  
WASHINGTON, DC  
AUGUST 7, 2012**

I am pleased to be here to applaud and support Redemtech's announcement today that it is launching a PC Pledge Drive to encourage computer donations.

This effort will help ensure that more low-income American families and students get affordable computers so they can get online and become full participants in our digital economy and society.

Let me tell you why today's announcement is so important. Broadband is our central platform in the 21st century for economic growth, information, and opportunity.

Broadband can be the great equalizer – giving every American with an Internet connection access to a world of new opportunities that might previously have been beyond their reach.

But roughly 1 in 3 Americans – nearly 100 million – still haven't adopted broadband at home.

And low-income Americans and minorities disproportionately find themselves on the wrong-side of this digital divide.

Only about half of all Latinos have adopted broadband in the home.

This matters because the costs of digital exclusion are rising.

Offline Americans are missing out on education opportunities, health care opportunities – and, yes – job opportunities.

In today's world, you need broadband to find a job, apply for a job, and you need digital skills to keep most of today's jobs.

Almost all Fortune 500 companies post job openings exclusively online.

And almost all require online job applications – from Wal-Mart and Target, to many small businesses.

Altogether, over half of today's jobs require technology skills, and nearly 80% of jobs in the next decade are projected to require digital skills.

This is why closing the broadband adoption and digital literacy skills gap is critical to the future of our economy.

We can't have millions of Americans on the wrong side of the digital divide.

In the past few years, we've made some progress closing our broadband adoption and digital skills gaps.

For example, Latino adoption rates are up about 10% over the past few years and smartphone adoption rates among Latinos are higher than the national average.

But despite this progress, there is more work to do.

That's what Connect2Compete is all about.

Connect2Compete is focused on tackling the obstacles to broadband adoption – primarily cost and digital literacy.

On digital literacy, libraries across the country, along with companies like Best Buy, have committed to offering free digital skills training as part of Connect2Compete.

Today we are focusing on cost: not only the cost of the broadband connection itself, but the cost of the computers.

On the cost of broadband service, America's cable companies are working to provide \$9.95 monthly access for eligible school lunch families through Connect2Compete. This great program is launching this fall.

And currently, through Comcast's Internet Essentials, \$9.95 access is available for eligible families right here in Washington, DC and in communities across the country.

But a big part of the cost challenge is the affordability of the actual computers.

Nearly 60% of low-income households don't have computers.

And according to survey results, 36% of those without broadband cite the cost of computers as a reason they aren't online.

Redemtech has already stepped up to help address this problem, and has committed to making high-quality refurbished laptops, with Windows 7 and Microsoft office, available to eligible families for \$150 as part of Connect2Compete.

As part of a recently concluded pilot program in San Diego, demand for these PCs far exceeded estimates.

And Spanish speaking families were especially eager to purchase the discounted products, as they accounted for over half the call center volume.

So, to help meet the demand for an extended rollout, Redemtech is going to need more donated computers.

And I'm happy to support their Kick Off today of a PC Pledge drive.

The good news is these computers are out there.

Each year, U.S. businesses retire more than 17 million computers that are only a few years old.

A used computer that that's obsolete to a big company could be a low-income family's gateway to the economic and social benefits of the broadband era.

I want to commend Redemtech and LULAC for launching this effort to promote more computer donations and to ensure that these laptops and desktops are put to use by people who desperately need them.

Thank you again to Redemtech and to all the partners of the Connect2Compete coalition.

Working together, we can seize the benefits of broadband for all Americans.