

Fact Sheet: Internet Growth and Investment

Both within the network and at its edges, where companies use the network to deliver goods and services, investment and innovation have flourished under the Open Internet rules.

- Venture capital financing of “Internet-specific” businesses has doubled in the past four years, from \$3.5 billion in 2009 to \$7.1 billion in 2013 (National Venture Capital Assoc.)
- Venture capital financing of the telecommunications industry has risen from \$582 million in 2009 to \$643 million in 2013 (National Venture Capital Assoc.)
- Broadband capital expenditures have risen steadily, from \$64 billion in 2009 to \$68 billion in 2012 (U.S. Telecom)
- The Progressive Policy Institute identified the telecommunications/cable industry as one of its “Investment Heroes of 2013,” investing \$50.5 billion in 2013
- Traffic on the Internet has more than doubled from the equivalent of 17 billion DVDs worth of data per year in 2010 to 36 billion DVDs per year in 2012 (U.S. Telecom)

Mobile investment in particular has grown during that time.

- Annual investment in U.S. wireless networks grew more than 40% between 2009 and 2012, from \$21 billion to \$30 billion, and exceeds investment by the major oil and gas or auto companies (White House Office of Science and Technology)
- A total of \$8.33 billion has been raised since 2007 on mobile media ventures (SNL Kagan Media Trends)
- Private investment in wireless infrastructure over the next 5 years will generate \$1.2 trillion in economic growth and create 1.2 million jobs (PCIA)

Whole new product markets have blossomed, and the app market has exploded.

- The number of tablet users in the United States has increased from 2.6 million in the second quarter of 2010 to almost 70 million by the end of 2012. Overall app use in 2013 posted 115% year-over-year growth (SNL Kagan Media Trends)
- Over 20 independent non-carrier mobile apps stores offered over 3.5 million apps for 14 different operating systems by 2012 (CTIA)
- The Wall Street Journal reported in March 2013 that app sales were approaching \$25 billion
- The “App Economy” had created 752,000 jobs in the U.S. as of July 2013, the fifth anniversary of Apple’s App Store (Michael Mandel, Progressive Policy Institute)

Finally, we have seen tremendous growth in the online video market.

- The number of hours Americans spend watching video over the Internet has grown 70% since June 2010 (Nielsen)
- Revenues from online video services grew by 175% between 2010-2012, from \$1.86 billion to \$5.12 billion (SNL Kagan)
- Real-time streaming of entertainment in prime time grew from 42.7% of downloads in 2010 to 67% by Sept. 2013 (Sandvine Global Internet Phenomena Report)

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