

STATEMENT OF CHAIRMAN AJIT PAI

Re: *Communications Marketplace Report*, GN Docket No. 18-231; *The State of Mobile Wireless Competition*, WT Docket No. 18-203; *Status of Competition in the Market for the Delivery of Video Programming*, MB Docket No. 17-214; *Status of Competition in the Marketplace for Delivery of Audio Programming*, MB Docket No. 18-227; *Satellite Communications Services for the Communications Marketplace Report*, IB Docket No. 18-251.

Up until this year, the FCC was required by statute to issue an annual ORBIT Act report. The ORBIT Act required the Commission to report annually to Congress on its progress toward ensuring the privatization of INTELSAT and Inmarsat. But this reporting obligation remained in effect for more than a decade after that privatization took place.¹ In *Office Space* parlance, releasing this report was about as consequential as putting a new cover sheet on a TPS report. That's why I repeatedly supported Congress's efforts to consolidate and streamline the Commission's reporting obligations.

Thankfully, as part of RAY BAUM'S Act, Congress has done just that. It eliminated obsolete and unnecessary reporting requirements, like the one contained in the ORBIT Act, while consolidating many of our most useful reports into the new, biennial Communications Marketplace Report—or CMR. By addressing the state of the mobile, wireless, video, audio, broadband, and satellite marketplaces in one place, the CMR is a destination for one-stop shopping for interested members of Congress, policymakers, academics, and the public. It also gives us the chance to take a comprehensive view of the actions we've taken over the past two years to promote competition and reduce burdens to market entry, and to discuss our prospective plans to advance those same objectives.

There's a lot of interesting information contained in this report, and I encourage everyone to read it. But in case you don't, I wanted to highlight a few statistics that show the progress that we made in 2017 to increase broadband deployment and competition. For example, in 2017, the number of Americans without access to fixed terrestrial broadband service of 100/10 Mbps plummeted from 78.9 million to 34.8 million—a stunning 56% drop in just one year. And in 2017, the number of Americans lacking access to fixed terrestrial 25/3 Mbps service dropped from 24.8 million to 19.4 million. In other words, the digital divide is closing.

When it comes to competition, there's a lot of good news as well. For example, in 2017, the percentage of Americans with access to two or more fixed terrestrial broadband options of at least 100/10 Mbps more than doubled, increasing from 26% to 54.5%.

On the mobile side, there is also positive news to report. Capital investment by wireless providers went up in 2017, reversing declines in recent years, while prices went down. Specifically, the Wireless Telephone Services Consumer Price Index fell by 11%. That's more money in consumers' pockets.

As we head into 2019, we are on the right track, and we aim to keep these positive trends going. We will continue to close the digital divide and bring better, faster, cheaper broadband to all Americans by continuing to eliminate barriers to infrastructure investment and broadband deployment and promoting innovation.

Compiling this first-of-its-kind report and the numerous appendices required a tremendous amount of work and was a true team effort. I therefore want to extend my sincere thanks to the many

¹ See Statement of Commissioner Ajit Pai, Fourteenth Orbit Act Report (2013), <http://go.usa.gov/chBuC>; Statement of Commissioner Ajit Pai, Fifteenth Orbit Act Report (2014), <http://go.usa.gov/chBuF>; Statement of Commissioner Ajit Pai, Sixteenth Orbit Act Report (2015), <http://go.usa.gov/chBJT>; Statement of Commissioner Ajit Pai, Seventeenth Orbit Act Report (2016), https://apps.fcc.gov/edocs_public/attachmatch/FCC-16-73A2.pdf; And Statement of Chairman Ajit Pai, Eighteenth Orbit Act Report (2017), <https://docs.fcc.gov/public/attachments/FCC-17-69A2.pdf>.

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