

**STATEMENT OF
CHAIRMAN JULIUS GENACHOWSKI**

Re: Applications Filed by Frontier Communications Corporation and Verizon Communications Inc. for Assignment or Transfer of Control, WC Docket No. 09-95

Today the Commission approves, subject to conditions to protect the public interest, a transaction with the promise of significantly improving broadband availability to millions of consumers—as well as small businesses and anchor institutions—in rural and small-town America.

I am pleased by Frontier's robust commitments to increase private investment in broadband in rural America; to deploy broadband with actual speeds of 4 Mbps downstream and 1 Mbps upstream, consistent with National Broadband Plan targets, to more than 4 million homes; to launch an Anchor Institution Initiative to provide fiber solutions of at least 1 gigabit per second to unserved and underserved libraries, hospitals, and public buildings; to direct new broadband universal service funding to households with no other option for broadband; and to make available to the Commission an unprecedented level of detailed data regarding Frontier's deployment, which will enable the Commission to effectively monitor Frontier's progress toward its goals and ensure that the potential public interest benefits of this transaction are realized.

I also note the important commitments Verizon and Frontier have made to ensure a smooth transition of their operations support systems and guarantee that wholesale customers can continue to successfully operate and grow businesses that depend on critical inputs from incumbents. Well-functioning wholesale markets are crucial for effective competition in the broadband ecosystem, particularly for enterprise and small business customers, and I look forward to seeing competition flourish in the territories involved in this transaction.

I take seriously concerns that have been expressed about the risks this transaction poses for consumers, employees, and competitors. The Commission has conducted a rigorous, data-driven, transparent, and thorough review of the transaction, including a close look at potential transaction-specific harms and benefits. No transaction is without risk, and this one has its fair share. But based on our review, considering the issues and concerns with the status quo path and Frontier's enforceable commitments to be good stewards of this vital infrastructure on behalf of consumers in its regions, we conclude that on balance the likely public-interest benefits outweigh the potential public-interest harms.

This transaction should provide substantial public interest benefits, but it won't by itself solve broadband challenges in the areas to be transferred, much less in all of rural America. To more fully address the broadband deployment and adoption gaps in less densely populated areas, the FCC must continue its efforts to reform the Universal Service Fund, including by supporting broadband in high-cost areas and by ensuring a solid legal foundation for universal broadband policies.

I thank the Bureaus and Offices, particularly the Wireline Competition Bureau, for their hard work on this transaction.