

**STATEMENT OF  
CHAIRMAN JULIUS GENACHOWSKI**

RE: *Section 257 Triennial Report to Congress Identifying and Eliminating Market Entry Barriers for Entrepreneurs and Other Small Businesses*

I am pleased that the Commission has voted out its Section 257 report, which addresses some of the FCC's highest priorities: unleashing entrepreneurship, supporting small businesses and spurring our economy.

Two facts highlight why the FCC's efforts to remove barriers to new entrants in the communications space are important to our economy.

First, the information and communications technology sector is a significant and growing part of our economy, generating more than a trillion dollars a year in economic activity. In 2010, the tech sector grew twice as fast as the U.S. economy, and analysts project the same will be true in 2011.

Second, small businesses, and new entrants in particular, are the key drivers of net job creation in the United States. Since 1980, nearly all net job creation in the United States came from businesses that are less than five years old. From 1977 to 2005, existing firms have lost jobs on average, while new firms have added 3 million jobs a year.

This report looks at the FCC's efforts from 2007 to 2009 to remove barriers to new entrants and small businesses in the communications sector. I am pleased to report that it does a more comprehensive job than previous iterations of providing information that may be useful to policymaking. I fully expect, nonetheless, that our next report will build on these advances and drive our approach to removing barriers to small businesses in the years to come.

As important as the 257 Report is, encouraging a diversity of voices, promoting entrepreneurship and fostering the growth of small businesses aren't just things we think about once every three years when it comes time to assemble a report. They are core principles shaping our strategic direction every day. I look forward to our continued work together on these important issues in the months ahead.