

**STATEMENT OF
CHAIRMAN JULIUS GENACHOWSKI**

Re: *Applications Filed by Qwest Communications International Inc. and CenturyTel, Inc. d/b/a CenturyLink for Consent To Transfer Control, WC Docket No. 10-110*

Today, after a thorough, data-driven review of the record, the Commission approves a transaction that holds the promise of significantly improving broadband adoption and increasing high-speed broadband deployment and competition for tens of thousands of anchor institutions, hundreds of thousands of small businesses, and tens of millions of consumers.

Congress has directed us to approve transactions if the public interest benefits outweigh the harms. Here, that test is clearly met: The conditions we've imposed should effectively protect against the identified transaction-specific harms, and the company's commitments to help connect so many more Americans to broadband is an important and substantial public-interest benefit.

These commitments include a major broadband adoption program focused on the millions of low-income consumers in the combined company's 37-state territory. By offering broadband starting at less than \$10 per month; providing computers for less than \$150; keeping the window open for five years for qualifying consumers to sign up; and committing real resources to marketing, outreach, and digital literacy training, this program holistically tackles the principal barriers to broadband adoption.

I'm particularly pleased that the program will include detailed reporting on outcomes and an independent analysis of the program's effectiveness, so that the Commission and others can understand what works and what doesn't in efforts to close the adoption gap.

This program promises to move the needle on broadband adoption. And it should be viewed together with the broadband adoption pilot programs the Commission proposed in last month's Lifeline/LinkUp proceeding, and the broadband adoption program Comcast is undertaking in the wake of its recent transaction. As a result of these developments, we will soon have a set of diverse and promising responses to one of our great national challenges—connecting the more than 100 million Americans who don't currently have broadband.

CenturyLink has also committed to significant investments in improving and expanding its broadband network for consumers, businesses, and anchor institutions, and to advancing Universal Service Fund reform by phasing down support it currently receives from the Fund. I also note the important commitments made to ensure a smooth transition for wholesale customers, and to protect against the potential increase in the combined entity's incentive and ability to inhibit effective competition as a result of its significantly bigger footprint. 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.

Some have argued that the Commission should forswear public interest commitments in the context of transaction reviews. But doing so would not only deny the public the kinds of meaningful transaction-specific benefits involved here; it would also disregard Congress's

directive that the FCC affirmatively determine that a proposed transaction will serve “the public interest, convenience, and necessity.”

While this transaction will help address broadband challenges in the combined territory, it is only one piece in a larger puzzle. To more fully address the broadband deployment and adoption gaps, the FCC must complete its efforts to reform the Universal Service Fund, including by supporting broadband in rural areas and by reforming and modernizing Lifeline/LinkUp. I look forward to pressing ahead with my colleagues on these ongoing initiatives.

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