

**STATEMENT OF
COMMISSIONER MIGNON L. CLYBURN**

Re: *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report and Analysis of Competitive Market Conditions with Respect to Mobile Wireless, including Commercial Mobile Services, WT Docket No. 11-186.*

The percentage of American adults relying solely on mobile for voice service has reached 34 percent, and for those whose incomes are below the poverty line, that figure has risen to 52 percent. Therefore, consistent with the growing importance of cellular services to consumers, I am pleased that we have been improving the amount and quality of the data presented on key factors related to the structure of the wireless industry. Enhanced analysis will improve the Commission's ability to ensure the market structure protects consumer interests.

I continue to pay close attention to the extent in which deployment of mobile services varies depending on certain demographics such as the geographic location and median income. This Report rightly identifies areas with positive gains and highlights where there is need for improvement. I am pleased to see, that according to the data, there has been a substantial increase in mobile broadband services being deployed to rural areas. Most notably, 2.5 million more people in rural areas, who did not have access to any mobile broadband service in August of 2010, now benefit from this service. And the number of people living in rural areas with access to more than two mobile broadband service providers has increased by more than 16 million over the same time frame. I wish to go on record commending service providers and other companies in the industry who facilitated that deployment. Unfortunately, it appears that over the same two-year period, more people living in rural areas have two or fewer options for mobile voice service. Our Fifteenth Report found about 7.1 million people living in rural census blocks with two or fewer mobile voice providers. Now, that figure has increased to approximately 7.7 million. Despite the billions invested on mobile networks each year, I must say that it is disappointing to see 400,000 Americans still lacking access to any mobile service option. We need to continue our focus on policies that can promote more competitive options for mobile voice service.

Nevertheless, I remain encouraged that since the release of the National Broadband Plan, the Commission has adopted rules and taken other steps that promote greater deployment of mobile voice and broadband services. For example, backhaul is a critical input for the deployment of wireless broadband and other wireless services. Since 2011, the Commission has adopted two Orders that can enhance the flexibility and speed with which companies can use microwave spectrum for less expensive backhaul solutions in rural areas. The 2011 Connect America Fund Order approved a Mobility Fund to promote deployment of mobile broadband services in two Phases. In September 2012, the Commission held Phase I of the Mobility Fund to provide one-time support to areas unserved by 3G networks. Through a reverse auction, the Commission assigned \$300 million in support to 33 winning bidders to provide voice and mobile broadband services covering up to 83,494.23 road miles in 795 biddable geographic areas located in 31 states and 1 territory. To ensure universal availability of mobile broadband services, Phase II will provide up to \$500 million per year in ongoing support to expand and sustain mobile voice and broadband services in communities in which service would be unavailable absent federal support.

The Commission has also taken significant actions to promote the deployment of TV White Spaces. In September 2010, the Commission adopted final rules to allow unused spectrum in the broadcast bands to be used for powerful Internet connections with extended range, fewer dead spots, and improved individual speeds. Many applications are possible in the TV White Spaces, such as broadband access to schools particularly in rural areas. Last summer, New America Foundation, GiG U, the United Negro College Fund, Google, Microsoft, and the other founding members of AIR U, developed a creative partnership to assist rural universities and promote the development of White Space services. In

September 2012, the Commission launched its Unlicensed Wireless Microphone Registration System in the U.S. East Coast Region, and on March 1, 2013, the Commission authorized TV White Space data systems to provide service to unlicensed devices located anywhere in the United States and its territories and possessions.

I encourage the industry and consumer advocates to let us know if these policies are sufficient to providing competitive options to mobile consumers and if there are other policy approaches we should consider. And once again, I thank the staff of the Wireless Telecommunications Bureau led by Ruth Milkman, for presenting us with a thorough, expert analysis of the interrelated segments of the mobile wireless service industry.