

October 15, 2009

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: In the Matter of Development of a National Broadband Plan for Our Future, GN Docket No. 09-51 and In the Matter of Broadband Industry Practices, WC Docket No. 07-52

Dear Chairman Genachowski:

The National Association of Manufacturers and the U.S. Chamber of Commerce are deeply concerned that your decision to seek the adoption of formal net neutrality regulations seems predetermined and based on fear of what may happen in the future, rather than on facts. However, if you go ahead with this proceeding, we urge the Federal Communications Commission (“Commission”) to ensure that the process is transparent and fully considers the tremendous innovation and competition taking place in today’s broadband market.

Broadband service providers, device and hardware manufacturers, applications, content and software firms and their supply chain partners continue to invest in their networks and technologies. These efforts serve to increase the capacity and efficiency in the operation of those networks and enhance the end-user Internet experience. The \$63 billion invested last year in broadband infrastructure by the telecommunications industry was five times the amount spent by the federal government on broadband, according to the Communications Workers of America. Moreover, the “cost to make broadband universally available...falls in the \$20-350 billion range,” according to the Commission’s Broadband Task Force.¹ A broad and open-ended rulemaking on net neutrality rules at this point in our struggling economy could only work to discourage and stifle this level of necessary investment in broadband infrastructure. Encouraging broadband deployment is critical to our national recovery, as it is the very platform which encourages job creation, application and content innovation, increasing efficiencies in manufacturing, and the promotion of consumer and community well-being through the use of online healthcare, education and entertainment resources.

The pursuit of regulation is a complete reversal from a 15-year policy to not regulate the Internet and could have profound effects on businesses’ ability to invest and innovate in this area. The intense competition between cable operators, phone companies, wireless carriers, and others for broadband customers requires providers to quickly respond to market developments and offer differentiated services to attract business. Companies are continually investing in their networks and developing innovative new products and services. As a result, consumer choice is enhanced, jobs are created, and the nation’s economic foundation is strengthened. The high-tech sector is one of the bright areas in this challenging economy and could play a leadership role in

¹ FCC Broadband Task Force, “Commission Open Meeting Presentation on the Status of the Commission's Processes for Development of a National Broadband Plan,” Sept. 29, 2009, *In the Matter of Development of a National Broadband Plan for Our Future*, GN Docket No. 09-51.

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restoring the health of the overall economy. The Commission's focus on introducing a potentially restrictive regulatory regime on to a vibrant and healthy broadband market may have the exact opposite of the desired result: freezing innovation and growth at a time when our economy needs it most.

We also urge the Commission to recognize that wireless networks operate completely different from wireline networks and, therefore, require different network management techniques to ensure operational efficiency. Based on a review of the facts as to the current state of the marketplace, there is no current problem which justifies regulation which ultimately risks continued investment, limits consumer choice and stifles innovative efforts by high-tech manufacturing, content, application, and broadband service companies.

Sincerely,

National Association of Manufacturers

U.S. Chamber of Commerce

cc: Commissioner Michael J. Copps
Commissioner Robert M. McDowell
Commissioner Mignon Clyburn
Commissioner Meredith Attwell Baker