



November 9, 2011

## **VOTE NO ON S.J.RES.6 HUTCHISON RESOLUTION**

*S.J.RES.6 would undo FCC Net Neutrality safeguards that preserve the Internet as an open platform for innovation, economic growth, job creation, and free expression. These safeguards rely on the general principle that owners of the gateways that provide access to the Internet should not control how consumers lawfully use that network and they should not be able to discriminate against lawful network traffic. Eliminating these safeguards would jeopardize the level playing field on which consumers, the broadband industry, and the Internet economy rely.*

### **THE FCC OPEN-INTERNET FRAMEWORK IS BASED ON LONG-STANDING BIPARTISAN PRINCIPLES AND BRINGS CERTAINTY AND STABILITY - AND IT ENJOYS BROAD SUPPORT THROUGHOUT THE BROADBAND INDUSTRY**

- **Transparency:** so consumers and innovators have basic information to make smart choices about broadband and to ensure applications and services work on broadband networks.
- **No blocking of Internet content or services:** Consumers can reach lawful websites and use apps they want, and entrepreneurs can be confident in their ability to reach customers.
- **No discrimination: leveling the playing field,** so consumers and markets decide which content, apps, and services succeed online, without interference from broadband providers.
- **Predictability and flexibility:** for broadband providers to manage their networks, pursue innovation in business models, and earn a meaningful return on investment.

### **FCC's Net-Neutrality Framework Is Modeled After Openness Principles Put In Place In 2005 During the Bush**

**Administration.** In a 2005 policy statement, the Republican-led FCC outlined four principles: (1) consumers are entitled to access the lawful Internet content of their choice; (2) consumers are entitled to run applications and services of their choice, subject to the needs of law enforcement; (3) consumers are entitled to connect their choice of legal devices that do not harm the network; and (4) consumers are entitled to competition among network providers, application and service providers, and content providers. [[TechLawJournal](#)]

**The Open Internet Framework Has Been Broadly Accepted Throughout the Broadband Industry:** The FCC net-neutrality framework enjoys broad support from leading industry and technology companies, broadband providers; investors; and labor, consumer, and civil rights groups because it increases regulatory certainty and predictability, as well as consumer confidence. [[FCC Fact Sheet](#)]

### **FCC NET NEUTRALITY SAFEGUARDS WILL SPUR INNOVATION, JOB CREATION AND ECONOMIC GROWTH**

- **Broadband Internet Expansion Will Create More Than 2 Million Jobs and Drive Economic Growth.** Over the past 15 years, the open Internet has been the greatest engine for the U.S. economy, creating more than 3 million jobs. The FCC Open Internet rule will help sustain this growth. According to Hamilton Consultants, the open Internet ecosystem has led to the creation of 1.8 million jobs related to applications and e-commerce, as well as 1.2 million jobs related to infrastructure. According to a new report by McKinsey, broadband creates 2.6 new jobs for every one job lost. In addition, a 7% increase in broadband penetration could create an additional 2.4 million new jobs. In the U.S., the Internet accounted for 8% of America's GDP growth from 1995-2009. Since 2004, it has accounted for 15% of U.S. GDP growth. [[FCC Fact Sheet](#)]

- **Entrepreneurs Support Net Neutrality.** Robin Chase, co-founder of Zipcar, wrote, “Zipcar would not exist without a free and open Internet. There would be no company with \$186 million in 2010 revenues, no creation of 474 full-time jobs serving 540,000 members... What is at stake with the FCC order is the government’s ability to protect and maintain low barriers to entry to the Internet. The FCC order is not about services that run on the Internet, like Google, Amazon, or Facebook. It is about maintaining low cost and open access to the Internet... Just two companies, Verizon and AT&T, now control Internet access in 80 percent of the market — which could be the barrier to job creation that I am talking about.”[Politico, [4/5/11](#)]
- **FCC Open Internet Rule Is Giving Broadband Providers and Investors the Certainty They Need to Invest and Create Jobs.** Investment and innovation have actually increased since the FCC adopted the Open Internet rule in December 2010. The facts show that investment in broadband networks increased in the first half of 2011. In fact, investment in networks that support broadband was more than 10 percent higher in the first half of 2011 than in the first half of 2010. Investment in Internet companies surged in 2011, with \$2.3 billion going into 275 companies in the second quarter. That is the most invested in Internet companies in a decade.

**FCC SAFEGUARDS ENSURE A FREE AND OPEN INTERNET WHICH ALLOWS CONSUMERS TO REACH WEBSITES AND SERVICES WITHOUT DISCRIMINATION – AND GIVES SMALL BUSINESS CERTAINTY THEY CAN REACH CUSTOMERS**

- **Net Neutrality Is Nothing New; It Has Been in Place During the Entire Internet Boom.** The FCC’s net neutrality rule is actually nothing new. It merely protects the free, open internet standards that American families and businesses have enjoyed since the internet began. Unfortunately, the ability to protect this openness was put at risk by a court decision. The FCC’s rule merely restores the safeguards that have been a part of the Internet’s operation from the very start. This rule ensures that no single corporation can take-over the internet and control access to information that should be free and available to all of us. It ensures that the internet remains a powerful platform for innovation and job creation.
- **Without FCC Safeguards, Consumers are Likely to Lose Out.** The absence of FCC safeguards ... “could potentially free Internet service providers from regulation — allowing them to treat their own content better than that of rivals, and block content that they didn’t like or competed with. Verizon and AT&T have about 60 percent of wireless subscribers. And 80 percent of Americans live in areas with only two wireline broadband providers. In a market with such slender competition, consumers are likely to lose out.” [New York Times, [03/06/2011](#)]
- **Rockefeller: Unraveling Open Internet Rules Would Impede Investment and Innovation.** "Americans want the Internet to stay free and open. After a long, deliberative process, the FCC came up with balanced rules that promote transparency and prohibit discrimination. I am disappointed that my colleagues want to use a legislative short cut to unravel these rules. I fear their actions will do nothing more than impede the investment and innovation we need in our digital economy." [Rockefeller Press Release, [09/23/2011](#)]

**The White House Will Veto Republicans Efforts to Repeal Net-Neutrality Safeguards.** “A Statement of Administration Policy issued on Tuesday emphasized that the White House “strongly opposes Senate passage” of the resolution of disapproval...arguing that it would “undermine a fundamental part of the nation’s Open Internet and innovation strategy. [Politico, [11/08/2011](#)]