**STATEMENT OF**
**COMMISSIONER MICHAEL J. COPPS**
**APPROVING IN PART, CONCURRING IN PART**

*Re:     Development of Nationwide Broadband Data to Evaluate Reasonable and Timely
Deployment of Advanced Services to All Americans, Improvement of Wireless Broadband
Subscribership Data, and Development of Data on Interconnected Voice over Internet Protocol
(VoIP) Subscribership, WC Docket 07-38.*

Good data, as you quickly learn serving at the FCC, is the bedrock of good policy.  And
creating good data is really a core function of government.  Certainly it is essential to making sure
that markets work and consumers are protected.  When stocks rise or fall based on quarterly
earnings reports, it is because government requires companies to provide this information and
regulates how it is reported.  When manufacturers revise their production targets based on
economic indicators like unemployment and GDP, they are basing their most critical business
decisions on government statistics.  When schools, universities, hospitals, and other essential
American institutions make projections about future demand, they are using government census
data.  If federal and state governments decided tomorrow to stop gathering data and regulating
how it is reported, the U.S. economy would come to a screeching halt.

It has therefore been with great disappointment that I have watched the FCC fail year after
year to get serious about gathering high-quality U.S. broadband data.  I'm sure my colleagues
think I'm a broken record because I bring up this issue so often.  But the truth remains that, time
and time again, we have failed to heed the call of scholars, industry, consumers, and the
Government Accounting Office to improve our data-gathering.  It was starting to look like the
FCC wanted to be part of the problem rather than part of the solution.  This point has not been
lost on Congress, which has moved forward recently on a bi-partisan basis with legislation to
require the FCC and other branches of government to do what we should have been doing all
along.  I will spare you all my full broadband data stump speech today, except to say that it is
truly shocking that we ***still*** rely on an absurdly dated definition of broadband speed and a 5-digit
ZIP code methodology that didn't pass the red face test even when we introduced it many years
ago.

Our prolonged failure to create high quality broadband data is emphatically ***not*** just an
academic concern.  It has real-world, dollars-and-cents consequences.  When companies and
investors put money into e-commerce, Internet video, VoIP and other technologies that ride on
consumer broadband connections, they need to know what kinds of broadband infrastructure
America actually has.  They need to know how many Americans have a broadband connection,
where those consumers are located, how fast their connections actually are, and—importantly—
how much they cost.  The broadband data that we release every six months—and that,
coincidentally, I understand we will be releasing this very day under separate cover—doesn't
answer these questions in any meaningful way.  I wonder how much investment our failure to
develop high-quality broadband statistics has prevented.  We will never know.

Equally important, the lack of high-quality broadband data has also been a huge impediment to
formulating good policy.  It affects the FCC, Congress, and all the other branches of government
that have responsibility for the supply- and/or demand-side of the broadband equation.  Surely by
now—by 2008—we should be able to calculate the value proposition of American broadband—
price per bit—and compare it to other countries, including those that have pursued more
aggressive unbundling and/or national infrastructure approaches to building broadband.  That

would give us enormously important feedback on our own regulatory policies.  Surely by now, we should be able to understand how demographic variables like income, race, gender, age and so forth are related to broadband adoption and availability.  But we don't because of the indefensible way we have gone about gathering data—and still gather it today.

The good news—and, yes, today's *Order* is very good news—is that it shows we're finally getting serious about broadband data-gathering.  I am very grateful that Chairman Martin and my colleagues have been willing to work with me on this issue which has always been near and dear to my heart.  To be sure, it is likely to be a year or more before the FCC actually gets the data that we specify today, and that is a time period when we still won't know what we need to know to make the kind of broadband progress we need to make.  But when we *do* get this data, we will finally have granular information on the number of connections, in various upload and download tiers, for each census tract.  We also ask new questions that distinguish between different types of wireless services—separating out those that allow access to the full Internet from those that offer only access to content selected by the carrier or that has been optimized for mobile phones.  And, also important, today's item recognizes that it is flat-out wrong (and in fact it has been wrong for many years) to call 200kpbs service "broadband."  What is more, the item recognizes, correctly, that broadband must be an evolving definition—and I will certainly be pushing hard to make sure that the Commission continues to evolve on this issue.

All told, these are important advances and I appreciate the willingness of my colleagues to require this level of granularity and specificity.  I am confident that this new information will pay serious dividends.  For example, with our new Form 477, we will finally learn what range of choices individual consumers face in high- and low-income, urban and rural areas.  We will get a much better sense of how many Americans have no broadband option at all, and we will learn how broadband adoption rates vary along with demographic variables.  And with this information in mind, we can finally start making more thoughtful and effective choices about where to focus our attention when it comes to encouraging new broadband investment.

Today's *Order* also makes an important tentative conclusion (followed by a commitment to reach the rules stage within 4 months) that the FCC will collect information on broadband availability at the address level by using the many disparate databases developed by commercial providers to estimate where their broadband services are available.  The distinction between availability and adoption is critical and has been highlighted for us by the GAO.  Compared to the alternative— gathering geographic information on every network asset owned by every carrier in the country and then reinventing the wheel by transforming this information into address-by-address availability—using publicly-available databases is a win-win for the FCC and for industry.  It will lead to a more accurate estimate of broadband availability and a reduced reporting burden for carriers.

Despite the many strides that today's *Order* makes and my approval of many of these initiatives, in two parts I must limit myself to concurrence.  First, I believe it is a mistake to defer action on gathering price information to a further notice of proposed rulemaking.  Price is essential to understanding the value proposition that is available to American consumers—our continued unwillingness to gather this critical information reduces the value of our broadband data reports.  Value—the price per bit—after all, is broadband's killer application, and if we don't understand what kind of value broadband is bringing into people's homes and offices, we can't really understand where we are and what remains to be done.  Second, I think it is a mistake not to require carriers to distinguish between business and residential broadband connections.  The fact that many businesses in the Washington D.C. area subscribe to very expensive high-speed connections in the 100 megabit, 1 gigabit or faster range should not be conflated with the often

far slower connections available to residential consumers.

All in all, today's item comes much later than I would have preferred—but it is a strong step forward and I look forward to seeing the data it produces and using that data to help us get value-laden broadband deployed to all our citizens.  Thanks to my colleagues for their work in improving this item and to the Bureau for its hard work in drafting it.