Statement of Thomas E. Wheeler

United States Senate Committee on Commerce, Science and Transportation June 18, 2013

Thank you, Chairman Rockefeller and Ranking Member Thune. It is an honor to be nominated by the President and to be considered by this committee for the position of Chairman of the Federal Communications Commission (FCC). It has been a privilege to meet with many of you over the last few weeks. If confirmed, I look forward to working with the committee on one of the most dynamic policy environments in our nation's history.

I am excited by the potential for public service. For almost 40 years my professional life has revolved around new communications technology. In the process I have seen the important role that policy can play – as either a boon to growth or a brake on innovation.

In 1976 I stepped on to this career path, first as executive vice president, and then CEO of the National Cable Television Association. I fought against the FCC's rules limiting cable's ability to compete with new video services.

I worked for the ability of competitors to bring services to into the home. And at NCTA, I helped lead the industry to support what is today the underpinning of the FCC's jurisdiction over cable, the 1984 Cable Act.

Caught up in the excitement of the dawning digital age, I became CEO of NABU: The Home Computer Network – the first delivery of high-speed data over cable lines. Unfortunately, it is hard to be The Home Computer Network when there are few home computers. After this experience I continued to pursue the new digital world, including bringing to market the first digital video system, and the first satellite delivery of digital video.

Then, in 1992 the cellular industry recruited me to run CTIA. It was an exciting time as we built markets around the new concept of competitive local telecommunications service. During my tenure that competition was expanded by the auctions of 1994, wireless was

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increasingly used in place of wireline, and wireless data turned the phone into a pocket computer. All of these developments brought with them new policy challenges.

What I have learned from my business experience will make me a better chairman, should the Senate confirm my nomination. Those lessons can be summed up in two concepts.

The first is that competition is a power unto itself that must be encouraged. Competitive markets produce better outcomes than regulated or uncompetitive markets.

I have seen first-hand the results of competition:

- DBS competition spurred cable's expansion into digital services.
- Competitive Local Exchange carrier (CLECs) and cable provision of Internet access spurred the telephone companies to expand their digital offerings,
- The introduction of PCS licensees spurred cellular carriers to go digital.

I am an unabashed supporter of competition. I believe the role of the FCC has evolved from acting in the absence of competition to dictate the market, to promoting and protecting competition with appropriate oversight to see that it flourishes.

Competition is a basic American Value, yet by itself is not always sufficient to protect other basic American Values. In the telecommunications world the Values Congress has identified include improving access to broadband networks. Universal service is a key tenet of the Telecommunications Act; we did this for electricity and basic telephone service, we can do it for broadband.

This Committee has long and regularly recognized another Value: the use of technology to enhance public safety and public services. It makes no sense that first responders carry their own smartphones because the gear they've been issued cannot do what technology otherwise makes possible. Likewise, it doesn't make sense that 80% of e-Rate schools report the available bandwidth is below their instructional needs. ¹

¹ <u>http://www.leadcommission.org/challenge/how-do-we-ensure-every-student-and-educator-has-high-speed-connectivity-school-and-home</u>

Assisting those who are disabled or disadvantaged is another American Value. This Committee's work on the 21st Century Communications and Video Accessibility Act (CCVA) is a classic example of making sure our values and our technology stay in synch.

And, of course, protecting consumers is the heart of the Congressional instructions in the Telecommunications Act and manifests itself in the half a million consumer inquiries and complaints the Commission handles annually.

It is the fact that our society depends so much on our networks that makes the work of the FCC so very important. The Commission is ably led by a well-informed and dedicated group of commissioners supported by an excellent professional staff. Chair Clyburn, Commissioner Rosenworcel and Commissioner Pai are public service exemplars. Should the Senate determine to confirm my nomination, my life experience has prepared me to participate with these dedicated professionals to carry out the intent of the Congress in this important area.

I am humbled to be before you today. Should you so decide, I look forward to the opportunity of working with this committee and each of you to advance the networks and services that are defining our future.