



From: EarthLink
One Pager On: Broadband: Supply, Demand, and the Role of Regulatory Policy
Contact: Dave Baker, Vice President of Law and Public Policy
(404) 815-0770, dave.baker@corp.earthlink.net (www.earthlink.net)

EarthLink is the nation's third largest Internet service provider (ISP), and the largest independent ISP. EarthLink serves 4.9 million customers with dial-up, broadband and web hosting services. In broadband, EarthLink is "platform agnostic" providing broadband internet access to over 500,000 customers through DSL, cable, and satellite connections. The majority of EarthLink's broadband subscribers are DSL as most major cable companies do not offer cable modem customers a choice of ISPs. Broadband regulatory policy must re-affirm the openness of the DSL platform and hold cable broadband providers to the same standards of customer choice and openness to independent ISPs.

Regulatory Policy

- The Internet has developed at an astounding rate because of its openness to competition. Internet access is an unregulated information service that is delivered over regulated telecommunications networks. It has been consistent policy for over 20 years in Congress, at the FCC and in the Courts to allow unfettered access to information services through telecommunications networks.
- The open, non-discriminatory structure of the Internet today is being threatened as we shift to broadband, high-speed access. By failing to enforce longstanding rules of nondiscrimination that apply to DSL, and by failing to apply these same rules to cable broadband networks, the FCC is stifling diversity, consumer choice and economic growth in the broadband marketplace.
- Cross-platform (inter-modal) competition in broadband will mean little if consumers' only choice is between their monopoly phone company's in-house internet service and their cable company's similar offering. Whatever the broadband platform, access to independent ISPs will stimulate broadband deployment, adoption, lower prices and a wider variety of services.

Supply and Demand

- Contrary to the assertions of network owners (telcos and cable) a policy of "openness" will spur broadband deployment and investment. The current "closed" system for most cable broadband gives cable companies the ability to block non-affiliated content, applications, and services, artificially increasing prices, limiting supply and making broadband access less attractive to consumers. DSL providers now seek to emulate this closed environment in their calls for "regulatory parity."
- Broadband Internet access, although widely available, still has low adoption rates. Two leading reasons why more consumers have not subscribed to broadband are 1) high prices and 2) lack of broadband "killer applications." Competition is the key to lower prices, greater innovation, and better service. The competition that will allow broadband Internet access to eclipse the even tremendous success of narrowband Internet access is competition among multiple ISPs at the retail level. This competition can only be made possible if independent ISPs have access to both cable broadband and DSL broadband platforms.