



The widespread adoption of broadband has the potential to transform the way we live, learn, work and play. In addition to these results, we also expect new and unanticipated benefits once we overcome the classic “chicken and egg” start-up problem. However, developers will not create new broadband applications until a sufficient number of users have the capability to support it (i.e., a truly robust broadband connection, at or above 1.5MB per second). Unfortunately, without the new applications, users do not desire the capability. Therefore, policymakers should focus on policies to assist in reaching a critical mass of broadband users. One key component of this strategy is to ensure that as many Americans as possible have access to high-speed broadband from at least two competing service providers.

Goals:

U.S. policymakers need to set ambitious national broadband goals against which deployment can be judged. We propose the following long-term and near-term goals:

- By the end of the decade, at least 100 million homes and small businesses should be able to get affordable 100 Mbps broadband capacity.
- By year-end 2002, 80 percent of U.S. homes should be able to get at least 1.5 Mbps capacity and 50 percent of U.S. homes should be able to get 6 Mbps from at least two providers.

Policies:

In order to achieve these goals, Intel recommends the following policies be adopted:

- In order to stimulate demand, policymakers should seek to proliferate e-government applications and other demand-related policies encouraging the development of video-rich applications, which are critical to accelerated adoption of broadband.
- The FCC, state and local policymakers should expeditiously review all their policies—including unbundling policies, rights of way access and spectrum reforms—to assure that they are not impeding the reasonable and timely deployment of broadband.
- The widespread deployment of high bandwidth broadband will require tens of billions of dollars of additional investment. However, current unbundling regulations are impeding deployment of new last-mile broadband facilities, especially DSL investment by the local telephone companies.
- The FCC should refrain from imposing Section 251 unbundling obligations on the incumbent local exchange carriers’ (“ILECs”) new, last-mile broadband facilities that is, new fiber and DSL electronics deployed on the customer side of the central office used to provide broadband services.
- ILECs should continue to be required to provide collocation space and unbundled access to the legacy facilities (those to which competitors have access today).

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