



CompTIA Global Public Policy
4350 N. Fairfax Drive, Suite 440
Arlington, VA 22203
Telephone 703.812.1333,
Fax 703.813.1337

CompTIA Public Policy – <http://www.comptia.org/publicpolicy/index.htm>

More Broadband Usage Means More Americans Benefit

Many of CompTIA's members are voice and data resellers. These companies provide telecommunications services either directly to end users, or indirectly, by servicing companies that provide direct end-user telecommunications services. CompTIA's communications resellers depend on competitive broadband services to stay viable. For CompTIA and its members, the widespread deployment of, and access to, high-speed services also means something further – through ubiquitous broadband, more Americans will be able to share in the rich benefits that IT has to offer.

Have Faith in the Act, Competition Will Deliver More Services

The best way to advance the deployment of high-speed broadband services remains full and vigorous enforcement of the Telecommunications Act of 1996 (Act). Competitive access to essential network facilities is key to the spread of broadband technologies. Ensuring that incumbent providers faithfully hem to the Act will bring about lower prices, more innovative offerings, and better communications services to more Americans than thru the “natural monopoly.” CompTIA opposes any legislative or administrative actions that would undermine the competitive balance demanded by the Act.

Supply Might Already Be Supplied, Demand Still Wanting

CompTIA believes that the supply of broadband to Americans is headed in the right direction. Broadband usage accounted for more than half of all time spent online in January 2002, and outpacing dial-up Internet access for the first time, with 21.9 million at home surfers. According to Nielsen/NetRatings, broadband users logged 1.19 billion hours -- or 51 percent of the total 2.3 billion spent online in January 2002. Thus far, however, the debate surrounding broadband has centered almost entirely on supply-side dynamics. To date, little attention has been focused on the “demand” for broadband – i.e., why more people aren't using high-speed services that are already largely accessible.

By thoroughly examining demand dynamics, together with questions of supply, a true solution to broadband deployment may be fashioned.

Broadband Value Proposition Key to Uptake

According to recent government data, broadband usage is up dramatically in the past year. The Department of Commerce's estimation, from August 2000 to September 2001 residential use of high-speed broadband service approximately doubled. Confirming this trend, the FCC says high-speed Internet access subscriptions are up 250 percent from June 2001.

Though studies show that nearly 80 percent of Americans can presently access broadband services, Americans demand a better value proposition. They ask, “What can I do with broadband that I can't do with dial-up”? Consequently, for broadband to “make it,” it has to be perceived as offering more than just faster e-mail and web-browsing.

Government Should Promote New Uses, Prime the Demand Pump

Unlocking consumer “demand” – looking to such areas as tele-work, e-learning, e-health, e-government, entertainment, and the “smart” home and business – will likely further spur broadband use and deployment.

To that end, narrowly focused tax incentives, innovative public-private pilot programs, as well as the ongoing rush of new and exciting technologies will work to stimulate lagging consumer demand. Presently, CompTIA is working with our member companies and other industry associations to help policymakers identify government incentives, recognize regulatory obstacles, and remove obsolete laws in order to better address current 21st Century technologies that will dramatically boost broadband deployment and IT industry growth.

About CompTIA: CompTIA, the Computing Technology Industry Association, is a not-for-profit trade association, representing the computing and communications market. CompTIA has more than 10,000 corporate members in 78 countries, and 10,500 individual professional members.