

**Statement of Commissioner Deborah Taylor Tate**

**At *En Banc* Hearing on  
Broadband and the Digital Future  
Carnegie Mellon University  
Pittsburgh, Pennsylvania  
July 21, 2008**

Thank you, Chairman Martin, for holding this hearing on the broadband of tomorrow and the future of digital media. Today we will discuss two topics that go hand in hand, and I am eager to hear about both the amazing services that are being offered, as well as the best way to get make those services available in an efficient and effective manner to all people, from cities like Pittsburgh, to the farthest reaches of rural America. I would like to thank our panelists, who represent a good cross-section of expertise on these issues, for attending and Carnegie Mellon, one of the world's great research universities, for hosting this event. I also would like to welcome to U.S. Congressman Mike Doyle to this hearing, and thank him for his hospitality.

The broadband revolution continues, changing how we communicate, how, where and when we work, how we educate our children, the delivery of healthcare and public safety, as well as how we access entertainment. Broadband technology is a key driver of growth across many sectors of the American economy, with the ability to share large amounts of information at ever-increasing speeds increasing productivity,

facilitating commerce, driving innovation, and even assisting in reducing our energy consumption.

Notably, Internet providers continue to invest billions of dollars to upgrade and expand their networks. Spending on broadband networks was \$15 billion in 2007 and is expected to dramatically rise to \$23 billion by 2010. The Commission's most recent report on broadband deployment shows that the U.S. remains the largest broadband market in the world, and finds continued dramatic growth in broadband deployment to over 100 million lines as of June 2007, an increase of 55%.

And for-profit companies aren't the only ones getting into the act. Non-profit groups such as One Economy corporation, have done incredibly innovative work connecting low-income areas to the information superhighway, helping to ensure that all American families have access to the educational, health, and economic benefits of broadband access. I would like to personally welcome Rey Ramsey, Chairman and CEO of One Economy, who was kind enough to come here to share his views with us today.

These are also exciting times for American consumers. From IP video to digital cable, from webcasting to Wi-Fi, there are more options in the digital marketplace than ever before. Exciting content is moving across multiple platforms, and this explosive growth increases options for consumers no matter the technology, device or platform they employ. However, with all the high speed access and exciting options consumers

have, it's all too easy to overlook the fact that much of this content is being transmitted illegally.

Being from Nashville—Music City, I am acutely aware that the creative community is suffering as a result of illegal downloading. Producers, songwriters, and artists are watching their industries and their art literally vanish into thin air by those who misuse the very infrastructure that we are discussing today. Two-thirds of the 20 billion illegal downloads worldwide each year are of U.S. recorded music. In Tennessee alone, we've suffered *\$203 million* in lost earnings due to piracy. My hope is that we do not allow those who seek regulatory protection for illegal activities to prevail by hiding beneath the honored word of “freedom.” It is imperative that the broadband industry address how to combat the drain of approximately \$12.5 billion dollars from our economy each year and the impact on thousands of Americans who are our nation's- indeed the world's- storytellers.<sup>1</sup> Another area of immense interest not only to me, but to parents across this country, is ensuring child online safety. The scourge of online child pornography on networks continues to be a threat, and the “virtual world” our children inhabit is actually a very real world 24/7.

To stem the proliferation of piracy and child pornography, internet service providers must be free to find, identify and purge such content from their networks. Collaborative, industry based solutions and public-private partnerships are the most

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<sup>1</sup> Stephen E. Siwek, *The True Cost of Sound Recording Piracy to the U.S. Economy*, Institute for Policy Innovation, August 2007.

effective way to dealing with these problems, not government regulatory action. A great recent example of private sector collaborating for the public good is last week's announcement of a partnership between the National Center for Missing and Exploited Children and the cable industry to fight child pornography. This agreement will give cable operators the tools to effectively guard against the proliferation of child pornography on their servers, and help build a barrier to protect children from unlawful content.

From broadband deployment, to unprecedented digital media offerings to ensuring that intellectual property rights are respected and our children are protected, clearly Americans are reaping the benefits of broadband innovation, and the best is yet to come.

Thank you again to Representative Doyle and our panelists for attending today and Carnegie Mellon University for hosting this event. We look forward to hearing your wide ranging views regarding these important policy issues as we strive to find the right balance to ensure that innovation, investment and deployment continues to grow, and that the broadband revolution continues for all Americans no matter where they may live.