

Prepared Remarks of FCC Commissioner Mignon L. Clyburn
“Robust Competition in the Wireless Industry is the Key to a Successful Marketplace”
National Conference for Media Reform
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Thank you, James, for that great introduction. It is so great to be here in Boston with all of you and to see so many familiar faces. Craig—congratulations on another great gathering, and on your incredible new leadership role. You are a digital “Pied Piper,” and I can’t thank you and Free Press enough for leading us all here this weekend.

This world is changing, and FAST. I have to pinch myself every morning as I walk into the FCC office building because it is such an incredibly fascinating time of technological change, new and here-to-stay habits for communicating, and the emergence of mobile everything, everywhere, anytime.

Take a moment to reflect and compare your airport terminal experiences back then and now. Remember what people were doing 10 years ago while waiting for flights? Reading...talking...or staring at the ceiling. Now, they’re texting, emailing, finishing a power-point, watching Hulu, playing a game with a friend who lives in say, New Zealand, sending pictures or organizing home videos from the weekend to send to Mom and Dad, tweeting, Facebooking, Instant Messaging and on and on and on. Count the number of different wireless activities that are happening next time you’re at an airport gate. Then call me and we’ll see who found more.

In meeting after meeting, I hear about the fast-approaching reality of mobile DTV and faster speeds for mobile broadband. I read articles about the explosive sales of tablets and iPhones, and my staff tells me about the growing prevalence of both on their morning bus and subway commutes into southwest D.C. I mention all of this to hammer home the fact that wireless availability with its ease of use is no longer a fun novelty that’s there if and when you choose to use it. Consumers have integrated it as an essential part of their daily routines, work activities, and family discourse at an exponential and ever-increasing rate. And I’m certain the overwhelming majority would readily admit that they cannot live without their mobile device.

Look at your friends. Or, just take a look at yourself. What is your texting to voice call ratio? Do you prefer the warm, protective comfort of sending an email or a text to the unpredictable spontaneity of speaking to someone in real time? Did you ever think that we would develop and opt for a more convenient way of casually communicating other than *talking*? This is the new reality, and this country has embraced it wholeheartedly.

This is especially true in lower-income communities, and it’s easy to understand why. Depending on the data plans available, it may be far more economical for family members in a low-income household to communicate in short text messages rather than risk using too many voice minutes a month and having to pay penalties. We all know that story: a 13-year-old calls his mother to ask a quick question, and pretty soon the call has exceeded six minutes. Text messaging is quick, to the point, and to some degree, easier to limit and restrict in the practical sense.

Wireless has become the preferred choice. This is especially true for college graduates and young people under 30, but it is even more so the case for families and individuals with smaller incomes and little to no discretionary cash. While the primary use of their wireless phones is texting and voice calling, they are increasingly relying on them for everything from checking bus arrival times, to finding weather forecasts in order to determine how they should dress their children.

The availability of these services helps us all manage our lives in a smoother, more efficient way, but *my* worry is that this ease that many of us take for granted, may be at risk for others. And *that* is not okay. I'll get back to that in a moment.

Let's review some data. At least one in four households relies solely on wireless telephony. That's no surprise to anyone. In the current economic climate, individuals and families are cutting costs, and a land line subscription increasingly seems to be regarded as a luxury. In other words, adults living in poverty or near poverty are more likely to be wireless-only than higher-income individuals.

It's worth noting that Hispanic and African American adults are more likely to be wireless-only than whites, and data applications on wireless devices are far more prevalent among Latinos and African-Americans than whites. We've learned that 87% of African Americans and Hispanics own a cell phone, compared to 80% of whites. And, most relevant to my point, African Americans and Hispanic cell phone users take advantage of a much wider array of their phones' data functions than their white counterparts.

Thus, in considering all of the factors relating to America's minority and low-income citizens, and realizing how hard people work to claw past their monthly bills only to immediately start fretting about *next* month, we must be vigilant—super-vigilant—about the direction the wireless industry is heading. So many people depend—and I need to stress that word—*depend* on their wireless phones in their everyday lives.

I'd like to contrast that word, "depend" with another word, "enjoy". We enjoy our mobile phones for their convenience, for their ability to give us access to the latest sports scores and top headlines. But many people in this country also *depend* on their phones. If a father is trying to get a few more bites of food into a child before sending him or her to catch a bus, he'll be able to check how much time he has to ensure that boy or girl gets to school on time while minimizing the wait time at the bus stop. If a parent is late to pick up a child, a simple text will prevent excess worrying. A mother can use her phone to check the weather to see if a snow storm is expected later in the day, and use that forecast to insist that her 12-year-old grab a heavy coat before leaving for the subway. Examples like these are legion.

In light of all of this, it is of the utmost importance that we remain aware and mindful of the decisions we make. They have profound effects on the ever-increasing number of people and small businesses that depend on wireless connectivity, and if we get it wrong, if the costs become too prohibitive, we will have failed.

I hear complaints about bill shock, and each one cuts deeper than the last. They reflect real struggles. They involve impossible decisions. I'm on a fixed income, so do I pay this bill every month, which is oppressively high, and sacrifice so much else? Do I keep my data plan, which enables me to do the many things that have improved my life, and has allowed me to better keep in touch with family and friends, or do I use that money to take my family out to dinner once a month?

Small businesses, the little engines that run the American economy, already pay significantly more per employee for broadband and communications services so I believe that we should do all that we can to help ensure that costs do not become a barrier to wireless service adoption.

Sustained and vigorous competition in the wireless industry is paramount. There are millions of Americans living in rural census blocks who are served by two or fewer wireless service providers, and there are companies that are seemingly reluctant to bring competitive services to low income urban communities. Last year, we adopted the TV White Space Final Rules, and I learned something quite interesting during that proceeding. TV White Space devices lower the costs for serving communities, and could enable companies to develop cost-effective business models to serve low-income urban as well as rural communities.

In addition, just yesterday, the Commission adopted a Data Roaming Order that, in my opinion, advances two important policy objectives. First, it helps those companies who are trying to find ways to offer competitive wireless service in rural areas. All wireless carriers need to roam on the networks of other carriers, and this includes not only the largest carriers with the billion dollar marketing campaigns, but the smaller carriers most Americans have never heard of. For those not-so-huge ones trying to serve rural areas with difficult terrain features, roaming agreements are a must. Second, our Order promotes consumers' reasonable expectations in seamless wireless service. Individuals already expect this for basic voice service and text messaging, and they are beginning to expect it for mobile broadband service as well. In 2008, 25 million Americans subscribed to mobile broadband service. That number is now over 70 million.

The FCC is charged with the protection of consumers, and a natural by-product of that is the need to encourage competition. I will do my best in this regard, and in every proceeding that comes before me, including in my review of a much talked about merger announced a few weeks ago. I have said before that I believe in "smart" or "balanced" regulation. Indeed, when the market is working, government can take a step back and allow it to flourish. The main thing that allows us to take that step back is competition.

When there is vibrant competition in the market, prices are lower, deployment increases, and innovation flourishes. Competition is a great disciplining force, but when it is reduced, it forces the government to play a bigger role. So my aim is to ensure that we set the stage for robust competition, which lessens the need for government intervention.

We are at a significant crossroads, especially with regard to less fortunate communities. Their dependence on wireless devices and services is growing, and if my neighbor or your relative can't afford to use these devices, it can profoundly, and adversely, affect all of us. National communications policy initiatives can help promote the accessibility, affordability, and adoption of wireless services, and I intend to do what I can to promote these principles.