

**FCC CHAIRMAN JULIUS GENACHOWSKI
PREPARED REMARKS ON STOLEN CELL PHONES INITIATIVE
CITY HALL
WASHINGTON, D.C.
APRIL 10, 2012**

Good morning.

Thank you to Senator Schumer, Chief Lanier, Commissioner Ramsey, and Commissioner Kelly for your leadership on this issue.

Thank you to CTIA and the wireless carriers who have committed to action.

Thank you to my team at the FCC who have been working on solutions to smartphone and tablet theft – Josh Gottheimer, who led the negotiations, Daniel Kirschner, Charles Mathias, and Amy Levine.

Working together, we've come a long way in a short time on this critically important issue.

We're living in the middle of a mobile revolution that continues to accelerate at a dizzying pace.

Within the past year, the percentage of Americans with smartphones has doubled, going from about 25% of subscribers to more than 50%.

Commercial tablets didn't exist at the start of 2010. Apple just sold 2 million iPads in one weekend.

These new mobile devices are delivering tremendous benefits.

They help connect and inform. They often save lives, for example by allowing 911 calls from anywhere. And they are helping grow the American economy.

The apps economy, a new industry made possible by smartphones and tablets, has already created nearly 500,000 new jobs.

But the rapid adoption of smartphones and tablets is also creating very real safety concerns.

The numbers are alarming.

In DC, New York and other major cities, roughly 40% of all robberies now involve cell phones – endangering both the physical safety of victims and the safety of the personal information on stolen devices.

In D.C., the percentage of robberies involving cell phones is up 54% since 2007.

Over the last several months we have heard from Senator Schumer, who called this vital issue to our attention and made it a priority.

We have heard from Chief Lanier and Commissioner Kelly.

The Major Cities Police Chiefs Association, representing more than 60 U.S. cities, serving 76 million people, and headed by Commissioner Ramsey, issued a declaration calling for action.

They all said: This is a real problem; we need a solution.

I agreed, and we rolled up our sleeves looking for practical solutions.

We formed a task force with some of our most talented people.

We spoke with carriers, manufacturers and operating system and software companies.

In February, at the GSMA World Congress – a major annual global wireless gathering – I raised the issue publicly as a “serious consumer issue” and said that the FCC was taking seriously.

I met with the GSMA executive responsible for the GSMA database operating in a number of countries. I learned that a database system was both working in the UK and other countries, and doable here in the United States.

Together with all the stakeholders, we sped up our work.

And I’m very pleased that the industry has responded, and today, we’re announcing the PROTECTS Initiative – a series of practical, meaningful solutions to combat cell phone theft.

These are steps that will reduce the value of stolen smartphones and tablets, and better protect consumer data mobile devices.

With today’s announcement, we’re sending a message to consumers that we’ve got your back, and a message to criminals that we’re cracking down on the stolen phone and tablet re-sale market and making smartphone theft a crime that doesn’t pay.

The PROTECT Initiative consists of three key pieces.

1. Creating a database to prevent use of stolen smartphones and tablets. This database will enable carriers to disable stolen smartphones and tablets, dramatically reducing their value on the black market.
2. Putting in place automatic prompts on smartphones and tablets for consumers to set up passwords and take steps to secure their devices
3. Launching a public education campaign urging consumers to use applications that increase security and reducing the value of stolen devices, including apps that enable consumers to locate, lock and wipe missing smartphones and tablets. This campaign begins with an FCC tip-sheet we are issuing today, and we’ll work with the police chiefs, the industry and Congress to spread the word.

I commend CTIA and the wireless companies including AT&T, Sprint, T-Mobile, Verizon, and Nex-Tech Wireless for their commitment to these steps.

I also acknowledge and thank the equipment manufacturers and operating system developers, Apple, Motorola, Qualcomm, HTC, Microsoft, Nokia, and RIM, for being part of this solution.

In the last couple of years, the U.S. has regained global leadership in mobile innovation. With the steps we’re announcing today, the U.S. will also become a world leader in addressing the growing problem of mobile device theft.

Of course technology will continue to change, creating new opportunities and new challenges.

Under today's announcement the wireless industry will submit quarterly updates to the FCC on progress on these initiatives. If deadlines aren't met, the Commission will take action. But I fully expect the deadlines to be met on schedule, if not earlier.

Also, for the first time, we're announcing today that the FCC will establish regular, quarterly meeting with the police chiefs on this initiative and on any new issues that might arise.

Finally, the database system will become more effective as more countries join. We have called on all countries to adopt the database and other solutions we're announcing today, and I am making it a priority of the FCC's International Bureau to work with other countries to advance this initiative.

Again, for your strong leadership, thank you to Senator Schumer, Chief Lanier, Commissioner Kelly, Commissioner Ramsey.

I look forward to working with all stakeholders on further steps to protect the public in this new world.

In particular, we will work with Senator Schumer and Congress and the legislation Senator Schumer is introducing to prevent tampering with IMEI numbers on mobile devices.

Thank you to CTIA, its member companies, and all companies that have helped make today's big win for consumers possible.