

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of
Restoring Internet Freedom

WC Docket No. 17-108

REPLY COMMENTS OF APPLE INC.

An open internet ensures that hundreds of millions of consumers get the experience they want, over the broadband connections they choose, to use the devices they love, which have become an integral part of their lives.

At Apple, we build tools for productivity, entertainment, creation, and discovery. Since the introduction of the Macintosh in 1984, we have worked to create technology that empowers people to bring their ideas into reality. Today, macOS, iOS, watchOS, and tvOS connect our users with ideas and information from around the world, and services like Apple Music, iTunes, iCloud, and our App Stores make it easy for them to find online music, TV, movies, and apps they love. Those connections and services depend on fair and open access to broadband services.

Our deep respect for our customers' security, privacy, and control over personal information extends to our customers' broadband connectivity choices. We work hard to build great products, and what consumers do with those tools is up to them—not Apple, and not broadband providers. Apple therefore believes that the Federal Communications Commission should retain strong, enforceable open internet protections that advance the following key policy principles:

Consumer choice. Consumers must be allowed to access the lawful internet content, applications, and services of their choice, using non-harmful devices of their choice (subject, of course, to reasonable network management). Broadband providers should not block, throttle, or otherwise discriminate against lawful websites and services. Far from new, this has been a foundational principle of the FCC’s approach to net neutrality for over a decade.¹ Providers of online goods and services need assurance that they will be able to reliably reach their customers without interference from the underlying broadband provider.

No paid fast lanes. Broadband providers should not create paid fast lanes on the internet. Lifting the current ban on paid prioritization arrangements could allow broadband providers to favor the transmission of one provider’s content or services (or the broadband provider’s own online content or services) over other online content, fundamentally altering the internet as we know it today—to the detriment of consumers, competition, and innovation. Consumers today seek out the content and services they desire based upon numerous factors, including quality, innovation, ease of use, and privacy considerations. Paid fast lanes could replace today’s content-neutral transmission of internet traffic with differential treatment of content based on an online providers’ ability or willingness to pay. The result would be an internet with distorted competition where online providers are driven to reach deals with broadband providers or risk being stuck in the slow lane and losing customers due to lower quality service. Moreover, it could create artificial barriers to entry for new online services, making it harder for tomorrow’s innovations to attract investment and succeed.² Worst of all, it could allow a broadband

¹ See *Appropriate Framework for Broadband Access to the Internet over Wireline Facilities et al.*, Policy Statement, 20 FCC Rcd. 14986 (2005).

² See Letter from more than 1,000 startups, innovators, investors, and entrepreneurial support organizations to FCC Chairman Ajit Pai, April 26, 2017, *available at* <http://www.engine.is/startups-for-net-neutrality/> (explaining that absent open internet

provider, not the consumer, to pick internet winners and losers, based on a broadband provider's priorities rather than the quality of the service.

Transparency. Broadband providers should meaningfully disclose the traffic management and network performance of consumer connections. The importance of broadband provider transparency to the open internet is twofold. First, consumers need to be able to make informed choices about their purchase and use of broadband services. The open internet depends on consumers understanding—and getting—the broadband service they pay for. Second, online providers need clear information about the management and performance of residential broadband services to understand that their services will be delivered to their customers as intended. Robust disclosure requirements empower consumer choices and further online investment and innovation.

Competition. Competition for last-mile broadband connections is crucial to protecting an open internet. Based on the FCC's latest data, 57 percent of Americans with access to fixed broadband at or above 25Mbps/3Mbps—the current FCC benchmark for advanced broadband service—have only one choice of broadband provider.³ This means that many consumers cannot switch providers even if they learn that their broadband provider interferes with the internet's openness in a way that they oppose. Absent a meaningful choice of providers, consumers cannot make their voices heard through their market choices.

Investment and innovation. An open internet fosters innovation and investment. Today, innovators—big and small—develop new online services and applications premised on the

protections, broadband providers could take actions that would “impede an entrepreneur's ability to ‘start a business, immediately reach a worldwide customer base, and disrupt an entire industry.’”).

³ *Inquiry Pursuant to Section 706 of the Telecommunications Act of 1996*, 2016 Broadband Progress Report, 31 FCC Rcd. 669, 736 ¶ 86 (2016).

assumption that they will be able to reach consumers without encountering interference or needing permission from a broadband provider. As consumers come to use and rely on those online services and applications, demand increases for faster and better broadband connections. And broadband providers respond by investing in their networks to meet this demand. Through this virtuous circle, internet openness, investment, and innovation are mutually reinforcing—to the benefit of consumers, productivity, and overall economic growth.

These key principles are reflected in the FCC’s current rules and should form the foundation of any net neutrality framework going forward. Apple remains open to alternative sources of legal authority, but only if they provide for strong, enforceable, and legally sustainable protections, like those in place today. Simply put, the internet is too important to consumers and too essential to innovation to be left unprotected and uncertain.

Respectfully submitted,

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