

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

In the Matter of)	
)	
International Comparison and Consumer)	
Survey Requirements in the Broadband)	GN Docket No. 09-47
Data Improvement Act)	

**REPLY COMMENTS OF THE
NATIONAL ASSOCIATION OF TELECOMMUNICATIONS
OFFICERS AND ADVISORS**

I. INTRODUCTION

The National Association of Telecommunications Officers and Advisors (NATOA) submits these reply comments in response to the Public Notice regarding implementation of Sections 103(b) and 103(c)(1) of the Broadband Data Improvement Act of 2008 (“BDIA”), involving the international comparison and consumer survey requirements imposed by BDIA.

NATOA’s membership includes local government officials and staff members from across the nation whose responsibility is to develop and administer communications policy and the provision of communications services for their respective communities. NATOA’s membership includes communities that have constructed, or are in the course of constructing broadband infrastructure, or are offering broadband services within their jurisdictions. These members manage networks in urban, suburban and rural areas across America.

As a preliminary issue, NATOA would inform the Commission that the timing of this Notice was problematic. As the record in this proceeding to date indicates, very few commenters have supplied the Commission with guidance on how best to meet the requirements imposed by Congress under BDIA, an outcome the likely result of the Commission’s timing for comments and replies. As the Commission is well aware, comments for both the NTIA broadband grant

program implementation docket and the Commission's own docket related to its advisory role to NTIA were due on April 13, 2009, and notices for these two items predated the release of the notice in this proceeding.¹ While the issues implicated in the instant Notice are no less important to the overall broadband future of the United States, the release and comment dates could have the effect of depriving the Commission of the fullest possible record to consider when deciding how best to meet its international comparison and consumer survey requirements under BDIA. NATOA would urge the Commission take reasonable steps to ensure that it has a complete record before deciding how to address these two issues.

II. PREVIOUS COMMENTS

Of the ten initial comments filed in this proceeding, half were filed by current domestic telecommunications providers (AT&T, Verizon, Comcast, USTelecom, and XO/Nextlink). The other half were filed by organizations focused on the methodology issues involved with the requirements imposed by BDIA (WIK and Synthesys), content filtering services (Blueprint Data) or are concerned primarily with the impact on the disabled and vulnerable populations (COAT and Inclusive Technologies). While each of these comments reflects the issues inherent with their own concerns, as of yet no commenters have addressed the public interest concerns implicated by BDIA – something NATOA is duly capable of addressing.

A. International Comparison Comments

Of those commenters who addressed the international comparison requirement imposed by § 103(b) of BDIA, most were quick to point out the methodological shortcomings of the existing international metrics provided by the Organisation for Economic Co-operation and

¹ See *Comment Sought on International Comparison and Consumer Survey Requirements in the Broadband Data Improvement Act*, GN Docket No. 09-47 (released March 31, 2009). Compare with *Comment Procedures Established Regarding the Commission's Consultative Role in the Broadband Provisions of the Recovery Act*, GN Docket No. 09-40 (released March 24, 2009) and *American Recovery and Reinvestment Act of 2009 Broadband Initiatives*, NTIA/RUS Docket No. 090309298-9299-01 (released March 9, 2009).

Development (OECD). Specifically, AT&T referred to the OECD metrics as “presenting incomplete data in a misleading fashion...failing to examine the root causes of the differences in broadband penetration rates among the countries being studied.”² Comcast informs the Commission that “OECD’s data gathering and reporting methodologies are not uniform,”³ while Verizon points out that the OECD “excludes 3G/4G mobile technologies and WiFi.”⁴ USTelecom stresses that OECD “does not take into account household size [or]...a country’s geographic size and its relation to population density,”⁵ and WIK concludes that OECD’s measurements “tend to be at the level of countries, and thus too coarse for the purposes of the BDIA.”⁶

On the topic of community and country selection, Synthesys emphasized the need to “include countries that are currently peers to the U.S. as well as countries that appear to be leapfrogging parts of the path of industrialized countries in information and communication infrastructure development.”⁷ WIK pointed out that the “European Commission has the authority to impose consistent data collection practices on the National Regulatory Authorities of 27 Member State countries,”⁸ a key consideration when selecting European communities. Other commenters point directly to the nature of the BDIA, and the enumerated qualities it seeks in making comparisons between communities here and abroad.⁹

The overarching theme through most comments, however, is that a bare statistical analysis of broadband penetration and adoption, absent consideration of myriad economical, social, and political factors would do no better than any currently existing measurement of

² See AT&T Comments at p. 2.

³ See Comcast Comments at p. 3.

⁴ See Verizon Comments at p. 7.

⁵ See USTelecom Comments at p. 5.

⁶ See WIK Comments at para. 10.

⁷ See Synthesys Comments at pp. 3-4.

⁸ See WIK Comments at para. 12.

⁹ See Pub. L. No. 110-385, 122 Stat. 4097, § 103(b)(2), (b)(2)(A).

broadband deployment. Several commenters point to the regulatory schema that affect the deployment of broadband in our global competitor nations.¹⁰ Others point to the fact that each offering has its own value added extras that make a pure pricing comparison difficult to obtain.¹¹ The general sense gleaned from these comments is that, because of the wide range of factors that impact broadband deployment from country to country, and even within a country, that the Commission needs to adopt as clear, uniform, and accurate a methodology as possible when carrying out an international comparison.

B. Consumer Survey Comments

Comments on the consumer survey aspect of the Commission's notice were varied in focus and depth. Verizon, for example, pushes for the retention of an outside firm to conduct surveys and points out that one in five households no longer use a landline telephone – a staple of consumer surveys.¹² Comcast recommends teaming with a working group of interested stakeholders and survey experts, and states that any data gathered should be open to peer review.¹³ AT&T suggests that the Commission work closely with the Department of Commerce's Census Bureau to conduct the consumer survey, similar to previous actions taken by NTIA.¹⁴ USTelecom offers an approach that relies on existing third-party data gathered by the Pew Institute, Connected Nation, and Consumers Union for complying with BDIA's requirements.¹⁵ COAT urges the Commission to include usage and adoption data of "distinct user communities" such as the blind, deaf, and speech impaired.¹⁶ The unifying theme of the initial comments is the need not only to collect a wide range of data across multiple populations,

¹⁰ See, e.g., Verizon Comments at 12, XO Comments at 3, WIK Comments at para. 17

¹¹ See, e.g., AT&T Comments at pp. 7-8, USTelecom Comments at p. 6.

¹² See Verizon Comments at p. 14.

¹³ See Comcast Comments at pp. 9-10.

¹⁴ See AT&T Comments at pp. 8-9.

¹⁵ See US Telecom Comments at pp. 7-8.

¹⁶ See COAT Comments at p. 3.

but to do so in a manner that reflects the current climate of transparency and openness in government.

III. INTERNATIONAL COMPARISON

The Commission was given a fairly well-tailored set of requirements for completing its international comparison under § 103(b) of the BDIA: To collect data on broadband availability from 75 communities across 25 countries, including transmission speed and price data, in a manner that will allow the Commission, Congress, and other agencies to see how comparable American communities are to their international counterparts. That this data collection should also reflect the relevant similarities and differences between communities reflects the reality that no single nation is analogous to the United States. The data should also be made transparent and verifiable, in line with the efforts already being made under the Obama administration.

Prior commenters in this docket are also right to point out that existing international metrics on broadband deployment are ill-suited for meeting the Commission's needs. The methodological problems with the OECD report are recited time and again in the comments, but most problematic is that OECD does not offer a sufficient level of granularity to make an apples-to-apples comparison. With the Commission's recent decision to update its Form 477 data collection practices to capture more granular data, any effort to make an international comparison should start by finding, to the extent possible, the best possible analog to the census tract data currently being reported to the Commission of Form 477.

The Commission should also look first to the legal and regulatory environment that has shaped each nation's broadband deployment efforts. Were there large government subsidies or government ownership of deployed networks? Are there regulations that have a direct or indirect effect on market offerings of broadband in a country? To what extent has a nation's broadband

strategy shaped the nature and timing of network deployment? These and many other government actions need to be taken into consideration when looking at other nation's efforts to deploy broadband.

The Commission should also make best efforts to study the nature of the technology being deployed in each community. Is there a balanced mix of wireline, fixed wireless, and mobile wireless broadband being offered, or does one technology have a foothold over others? Are wireline deployments being made using copper, fiber, or copper-fiber hybrid technologies? Does the nature of the customer being served (residential, commercial, institutional) have an effect on the available connectivity options? In order to discern the level of competitiveness with other nations, the Commission will need to research the manner in which broadband is being offered and see what similarities and differences exist in the United States.

Speed comparison is often wrought with problems: The ways in which the Commission can collect and compare speed data are numerous, each one offering its own pros and cons. The Commission, at the very least, should ensure that any transmission speed data gathered is collected during peak usage hours, so that the consumer experience abroad and at home during the times where most users are likely to be online is what is being studied. Consumers, regardless of location, do not care how fast an Internet connection is in the middle of the night, but instead in the middle of the afternoon, and the data collected should be geared to reflect how fast these peak usage times really are for international consumers. Whatever the actual testing mechanism that is selected for recording actual speeds at peak usage, the Commission should strive to collect this information in as uniform a method as possible.

Price is also a difficult metric to compare, not only because of bundling but because of income differences. An international broadband service provider and a domestic service

provider might make connectivity available at a certain speed for the same price, but if the domestic consumer is paying a greater percentage of his or her paycheck to obtain that service, it is not as readily affordable as the service offered to the international consumer. To the extent possible, the Commission should not only compare retail prices for broadband service, but how much of a resident's average monthly income this service costs. By correlating speed, retail price, and percentage of monthly income allocated to acquiring service, the Commission will be able to better understand the value broadband offers both domestically and abroad.

As for the selection of communities to be studied and compared to analogous communities in the United States, NATOA suggests that the commission look to Sister Cities International¹⁷ (SCI) as a resource for finding easily comparable cities for the purpose of fulfilling this section of BDIA. According to SCI, they count over 650 U.S. cities partnered with over 1,700 international cities from 135 countries¹⁸ amongst their members, each with pre-existing long-term relationships between the U.S. cities and cities abroad. This resource would provide the Commission a vast array of community sizes and compositions to choose from, would save valuable resources and could eliminate unnecessary duplication of effort.

IV. CONSUMER SURVEYS

A common theme not only of the initial comments, but of other recent broadband proceedings both before the Commission and at NTIA, has been of the need to coordinate the efforts of multiple agencies to avoid duplication of efforts and maximize the return on available resources. This need for coordination extends beyond federal agencies to all levels of government, associations and organizations, and business entities that all have an interest in seeing the best possible results from the overarching broadband efforts being pursued today. As

¹⁷ See Sister Cities International, <http://www.sister-cities.org>.

¹⁸ See About Sister Cities, <http://www.sister-cities.org/about/statistics.cfm>.

such, coordination for the purposes of fulfilling § 103(c)(1) of BDIA will be essential to successfully garnering an understanding of how consumers view broadband connectivity.

Throughout the initial comments the need to understand why broadband had not been adopted by a consumer, or adopted and then abandoned, was echoed repeatedly. For all of the transformative effects broadband connectivity can have on an individual, a family, and a community, there are many segments of the American population who still do not see the need to bring broadband home into their daily lives. By engaging in sound qualitative social science research to ascertain the reasons why people elect not to bring broadband home, the Commission can identify ways that demand for broadband can be increased on a targeted, efficient basis.

It is also worth noting that much of the data that the Commission will seek to collect in this survey is of the exact kind sought for purposes of broadband mapping efforts that are also contained in the BDIA and funded through the American Recovery and Reinvestment Act of 2009. By coordinating its efforts under BDIA with NTIA's mapping process, the Commission will provide necessary information to multiple agencies for multiple purposes – the kind of coordination needed to make the most efficient use of resources possible. To the extent possible, the Commission should collect the survey information in a manner that matches NTIA's own process, so that both agencies wind up with a larger pool of data that is easily correlated and utilized.

The Commission should also be sure to collect information relating to uses of broadband outside of the home for purposes of this survey. Consumers, including many who choose not to bring broadband directly into their home, are often times using broadband in other places: Work, school, libraries, commercial WiFi hotspots, and in other public locations. To discount the net effect of this daily usage would not only overlook one of the reasons why some consumers

choose not to bring broadband into the home, it would also undercount the total available connections that Americans make use of daily – providing an incomplete picture of the current state of broadband deployment in the United States. In its consumer survey, the Commission should make sure to inquire about broadband usage outside of a consumer’s home.

The Commission should also consider working with Census Bureau to incorporate its survey into the American Community Survey, an ongoing effort to track the way Americans are living through targeted sampling.¹⁹ By weaving the broadband metrics into the ACS, not only would the Commission be able to obtain annually updated information, this information would also be readily correlated to a host of other factors that the Commission should consider in helping to drive up broadband adoption. Most importantly, the Commission would be able to rely on the tested methodologies of the Census Bureau to collect and track data, providing a level of granularity and certainty that the Commission is unlikely to achieve going it alone.

V. CONCLUSION

The Commission should ensure that it collects granular data on a wide range of issues, both for purposes of international comparison and in conducting consumer surveys, and that the data is transparent. The Commission should also coordinate its efforts where efficiencies can be realized to the benefit of all stakeholders.

Respectfully submitted,

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¹⁹ See About the ACS: What is the Survey?, <http://www.census.gov/acs/www/SBasics/What/What1.htm>.