



**A National Broadband Plan for Our Future
GN Docket No. 09-51**

**Comments Submitted By
Karen Kerrigan
President & CEO
Small Business & Entrepreneurship Council**

**Before the
Federal Communications Commission
Washington, D.C. 20554**

July 21, 2009

Filed electronically

SBE Council · 2944 Hunter Mill Road · Suite 204 · Oakton, VA 22124 · 703-242-5840

www.sbecouncil.org

Protecting Small Business, Promoting Entrepreneurship

A National Broadband Plan for Our Future

The Small Business & Entrepreneurship Council (SBE Council) is pleased to file these reply comments regarding the Federal Communications Commission's (FCC's) notice of inquiry on a National Broadband Plan. The importance of the plan and its execution has become increasingly important given the continued bad news in the economy. SBE Council believes the economy will gain with a straightforward and speedy plan that efficiently aims to bring broadband access to all Americans.

In particular, given the lack of investment that is occurring across key business sectors, it is critical that policies governing the telecommunications industry remain investment friendly. Now, more than ever, the U.S. economy needs this investment. A signal from the FCC that policies will remain stable will help spur levels of investment that will make a difference not only for broadband access, but for the economy as well.

After all, a positive investment environment over the years -- driven by stable policy -- has led to steady broadband deployment, and extraordinary innovations and offerings for small business consumers. SBE Council agrees with comments submitted by an array of interests who believe that a stable approach to policy will support long-term, private sector investment and lead to (if not accelerate) broadband access for everyone. We are very concerned about comments that call for extensive and new government intervention, as regulatory restraint on the part of the Commission has produced remarkable results in advanced telecommunications technologies and services.

America's small business and entrepreneurial sector remains the chief beneficiary of innovative tools and services made possible through the broadband marketplace. We have a vested interest in an innovative, competitive and healthy marketplace and believe this can only happen when investment is encouraged and rewarded.

Background on the Council: SBE Council is a 70,000-member national, nonprofit advocacy, research and training organization dedicated to protecting small business and promoting entrepreneurship. Access to broadband has been a critical development for our members, as well as all U.S. entrepreneurs. The array of tools made possible through broadband has helped countless firms grow, innovate and become more competitive in today's challenging economic climate. Still, many small firms and self-employed individuals do not have access to broadband, or have not yet adopted high-speed services. Accelerating the reach and benefits of broadband are critical to expanding and sustaining U.S. entrepreneurship, and SBE Council remains supportive of government efforts to help identify opportunities for development, outreach and adoption.

Regulatory Restraint is Working: National Broadband Plan Needs to Enable Private Sector Investment

To suggest, as some commenters do, that a "light touch" regulatory approach by the Commission has been a failure defies what has happened and what continues to occur in the marketplace. From the small business perspective, we have become more efficient, competitive, productive,

and flexible due to the competitive and innovative nature of broadband providers. Steady, but watchful, oversight by the Commission has made this possible. The Commission has recognized that only the private sector remains capable of providing the level of large-scale investment necessary for broadband deployment. As such, billions of private sector investment in broadband has made powerful services and tools available to small businesses and all consumers.

SBE Council believes that maintaining a pro-investment model needs to be an overriding goal of the National Broadband Plan. Investment in this sector is a bright spot in the bleak economy. Therefore, it is essential that policies -- and the plan itself -- work to accelerate the positive momentum within the U.S. broadband market. Private sector investment is central to ensuring that “all people of the United States have access to broadband capability” (as written in “The “American Recovery and Reinvestment Act of 2009” in directing the outcome of the National Broadband Plan.)

The policy environment must continue to encourage private sector investment. We urge the Commission to think carefully about comments that call for massive, but unnecessary, government intervention. New regulatory initiatives will lead to uncertainty and dampen investment. Continued investment is important for small business owners and entrepreneurs. New innovations and services produced by these investments will yield new tools and cost savings for millions of U.S. small business owners. A healthy and growing telecommunications sector also supports small business owners and entrepreneurs who conduct business in this space.

The National Broadband Plan is not an appropriate vehicle for regulation or actions that favor one business model or group of players over another. The plan needs to focus on consumers, and the most effective ways to ensure broadband access for all Americans. There are absolutely no indicators of market failure to warrant such intervention in the broadband market, and the National Broadband Plan is not the place for such initiatives.

For example, we urge the FCC to stay the course with current policy regarding “special access” services. The near decade-long policy of allowing pricing flexibility has encouraged and enabled investment by providers, which means our nation’s small business owners and entrepreneurs have greater access to broadband services and more robust networks. In addition, the FCC should continue to work to remove government-imposed barriers that prevent broadband deployment, and address unfinished business like reforming universal access.

What the Plan Can Focus on To Be Helpful to the Small Business Community

SBE Council believes that the National Broadband Plan must focus on outcomes from the user’s perspective. It should set a general direction and identify opportunities in the broadband market. The plan will be useful if it focuses on demand-side issues.

The plan will be useful for small business owners if it sets a general direction and identifies opportunities for private and public sector collaboration in delivering broadband access to unmet areas. In measuring success -- that is, “broadband access for all” -- the standard should be simple: All consumers will have access to broadband by at least one provider in areas that are not currently served.

The plan must focus on adoption, and why broadband is not being taken up in areas where available. Fully understanding the market is central to achieving national broadband goals. The plan must recognize that consumers have different needs, and it should not try to define what broadband speed is appropriate. Attempting to define (or regulate) a one-size-fits-all broadband standard is not in the best interest of consumers, particularly small business owners who have diverse needs.

Government funds must go to projects to help unserved markets. And, in dispersing funds for such projects, transparency and accountability are vital to ensuring that taxpayers receive the best “return-on-investment” for these precious resources.

A plan that centers on collaborative strategies to bring broadband access to small business owners who are without such service is critical to our economy. A plan that harnesses government resources and the private sector to help small firms adopt broadband will yield both short and long-term benefits for U.S. competitiveness. An inclusive initiative that encourages investment and engagement will harness U.S. ingenuity and know-how, and lead to “broadband capability” for all Americans.

Karen Kerrigan
SBE Council
2994 Hunter Mill Road
Suite 204
Oakton, VA 22124
www.sbecouncil.org