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Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Further Inquiry into the Open Internet Proceeding, GN Docket No. 09-191; Broadband Industry Practices, WC Docket No. 07-52

Dear Ms. Dortch:

BT Americas Inc. files this comment letter on behalf of itself and BT plc's other wholly owned indirect US subsidiaries (hereinafter referred to as "BT"). BT submits this letter pursuant to the Further Inquiry into the Open Internet Proceeding ("Notice") released on September 1, 2010, seeking comment on the relationship between Open Internet protections and "managed" or "specialized" services and the application Open Internet protections to mobile wireless Internet access services. While BT welcomes the opportunity to provide further comments to the Federal Communications Commission ("FCC" or "Commission"), the company still believes that the best way to preserve the openness of the Internet would be to address the upstream access bottlenecks in both the residential and business services markets instead of adopting rules in the downstream Internet services.

Managed and Specialized Services

As the Commission recognizes in the Notice, a typical broadband provider will use the same last mile facility for a wide range of services and applications. Some of these services will be handled by the Internet, while others will be additional services commissioned or operated by the broadband service provider and distributed from servers, caches, or content delivery networks located or terminating close to the end user. Any discussion of net neutrality or potential Open Internet rules should be focussed on the public Internet service and not on additional broadband services or business Virtual Private Networks (VPNs).

Enterprise customers using VPNs often require that the different types of traffic on its network are prioritized in a specific way according to their business needs. When prioritization across different Internet backbones becomes a reality, corporate customers likely will expect prioritization of traffic over their private network-based VPNs to be extended across the Internet and the globe. Hence, the FCC has to be very careful about the limitations it places on prioritization of managed services so as not to limit the functionality that a customer might expect (VOIP video and voice traffic, for example, as opposed to web browsing traffic) or to stifle development of the market.

BT understands the Commission's concern that the limited choice among broadband service providers in the US could force residential consumers to subscribe to "specialized" services that do not meet their needs or that they do not want. In line with the policy approach outlined as "Disclosure," BT believes that clarity over which traffic management techniques are being deployed and the reasons for their use will go a long way towards allaying user concerns. In addition, BT believes that policy approach "Non-exclusivity in Specialized Service," discussed in the Notice is also vital in instances where a network operator has significant market power. Network operators with significant market power should be required to make network management tools and commercial arrangements available to competitors on a non-discriminatory basis. At the retail level in a truly competitive market, the choice of which managed or prioritized services to host or promote on its platforms should be left to the commercial judgment of the broadband service providers themselves.

Application of Open Internet Principles to Mobile Wireless Platforms

BT believes that the open Internet principles should be the same for fixed and mobile operators. There is a slightly greater potential for congestion in the mobile network (partly offset by the lower chance of multiple users on a single connection), however the open Internet principles, if any, should be the same. BT does not believe that any legal service operating over the basic Internet connection should be blocked on either fixed or mobile networks; and within the limits of the access speed/service tier purchased, there should be a satisfactory basic level of service.

Respectfully submitted,

Jillian C. Mertsch

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