

With the DOJ's [decision](#) this past week to allow Verizon to cooperate with its largest competitors, those who are concerned about the repercussions are now counting on the FCC to craft better protections for consumers and wireless Internet access. The DOJ [remedies](#) dealt mostly with preserving what little competition exists for residential landline access.

The \$3.6 billion [deal allows](#) Verizon to purchase wireless spectrum from the cable companies and collaborate to market each others' products. Verizon agrees not to build out or sell its competing landline Internet access in areas where it does not already offer FiOS. In exchange, the cable companies won't try develop their own wireless products, but instead offer quadruple-play options that include Verizon Wireless. These terms essentially split up the markets by network technology, violating the clear [intent of the 1996 Telecom Act](#).

Competitors are concerned these companies will use their enhanced market power to discriminate against competitors and try to push them out of the mobile Internet market. The problem is that cable companies are now invested in Verizon Wireless's success and have a new incentive to give Verizon Wireless preferential access to their cable network for seamless Wi-Fi offloading -- a key component of next generation wireless networks. Wi-Fi offloading is an important ingredient for other carriers' service since they don't have the spectrum holdings and coverage capacity to match Verizon or AT&T. In fact, smaller carriers such as Sprint and MetroPCS have aggressively used it to compete the market leaders. Now, with the nation's largest wireless provider, Verizon, teaming up with major cable companies that provide a significant percentage of the nation's wireline infrastructure, the competitive future of the all important competition is murky.